

DEPARTMENT OF HIGHER EDUCATION
FY 2021-22 JOINT BUDGET COMMITTEE HEARING AGENDA
(DAY 1 OF 3)

Monday, January 11, 2021

1:30 pm – 5:00 pm

1:30-1:45 INTRODUCTIONS AND OPENING COMMENTS - COLORADO DEPARTMENT OF HIGHER EDUCATION/COLORADO COMMISSION ON HIGHER EDUCATION

Presenters:

- Dr. Angie Paccione, Executive Director
- Vanecia Kerr, Chair, Colorado Commission on Higher Education
- Sarah Hughes, Vice-Chair, Colorado Commission on Higher Education

1:45-2:00 COMMON QUESTIONS

Main Presenters:

- Dr. Angie Paccione, Executive Director

Supporting Presenters:

- Jason Schrock, Chief Financial Officer
- Inta Morris, Chief Operating Officer

Topics:

- Implementation of FY 2020-21 HLD Decrease: Page 1, Question 1 in the packet, Slide 4
- COVID-19 Changes: Page 1, Question 2 in the packet, Slide 4

2:00-3:30 DECISION ITEMS

Main Presenters:

- Dr. Angie Paccione, Executive Director

Supporting Presenters:

- Jason Schrock, Chief Financial Officer
- Emily Orr, Budget and Financial Aid Director
- Brittany Lane, Director, Educator Preparation
- Shelley Banker, Senior Director, Colorado Opportunity Scholarship Initiative and Senior Advisor to the Office of Educational Equity

Topics:

- R1 - Financial Aid Component- Proposed Statutory Change: Page 2, Questions 3-5 in the packet, Slides 15

- R1 - Higher Education Funding Model for FY 2021-22: Page 13, Questions 24-25 in the packet, Slide 34
- R2 - Tuition Increases: Page 2, Questions 6-7 in the packet, Slides 16-17
- R4 - Professional Student Exchange Program: Page 3, Question 8 in the packet, Slide 18
- R6 - Colorado Student Leaders Institute: Page 3, Question 9 in the packet, Slide 19
- R7 - Open Educational Resources: Page 4, Question 10 in the packet, Slides 20-21
- R8 - RISE Fund for Higher Education: Page 4, Questions 11-13 in the packet, Slide 22
- R9 - Restore Educator Loan Forgiveness Program/ Addressing Educator Shortages: Page 5, Questions 14-17 in the packet, Slides 23-26
- FY 2020-21 S1 - Colorado Opportunity Scholarship Initiative (COSI): Page 7, Question 18 in the packet, Slides 27-28

3:30-3:45 BREAK

3:45 - 4:15 OTHER HIGHER EDUCATION FINANCE ISSUES

Main Presenters:

- Dr. Angie Paccione, Executive Director

Supporting Presenters:

- Jason Schrock, Chief Financial Officer
- Emily Orr, Budget and Financial Aid Director
- Brittany Lane, Director, Educator Preparation
- Lauren Gilliland, Lead Finance Analyst

Topics:

- Hanover Study: Page 7, Questions 19-20 in the packet, Slides 29-31
- Financial Aid: Page 8, Question 21 in the packet, Slide 15
- Use of Federal Stimulus Funds: Page 12, Question 23 in the packet, Slide 33
- Replacing The COF Stipend: Page 14, Question 26 in the packet, Slide 35
- Higher Education Capital Construction: Page 14, Question 27 in the packet, Slides 36-37
- Educator Preparation - Teaching Reading: Page 12, Question 22 in the packet, Slide 32

4:15 - 5:00 HISTORY COLORADO

Main Presenters:

- Ms. Tamra J Ward, Chair, History Colorado Board
- Senator Ellen S Roberts, Vice-Chair, History Colorado Board
- Mr. Penfield W Tate III, Esq, History Colorado Board
- Dan Love, Cumbres & Toltec Scenic Railroad Commission

Supporting Presenters:

- Steve Turner, Executive Director
- Dawn DiPrince, Chief Operating Officer

- Mark Graybill, Cumbres & Toltec Scenic Railroad Commission
- Eric Mason, Interim CEO, Cumbres & Toltec Scenic Railroad

Topics:

- Introductions and Opening Comments
- Common Questions (History Colorado Operations): Page 19-20, Questions 28-29 in the packet, Slides-5-7
- History Colorado Budget: Page 21, Questions 31 in the packet, Slide 8-9
- Requests HC1 and HC2: Page 21, Question 30 in the packet
- Cumbres and Toltec Scenic Railroad: Page 24-25, Questions 32-33 in the packet

DEPARTMENT OF HIGHER EDUCATION - HEARING 1 OF 3
FY 2021-22 JOINT BUDGET COMMITTEE HEARING AGENDA

Monday, January 11, 2021

1:30 pm – 5:00 pm

COLORADO DEPARTMENT OF HIGHER EDUCATION/COLORADO COMMISSION ON
HIGHER EDUCATION

COMMON QUESTIONS FOR DISCUSSION AT DEPARTMENT HEARINGS

- 1 Please describe the Department's actions to implement the Health, Life, and Dental decrease in lieu of a 5.0 percent General Fund salary base reduction. Please include dollar and percentage share data on planned "allocations" of the decrease to all divisions and programs within the Department. Please describe the use of vacancy savings, delayed hiring, and the implementation of one-time or ongoing operating savings. Please describe the urgency of the Department's need to engage in a furlough in FY 2020-21 due to the inability to achieve savings in other ways.

Because we are a relatively small staff/ budget with a small amount of General Fund in our HLD line, the dollar amount of the 5% reduction was minimal (~\$22k). The Department's plan protected emergency response and recovery, customer service, institutional knowledge, and economic resiliency. To implement the reduction, the Department used two methods. First, one-time reductions in its operating budget. The reduction was spread equally across divisions in the Department. Given that staff is not traveling/ attending in-person conferences during the pandemic, the reduction has had minimal impacts on Department operations. Second, furloughs have been instituted in a tiered fashion to protect those state workers earning less. Furloughs for General Funded employees account for about \$2,000, or 9% of the total General Fund HLD reduction.

- 2 Please describe how the changes implemented in response to the COVID-19 pandemic have changed the nature of the Department's work. Please address programmatic, budgetary, and office space impacts.

The Department has been able to carry out most of its key functions -- including policy research and implementation; data and research; budget and finance analysis and policy; and convening stakeholders (through virtual face-to-face, e.g., Zoom) -- with staff working from home. Further, the Department runs several student support programs (e.g., COSI) that staff are also currently able to continue supporting while working from home. Some counselors under the Gear Up program are working in person in schools, following the rules of the school and school district. In a few cases, staff have developed work-arounds

for activities that cannot be fully accomplished remotely. For example, statute and rules require site visits to schools regulated by the Division of Private Occupational Schools; staff have implemented a hybrid approach that includes virtual meetings and limited in-person visits.

The Department has developed a Next Phase plan, to be implemented over a period of time after the most severe COVID restrictions are lifted. The plan envisions a small number of staff returning to the office fulltime and the majority of staff working a hybrid schedule with anywhere from one to four days in the office and the rest at home. Each individual's and/or division's hybrid schedule will consider the nature of the work, supervisor and division preferences, and individual preferences. We will have a better idea of how this plan will impact office space needs once we begin to implement it. While the Department anticipates the continued need for offices, collaboration space and conference rooms, we expect that the Department will have some unused office space, which we could make available to other agency staff on a "hoteling" or temporary basis.

DECISION ITEMS

R1 - STATUTORY CHANGE RELATED TO FINANCIAL AID

Background: The Department requested that the JBC sponsor legislation to amend 23-3.3-103 that requires financial aid to increase at the same rate as funding increases for the governing boards. During the briefing, the JBC agreed to draft related legislation.

3. [Sen. Moreno] *Statutory Change*: Explain the financial implications of this change. If the bill is not adopted, how much of the total funding increase requested for the governing boards would need to be directed to financial aid or, alternatively, how much additional financial aid funding would be required?

Department staff concurs with JBC staff's assessment communicated to the JBC via email on December eighteenth:

"There would be two choices: Either you would need to provide an increase for financial aid that is commensurate with the increase for the governing boards (Option #1) OR you would need to divide up the total amount of the funds that are requested to be restored differently, so that a portion is directed to financial aid (Option #2). As shown in the attached spreadsheet, Option #1 would require that you add \$271.4 million General Fund above the Executive Request for the Department of Higher Education.

Option #2 would require that you add \$171.5 million less for the governing boards and \$171.5 million more for financial aid, while keeping total appropriations at the level of the Executive Request.”

4. [Sen. Moreno] *Statutory Change*: If adopted, would the bill in any way *limit* the JBC’s ability to increase funding for financial aid?

No, the bill would simply provide the JBC the flexibility to increase state funding for financial aid by less than the percentage increase in operating funding to institutions.

5. [Staff] *Statutory Change*: Does the Department concur with the staff recommendation to “fast track” this bill so that it can be enacted prior to Long Bill introduction?

The Department concurs with the JBC staff recommendation with the understanding that the suspension of financial aid percentage increases commensurate with R1 operating increases is a temporary one-year suspension.

R2 - TUITION INCREASES

6. [Rep. Ransom] Why restrict increases in tuition rather than relying on market forces?

Restricting tuition increases for resident undergraduate tuition has been a common practice as it allows for the State to have influence on student access and affordability. Further, having influence on tuition levels allows for the State to show that General Fund support is helping to constrain or “buy-down” tuition levels. Market forces are an important factor that guide institutions’ decisions on tuition levels. Institutions need to consider the impacts their tuition setting will have on the choices of students and how tuition changes may impact their enrollment. For example, setting tuition at too high of a level could negatively impact enrollment and thus lower tuition revenue. These market forces are often considered during the State’s deliberations on tuition setting using information and feedback from institutions.

7. [Sen. Moreno] Did the State also restrict tuition increases when it funded a much larger share of the cost of higher education?

The General Assembly has been involved with tuition levels to varying degrees historically, even when the State funded a larger share of the cost of higher education. This includes as far back as the 1970s. However, prior to TABOR becoming effective, there was a period of years in the 1980s that institutions had the ability to set their own tuition as long as it was aligned with CCHE policy. With the establishment of the TABOR revenue limit, the legislature set tuition caps for both resident and nonresident tuition in

order to help manage the budget under the revenue limit. When tuition revenue became exempt from TABOR revenue after the establishment of the higher education enterprise status, the legislature continued to establish tuition caps in most years. The General Assembly has generally provided more flexibility for institutions to increase tuition revenue in times of state General Fund cuts and restricted tuition growth when more state revenue is available for higher education.

R4 - PROFESSIONAL STUDENT EXCHANGE PROGRAM

8. [Sen. Moreno] Is there an evaluation of the program that could help inform the JBC's decision on this program?

The Department has not completed a formal program evaluation of the Professional Student Exchange Program. However, several points of information may be useful in evaluating the program. First, the labor market analysis firm EMSI (Economic Modeling Specialists International) projects 51 new optometrist jobs annually over the next decade. PSEP, with its 4 to 9 graduates each year, helps fill some of this demand, but there is no evidence that these positions would go unfilled without PSEP. Colorado is consistently recognized as a desirable place to live and work.

In terms of student performance, virtually all students who receive funding go on to receive an optometry degree. Over the past five years, two students have dropped from the program – one because he received a military scholarship with a service requirement that conflicted with the PSEP service requirement, and another who realized that he did not intend to return to Colorado after one year of study & did not want to repay all four years of funding.

According to the most recent data from WICHE, states with contractual service repayment requirements (like Colorado) saw a greater proportion of PSEP students return to their home state to work as optometrists than states without such a requirement. For the period from 2007 through 2016 (the most recent years for which WICHE data is available), Colorado had an 85 percent return rate, compared to an average of 67 percent across all participating states. However, there is no data to suggest that PSEP impacts a student's initial decision to pursue a degree in optometry. The Department regularly receives applications for recertification – that is, students who were not funded in their first year but still went on to optometry school. Further, it is not clear that participation in the program is a determining factor in returning to Colorado to practice, as some students who apply for the program but are ultimately not funded still elect to practice in Colorado upon graduation.

R6 - COLORADO STUDENT LEADERS INSTITUTE

9. [Rep. Herod] Rather than eliminating the program, why not develop a better outreach program to make sure the program targets a larger share of students who are first generation/low income?

The COSLI program was created by SB 15-290 and is hosted by the University of Colorado at Denver. Due to the economic crisis, the Department needed to submit a budget request that included reductions for budget balancing to prioritize high impact programs, such as need based financial aid and the Colorado Opportunity Scholarship Initiative (COSI). COSLI serves a relatively small number of students. If funding is temporarily eliminated for the program, when the current budget situation improves, funding can be restored and the Department will work with COSLI on solutions, such as more outreach, to broaden the number of students it serves.

R7 - OPEN EDUCATIONAL RESOURCES

Background: The Department has requested the JBC sponsor legislation to reauthorize this program for an additional five years. The request includes funding for 1.0 FTE but does not include funding for grants.

- 10.** [Sen. Rankin/Rep. Ransom] Explain how grant funding for this program has been used so far and the impact of this funding.

Year one grant funding in the amount of \$550,000 was awarded in 2019. This included 15 institutional grants, five small group and faculty grants, and three professional development and travel grants. Grantees addressed over 100 courses, reaching 23,500 enrolled students with OER materials directly from the grant program. As a result, students saved a total of \$3.9 million statewide, representing a 700% return on investment of state grant dollars. These savings are expected to persist and grow year-over-year. Additionally, 127 OER ambassadors were trained to promote the expansion of OER at their campuses.

Year two grant funding in the amount of \$1 million was awarded in 2020. This included an additional 22 institutional grants, 10 small groups and faculty grants, and two professional and travel grants. Combined, the first two years of funding touched 96% of eligible institutions. Cumulatively, grantees from the first two years of the grant have developed materials for almost 400 course titles, impacting 41,273 students. Year two student savings will not be available until the 2021 OER report is published, but preliminary projections suggest at least an additional \$1.6 million in student savings.

The Governor's FY 2021-22 budget request includes funding for 1.0 FTE at the Department, but no grant funding due to tight budgetary conditions. In the absence of grant funding, the program's director within the Department can still work with OER ambassadors and other leaders at the institutions to advocate for continued OER expansion and provide technical assistance and training to maintain progress.

R8 - RISE Fund for Higher Education

- 11.** [Sen. Moreno] Can you provide data on how the \$32.7 million in federal funding for RISE grants has been used for K-12 and higher education so far?

So far, \$14.1 million of the federal funding has been used for K-12 and Higher Education. A one-pager of all the funded projects is attached. In the first round of grant awards, 13 applicants were funded, of which three awardees were institutions of higher education. The types of projects range from community or institution partnerships to help build educational pathways to improving early childhood education.

The second round of applications was due December 19th, with awards being made on January 22nd.

- 12.** [Sen. Rankin] How are projects that have been funded innovative and not just fixing current problems? How do you believe these align with Education Leadership Council priorities?

The current projects are innovative because they are creating new partnerships that may not otherwise occur among institutions or institutions and K-12 districts in order to generate long-lasting positive impacts. Fort Lewis College and Pueblo Community College are creating a new partnership to help with the transition between high school and postsecondary education for students seeking specific degrees or education in environmental sciences and building trades; University of Northern Colorado has partnered with Weld County District 6 to improve kindergarten readiness for children with disabilities; MSU Denver is creating an educational pathway to motivate and lead students of color, underserved, and rural students from 9th grade through college graduation and into the Colorado workforce, particularly in rural areas.

These projects all align with the priorities of the Education Leadership Council of creating community partnerships, improving the transition between high school and postsecondary education, and strengthening early childhood education.

- 13.** [Sen. Hansen] Why did you request \$10.0 million particularly? What outcomes can the General Assembly expect at this funding level?

\$10.0 million was requested as a result of two primary factors. First, this level of funding would support implementation multiple projects while encouraging collaboration across institutions of higher education. Second, the Department recognizes that additional federal funds may become available in the future through the Governor's Emergency Education Relief Fund, which supports the current RISE grants. The General Assembly can expect between three to six projects to be funded at this level, depending on the grant applications received and the amounts requested. The outcomes will depend on the specific projects that are funded. The funded projects will work toward the priorities set forth by the Department and the Governor's Office to create innovations with enduring impacts.

14. [Sen Hansen] *R9 Request*: JBC Staff has raised concerns that the Department previously received 1,300 applications for 100 annual slots. Had the program not been de-funded, participants would have been selected via lottery for a benefit worth up to \$25,000 per person. What are the Department's thoughts on this? How would you propose re-working the program to accomplish the intended goals?

The Department was inundated with inquiries and interest in the Educator Loan Forgiveness Program. As JBC staff noted, over 1300 eligible, qualified applicants were vying for 100 funded spots when the program was defunded. Department staff worked closely with stakeholders, especially the Colorado Center for Rural Education to ensure that the 100 funded spots would have been filled by a proportionate mix of educators from geographically diverse parts of the state. The attached memo provides detailed description of the lottery process that Department planned to carry out.

The Department recognizes that loan forgiveness is one strategy to help support educators and reduce our state's persistent educator shortages. If the program were to be re-funded, the Department recommends that the program eligibility criteria become more restrictive and/or the size of the overall award be reduced in order to provide the benefit to more educators. In 2019, the Department used publicly available data from CDE to estimate that there were approximately 60,000 educators who could potentially qualify for the Educator Loan Forgiveness program. Two percent of the potentially eligible population applied in the first year (1300 is 2% of 60,000). However, in its original form, the program can support less than one percent of the potentially eligible population (100 is 0.17% of 60,000). The Department believes that in order to maximize the scarce General Fund resources available through this program, the program benefit should be reduced and/or the eligibility criteria should be made more restrictive in order to better target to those educators who could benefit the most from this additional support and in those areas where the state faces the most significant shortages.

Possible solutions:

- Instead of providing a benefit to 100 at \$25,000 over five years, consider a benefit of \$10,000 over three years or \$5,000 for one year.*
- Instead of making all teachers, special services providers, and principals potentially eligible, consider only teachers, or only teachers with less than 5 years of service, or only teachers in remote rural schools districts that are facing significant shortages.*

15. [Sen. Rankin] *Educator shortage*: How many students enter education as a career? How many graduate? How many leave the state to enter teaching? What are the trends?

Over the past four years, overall enrollment in educator preparation programs increased by 9.1%, from 11,297 in the 2015-16 academic year to 12,333 in 2018-19. Over that same time period, completions increased 7.5%, from 3,163 completions in 2015-16 to 3,401 completions in 2018-19. After four years of entering the profession, approximately 75% of completers of education preparation programs are still serving in public education in Colorado. The 25% attrition includes those who have left the field, those that teach in private schools, and those who may have left the state.

- 16.** [Sen. Moreno] *Educator shortage*: What are the Department's thoughts about strategies for tackling the educator shortage?

The Department believes there are multiple strategies that should be considered to address the educator shortage, including those listed below:

- *Expand community college and high school pipeline programs to recruit aspiring teachers earlier.*
- *Incentivize prep providers to offer differential tuition or low-cost programs to limit cost barriers.*
- *Maintain and expand high-retention pathways into teaching such as teacher residencies and Grow-Your-Own pathways.*
- *Streamlining requirements for entry into the profession by considering multiple ways for demonstrating competence while continuing to ensure educator quality.*
- *Incentivize teacher candidates who complete preparation programs and commit to teach in high-needs content and geographical areas.*

More details on the strategies will be available in the Department's annual educator preparation report, which will be released in January 2021.

- 17.** [Rep. McCluskie] *Educator shortage*: What has worked thus far in efforts to address the educator shortage? For example, how effective are Colorado's rural teaching fellowship program and other Colorado rural educator recruitment, retention, and professional development programs? What has worked in other states?

Over the past 3 years, the Legislature has enacted several initiatives to build the teacher pipeline. Though the results have yet to be fully realized, some are already demonstrating results. For example, recipients of a \$4,000 stipend for completing their student teaching in a rural school are 3 times more likely to be hired by a rural district than were other educator preparation program graduates across Colorado. And in-service rural teacher stipend recipients had 100% one-year retention compared to 80.7% of all rural teachers in the state during a similar period. The in-service stipends are for teachers in rural districts to pursue National Board Teacher Certification, or to complete the coursework necessary for them to be eligible to teach concurrent enrollment classes.

18. [Staff] Discuss how the proposed funds would be used over time, i.e., how much of the funding would you expect to use in FY 2020-21? FY 2021-22? If the General Assembly wished to fund the proposal but spread the appropriation over several years, would there be a negative impact?

The Department plans to encumber the funds in FY 2020-21 in order to align with supplemental requirements but anticipates that grantees would require time to hire staff & recruit students and as a result would not begin spending that appropriation until FY 2021-22. Students would start as early as summer of 2021. Grantees would continue to spend the FY 2020-21 appropriated funds to serve students in FY 2022-23 as well. If the General Assembly wished to spread the appropriation over several years, the Department believes the goal of 3,300 completions by June of 2023 could be accomplished with appropriations of \$8,175,000 in FY 2021-22 and \$6,825,000 in FY 2022-23. However, the Department does not recommend spreading the appropriation over multiple years, as doing so could reduce the stimulus impact of the request. First, while the Department would still expect to meet its completion goal on time, fewer students would receive support to reach completion in the next year, postponing the stimulus effect and the immediate relief needed by many Coloradans. Second, funding may not end up being appropriated in a future year if budget conditions were to become more constrained which would lessen the benefits of the program, reducing the size of the impact on Colorado's workforce and economy.

HANOVER STUDY

19. [Staff] Discuss the Hanover Study methodology and the analysis of Colorado public institutions' revenues compared to

CDHE contracted with Hanover Research to carry out a two-phase project to study the revenue and expenditure levels of Colorado's public colleges and universities under the state's 10 governing boards compared with their peer institutions in other states. The first project phase established a set of peers for each institution. The peer selection process utilized a set of variables derived from the Integrated Postsecondary Education Data System (IPEDS) to compute a "similarity score" between the Colorado institution and potential peers across the country. These determinants included variables like student characteristics, degree composition, and admission statistics. Further, peers were limited to public institutions of similar size and level of urbanization. Colorado institutions were given a list of their top 25 most similar institutions and asked to select the 10 peers (eight for Colorado School of Mines and CU Anschutz, given their unique nature) they identify most closely with. Note that in most cases, all 25 peers were close in similarity score and well within Hanover's recommended threshold for similarity.

In the second phase, Hanover used revenue and expenditure data for fiscal years 2015-16 to 2017-18 from IPEDS Finance Survey to conduct a comparative analysis of revenue and expenditure levels of Colorado's institutions with their peers. To make the comparisons, Hanover normalized revenue and expenditure numbers for each peer using annual FTE credit hours, headcount, or other factors as appropriate. This allowed for an "apples to apples" comparison between the Colorado institution and its peers. Three-year peer averages were used against three-year averages at the Colorado institutions to smooth out the data.

Overall, Colorado colleges and universities operate with less state and local appropriations than their peers. This is due to multiple factors including a constrained general fund and unique constitutional challenges. Many Colorado institutions make up for part, but not all, of the state funding difference with higher tuition revenue. However, not all institutions operate in a market that can bare higher tuition rates than their peers.

Detailed methodology for both the first and second phases of the study are available upon request.

- 20.** [Sen. Hansen/Rep. Herod] The Hanover results indicate that, at many state institutions, net tuition and fees exceed the average at peer institutions (JBC Staff Budget Briefing p. 15). How is "net tuition and fees" defined for purposes of the study? What, if anything, do the results indicate about Colorado institutions' tuition discounting/institutional financial aid?

Net tuition and fee revenue is defined in IPEDS as "all tuition & fees (including student activity fees) revenue received from students for education purposes, [including] revenues for tuition and fees net of discounts & allowances from institutional and governmental scholarships, waivers, etc." COF was backed out for those institutions reporting COF as tuition revenue. Because tuition discounting and institutional financial aid are backed out of the number reported here (and there is no gross tuition and fees number reported for comparison purposes, this figure is not a good source of information on Colorado institutions' tuition discounting/institutional financial aid policies relative to their peers.

FINANCIAL AID

- 21.** [Sen. Hansen] Why does the State provide funding for financial aid at nonprofit and for-profit private institutions, given that we don't have sufficient funds for public institutions? Provide additional data on CCHE's financial aid allocations for FY 2020-21, including the amounts allocated to private institutions.

The Colorado Commission on Higher Education (CCHE) has broad authority in determining allocations to individual institutions and governing boards. The decision to provide state financial aid to students at non-profit and private for-profit institutions stems from the desire to support Colorado resident students at those institutions. These institutions received 5.6% of the total state-funded aid in FY 2020-21. Non-profit and private for-profit institutions are subject to additional eligibility criteria in order to receive an allocation of state-funded aid resources. These criteria are intended to prevent private institutions from

around the country from gaining access to state-funded aid resources, as this would considerably lessen the buying power of the program for Colorado resident students at public and approved private institutions. The additional criteria are based on definitions present in CRS 23-3.3-101, see 23-3.3-202 (3)(a) and (3)(II)(d) specifically. CCHE policy also contemplates institutional eligibility in section four of the Commission's Policy on [State-Funded Student Financial Aid](#). See below the detailed allocation breakdown for FY 2020-21.

	UG Need	Grad Need	Work-Study	Merit	CTE	Total
Public Four-Year Institutions						
Adams State University	\$2,192,023		\$451,522			\$2,643,546
Colorado Mesa University	\$8,107,383	\$15,899	\$981,736		\$4,648	\$9,109,667
Colorado School of Mines	\$1,664,050	\$544,093	\$509,691			\$2,717,833
Colorado State University	\$13,200,570	\$1,427,453	\$2,313,550			\$16,941,573
Colorado State University - Pueblo	\$4,441,666	\$79,927	\$869,832			\$5,391,424
Fort Lewis College	\$1,452,632		\$353,591			\$1,806,224
Metropolitan State University of Denver	\$20,958,120	\$59,101	\$2,708,394			\$23,725,616
University of Colorado Boulder	\$11,073,632	\$711,616	\$2,005,880			\$13,791,127

University of Colorado Colorado Springs	\$9,179,750	\$241,917	\$883,751			\$10,305,417
University of Colorado Denver	\$11,851,142	\$6,415,826	\$1,105,773			\$19,372,741
University of Northern Colorado	\$7,644,014	\$364,884	\$1,282,609			\$9,291,507
Western State Colorado University	\$1,270,889	\$8,300	\$281,161			\$1,560,350
Subtotal	\$93,035,871	\$9,869,015	\$13,747,490	\$0	\$4,648	\$116,657,025
Public Two-Year Institutions						
Arapahoe Community College	\$2,914,024		\$457,439		\$35,497	\$3,406,960
Colorado Northwestern Community College	\$462,181		\$88,647		\$2,536	\$553,364
Community College of Aurora	\$3,736,284		\$403,345		\$15,794	\$4,155,423
Community College of Denver	\$5,180,066		\$939,170		\$14,843	\$6,134,079
Front Range	\$8,691,588		\$1,205,947		\$88,056	\$9,985,591

Community College						
Lamar Community College	\$545,060		\$129,860		\$1,849	\$676,769
Morgan Community College	\$637,826		\$143,531		\$7,395	\$788,753
Northeastern Junior College	\$840,168		\$200,387		\$7,712	\$1,048,268
Otero Junior College	\$1,025,340		\$230,328		\$9,138	\$1,264,806
Pikes Peak Community College	\$10,244,700		\$1,161,612		\$50,657	\$11,456,969
Pueblo Community College	\$4,613,918		\$824,538		\$68,564	\$5,507,021
Red Rocks Community College	\$3,701,785	\$64,401	\$477,356		\$59,109	\$4,302,651
Trinidad State Junior College	\$1,158,710		\$372,722		\$8,927	\$1,540,359
Subtotal	\$43,751,650	\$64,401	\$6,634,883	\$0	\$370,077	\$50,821,011
Local Districts						
Aims Community College	\$3,802,342		\$405,166		\$20,865	\$4,228,373
Colorado Mountain College	\$2,150,720		\$189,928		\$16,639	\$2,357,287

	\$5,953,062	\$0	\$595,094	\$0	\$37,504	\$6,585,660
Non-Profit Private Institutions						
Colorado Christian University	\$2,276,002	\$8,825	\$250,214			\$2,535,041
Colorado College	\$154,113		\$157,050			\$311,163
Naropa University	\$133,193		\$33,026			\$166,219
Regis University	\$2,337,903	\$1,408,744	\$541,133			\$4,287,780
University of Denver	\$1,513,060	\$233,619	\$539,077			\$2,285,757
Subtotal	\$6,414,270	\$1,651,188	\$1,520,500	\$0	\$0	\$9,585,958
Technical Colleges						
Technical College of the Rockies	\$146,517		\$5,862		\$9,719	\$162,098
Emily Griffith Technical College	\$753,876		\$60,895		\$12,096	\$826,866
Pickens Technical College	\$525,983		\$30,224		\$15,953	\$572,159
Subtotal	\$1,426,375	\$0	\$96,980	\$0	\$37,768	\$1,561,123
Private For Profit Institutions						
Colorado Technical Univ	\$226,373					

ConCorde Career Inst	\$278,283					
Intl Salon and Spa	\$71,825					
IBMC	\$80,284					
Rocky Mtn Col A&D	\$104,384		\$117,119			
Subtotal	\$761,148	\$0	\$117,119	\$0	\$0	\$0
Grand Total	\$151,342,376	\$11,584,604	\$22,712,068	\$0	\$449,997	\$185,210,778

EDUCATOR PREPARATION PROGRAMS

22. [Sen. Rankin] Section 23-1-121 (2)(c.5), C.R.S., added through S.B. 19-190 (Educator Preparation), specifies that educator preparation programs are required to include “Course work that teaches teacher candidates the science of reading, including the foundational reading skills of phonemic awareness, phonics, vocabulary development, reading fluency including oral skills, and reading comprehension, and the skills and strategies to apply to ensure that every student learns to read”. In addition, S.B. 19-199 (READ Act) requires that all districts’ K-3 teachers complete specific evidence based training in teaching reading for the districts to be eligible for READ Act funds. State Board of Education teacher licensure requirements align with these provisions. In order for teacher preparation programs to include the requirements necessary for K-3 teachers to receive licensure in Colorado, a 45-hour course in the Science of Teaching Reading including an end-of-course assessment must be successfully completed. What steps is the Department taking to ensure that educator preparation programs statewide are aware of this requirement and integrating this into their coursework?

All Colorado educator preparation providers have been made aware of this requirement.

The Department is working in partnership with the CDE who ensures the content of ed prep provider content. So far, four reauthorization site visits have been conducted where extra efforts were made to determine the breadth and depth of the reading content provided to elementary, early childhood, and special education candidates. Extra supports and professional development are being offered to ed prep providers to back implementation of this requirement.

Working together, DHE and CDE continue to communicate READ Act rules and requirements to our education preparation providers (EPPs) through the Deans of Colleges of Education and in our on-site visits, as well as through formal email communications and technical assistance provided directly to each EPP. Additionally, the CDE Educator Talent Office will be hosting an evidence-based reading professional development for educator preparation faculty only in the spring of 2021. This training will cover the evidence-based reading foundations as outlined in the READ Act rules, the READ Act requirements, and include an end of course assessment.

PUBLIC HIGHER EDUCATION FINANCE – BUDGET BALANCING IN THE TIME OF COVID-19

- 23.** [McCluskie] Discuss the guidance for use of the Coronavirus Relief Fund (federal and state) and for the federal HEERF funding. How do the allowed uses of these funds compare to allowed uses of General Fund appropriations? Have the institutions been “made whole” with federal funds given the restrictions that apply to the federal sources?

The CARES Act aided higher education through funding from the Higher Education Emergency Relief Fund (HEERF) and from the Coronavirus Relief Fund (CRF). Colorado’s public institutions directly received \$144.5 million of HEERF dollars; most of this money was allocated to institutions based on a student FTE formula, with higher weighting for Pell-eligible students. Of these funds, about \$70 million must go directly to students in the form of emergency financial aid grants for expenses related to the disruption of campus operations due to the COVID-19 pandemic. The remaining funds are used to cover costs associated with significant changes to the delivery of instruction due to COVID-19. Most notably, these funds can be used to refund institutions for reimbursements provided to students for room and board, tuition, and other fees, as well as for costs related to the increased use of remote learning and to facilitate social distancing. These funds may also be used to provide additional emergency financial aid grants to students. A small portion of HEERF dollars for Colorado’s public institutions – \$5.3M – is for minority serving institutions as well as supplementary emergency funding to institutions that have significant unmet need after receiving funds from the other HEERF pools; these funds can largely be used at each institution’s discretion. H.R. 133, the recent federal stimulus bill passed by Congress, will provide additional funding to Colorado institutions of higher education. The bill dedicates \$22B to HEERF allocations, compared to the \$14B in HEERF funding provided by the CARES Act.

In addition to the HEERF money, the Governor signed Executive Order D 2020 070, allocating \$450 million from the CRF in the CARES Act to Colorado’s public institutions of higher education. The funds are for expenditures associated with actions to facilitate compliance with COVID-19-related public health measures, and with the provision of economic support for the state during the pandemic so that institutions can retain and complete students. The largest portion of these funds have been used for instruction, student services, and academic support so institutions can retain and complete students.

General Fund appropriations are used to help support any aspect of an institutions' education and general expenses (E&G), a subset of higher education expenses that includes education and directly-related expenses, plus state-funded research. As such, General Fund money is able to be used more flexibly for maintaining the operations of institutions' core education-related operations than the HEERF and CRF federal money. In addition, for most institutions, the federal funds received so far have not been sufficient to cover all of the additional costs and foregone revenue that institutions incurred as a result of COVID. Thus, institutions have not been made whole with the federal funds; federal funds have so far just partially addressed institutions' budget challenges in FY 2019-20 and FY 2020-21. This is evident by the budget balancing and reduction measures that all institutions needed to make despite the receipt of federal funds, such as furloughs, reducing positions, spending down reserves, deferring facility maintenance, and reducing overhead costs.

HIGHER EDUCATION FUNDING MODEL FOR FY 2021-22

[Background: The Department request restores funding to the governing boards to the FY 2019-20 level and uses solely the Step 2/performance section of the funding model, which provides allocations that range from 0.8 percent below to 0.5 percent above the FY 2019-20 appropriation.]

- 24.** [McCluskie/Staff] Discuss your process for consulting with the governing boards about how to use the H.B. 20-1366 funding model in FY 2021-22 and the feedback you received from them about the request.

The Department initially worked with the Governor's office to develop concepts for using the funding model for FY 2021-22 as it relates to the R1 operating request. The Department worked with institutions during the formula development process first by asking about funding needs for FY 2021-22 to use as information for considering formula approaches. Also, the Department solicited feedback from institutions on the principles the Commission considered to be used to guide the Department's work on the funding formula with the Governor's office. The Department shared formula scenarios with the institutions for feedback and asked for additional proposals during the formula/budget development process with the Governor's office. The Commission plans to begin working with institutions early in the budget cycle for FY 2022-23, including on the potential uses of steps 1 and 3 of the formula.

The feedback received from institutions was mixed, and in some cases depended on the formula scenario considered, e.g., institutions that benefited in funding from certain scenarios liked those scenarios and vice versa. The Department worked with the Governor's office, using feedback from the Commission, on the proposal to allocate all funding through step 2 with overall funding being restored to the FY 2019-20 level. The Department did not receive any negative feedback from institutions regarding using step 2, which is performance-based, to allocate all funding under the Governor's budget request.

25. [Sen. Moreno/Staff] Would the Department still want to use solely the performance section of the H.B. 20-1366 model if the General Assembly could provide *more or less* funding than a straight restoration to the FY 2019-20 funding level?

How the Department would seek to use the formula would depend greatly on the funding levels allocated through the formula. For example, the Department might still seek to use just the performance section with small variances from a restoration to the FY 2019-20 funding level, but would look at using either step 1 or step 3 with larger funding differences from FY 2019-20. For example, with a material reduction in funding from FY 2019-20 levels, the Department would likely consider minimizing the impact on an institution that relies to a greater extent on state funding through adjustments in step 1 or 3. Conversely, with a material increase in funding from FY 2019-20 levels, the Department would likely consider using step 1 or 3 to fund initiatives and/or to meet certain goals or priorities. These initiatives/goals would be developed in consultation with the Commission, Governor's office, and institutions.

REPLACING THE COF STIPEND

26. [Staff] The Department has indicated it would like an opinion from the Attorney General before taking a position on a bill to eliminate the COF stipend in favor of expanded fee-for-service contracts. When will that be available?

The Department has been advised by the Attorney General's office to first seek an informal opinion which is estimated to take four months. A formal opinion would likely require an additional three months after the completion of the informal opinion. However, the Department has been advised that even if a formal opinion were requested, formal opinions are not guaranteed as they are granted at the discretion of the Attorney General.

HIGHER EDUCATION CAPITAL CONSTRUCTION

27. [Staff] Discuss the Department's progress on changing its rubric for scoring capital projects to place greater emphasis on renovations and maintenance.

A working group of four commissioners and Department staff has been meeting for over a year to complete a comprehensive review of the existing, seven-year-old capital construction/renewal scoring criteria used to prioritize institutions' annual capital budget requests. Throughout this process, stakeholder feedback was sought frequently. The working group used this feedback and their own guiding principles to draft a revised set of criteria. This draft was discussed at the December 11th stakeholder meeting, which included commissioners, department staff, institutions, OSA, OSPB, CDC

staff, and JBC staff. Feedback from the meeting will be used to further revise the criteria. The full CCHC plans to vote to approve new criteria in February 2021, and these will be used to prioritize FY 2022-23 capital requests.

Though the revised criteria are not final, there will likely be a greater emphasis on renovations and maintenance. The only completely new criterion discussed thus far is for reduction of deferred maintenance. Projects would be awarded more points when a greater percentage of the budget is dedicated to reducing deferred maintenance. Projects that do not address the deferred maintenance backlog receive zero points. This includes proposals for the construction of new buildings. To be awarded the maximum points available, a project would have to have more than 50% of its budget dedicated to reducing deferred maintenance. The health, life safety, and code issues criterion will also likely be revised to award one bonus point if OSA deems the project level two capital renewal, and two bonus points if they deem it level one capital renewal.

The other major change being considered in the revision is a more equitable and less heavily weighted institutional contribution criterion. One potential change under this criterion is that institutions that have historically been unable to make meaningful cash contributions would be exempt from the criterion. Also under consideration is that other institutions would be subject to different rubrics assigning points to ranges of contribution pledged as a percentage of total project budget. The working group believes these revised rubrics under consideration are more equitable, informed and reflective of resource differences than those in the previous criterion. Again, the new criteria will not be considered final until the full CCHC votes to approve them.

HISTORY COLORADO/CUMBRES AND TOLTEC RAILROAD

COMMON QUESTIONS FOR DISCUSSION AT DEPARTMENT HEARINGS

HISTORY COLORADO OPERATIONS

28. Please describe the History Colorado's actions to implement the Health, Life, and Dental decrease in lieu of a 5.0 percent General Fund salary base reduction. Please include dollar and percentage share data on planned "allocations" of the decrease to all divisions and programs within the Department. Please describe the use of vacancy savings, delayed hiring, and the implementation of one-time or ongoing operating savings. Please describe the urgency of the Department's need to engage in a furlough in FY 2020-21 due to the inability to achieve savings in other ways.

The 5.0% General Fund Health, Life, and Dental decrease (totaling \$27,444) has impacted Community Museums, which are the only source of General Fund payroll expenditures within History Colorado. History Colorado implemented furloughs consistent with the Governor's orders, but the savings are estimated at approximately \$50,000 agency-wide due to the large amount of individuals paid less than the threshold for furlough.

29. Please describe how the changes implemented in response to the COVID-19 pandemic have changed the nature of the History Colorado's work. Please address programmatic, budgetary, and space impacts.

History Colorado experienced a dramatic funding deficit of nearly half (46%) its limited gaming funds. Earned revenue projections forecast a similar rate of loss (44%) between FY 20 and FY 21. History Colorado has held vacant all non-critical vacancies since the pandemic began in order to conserve cash funds due to the drop in limited gaming revenues and earned revenues that has disproportionately impacted History Colorado. Most positions, including critical positions that have been filled, have also consolidated duties with other positions. History Colorado has decreased its budgets by 15% to respond.

History Colorado has pivoted to work from home for individuals who can work remotely and offered staff more flexible hours to accommodate. Functions such as collections, facilities, and education must still be performed at the museums, and staff must wear a mask and are subject to a temperature check upon entering the facilities. This has impacted History Colorado's work in terms of decreased attendance for education, event venue rentals, and general visitation. History Colorado has increased online offerings and communications in response.

Programmatically, History Colorado has pivoted to offering virtual lectures, workshops, and field trips. Early indicators demonstrate that the Agency is reaching more people with adult education programs because of the addition of digital interpersonal engagement. History Colorado also offered COVID-safe gatherings and events. The agency has also focused its collections and exhibitions work on "heart-centered outreach", through offerings such as its COVID collections, work on race and diversity, Dia De Los Muertos community altars for those who lost their lives in COVID-19, the Union soldier statue, and Museum of Memory. History Colorado was also invited to speak to national Smithsonian Affiliates about contemporary collecting and crowdsourcing. History Colorado has also focused their efforts on meeting the needs of communities in this time of crisis, through summer camps, care packages for participants in existing programs, and hands on history for remote learners with working parents. History Colorado Center is offering a child care learning support program for working families while many schools slowly transition back to in person learning which accommodates grades 1st through 8th grade. Care includes supporting children with their individual remote learning, healthy snacks, enrichment programs, outdoor time and self-care activities before and after online learning sessions, with full day and half day options available. Museum gift shops also pivoted to e-commerce, partnerships with local artisans, and re-organized the History Colorado museum gift shop to offer more History Colorado custom merchandise.

REQUESTS HC1 AND HC2

- 30.** Sen. Moreno] Both of these requests share the same funding source: General Fund that would otherwise be deposited in the Capitol Complex Master Plan Implementation Fund. Have these resources been committed elsewhere, e.g., for security changes at the Capitol?

The State refinanced the lease-purchase agreements for the National Western Center in 2020, resulting in additional excess premium in the current fiscal year and out-years. Capitol security improvements will be funded using a portion of the \$7.9M in excess premium generated in FY 2020-21. History Colorado's budget requests HC-01 and HC-02 will be funded from a portion of the \$10.1M in excess premium in FY 2021-22. Funds not used for capitol security improvements or transferred to History Colorado may be transferred to the Capitol Complex Master Plan Implementation Fund, pursuant to 24-75-307 (2), C.R.S.

HISTORY COLORADO BUDGET

- 31.** Staff/Rep. McCluskie] Data submitted thus far indicates that History Colorado has insufficient revenue to cover FY 2021-22 expenditures, even after using fund balance. We understand that this projection was being refined. How does History Colorado expect to balance? Is additional PPP funding an option?

The table on the following page reflects projected expenditures based upon first quarter expenditure trends. History Colorado staff and leadership have exercised fiscal restraint throughout the pandemic; however, even with this restraint, History Colorado projects a \$2.4 million deficit in FY22.

Without additional budget reductions or state or federal relief, History Colorado currently projects fully expending its fund balance by Fiscal Year 2023. History Colorado has struggled to make COP payments since the inception of the COP payment and COVID-19 has made COP payment an impossibility without additional funding. As JBC staff noted, "COP payments from the History Colorado Center, which, pre-pandemic, demanded over 30.0 percent of limited gaming revenue available for History Colorado Operations, would continue to ratchet upward." This occurs in conjunction with the volatility associated with limited gaming funding. The creation of financial reserves has been a targeted strategy of the History Colorado board and executive leadership to insulate the Agency from this volatility. The chart below reflects the COP payment schedule, including History Colorado's decision item request for Fiscal Year 2022.

Currently, History Colorado positions are currently in a hiring “chill”, and are being filled when critical which has resulted in vacancy savings for the Agency. In addition, the Agency is also utilizing fewer part-time and temporary employee labor hours. Combined with current attrition, layoffs will affect the Agency’s ability to earn revenue and prolong the impacts of the pandemic upon History Colorado and the communities it serves. In addition, History Colorado has reduced spending on capital projects that preserve both museums and historic sites. In FY 2021, History Colorado reduced its capital construction from the approved \$700,000 to \$100,000 as a one-time reduction, and requested \$310,000 for Fiscal Year 2021-22. History Colorado projects \$525,000 in deferred maintenance needs in FY23 as a result. The table below illustrates this projection, as well as the impacts upon the Agency’s fund balances:

HISTORY COLORADO BUDGET SUMMARY					
PROJECTED REVENUES AND PROJECTED EXPENDITURES					
REVENUES	FY-19	FY-20	Forecast		
			FY-21	FY-22	FY-23
Combined Earned Revenue from Operations ⁽¹⁾	\$4,242,753	\$3,653,760	\$2,392,149	\$3,015,207	\$3,165,967
State Historical Fund Revenue - Majority (50.1%)	\$0	\$0	\$0	\$0	\$0
Gaming Revenue - Minority (49.9%)	\$10,605,239	\$10,490,247	\$5,691,382	\$6,438,091	\$7,661,329
History Colorado Sustainability ⁽²⁾	\$0	\$0	\$1,000,000	\$1,000,000	\$0
General Fund	\$1,486,463	\$1,699,824	\$1,713,000	\$1,531,662	\$1,531,662
Interest	\$131,376	\$117,121	\$65,533	\$74,052	\$88,122
Federal Grant Revenue	\$1,802,070	\$1,391,342	\$1,755,081	\$1,232,080	\$1,232,080
Prior Year Revenue	\$0	\$0	\$0	\$0	\$0
State Historical Fund Indirect Costs Transfer	\$325,734	\$328,778	\$324,913	\$325,000	\$325,000
Other Revenue Sources		\$0			
HC01 - State Historical Fund Funding	\$0	\$0	\$0	\$930,632	\$1,900,000
Reappropriated Funds-OEDIT OAHF Funds	\$27,429	\$75,764	\$75,764	\$75,764	\$75,764
HB 20-1365 Transfers	\$0	\$0	\$1,940,000	\$0	\$0
Georgetown Property Sale		\$0	\$150,294	\$0	\$0
RISE Grant		\$0	\$230,087	\$212,661	\$0
Fiscal Year Utilization of Restricted Donations	\$0	\$1,590,250	\$1,363,500	\$1,100,000	\$1,100,000
SBA - Paycheck Protection Plan ⁽³⁾	\$0	\$968,497	\$1,306,503	\$0	\$0
Excess Minority Cash Balance Rollforward	\$0	\$0	\$0	\$0	\$0
Total Revenue	\$18,621,064	\$20,315,583	\$18,008,206	\$15,935,150	\$17,079,925
EXPENSES	FY-19	FY-20	FY-21	FY-22	FY-23
Combined Operational Budget ⁽⁴⁾	\$12,268,265	\$0	\$0	\$0	\$0
General Fund Expense ⁽⁴⁾	\$1,486,463	\$0	\$0	\$0	\$0
Fiscal Year Utilization of Restricted Donations ⁽⁵⁾		\$1,590,250	\$1,363,500	\$1,100,000	\$1,100,000
Program Service Expense ⁽⁴⁾	\$0	\$9,239,942	\$7,759,643	\$7,992,432	\$8,232,205
Support Service Expense ⁽⁴⁾	\$0	\$4,018,757	\$3,860,443	\$3,976,256	\$4,095,544
Certificates of Participation (COP)	\$3,018,314	\$3,018,830	\$3,021,605	\$3,525,209	\$3,525,209
Regional Museum Preservation (Controlled Maintenance Transfer to Fund 4610)	\$451,520	\$579,743	\$100,000	\$310,000	\$525,000
Federal Grant Expense	\$549,449	\$345,344	\$552,862	\$552,862	\$175,000
Higher Education Indirect Costs	\$216,287	\$196,130	\$161,756	\$178,943	\$180,000
Common Policies	\$785,129	\$1,076,807	\$749,431	\$730,000	\$598,057
Total Expense	\$18,775,428	\$20,065,803	\$17,569,240	\$18,365,703	\$18,431,016
Annual Revenue to Expense Surplus (Shortfall)	(\$154,364)	\$249,780	\$438,966	(\$2,430,553)	(\$1,351,091)
Beginning Balance	\$3,056,536	\$2,902,172	\$3,151,952	\$3,590,918	\$1,160,366
Revenue to Expense Surplus (Shortfall)	(\$154,364)	\$249,780	\$438,966	(\$2,430,553)	(\$1,351,091)
Ending Balance	\$2,902,172	\$3,151,952	\$3,590,918	\$1,160,366	(\$190,726)

Footnotes:

- (1) *Earned revenue projections were based upon SFY21 first quarter actuals, which did not account for additional shutdowns in FY21. Earned revenue projections are based on History Colorado remaining to be open, allowed to increase capacity and have large gatherings again by FY 2021-22. Please note a 6 month lag is anticipated between when events resume and when revenue returns to FY19 levels.*
- (2) *The Joint Budget Committee recommended an additional \$1 million dollars for FY 2020-21 and FY 2021-22. The additional funding is not forecasted in FY 2022-23.*
- (3) *History Colorado received a Paycheck Protection Plan loan in the amount of \$2,275,000, which is shown as an additional source of revenue in FY21 to backfill existing payroll expenditures in program service expenditures and support services expenditures. This funding is considered a loan until History Colorado meets certain requirements to have it be approved as a grant. Although History Colorado believes the Agency has complied with all the guidance and protocols to have the full amount be accepted as a grant, there is a possibility a portion will be considered a loan, which History Colorado will have to pay back. Preliminarily, History Colorado also believes we are eligible for a second draw of PPP funds.*
- (4) *Operating expenses, including the General Fund portion, are represented in the Program Service Expense and Support Service Expense lines to align with the Agency's statement of activities.*
- (5) *Operating expenses, including the General Fund portion, are represented in the Program Service Expense and Support Service Expense lines to align with the Statement of Activities.*

Based upon the recently passed omnibus bill containing COVID relief, History Colorado is eligible for both Paycheck Protection Plan (PPP) and the shuttered venue operator grants; however, entities receiving shuttered venue operator grants are excluded from also receiving Paycheck Protection Program (PPP) loans. History Colorado does not anticipate being eligible for funds from the \$15 billion pool for shuttered venue operator grants until the first two rounds (28 days) have passed. Only \$3 billion of the initial \$15 billion is reserved for this round of funding, though additional funds may be available from prior grant rounds. Note also that an additional \$2 billion set aside of the total \$15 billion in funds are set aside for employers with less than 50 full-time employees, and History Colorado would not be eligible for this \$2 billion set-aside. Maximum awards are \$10 million per entity.

History Colorado does also anticipate being eligible for a second draw of PPP funds from the \$284 billion pool for both first-time and "second draw" PPP borrowers. "Second draw" borrowers are subject to the same qualifications as new PPP borrowers requiring that the entity not employ more than 300 employees and demonstrate a reduction of at least 25 percent of gross receipts. Borrowers may receive up to 2.5 times of average monthly payroll costs from the prior year, or up to \$2 million. As mentioned above, Agencies must select one of these options and History Colorado will closely monitor evolving guidelines and processes to determine which of the two options is the most feasible and beneficial to the Agency. It is also noteworthy that History Colorado's initial lender for the first draw of PPP has not yet determined if they will be participating in the second draw of PPP. This is a reported trend among banks and History Colorado may also face this as an additional obstacle when applying for a second draw of PPP.

CUMBRES AND TOLTEC RAILROAD

32. [Common question] Please describe how the changes implemented in response to the COVID-19 pandemic have changed the nature of the Department's work. Please address programmatic and budgetary impacts, including the timing of becoming self-sufficient.

- *C&TS has deployed across-the-board cash saving strategies and activities including:*
 - *Furloughed employees*
 - *Reduced seats sold to accommodate social distancing mandates, which also reduced rides that accommodated the lower number of FTE's*
 - *Decreased Marketing Spend by more than \$300K (35% in CY 2020)*
 - *Developed new shorter rides to cater to new audiences and consumers to drive more revenue to be debuted in CY 2021*
 - *Developed new sales partnerships to increase exposure and rider volume to increase revenue*
 - *Consolidating internal management systems to reduce costs and have a better view of customers and opportunities.*
 - *Changing financial operating systems to lower cost and more effective systems (Square more effective and less expensive)*
 - *Deferral of many critical capital projects (passenger car and track upgrade)*
 - *Renegotiating existing support contracts and commercial partnerships to receive better terms and services*
 - *Streamlining accounting and finance department processes and procedures to ensure short-term and long-term goals are met and maximize the benefit of any spending.*
- *These activities alone are not enough to bring the C&TS back from a tragic year. However, these, along with an improving operating environment, the eventual COVID case decline and successful distribution of the vaccine will turn to a more financially positive operating environment. We do believe once these factors occur, people will want to travel and the C&TS will be the grateful recipient of that pent-up demand helping accelerate the C&TS recovery and put the C&TS back on the path to self-sustainability.*
- *Self-sustainability is now forecasted to be in the realm of possibility by 2027. Approval in the last legislative session to convert up to \$1,000,000 of FY20 capital appropriations to support operations was critical to making possible short-term operational survival into FY22. Continued support is vital to maintaining the momentum of the plan to achieve self-sustainability. The longer-term outlook is becoming increasingly favorable subject to the success of the vaccine program and public confidence in its effectiveness.*

33. [Sen. Hansen] What level of support does the Railroad anticipate from New Mexico in FY 2021-22?

New Mexico financial support is currently unclear. Support of the C&TS Commission operations appears solid, but capital approval is in question. The New Mexico DFA Budget proposal will not be made public until just prior to the legislative session to begin in mid-January. Improving forecasts for increased oil and gas pricing suggest that some capital support will be approved.



Response, Innovation, and Student Equity Fund

The \$32.7 million RISE fund supports high-needs school districts, charter schools, and public institutions of higher education to address the learning challenges related to the economic, social, and health impacts of COVID-19 in a manner that creates sustainable innovations that improve student learning, close equity gaps, and enhance operational efficiency for pre-K-12 through higher education.

ROUND 1 WINNERS:

- **Centennial BOCES:** \$482,091 for a partnership between the Immigrant and Refugee Center of Northern Colorado, UNC, and CSU to improve student and family outcomes for migrant families.
- **Fort Lewis College:** \$3,607,096 for the Southwest Colorado District Collaborative, a partnership between Pueblo Community College and Southwest CO school districts to pool resources and build strong postsecondary pathways for students in the build trades and environmental science.
- **Lake County School District:** \$492,149 for a Mobile Learning Center that will be housed in a repurposed school bus to bring school-based resources and learning opportunities directly to students.
- **Academy of Advanced Learning and Coperni 2&3:** \$723,000 to reimagine school by advancing a “one classroom, three locations” instructional model and providing credit to students for experiences, not just academic learning.
- **University of Northern Colorado:** \$2,369,999 for a partnership with Weld County District 6 to improve kindergarten readiness for children with disabilities.
- **Peyton School District:** \$852,541 to develop an innovative postsecondary and workforce readiness program in partnership with neighboring postsecondary institutions.
- **Silverton School Districts:** \$297,500 to bring the Silverton School campus into their communities’ homes by expanding family outreach, choice, and supporting families’ needs like food, rent, mental and physical health .
- **Elizabeth School District:** \$555,909 for a partnership between Big Sandy, Calhan, Elbert, the Colorado Education Initiative, and Colorado Succeeds to develop intentional career pathways in cybersecurity, construction, and agriculture.
- **Montrose County School District RE-1J:** \$846,320 for a partnership between Hilltop Family Resource Center, Center for Mental Health (CMH), and local police departments to address adverse childhood experiences.
- **Centennial School District R-1:** \$851,369 for a partnership with History Colorado to integrate local San Luis Valley history into social studies, civics, and history curriculum.
- **Clear Creek School District:** \$375,700 to partner with their students to create and implement a student-led CCSD Recovery Plan that includes resource realignment, professional learning, and community building.
- **Charter School Institute:** \$277,591 to provide targeted academic support to students at all three campuses of the New America Schools.
- **Metro State University of Denver:** \$2,385,045 for a structured educational pathway to successfully motivate and lead students of color, underserved, and rural students from 9th grade through college graduation and into the Colorado workforce, particularly in rural areas.



MEMORANDUM

TO: Jason Schrock, Chief Financial Officer, Colorado Department of Higher Education

FROM: Andrew Crispin, Program Coordinator; and Emily Burns, Senior Finance Analyst, Colorado Department of Higher Education

DATE: January 5, 20210

SUBJECT: Selection Process for the Colorado Educator Loan Forgiveness Program

The purpose of this memo is to provide context and detail regarding the lottery selection process undergone by the Colorado Educator Loan Forgiveness Program for fiscal year (FY) 2019-20.

Background:

The Colorado Educator Loan Forgiveness Program (CELFP, the program) was created by the passage of SB 19-003 in May 2019. The program is authorized to select up to 100 Colorado educators (specifically Teachers, Principals, and Special Service Providers) to receive up to \$5,000 in student loan repayment per year for up to five years.

As defined by statute, the program is to prioritize certain types of educators to receive loan repayment. Specifically, the program is to grant first priority to educators in rural districts and content shortage areas; second priority to any educator in a rural district; third priority to any educator in a content shortage area. Rural designation and content shortage areas are annually identified by the Colorado Department of Education (CDE). In their annual survey to identify content shortage areas, CDE did not include principals in their data collection. Given that Principal positions are not included in the most recent available list of content shortage areas as provided by CDE, program staff chose not to include Principals in the first priority grouping of rural district and content shortage area.



Application Period and Process:

The application period for the FY 2019-20 commenced on December 10, 2019 and ended on February 21, 2020. The program employed a Microsoft Office Form link on the Department website to begin the application process. Interested educators provided certain basic information so that program staff could carry out an initial eligibility screening process. The program received a total of 3,102 unique individual educator submissions to this form. Approximately 700 of these initial submissions were found to be ineligible, due mainly to the applicant stating that their education preparation was not earned at a Colorado Commission on Higher Education (CCHE) approved educator preparation program, an eligibility requirement outlined in statute.

Applicants who were determined to be initially eligible were emailed the program application packet and directions for completion. Of this group, the program received approximately 1,300 completed applications. Of the 1,300 applications, 368 were from educators who were employed in rural districts and content shortage areas. Given the applicant priority stated in statute, it is from this group of 368 that the 100 program participants will be selected.

Selection Process:

The selection process will choose applicants using a random number generator function of Microsoft Excel. In order to ensure that the program serves a geographically diverse group of educators, program staff have divided applicants into a series of groupings. The first grouping is by geographic region. CDE has divided the state into eight geographic regions, Metro, North Central, Northeast, Northwest, Pikes Peak, Southeast, Southwest, and West Central.

The second grouping is by district size classification. CDE has classified rural school districts into two categories, “rural” and “small rural” determined by the total student population of the district. A rural district is one with 6,500-1001 students, and small rural is a district of 1,000 students or less.

The third and final grouping is by position. Program staff chose to select participants based on a similar ratio of the total number of educators in the state. Statewide educator employment data, as prepared by CDE, shows that of the 55,000 total teachers and SSPs in the state, 90% are teachers, and 10% are SSPs.



Thus, the CELFP has elected to choose a similar ratio of applicants (9:1, teachers to SSPs) within each of the 8 geographic regions, and with approximately 50% coming from “small rural” designated districts, and 50% from “rural” designated districts. In most regions, the program expects to choose 11 teachers, for a total of 88, and one SSP, for a total of 8. This totals to 96; the remaining four slots will be selected randomly from a combined list of all educators who meet the designation of serving in both a rural district and content shortage area.

A notable outlier, the Metro region, has a total of nine eligible teachers (see Table 1). This leaves two teacher slots available, which will be filled by a random selection from the combined list of all educators who meet the designation of serving in both a rural district and content shortage area.

Finally, additional educators will also be chosen from each region, in order to provide “back-up” selections, in the event that one or more of the 100 originally selected educators is found to have some unforeseen issue with their program eligibility.

Table 1.
CELFP approved Teacher rural shortage applicants by CDE Region, 2019-20

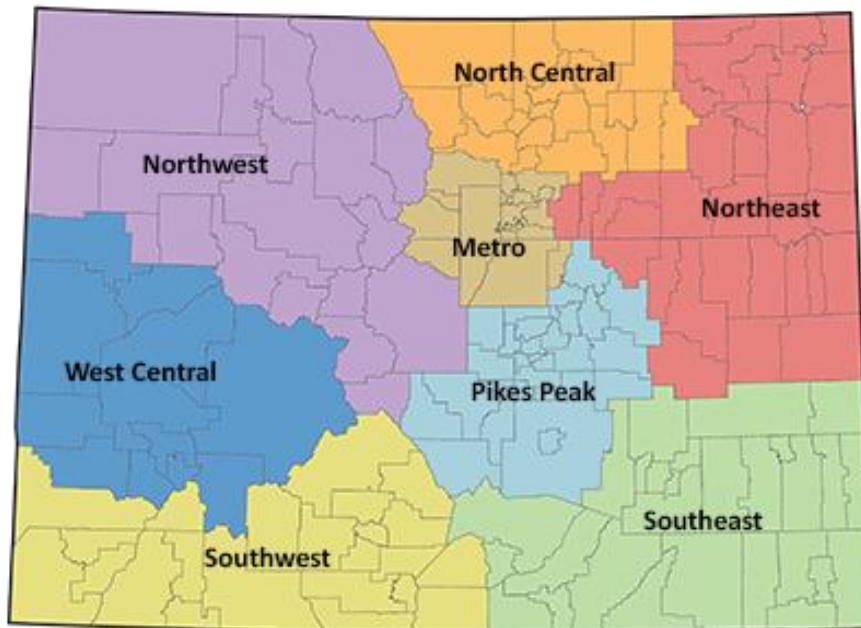
CDE Region	Small Rural Apps	Rural Apps	Total Apps
Metro	5	4	9
North Central	8	53	61
Northeast	20	5	25
Northwest	6	31	37
Pikes Peak	7	18	25
Southeast	9	10	19
Southwest	21	34	55
West Central	7	13	20



Table 2.
CELFP approved SSP rural shortage applicants by CDE Region, 2019-20

CDE Region	Small Rural Apps	Rural Apps	Total Apps
Metro	1	3	4
North Central	1	19	20
Northeast	5	1	6
Northwest	5	16	21
Pikes Peak	3	8	11
Southeast	5	7	12
Southwest	11	10	21
West Central	4	8	12

Figure 1.
CDE State Regions Map



Colorado Department of Higher Education

FY21-22 JBC Hearing

January 11, 2021

Department Hearing Agenda

Department overview

Higher education ecosystem

Colorado Rises

Wildly Important Goals

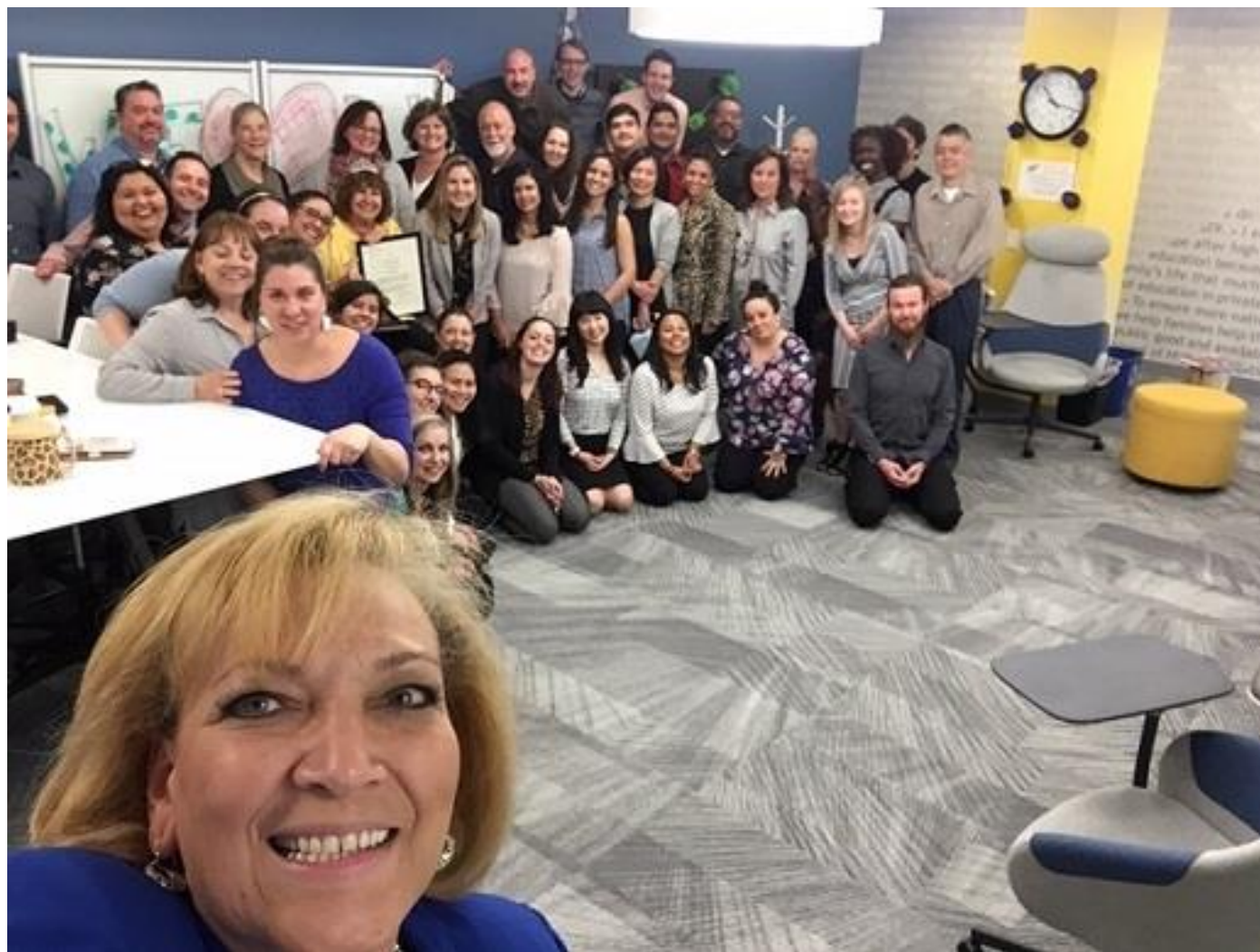
Department successes

Affordability roadmap

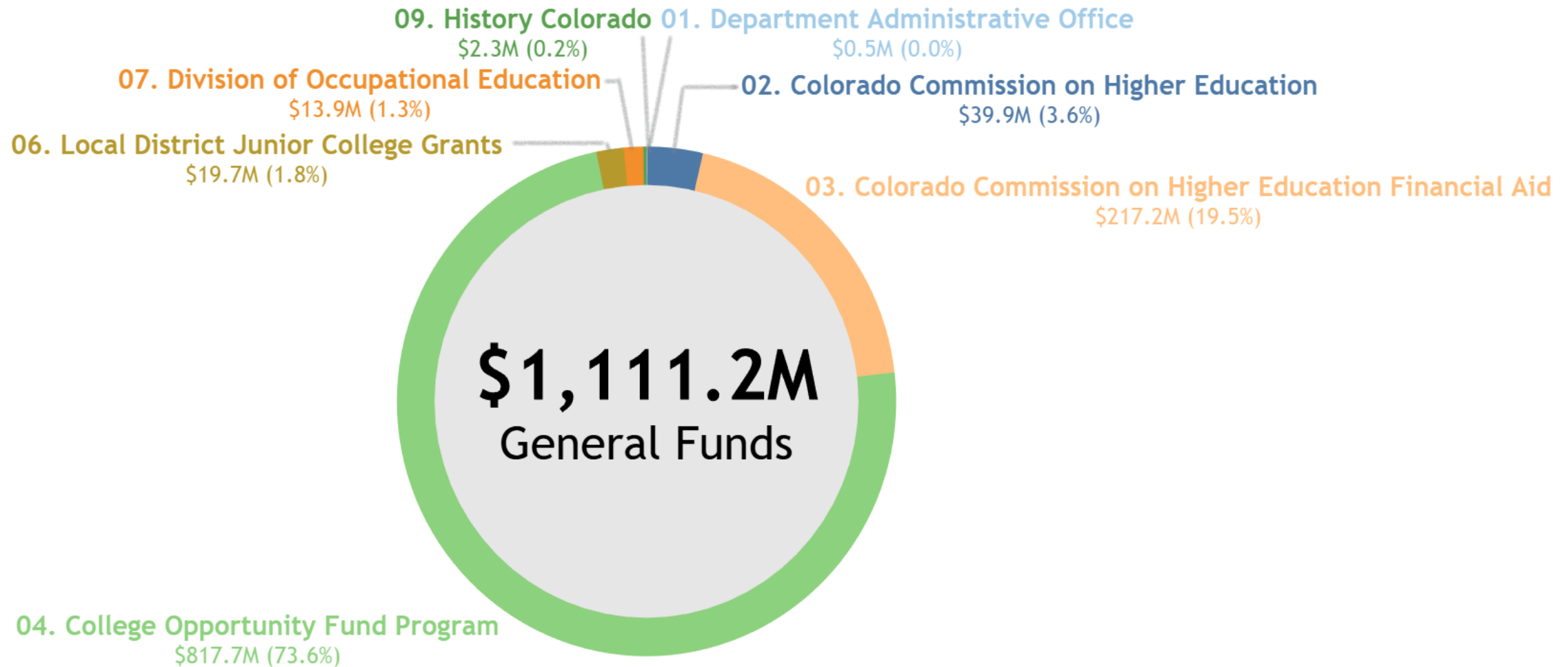
Your questions



Department Overview



Budget is mostly operating support to institutions and student financial aid



Higher Education Policy in Colorado

- Colorado General Assembly
- Colorado Commission on Higher Education
- Colorado Department of Higher Education
- 13 Institutional Governing Boards





Colorado's Public Institutions of Higher Education

13

Four-Year Institutions

15

Two-Year Institutions

3

Area Technical Colleges

300+

Private Occupational Schools

85

Private Institutions

Colorado Commission on Higher Education



8 of 11 members appointed by Governor Polis



Established Work Plan for 2021



Trustee Development Programs for all Governing Board members statewide



Commitment to students and to fostering statewide support for Colorado postsecondary education



Colorado Rises





Colorado Rises Goal

66% ATTAINMENT BY 2025

on the way to 75%

STRATEGIC GOAL #1

Increase
Completion

STRATEGIC GOAL #2

Erase Equity
Gaps

STRATEGIC GOAL #3

Improve Student Success

STRATEGIC GOAL #4

Commit to Affordability
and Innovation

Current Attainment Rate

57.6%

Coloradans ages 24-35



Wildly Important Goals

WIG #1:

Work-Based Learning

Increase the number of postsecondary degree programs that require a work-based learning component from 68% to 78% by June 30, 2021.

WIG #2: Equity

Increase the number of institutions of higher education who have established an institutional equity action plan which includes a commitment to training for cultural competencies from 7 to 30 by June 30, 2021.

WIG #3: Affordability

Execute on 7 strategies outlined in the Roadmap to Containing College Costs and Making College Affordable by June 30, 2021.

2020 Successes

- COSI Grants
- No Lapse in Learning
- 4 new statewide transfer agreements
- CASFA
- Free Application Day
- Report on Educational Equity
- Collegiate Apprenticeship Program



THE ROADMAP

TO CONTAINING COLLEGE COSTS

and making college affordable



COLORADO

Department of
Higher Education

IN THE LONG TERM

We will review systemwide designs and structures that make it difficult for institutions to cut costs and work with institutions to increase innovation and improve outcomes for students.

3

- Be bold with the future of higher education
- Pursue innovation
- Build and strengthen industry partnerships

IN THE MEDIUM TERM

We will work with institutions to address underlying structural issues that perpetuate a higher education system that is out of reach for many Coloradans.

2

- Implement comprehensive institutional reporting
- Promote and scale institutional energy management initiatives
- Integrate more cost containment considerations into CCHE's capital request process
- Accurately identify and count credentials of value
- Restructure degree programs to include work-based learning experiences
- Establish partnerships between two- and four-year institutions
- Explore opportunities to reduce health care costs

IN THE SHORT TERM

We are taking immediate steps to contain costs and support students.

1

- Increase transparency, accountability, and efficiency of institutional costs
- Help institutions contain costs for students and families
- Lower textbook and course material costs
- Reduce cost and time-to-degree or credential
- Reduce student costs and improve outcomes
- Provide students with additional college-paying resources
- Broaden access to existing federal student aid

State Operating Funding Request

R1: \$493 Million Increase for Public Higher Education Institutions

**Institutional
Governing Boards**

ATCs and LDCs

Financial Aid
no change from
FY20-21 level

R2: Cap resident undergraduate tuition growth to 3% while allowing institutions to request permission through the Colorado Commission on Higher Education (CCHHE) for a greater increase.

Your questions

COMMON QUESTIONS

R1 - STATUTORY CHANGE RELATED TO FINANCIAL AID

R2 - TUITION INCREASES

R4 - PROFESSIONAL STUDENT EXCHANGE PROGRAM

R6 - COLORADO STUDENT LEADERS INSTITUTE

R7 - OPEN EDUCATIONAL RESOURCES

R8 - RISE FUND FOR HIGHER EDUCATION

R9 RESTORE EDUCATOR LOAN FORGIVENESS PROGRAM/ ADDRESSING EDUCATOR SHORTAGES

FY 2020-21 REQUEST S1 COLORADO OPPORTUNITY SCHOLARSHIP INITIATIVE (COSI)

HANOVER STUDY

FINANCIAL AID

EDUCATOR PREPARATION PROGRAMS

PUBLIC HIGHER EDUCATION FINANCE – BUDGET BALANCING IN THE TIME OF COVID-19

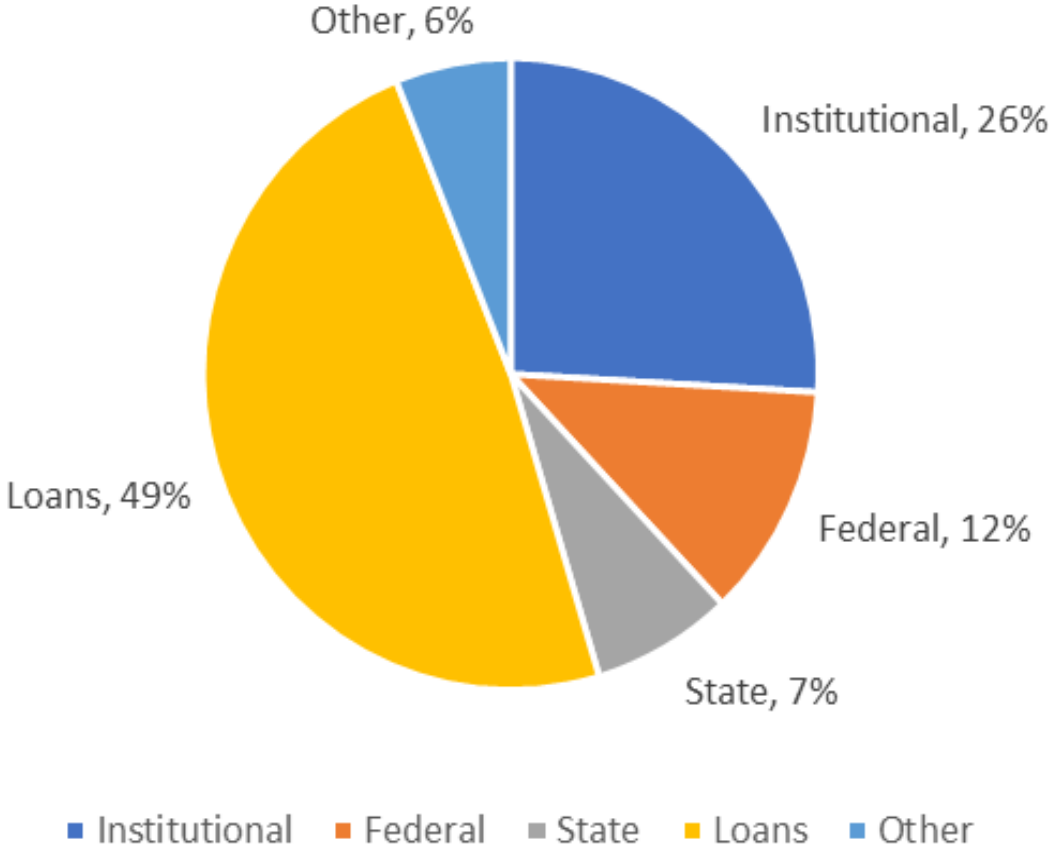
HIGHER EDUCATION FUNDING MODEL FOR FY 2021-22

REPLACING THE COF STIPEND

HIGHER EDUCATION CAPITAL CONSTRUCTION

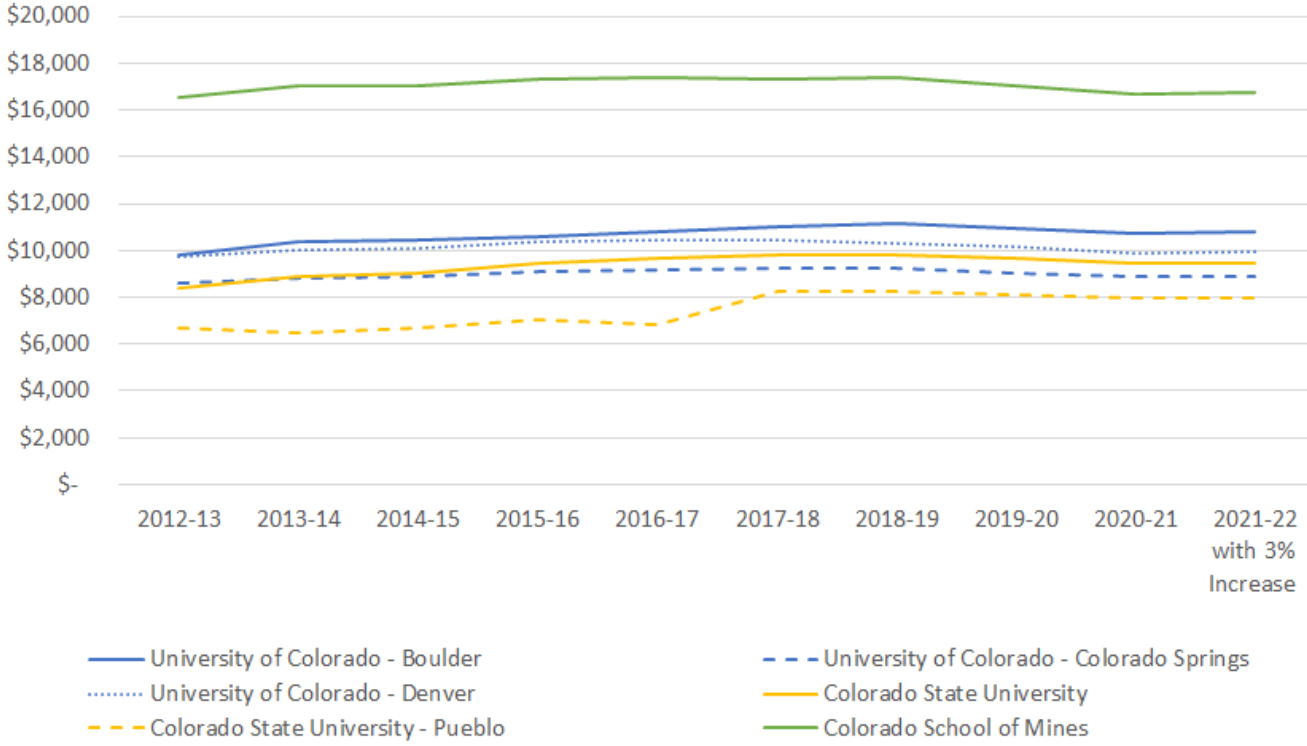
R1 Statutory Change Related to Financial Aid

FY 2019-20 Financial Aid Resources

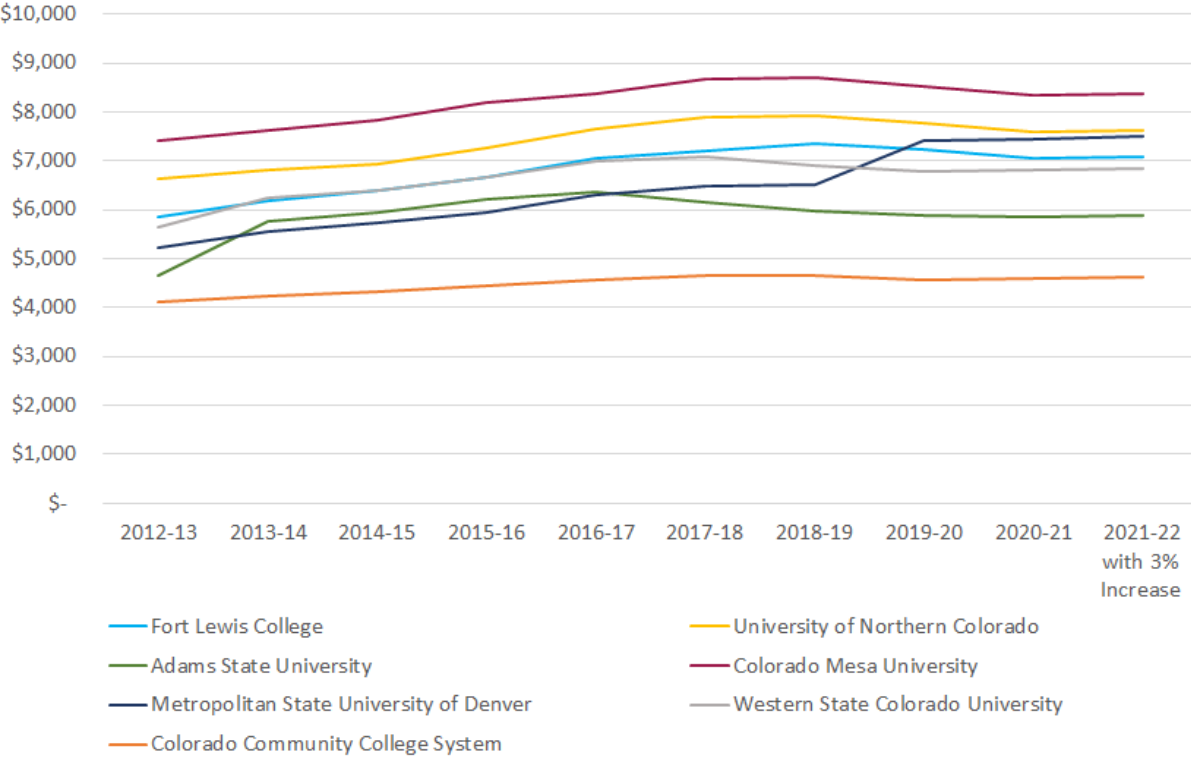


R2 Tuition Increases

Change In Posted Base Tuition Rates, FY 2009-10 through FY 2021-22 (Inflation Adjusted)



Change in Posted Base Tuition Rates, FY 2009-10 through FY 2021-22 (Inflation Adjusted)



R2 Tuition Increases

Institution	2020-21	2021-22 with 3% Increase
University of Colorado - Boulder	\$ 10,728	\$ 11,050
University of Colorado - Colorado Springs	\$ 8,850	\$ 9,116
University of Colorado - Denver	\$ 9,900	\$ 10,197
Colorado State University	\$ 9,426	\$ 9,709
Colorado State University - Pueblo	\$ 7,936	\$ 8,174
Fort Lewis College	\$ 7,056	\$ 7,268
University of Northern Colorado	\$ 7,596	\$ 7,824
Adams State University	\$ 5,856	\$ 6,032
Colorado Mesa University	\$ 8,343	\$ 8,593
Metropolitan State University of Denver	\$ 7,452	\$ 7,676
Western State Colorado University	\$ 6,816	\$ 7,020
Colorado School of Mines	\$ 16,650	\$ 17,150
Colorado Community College System	\$ 4,601	\$ 4,739

Base tuition rate, no fees included

Not adjusted for inflation

R4 Professional Student Exchange Program

	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Slots Funded	22	23	25	24	20
Support Fee	\$17,425	\$17,725	\$18,025	\$18,425	\$18,830
Appropriation	\$399,999	\$443,125	\$450,625	\$450,625	\$376,600

R6 Colorado Student Leaders Institute



28-day program
Serving 60-75 students per year

2019 COSLI Graduating Class

50% were free-and-reduced lunch eligible and/or first-generation students

42% were from an urban area, 41% suburban and 17% rural

31% were high school freshmen
66% were high school sophomores
3% were high school juniors

R7 Open Educational Resources

COLORADO OER DASHBOARD

Grant Cycle: Year 1

INVESTMENT OF
\$550,000
awarded in grant
cycle year one.

Return on
investment goal

3x

7x

Actual Return on Investment

\$3.9 million

Cost-savings to students
during grant cycle one.

2019 NUMBER OF GRANTEES

15

Institutional
grants

5

Small group &
faculty grants

3

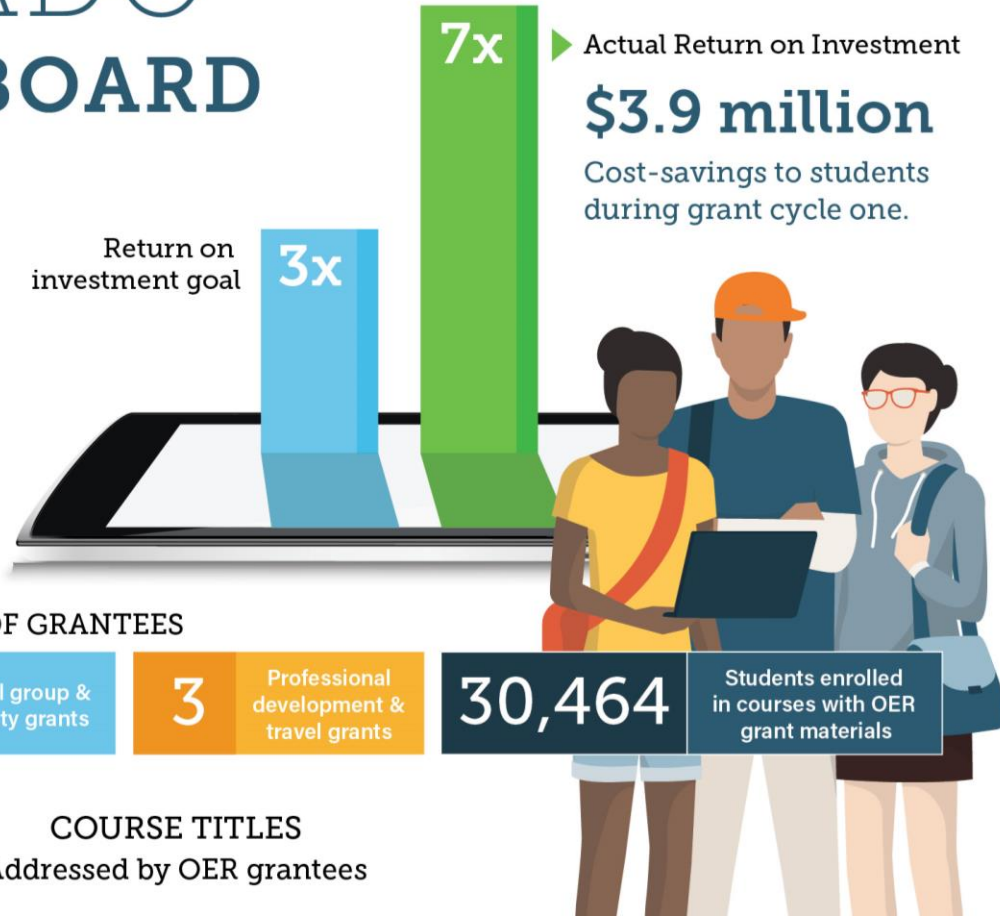
Professional
development &
travel grants

30,464

Students enrolled
in courses with OER
grant materials

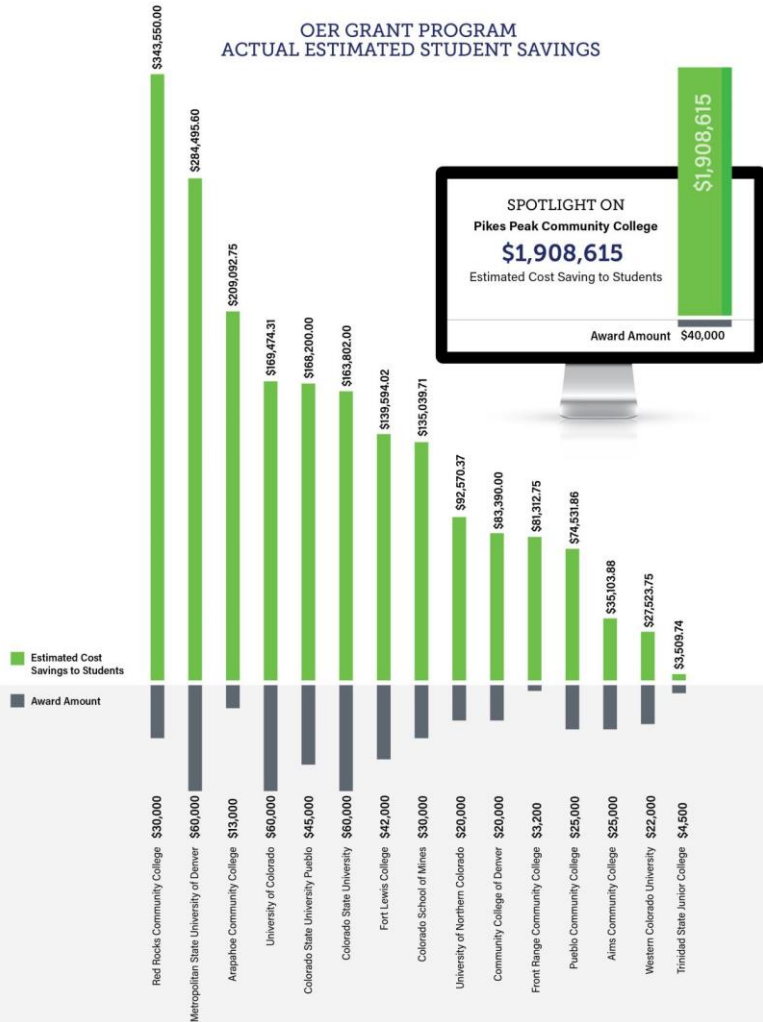
100+

COURSE TITLES
Addressed by OER grantees



R7 Open Educational Resources cont.

OER GRANT PROGRAM
ACTUAL ESTIMATED STUDENT SAVINGS



Grant Cycle: Year 2

INVESTMENT OF
\$1 million

awarded in grant
cycle year two.

2020 NUMBER OF GRANTEES



205

COURSE TITLES
Addressed by OER grantees

Colorado OER received the nationally competitive WOW Award

15

OER Council members representing 12 institutions and 2 state agencies steering the OER work in Colorado.

127

Open Education Ambassadors were trained in year one

Representing 35 different institutions inclusive of 2-year, 4-year, technical, public and private as well as K-12 educators.

1,250

Registrants for the 2020 OER Virtual Summit

The online format boosted participation by educators wanting to learn more about OER during the pivot to online learning.

R8 RISE Fund

\$32.7 million to support high-needs

- 1) school districts
- 2) charter schools
- 3) institutions of higher education

R8 infuses an additional \$10M

to support operational efficiency and adaptation to the “new normal” at public colleges and universities.



R9 Restore Educator Loan Forgiveness Program

Table 1.
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Pikes Peak	3	8	11
Southeast	5	7	12
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Educator Preparation

Higher education invests in K-12 by preparing *excellent educators*.

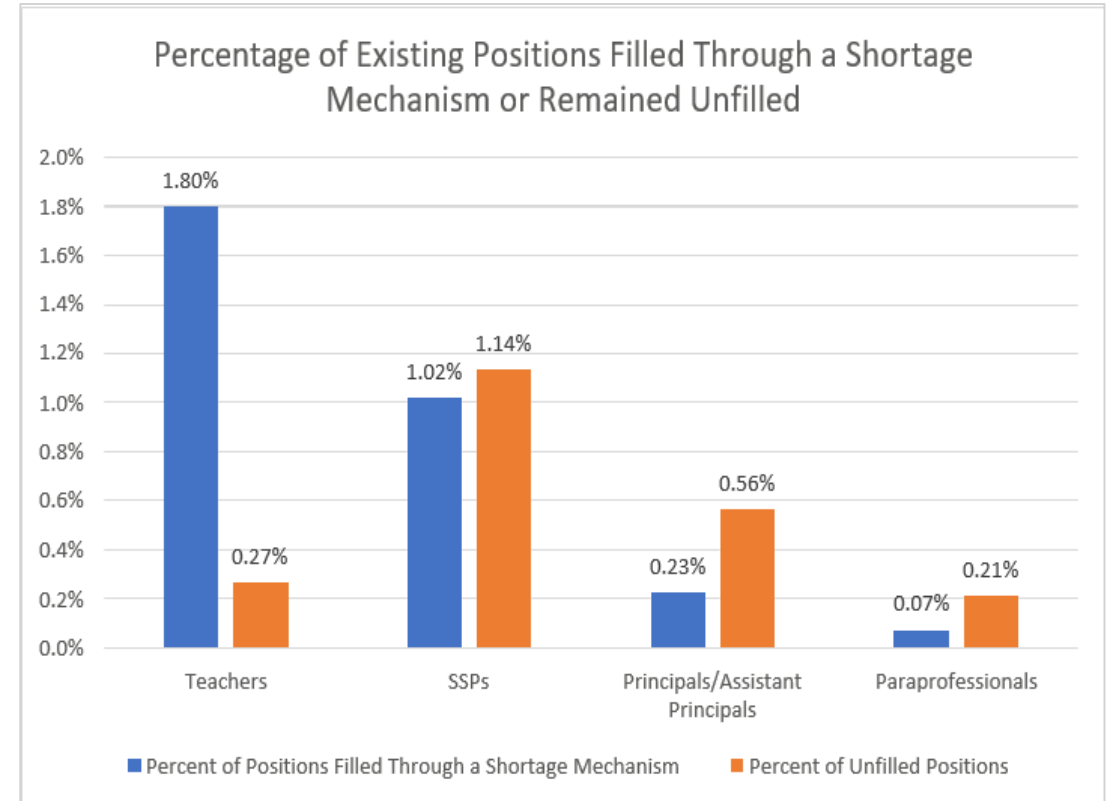
A fully prepared, diverse educator workforce is the key to serving Colorado students – students who are then ready for rigorous college coursework.



Educator Shortages



One of the key indicators to determine the extent of teacher shortages is the number of unfilled positions or shortage mechanisms that districts employ.



Addressing Educator Shortages

Expand community college and high school pipeline programs to recruit aspiring teachers earlier.



29 SVVSD P-TEACH students - 100% plan to pursue careers in education. They earned 315 college credits saving \$350,000

Expand high-retention pathways into teaching such as teacher residencies or Grow-Your-Own programs



High-quality residencies can prepare effective teachers who stay in the profession; often provide financially feasible pathways; and are more likely to recruit teachers of color than other pathways into teaching.

Incentivize candidates who complete preparation programs and commit to teach in high-need content and geographical areas.



Recipients of a \$4,000 stipend for completing their student teaching in a rural school are 3 times more likely to be hired by a rural district.

S1 Colorado Opportunity Scholarship Initiative (COSI)

119,000
unemployed workers

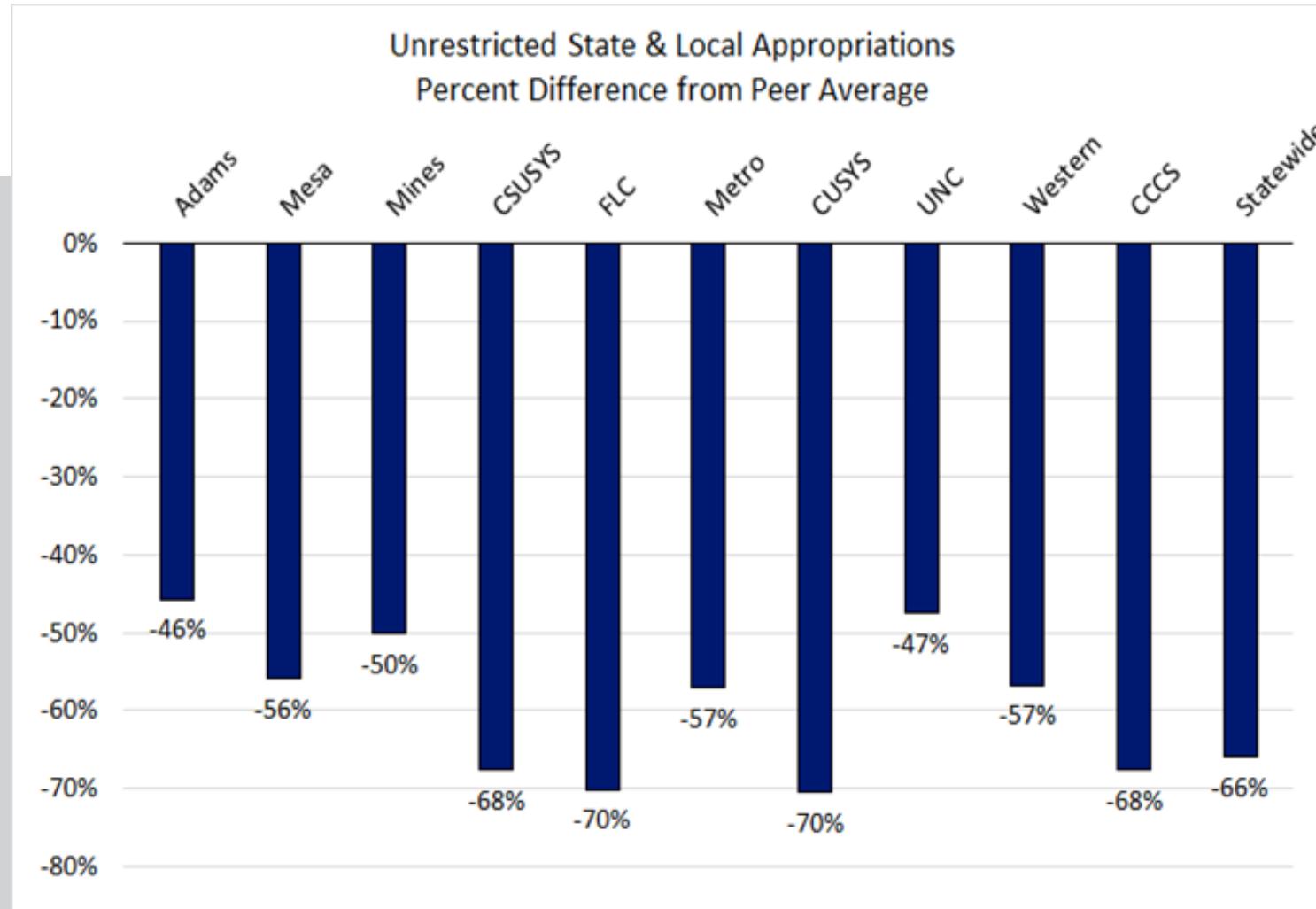


Back to Work - COSI's Displaced Worker grants

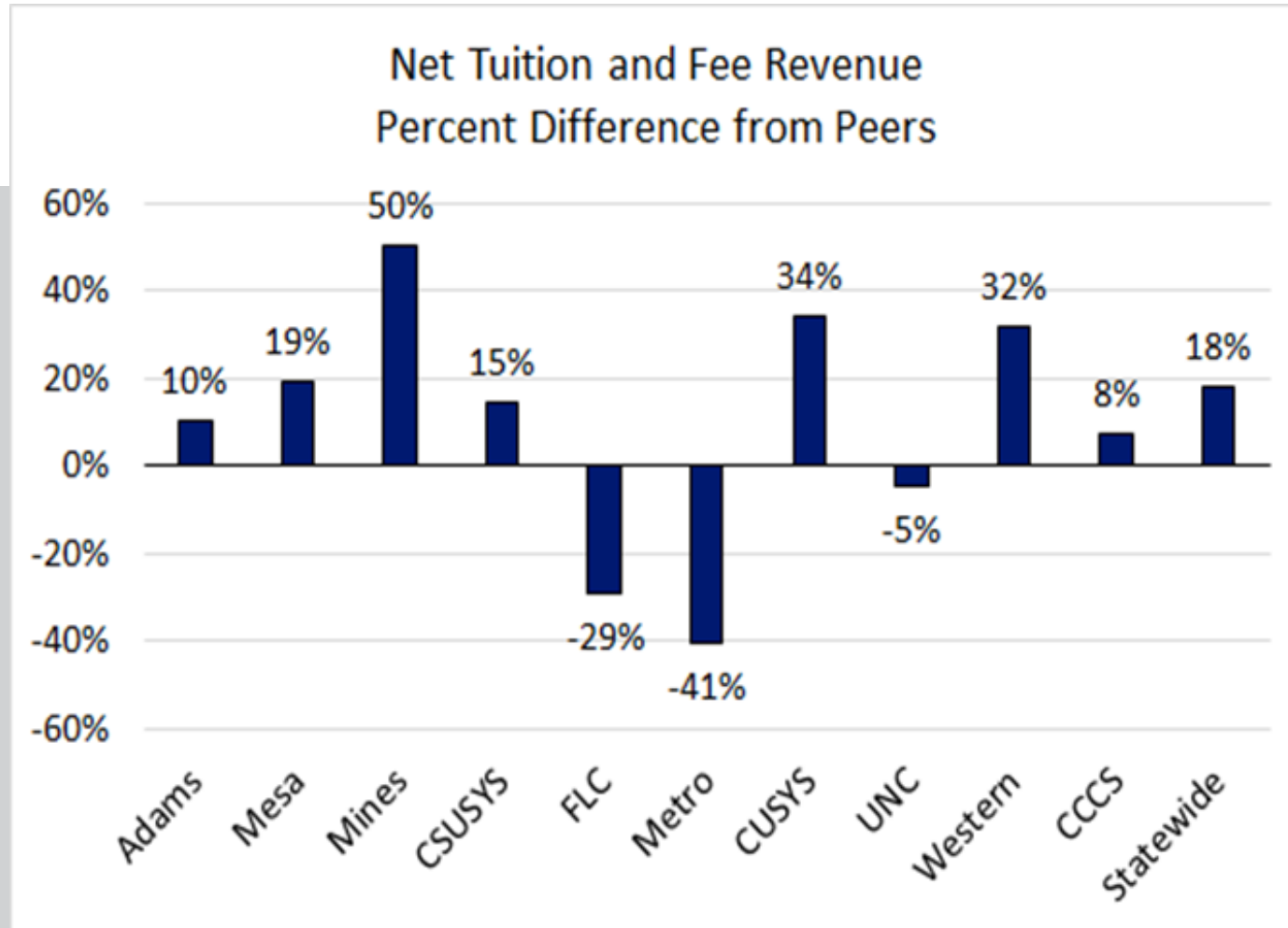


<https://cdhe.colorado.gov/displaced-workers>

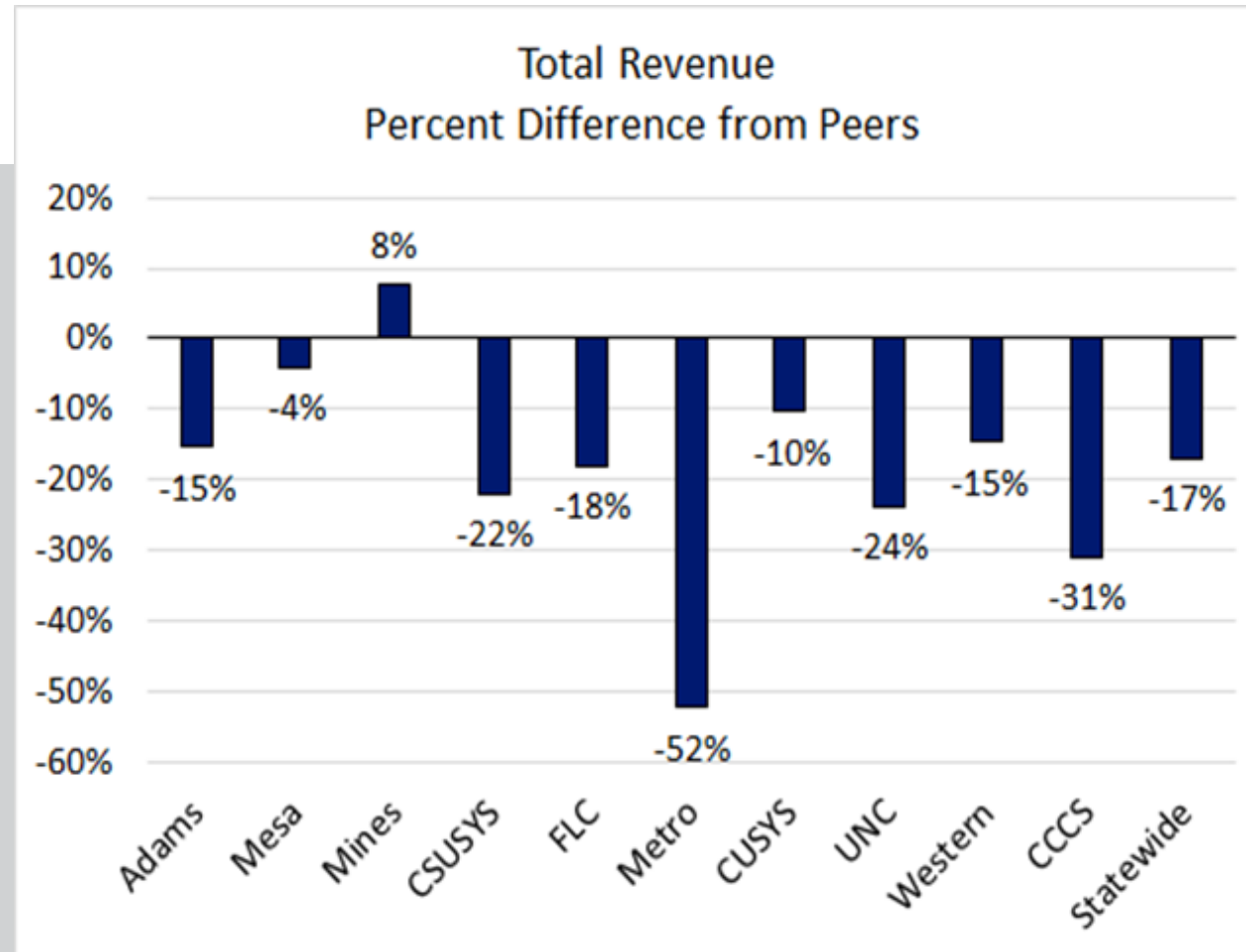
Hanover study results



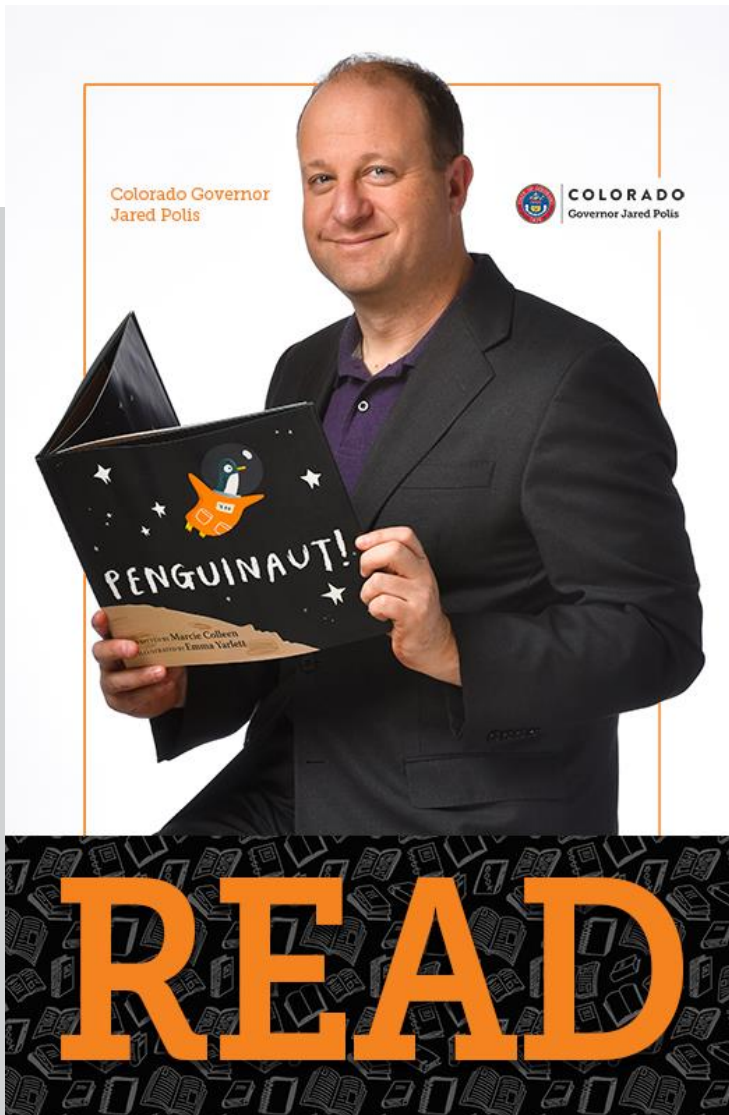
Hanover study results cont.



Hanover study results cont.

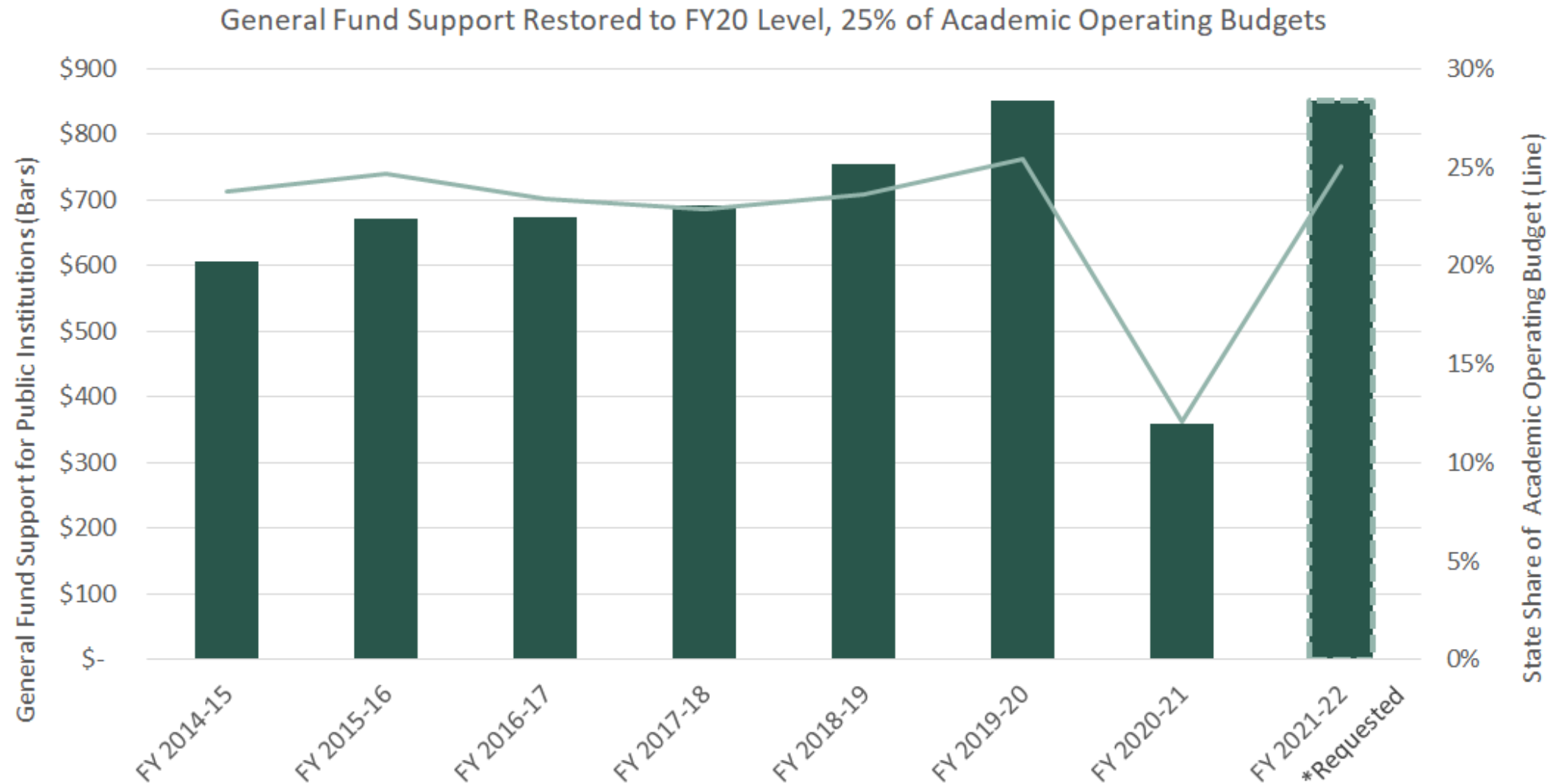


Educator Preparation Programs



In 2019, the Colorado legislature passed Senate Bill 19-199 that updated the READ Act, which specifies that educator preparation programs include course work that teaches candidates the **science of reading** and requiring educator candidates to demonstrate knowledge of evidence-based practices for teaching reading.

Budget Balancing in the Time of COVID-19



Higher Education Funding Allocation Model

First year

Performance based

CCHE priorities

Replacing the COF Stipend

The College Opportunity Fund

The State of Colorado is Investing in Your Education

Are you planning on attending a private or public college in the state of Colorado? Here is your opportunity to receive this state benefit if you attend a [participating college](#) and meet the [eligibility requirements](#).

The [College Opportunity Fund \(COF\)](#), created by the Colorado Legislature, provides a stipend to eligible undergraduate students. The stipend pays a portion of your total in-state tuition when you attend a participating college.

Eligible undergraduate students must apply, be admitted and enroll in classes at a participating college to receive this benefit. Both new and continuing students are eligible for the stipend.

Qualifying students may use the stipend for eligible undergraduate classes. The stipend is paid on a per credit hour basis directly to the college at which the student is enrolled. The credit-hour amount is set annually by the General Assembly.



Higher Education Capital Construction

CCHE CAPITAL CONSTRUCTION AND RENEWAL PRIORITY RANKING FY2021-22

Ranking	Institution Name	Project Name	Score	CCF	CF
1	Community College of Aurora	New Diesel and Support Services Building	98.28%	\$ 6,188,439	\$ 3,207,440
2	University of Colorado - Boulder	Hellems Building Renovation	95.59%	\$ 3,390,080	\$ 5,085,120
3	Colorado State University - Fort Collins	Clark Building Renovations and Additions	94.12%	\$ 35,629,037	\$ 30,000,000
4	Arapahoe Community College	Health Program Integration Renovation	92.65%	\$ 8,364,000	\$ 2,788,093
5	University of Colorado - Denver	Engineering and Physical Sciences Building Renovation	89.71%	\$ 5,146,026	\$ 15,438,080
6	Metropolitan State University - Denver	Health Institute	86.21%	\$ 7,156,624	-
	Colorado Mesa University	Kinesiology Renovation and Expansion	86.21%	\$ 17,467,133	\$ 5,822,379
8	University of Northern Colorado	UNC Facility Master Planning	83.33%	\$ 500,000	\$ 50,000
9	Community College of Denver	Boulder Creek Health Education Center of Excellence	82.35%	\$ 6,209,153	\$ 1,182,696
10	Auraria Higher Education Center	Campus-wide HVAC Infrastructure Replacement	81.03%	\$ 20,353,100	\$ 210,000
11	Colorado State University - Fort Collins	CSU Anatomy-Zoology East Revitalization	79.41%	\$ 15,284,446	\$ 3,821,112
12	Adams State University	Central Technology Renovation/Addition	79.31%	\$ 6,530,224	\$ 65,962
13	Colorado School of Mines	Arthur Lakes Library	76.47%	\$ 10,103,729	\$ 3,000,000
14	University of Northern Colorado	Gray Hall Mechanical Systems Replacement	75.86%	\$ 3,653,171	\$ 45,000
15	Colorado State University - Fort Collins	ARDEC	74.14%	\$ 13,536,164	-
	Colorado Mesa University	Electrical and Computer Engineering Building	74.14%	\$ 19,227,574	\$ 3,938,179

Higher Education Capital Construction

CCHE CAPITAL CONSTRUCTION AND RENEWAL PRIORITY RANKING FY2021-22

Ranking	Institution Name	Project Name	Score	CCF	CF
17	University of Colorado - Boulder	Guggenheim Capital Renovation	72.06%	\$ 1,162,800	\$ 1,744,200
18	Adams State University	Facilities Services Center Replacement	68.97%	\$ 15,902,516	\$ 160,632
19	Colorado Mesa University	Performing Arts Renovation and Expansion	67.24%	\$ 4,564,751	\$ 451,460
20	University of Colorado - Denver	CU Denver Building	60.34%	\$ 22,182,686	\$ 224,068
21	Colorado Mesa University	Student Parking Garage	58.62%	\$ 22,670,495	\$ 2,242,138
22	Colorado State University - Pueblo	Technology Building Renovation and Addition	57.35%	\$ 16,927,020	\$ 170,980
23	Pikes Peak Community College	First Responder Emergency Education Complex	56.89%	\$ 29,004,095	\$ 3,584,776
24	Colorado Mesa University	Energy Independence	56.25%	\$ 6,924,309	\$ 684,823
25	Lamar Community College	Library / Learning Resource Center Renovation	55.88%	\$ 1,929,866	\$ 50,000
26	Lamar Community College	Capital Renewal Project	43.10%	\$ 3,843,356	\$ 38,822
27	Lowry Higher Education Center	North Quad Remodel	35.29%	\$ 1,998,685	-
28	Trinidad State Junior College	Freudenthal Library Renovation	32.76%	\$ 6,276,339	-
29	Pueblo Community College	Dental Hygiene Growth / Expansion Project	30.88%	\$ 6,300,000	-
30	Pueblo Community College	Medical Technology Renovation	18.97%	\$ 600,000	-
N/A	Colorado State University	NWC COP Lease Payments Through Construction	N/A	\$ 19,069,368	-
GRAND TOTAL				\$ 338,095,186	\$ 84,005,960

Thank You!

JBC Hearing

January 11, 2021





OUR MISSION:
**Creating a better future for Colorado
by inspiring wonder in our past**



**HISTORY
COLORADO**

**WE ARE
COLORADO!**

History Colorado has risen to the challenge



Hosting
Digital Programs



Helping Families
with
Hands-On History



Leading in Anti-
Racism Efforts



Collecting the
Powerful History of
Today



Responding with
Rural Stimulus

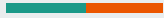


Securing
Federal Grants



Meeting
Community Needs

State Historic Fund



ECONOMIC STIMULUS: every \$1 million spent on preservation in Colorado = additional \$1.03 million in spending + 14 new jobs + \$636,700 in increased household incomes

- **\$4M** distributed this year
- **75%** of grants in rural Colorado
- Impact all **64 counties**
- Over **\$1 billion** in direct economic impact over the lifetime of the fund



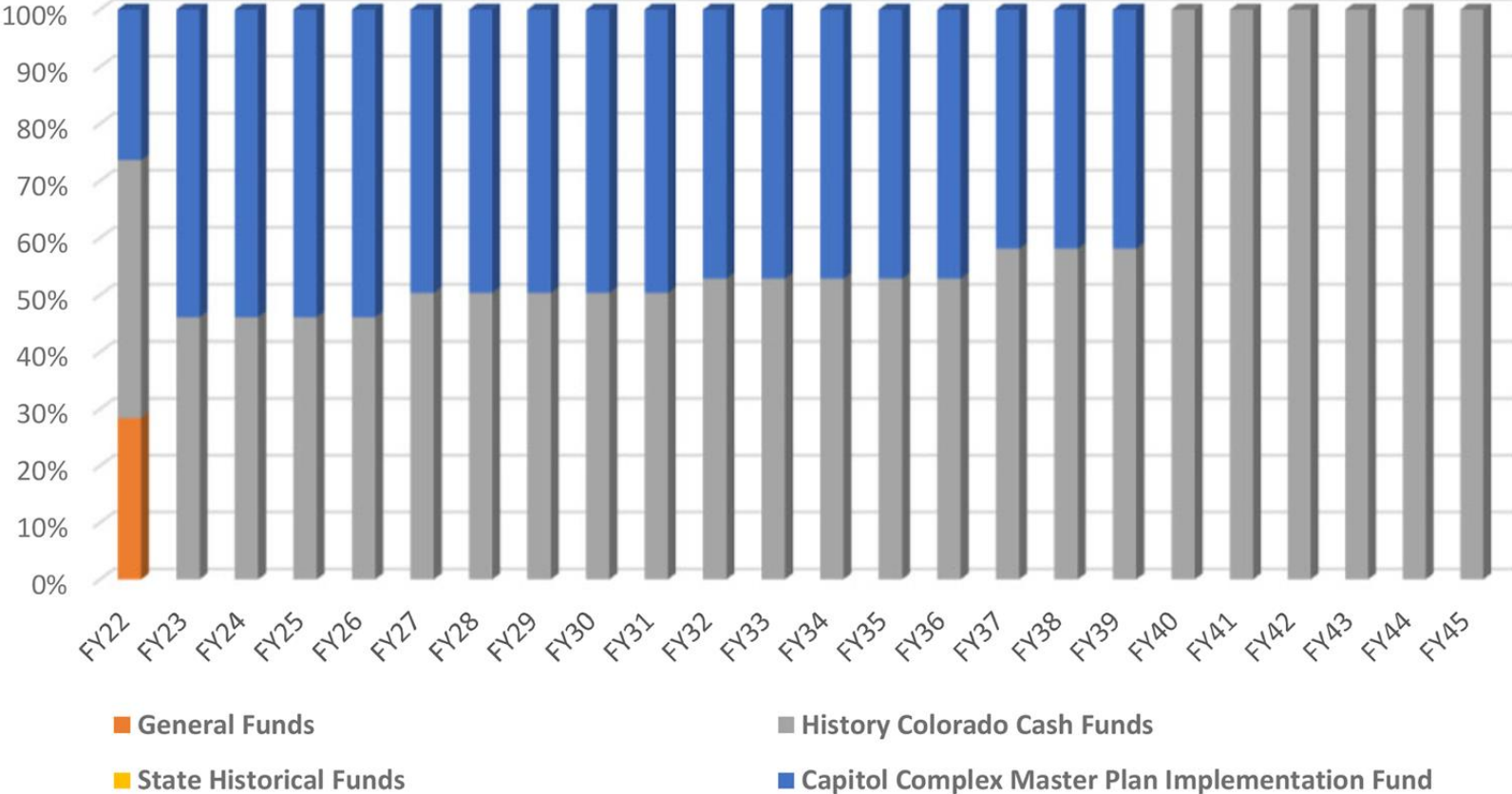
2019 Strategic Plan, led by Chancellor Dan Ritchie, identified:

“Any negative impact from an economic downturn, **shift in gaming revenue**, increasing State costs that are out of the organization’s control, or urgent construction projects that impact operational revenue **could bankrupt the organization.**”



HISTORY
COLORADO

COP Payments by Fund Source

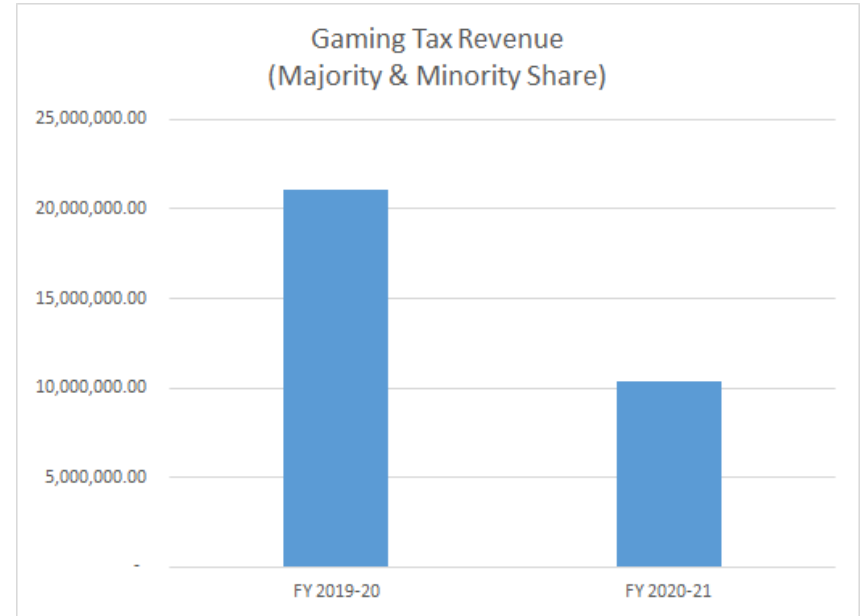




Impact of COVID-19

Earned Revenue: Decreased revenue of 44% from previous year due to shuttered museums, cancelled school tours, and very limited rentals

Limited Gaming: Significant decrease of 46% (Majority & Minority shares) due to spring 2020 casino closures



Limited Gaming is 78% of History Colorado's funding



Proactive and One-Time Funding for Current Fiscal Year

Paycheck Protection

\$1.3 million of program monies carried forward into FY21

Additional State Support

\$1 million enhanced general fund support plus \$1.9 million transfer of uncommitted funds for restoration of state Capitol

Restricted Donations

\$1.7 million in previously raised restricted donations applied to eligible programming

Grants/Donations

\$2.8 million in pledged or donated funds, including \$1.1 million in Federal/State grant funding and \$1.7 million in private support

After FY21, we are predicting troublesome shortfalls.

REVENUES	FY-19	FY-20	FY-21	FY-22	FY-23
Combined Earned Revenue from Operations ⁽¹⁾	\$4,242,753	\$3,653,760	\$2,392,149	\$3,015,207	\$3,165,967
Gaming Revenue - Minority (49.9%)	\$10,605,239	\$10,490,247	\$5,691,382	\$6,438,091	\$7,661,329
History Colorado Sustainability ⁽²⁾	\$0	\$0	\$1,000,000	\$1,000,000	\$0
General Fund	\$1,486,463	\$1,699,824	\$1,713,000	\$1,531,662	\$1,531,662
Interest	\$131,376	\$117,121	\$65,533	\$74,052	\$88,122
Federal Grant Revenue	\$1,802,070	\$1,391,342	\$1,755,081	\$1,232,080	\$1,232,080
Prior Year Revenue	\$0	\$0	\$0	\$0	\$0
State Historical Fund Indirect Costs Transfer	\$325,734	\$328,778	\$324,913	\$325,000	\$325,000
Other Revenue Sources		\$0			
HCO1 - State Historical Fund Funding	\$0	\$0	\$0	\$930,632	\$1,900,000
Reappropriated Funds-OEDIT OAHP Funds	\$27,429	\$75,764	\$75,764	\$75,764	\$75,764
HB 20-1365 Transfers	\$0	\$0	\$1,940,000	\$0	\$0
Georgetown Property Sale		\$0	\$150,294	\$0	\$0
RISE Grant		\$0	\$230,087	\$212,661	\$0
Fiscal Year Utilization of Restricted Donations	\$0	\$1,590,250	\$1,363,500	\$1,100,000	\$1,100,000
SBA - Paycheck Protection Plan ⁽³⁾	\$0	\$968,497	\$1,306,503	\$0	\$0
Excess Minority Cash Balance Rollforward	\$0	\$0	\$0	\$0	\$0
Total Revenue	\$18,621,064	\$20,315,583	\$18,008,206	\$15,935,150	\$17,079,925

EXPENSES	FY-19	FY-20	FY-21	FY-22	FY-23
Combined Operational Budget ⁽⁴⁾	\$12,268,265	\$0	\$0	\$0	\$0
General Fund Expense ⁽⁴⁾	\$1,486,463	\$0	\$0	\$0	\$0
Fiscal Year Utilization of Restricted Donations ⁽⁵⁾		\$1,590,250	\$1,363,500	\$1,100,000	\$1,100,000
Program Service Expense ⁽⁴⁾	\$0	\$9,239,942	\$7,759,643	\$7,992,432	\$8,232,205
Support Service Expense ⁽⁴⁾	\$0	\$4,018,757	\$3,860,443	\$3,976,256	\$4,095,544
Certificates of Participation (COP)	\$3,018,314	\$3,018,830	\$3,021,605	\$3,525,209	\$3,525,209
Regional Museum Preservation (Controlled Maintenance Transfer to Fund 4610)	\$451,520	\$579,743	\$100,000	\$310,000	\$525,000
Federal Grant Expense	\$549,449	\$345,344	\$552,862	\$552,862	\$175,000
Higher Education Indirect Costs	\$216,287	\$196,130	\$161,756	\$178,943	\$180,000
Common Policies	\$785,129	\$1,076,807	\$749,431	\$730,000	\$598,057
Total Expense	\$18,775,428	\$20,065,803	\$17,569,240	\$18,365,703	\$18,431,016

Annual Revenue to Expense Surplus /(Shortfall)	(\$154,364)	\$249,780	\$438,966	(\$2,430,553)	(\$1,351,091)
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Beginning Balance	\$3,056,536	\$2,902,172	\$3,151,952	\$3,590,918	\$1,160,366
Revenue to Expense Surplus (Shortfall)	(\$154,364)	\$249,780	\$438,966	(\$2,430,553)	(\$1,351,091)
Ending Balance	\$2,902,172	\$3,151,952	\$3,590,918	\$1,160,366	(\$190,726)



Key Steps

We are grateful for some proposals and key steps that are getting us closer to solving this financial imbalance and crisis.

FY21 HC-01

Executive Branch Budget proposal includes \$900,000 in FY 22 and then \$2 million annually until 2039

HB20-1365

Act enables General Fund or other funds to go towards History Colorado COP

HB20-1400

Act enables History Colorado, via temporary reallocation, to recover at the same rate as limited gaming revenue

Thank you!

We want to protect our 141-year-old organization and its ability to serve Colorado, today and into the future.



HISTORY
COLORADO

Colorado Department of Higher Education

FY21-22 JBC Hearing

January 11, 2021

Department Hearing Agenda

Department overview

Higher education ecosystem

Colorado Rises

Wildly Important Goals

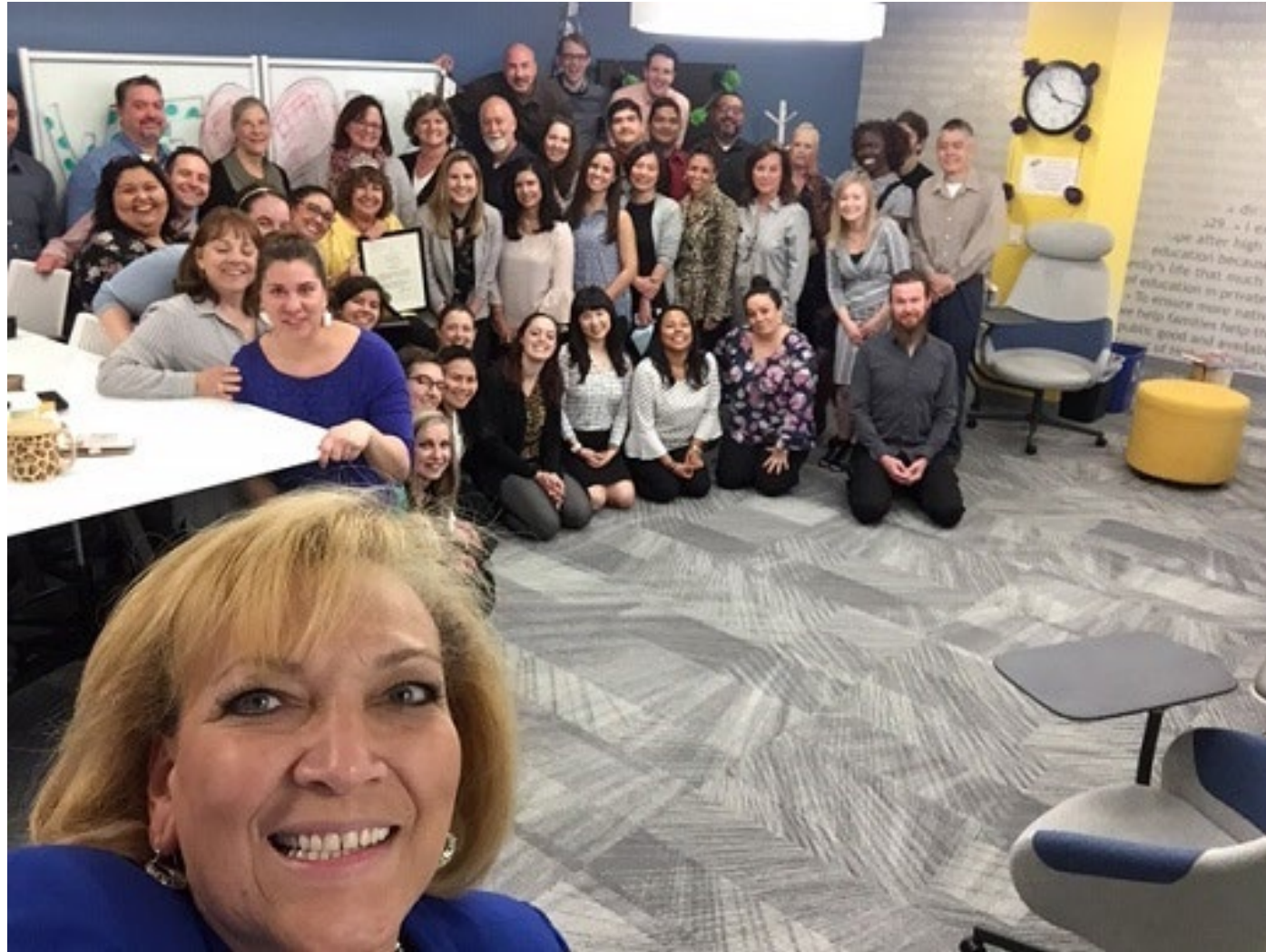
Department successes

Affordability roadmap

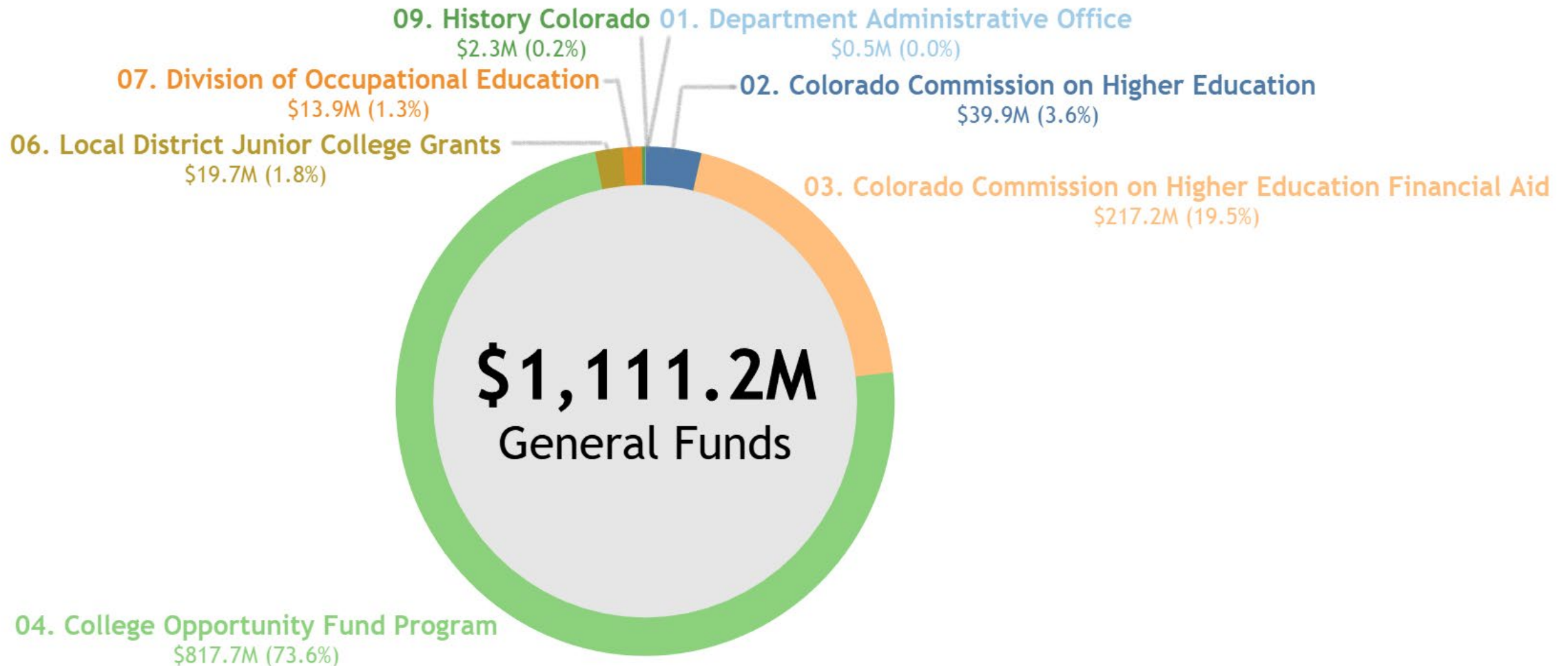
Your questions



Department Overview



Budget is mostly operating support to institutions and student financial aid



Higher Education Policy in Colorado

- Colorado General Assembly
- Colorado Commission on Higher Education
- Colorado Department of Higher Education
- 13 Institutional Governing Boards





Colorado's Public Institutions of Higher Education

13

Four-Year Institutions

15

Two-Year Institutions

3

Area Technical Colleges

300+

Private Occupational Schools

85

Private Institutions

Colorado Commission on Higher Education



8 of 11 members appointed by Governor Polis



Established Work Plan for 2021



Trustee Development Programs for all Governing Board members statewide



Commitment to students and to fostering statewide support for Colorado postsecondary education



Colorado Rises





Colorado Rises Goal

66% ATTAINMENT BY 2025

on the way to 75%

STRATEGIC GOAL #1

Increase
Completion

STRATEGIC GOAL #2

Erase Equity
Gaps

STRATEGIC GOAL #3

Improve Student Success

STRATEGIC GOAL #4

Commit to Affordability
and Innovation

Current Attainment Rate

57.6%

Coloradans ages 24-35



Wildly Important Goals

WIG #1:

Work-Based Learning

Increase the number of postsecondary degree programs that require a work-based learning component from 68% to 78% by June 30, 2021.

WIG #2: Equity

Increase the number of institutions of higher education who have established an institutional equity action plan which includes a commitment to training for cultural competencies from 7 to 30 by June 30, 2021.

WIG #3: Affordability

Execute on 7 strategies outlined in the Roadmap to Containing College Costs and Making College Affordable by June 30, 2021.

2020 Successes

- COSI Grants
- No Lapse in Learning
- 4 new statewide transfer agreements
- CASFA
- Free Application Day
- Report on Educational Equity
- Collegiate Apprenticeship Program



THE ROADMAP

TO CONTAINING COLLEGE COSTS

and making college affordable



COLORADO

Department of
Higher Education

IN THE LONG TERM

We will review systemwide designs and structures that make it difficult for institutions to cut costs and work with institutions to increase innovation and improve outcomes for students.

3

- Be bold with the future of higher education
- Pursue innovation
- Build and strengthen industry partnerships

IN THE MEDIUM TERM

We will work with institutions to address underlying structural issues that perpetuate a higher education system that is out of reach for many Coloradans.

2

- Implement comprehensive institutional reporting
- Promote and scale institutional energy management initiatives
- Integrate more cost containment considerations into CCHE's capital request process
- Accurately identify and count credentials of value
- Restructure degree programs to include work-based learning experiences
- Establish partnerships between two- and four-year institutions
- Explore opportunities to reduce health care costs

IN THE SHORT TERM

We are taking immediate steps to contain costs and support students.

1

- Increase transparency, accountability, and efficiency of institutional costs
- Help institutions contain costs for students and families
- Lower textbook and course material costs
- Reduce cost and time-to-degree or credential
- Reduce student costs and improve outcomes
- Provide students with additional college-paying resources
- Broaden access to existing federal student aid

State Operating Funding Request

R1: \$493 Million Increase for Public Higher Education Institutions

**Institutional
Governing Boards**

ATCs and LDCs

Financial Aid
no change from
FY20-21 level

R2: Cap resident undergraduate tuition growth to 3% while allowing institutions to request permission through the Colorado Commission on Higher Education (CCHHE) for a greater increase.

Your questions

COMMON QUESTIONS

R1 - STATUTORY CHANGE RELATED TO FINANCIAL AID

R2 - TUITION INCREASES

R4 - PROFESSIONAL STUDENT EXCHANGE PROGRAM

R6 - COLORADO STUDENT LEADERS INSTITUTE

R7 - OPEN EDUCATIONAL RESOURCES

R8 - RISE FUND FOR HIGHER EDUCATION

R9 RESTORE EDUCATOR LOAN FORGIVENESS PROGRAM/ ADDRESSING EDUCATOR SHORTAGES

FY 2020-21 REQUEST S1 COLORADO OPPORTUNITY SCHOLARSHIP INITIATIVE (COSI)

HANOVER STUDY

FINANCIAL AID

EDUCATOR PREPARATION PROGRAMS

PUBLIC HIGHER EDUCATION FINANCE – BUDGET BALANCING IN THE TIME OF COVID-19

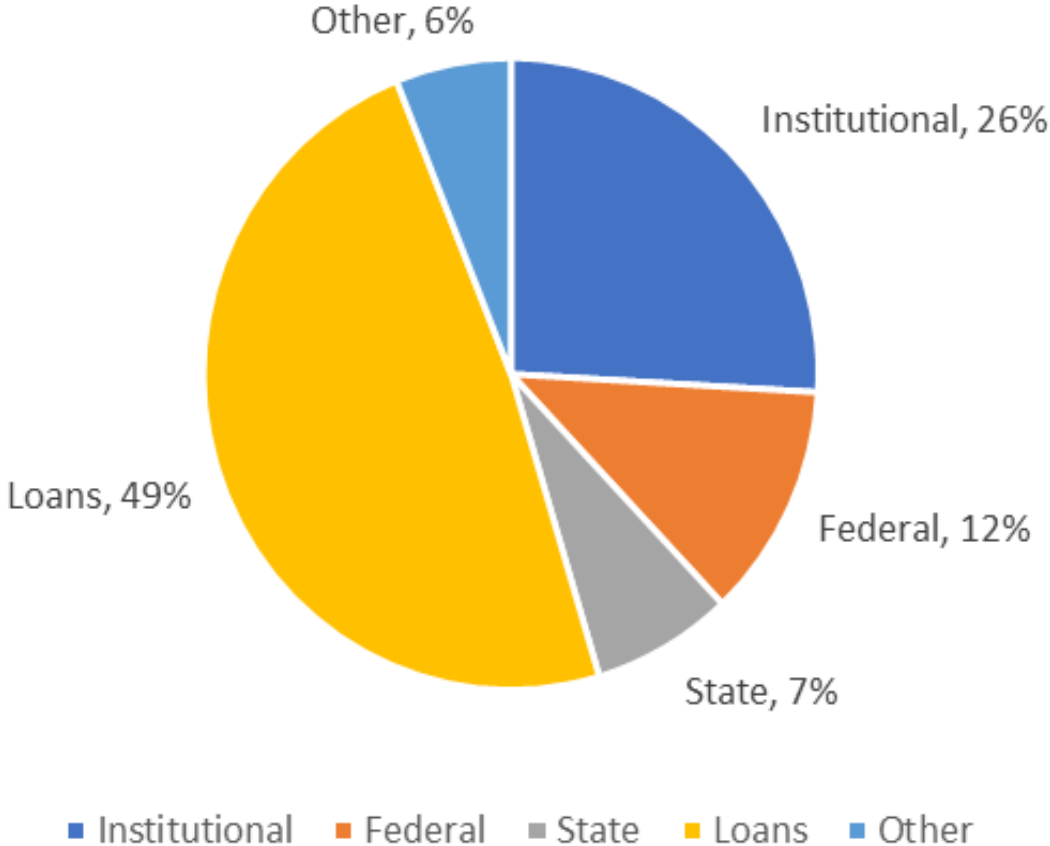
HIGHER EDUCATION FUNDING MODEL FOR FY 2021-22

REPLACING THE COF STIPEND

HIGHER EDUCATION CAPITAL CONSTRUCTION

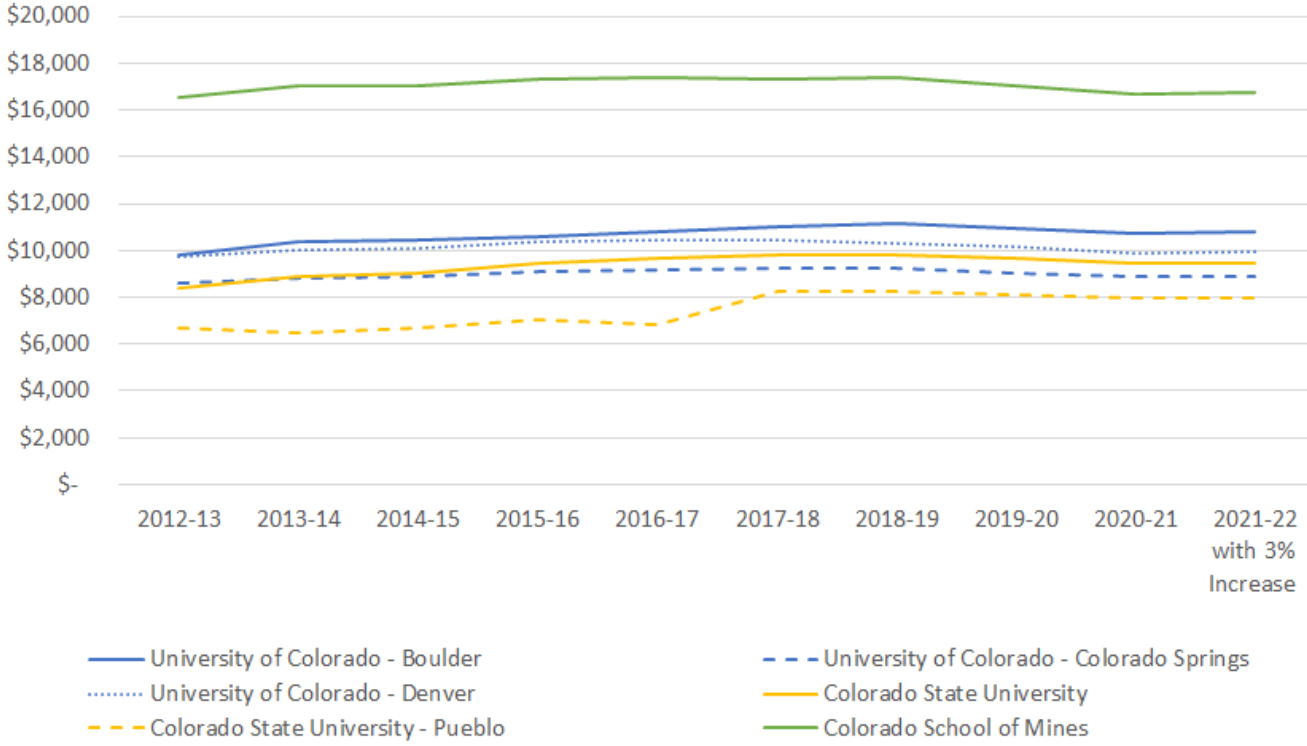
R1 Statutory Change Related to Financial Aid

FY 2019-20 Financial Aid Resources

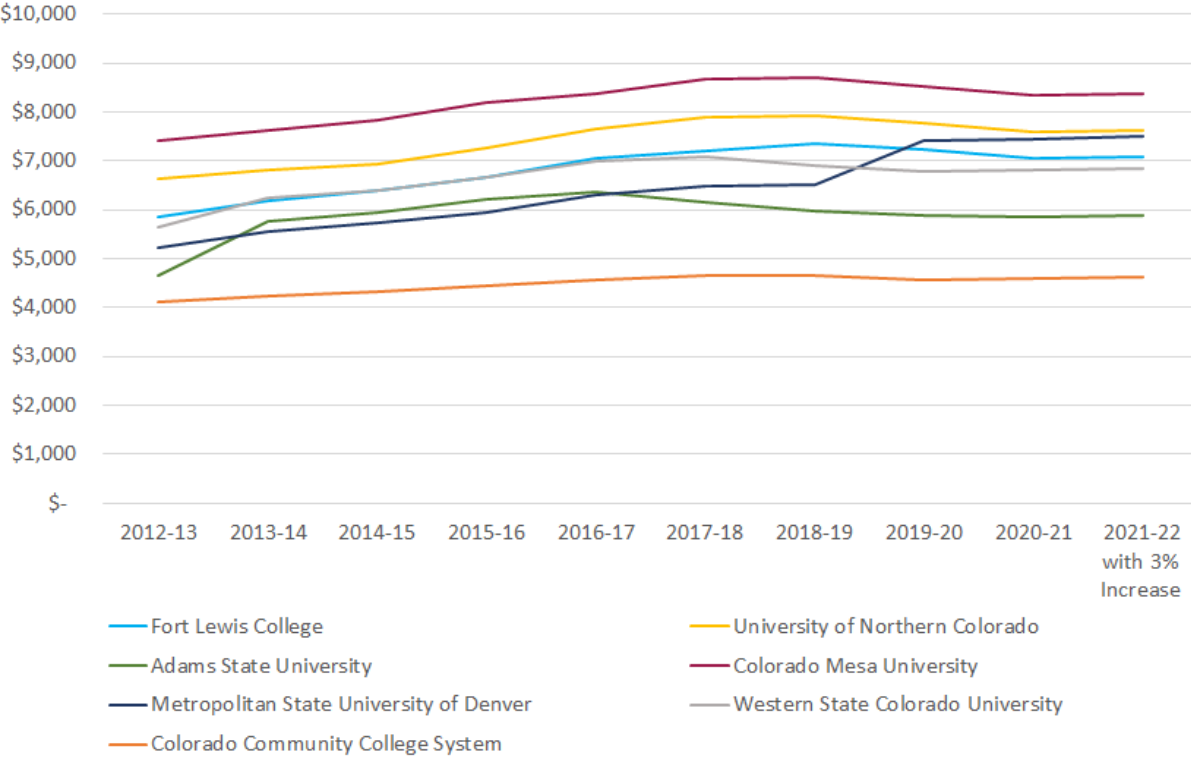


R2 Tuition Increases

Change In Posted Base Tuition Rates, FY 2009-10 through FY 2021-22
(Inflation Adjusted)



Change in Posted Base Tuition Rates, FY 2009-10 through FY 2021-22
(Inflation Adjusted)



R2 Tuition Increases

Institution	2020-21	2021-22 with 3% Increase
University of Colorado - Boulder	\$ 10,728	\$ 11,050
University of Colorado - Colorado Springs	\$ 8,850	\$ 9,116
University of Colorado - Denver	\$ 9,900	\$ 10,197
Colorado State University	\$ 9,426	\$ 9,709
Colorado State University - Pueblo	\$ 7,936	\$ 8,174
Fort Lewis College	\$ 7,056	\$ 7,268
University of Northern Colorado	\$ 7,596	\$ 7,824
Adams State University	\$ 5,856	\$ 6,032
Colorado Mesa University	\$ 8,343	\$ 8,593
Metropolitan State University of Denver	\$ 7,452	\$ 7,676
Western State Colorado University	\$ 6,816	\$ 7,020
Colorado School of Mines	\$ 16,650	\$ 17,150
Colorado Community College System	\$ 4,601	\$ 4,739

Base tuition rate, no fees included

Not adjusted for inflation

R4 Professional Student Exchange Program

	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Slots Funded	22	23	25	24	20
Support Fee	\$17,425	\$17,725	\$18,025	\$18,425	\$18,830
Appropriation	\$399,999	\$443,125	\$450,625	\$450,625	\$376,600

R6 Colorado Student Leaders Institute



28-day program
Serving 60-75 students per year

2019 COSLI Graduating Class

50% were free-and-reduced lunch eligible and/or first-generation students

42% were from an urban area, 41% suburban and 17% rural

31% were high school freshmen
66% were high school sophomores
3% were high school juniors

R7 Open Educational Resources

COLORADO OER DASHBOARD

Grant Cycle: Year 1

INVESTMENT OF
\$550,000

awarded in grant
cycle year one.

Return on
investment goal

3x

7x

Actual Return on Investment

\$3.9 million

Cost-savings to students
during grant cycle one.

2019 NUMBER OF GRANTEES

15

Institutional
grants

5

Small group &
faculty grants

3

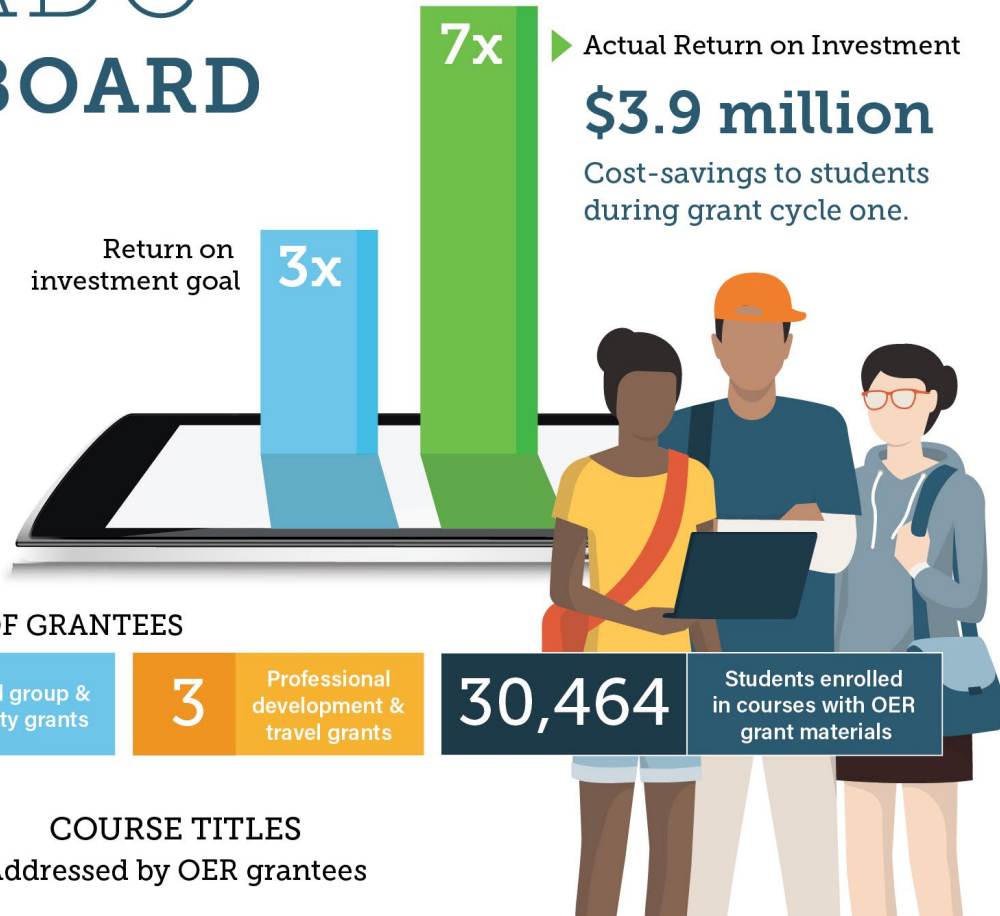
Professional
development &
travel grants

30,464

Students enrolled
in courses with OER
grant materials

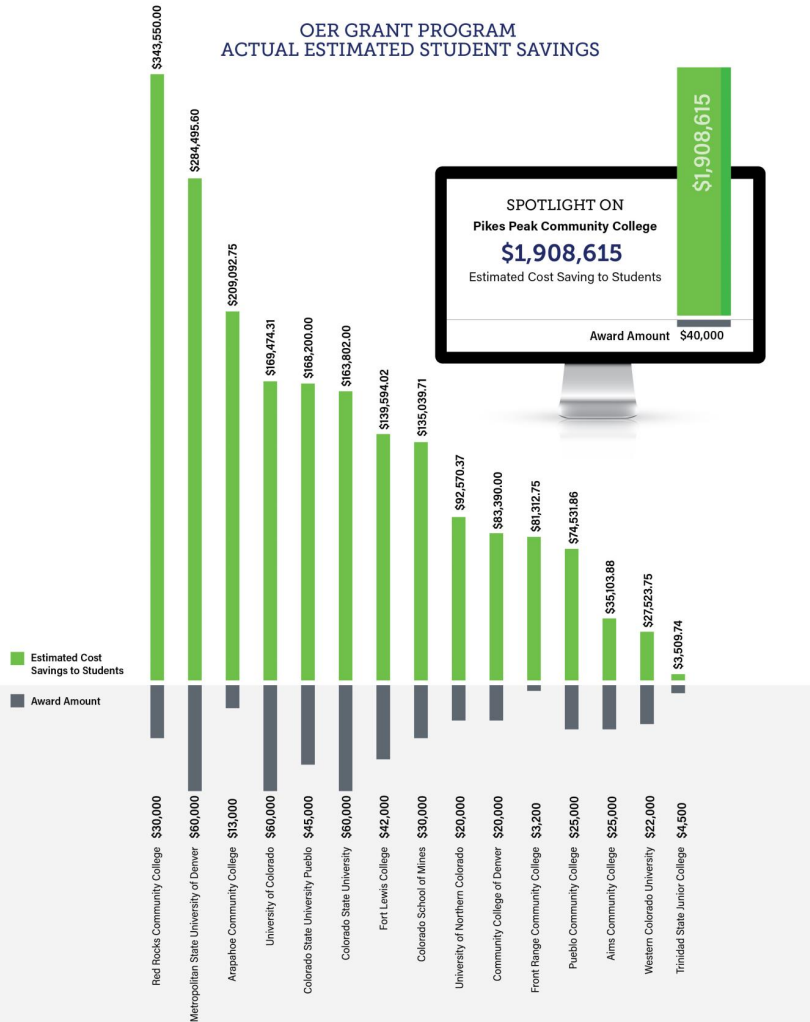
100+

COURSE TITLES
Addressed by OER grantees



R7 Open Educational Resources cont.

OER GRANT PROGRAM
ACTUAL ESTIMATED STUDENT SAVINGS



Grant Cycle: Year 2

INVESTMENT OF
\$1 million

awarded in grant
cycle year two.

2020 NUMBER OF GRANTEES



205

COURSE TITLES
Addressed by OER grantees

Colorado OER received the nationally competitive WOW Award

15

OER Council members representing 12 institutions and 2 state agencies steering the OER work in Colorado.

127

Open Education Ambassadors were trained in year one

Representing 35 different institutions inclusive of 2-year, 4-year, technical, public and private as well as K-12 educators.

1,250

Registrants for the 2020 OER Virtual Summit

The online format boosted participation by educators wanting to learn more about OER during the pivot to online learning.

R8 RISE Fund

\$32.7 million to support high-needs

- 1) school districts
- 2) charter schools
- 3) institutions of higher education

R8 infuses an additional \$10M

to support operational efficiency and adaptation to the “new normal” at public colleges and universities.



R9 Restore Educator Loan Forgiveness Program

Table 1.
CELFP approved Teacher rural shortage applicants by CDE Region, 2019-20

<u>CDE Region</u>	<u>Small Rural Apps</u>	<u>Rural Apps</u>	<u>Total Apps</u>
Metro	5	4	9
North Central	8	53	61
Northeast	20	5	25
Northwest	6	31	37
Pikes Peak	7	18	25
Southeast	9	10	19
Southwest	21	34	55
West Central	7	13	20

Table 2.
CELFP approved SSP rural shortage applicants by CDE Region, 2019-20

<u>CDE Region</u>	<u>Small Rural Apps</u>	<u>Rural Apps</u>	<u>Total Apps</u>
Metro	1	3	4
North Central	1	19	20
Northeast	5	1	6
Northwest	5	16	21
Pikes Peak	3	8	11
Southeast	5	7	12
Southwest	11	10	21
West Central	4	8	12

Educator Preparation

Higher education invests in K-12 by preparing *excellent educators*.

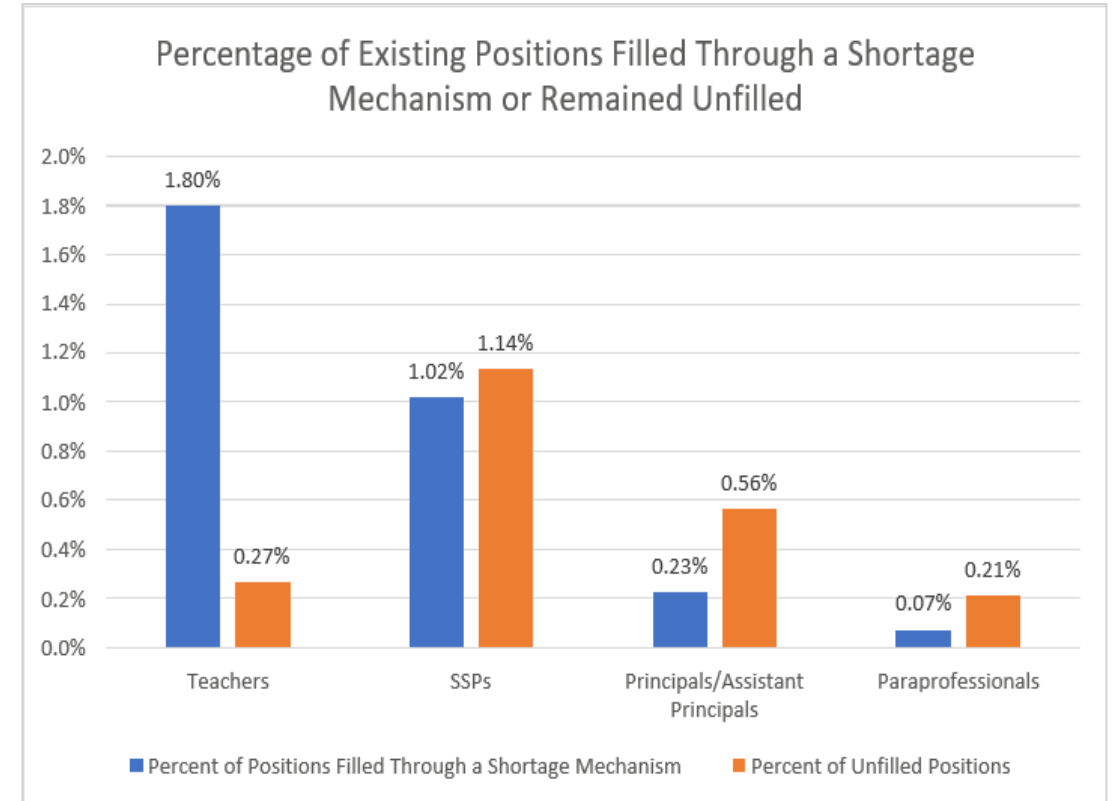
A fully prepared, diverse educator workforce is the key to serving Colorado students – students who are then ready for rigorous college coursework.



Educator Shortages



One of the key indicators to determine the extent of teacher shortages is the number of unfilled positions or shortage mechanisms that districts employ.



Addressing Educator Shortages

Expand community college and high school pipeline programs to recruit aspiring teachers earlier.



29 SVVSD P-TEACH students - 100% plan to pursue careers in education. They earned 315 college credits saving \$350,000

Expand high-retention pathways into teaching such as teacher residencies or Grow-Your-Own programs



High-quality residencies can prepare effective teachers who stay in the profession; often provide financially feasible pathways; and are more likely to recruit teachers of color than other pathways into teaching.

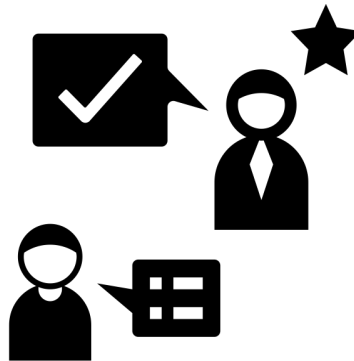
Incentivize candidates who complete preparation programs and commit to teach in high-need content and geographical areas.



Recipients of a \$4,000 stipend for completing their student teaching in a rural school are 3 times more likely to be hired by a rural district.

S1 Colorado Opportunity Scholarship Initiative (COSI)

119,000
unemployed workers

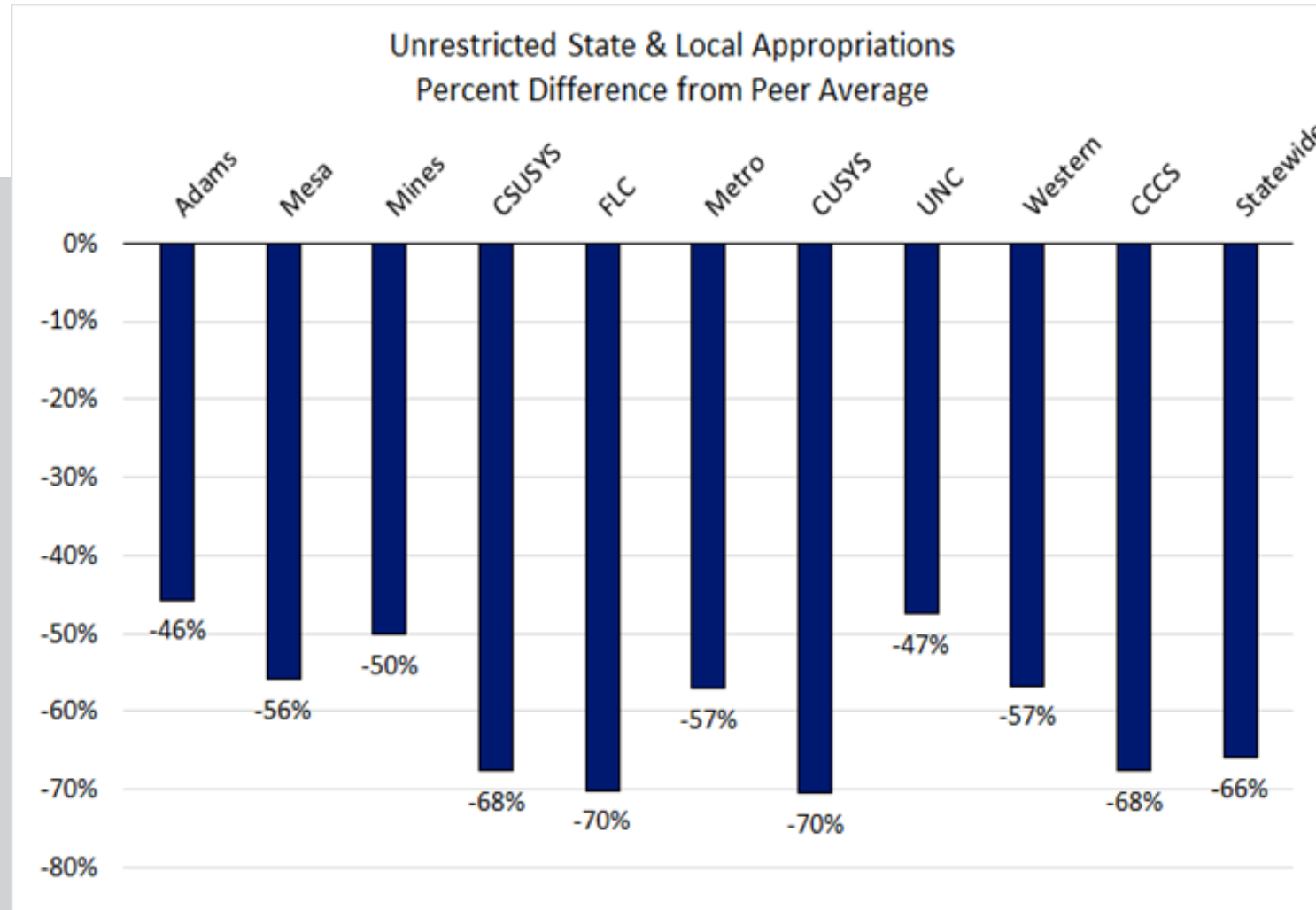


Back to Work - COSI's Displaced Worker grants

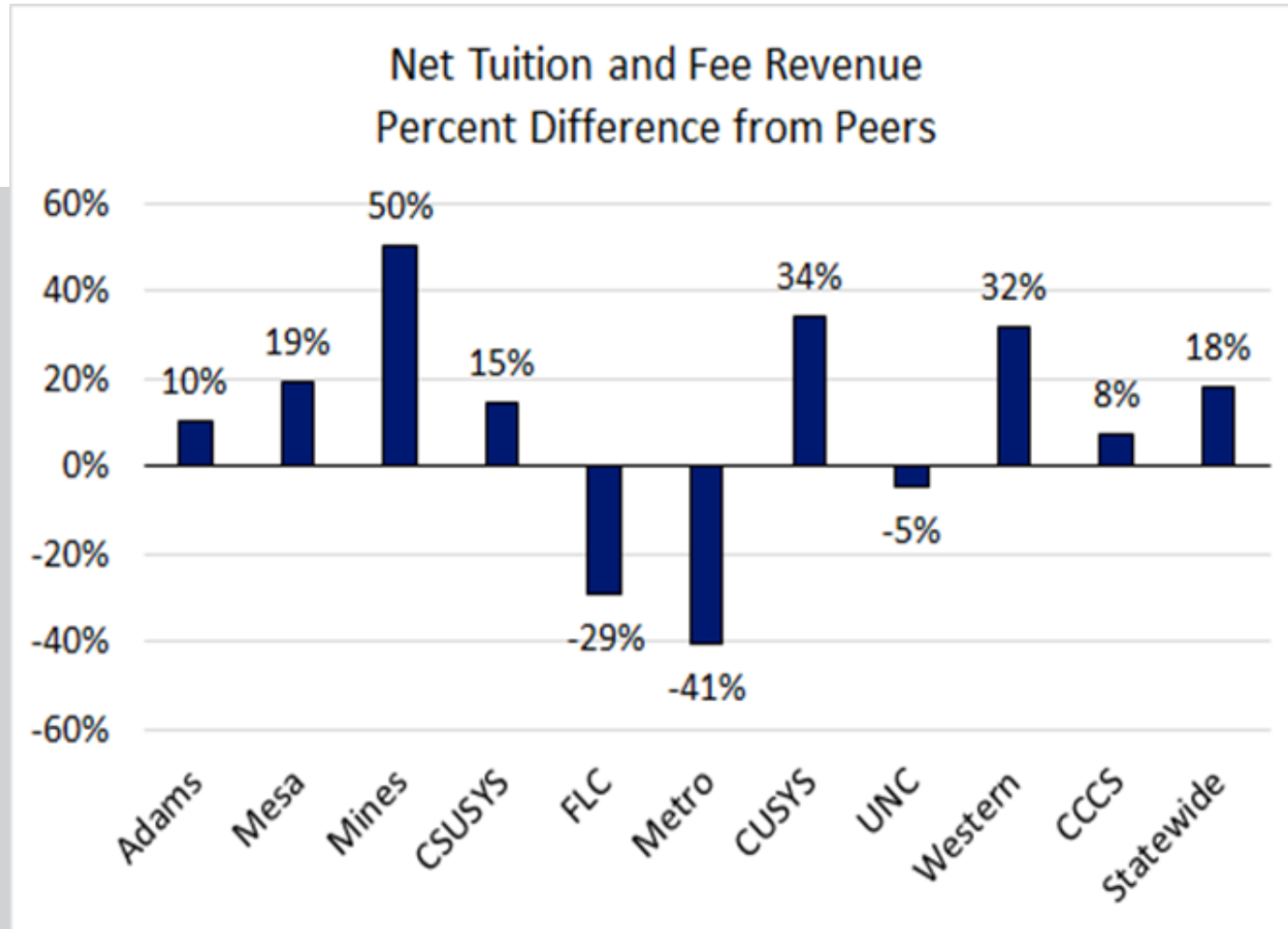


<https://cdhe.colorado.gov/displaced-workers>

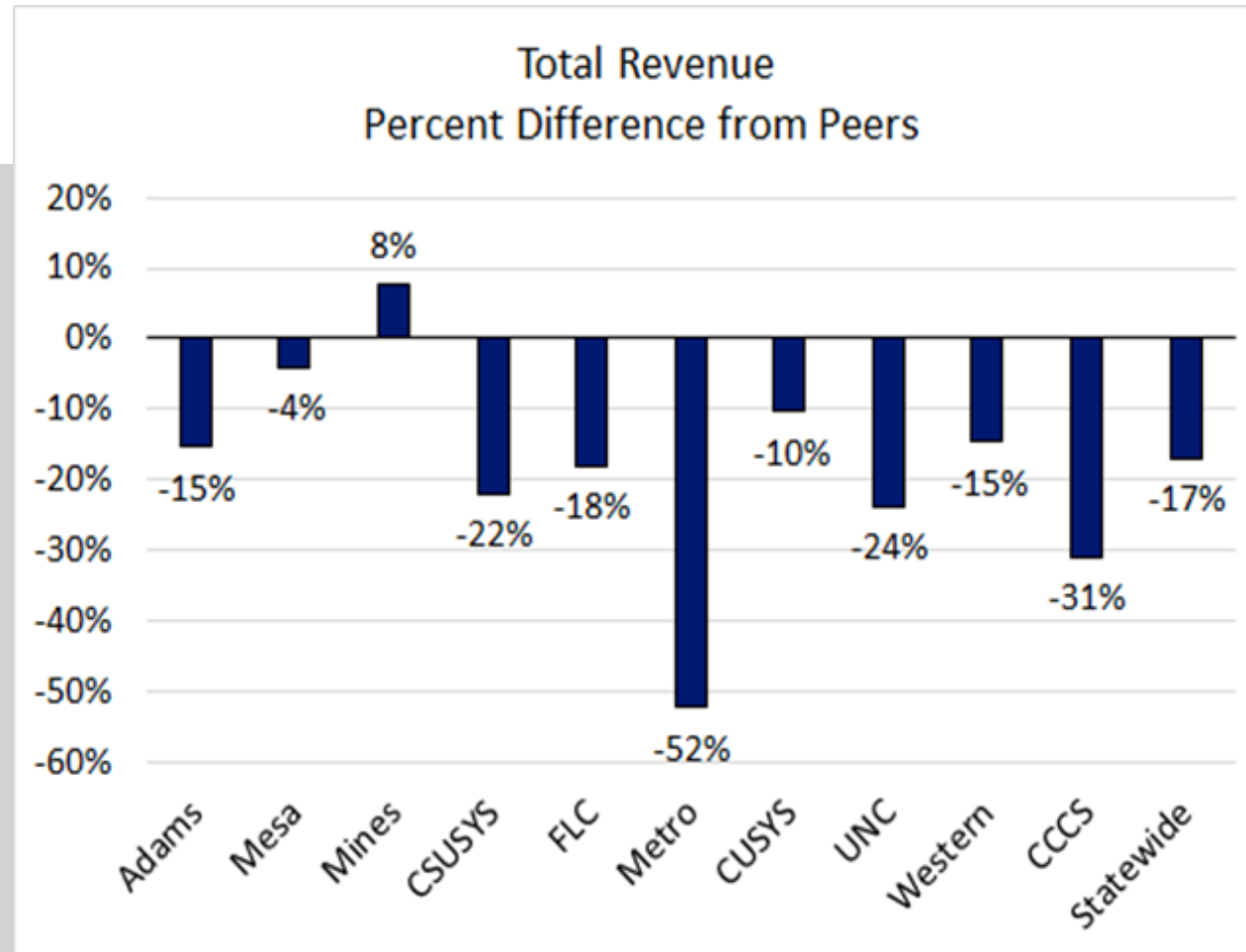
Hanover study results



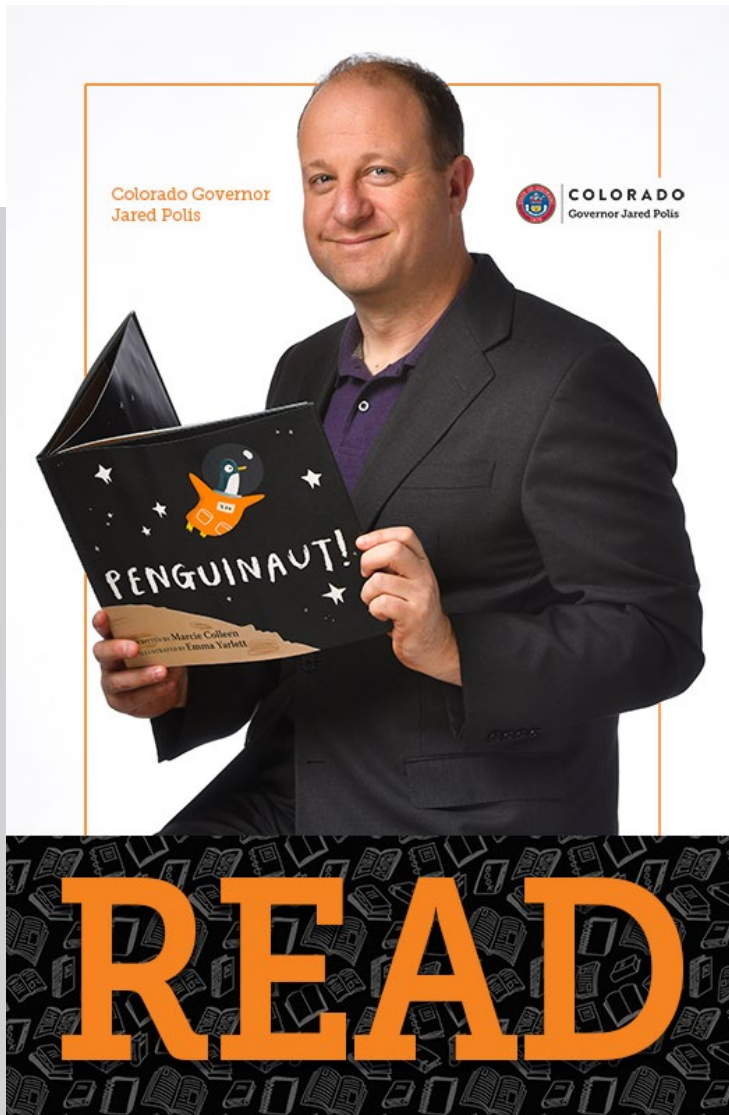
Hanover study results cont.



Hanover study results cont.

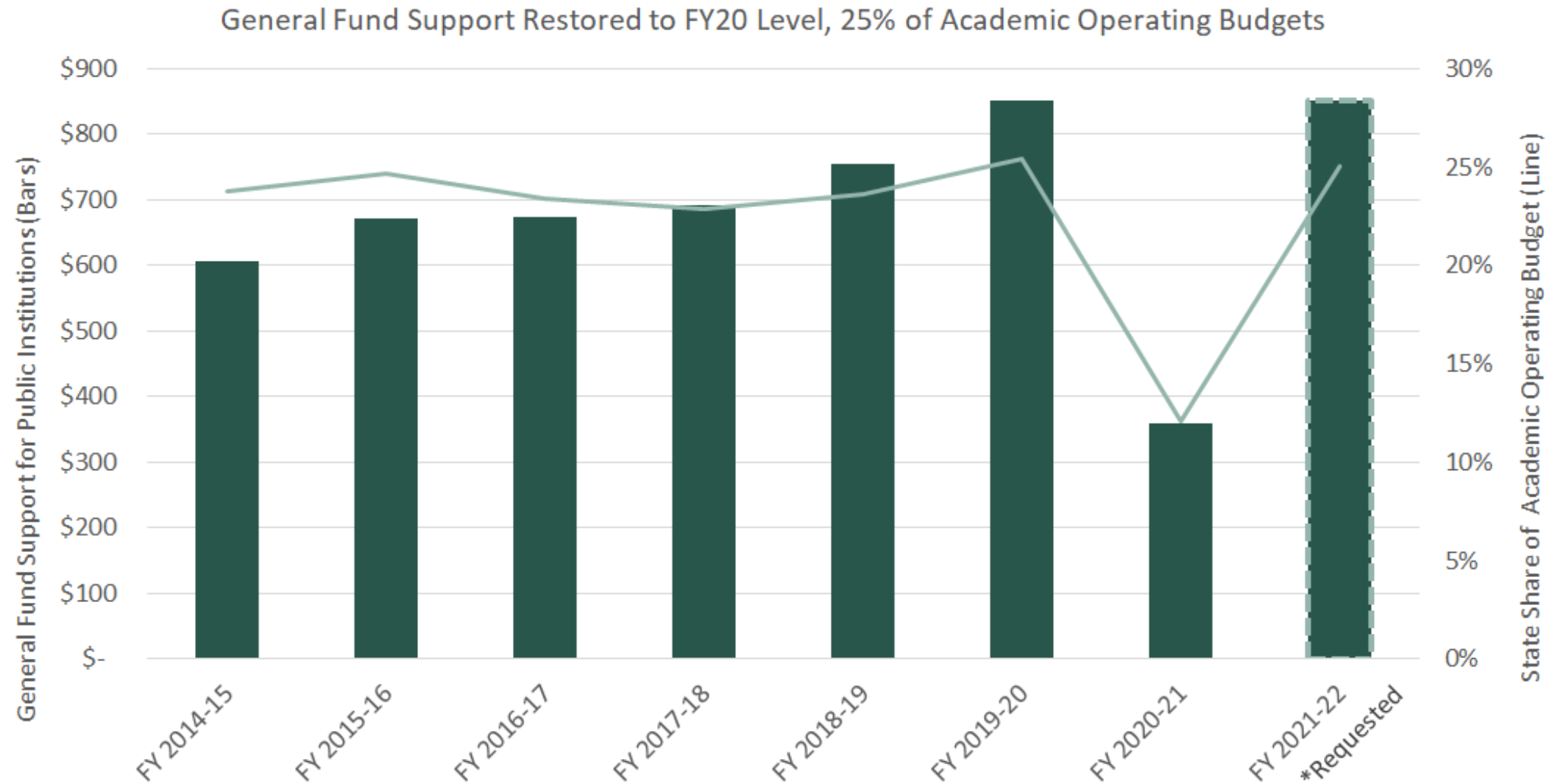


Educator Preparation Programs



In 2019, the Colorado legislature passed Senate Bill 19-199 that updated the READ Act, which specifies that educator preparation programs include course work that teaches candidates the **science of reading** and requiring educator candidates to demonstrate knowledge of evidence-based practices for teaching reading.

Budget Balancing in the Time of COVID-19



Higher Education Funding Allocation Model

First year

Performance based

CCHE priorities

Replacing the COF Stipend

The College Opportunity Fund

The State of Colorado is Investing in Your Education

Are you planning on attending a private or public college in the state of Colorado? Here is your opportunity to receive this state benefit if you attend a [participating college](#) and meet the [eligibility requirements](#).

The [College Opportunity Fund \(COF\)](#), created by the Colorado Legislature, provides a stipend to eligible undergraduate students. The stipend pays a portion of your total in-state tuition when you attend a participating college.

Eligible undergraduate students must apply, be admitted and enroll in classes at a participating college to receive this benefit. Both new and continuing students are eligible for the stipend.

Qualifying students may use the stipend for eligible undergraduate classes. The stipend is paid on a per credit hour basis directly to the college at which the student is enrolled. The credit-hour amount is set annually by the General Assembly.



Higher Education Capital Construction

CCHE CAPITAL CONSTRUCTION AND RENEWAL PRIORITY RANKING FY2021-22

Ranking	Institution Name	Project Name	Score	CCF	CF
1	Community College of Aurora	New Diesel and Support Services Building	98.28%	\$ 6,188,439	\$ 3,207,440
2	University of Colorado - Boulder	Hellems Building Renovation	95.59%	\$ 3,390,080	\$ 5,085,120
3	Colorado State University - Fort Collins	Clark Building Renovations and Additions	94.12%	\$ 35,629,037	\$ 30,000,000
4	Arapahoe Community College	Health Program Integration Renovation	92.65%	\$ 8,364,000	\$ 2,788,093
5	University of Colorado - Denver	Engineering and Physical Sciences Building Renovation	89.71%	\$ 5,146,026	\$ 15,438,080
6	Metropolitan State University - Denver	Health Institute	86.21%	\$ 7,156,624	-
	Colorado Mesa University	Kinesiology Renovation and Expansion	86.21%	\$ 17,467,133	\$ 5,822,379
8	University of Northern Colorado	UNC Facility Master Planning	83.33%	\$ 500,000	\$ 50,000
9	Community College of Denver	Boulder Creek Health Education Center of Excellence	82.35%	\$ 6,209,153	\$ 1,182,696
10	Auraria Higher Education Center	Campus-wide HVAC Infrastructure Replacement	81.03%	\$ 20,353,100	\$ 210,000
11	Colorado State University - Fort Collins	CSU Anatomy-Zoology East Revitalization	79.41%	\$ 15,284,446	\$ 3,821,112
12	Adams State University	Central Technology Renovation/Addition	79.31%	\$ 6,530,224	\$ 65,962
13	Colorado School of Mines	Arthur Lakes Library	76.47%	\$ 10,103,729	\$ 3,000,000
14	University of Northern Colorado	Gray Hall Mechanical Systems Replacement	75.86%	\$ 3,653,171	\$ 45,000
15	Colorado State University - Fort Collins	ARDEC	74.14%	\$ 13,536,164	-
	Colorado Mesa University	Electrical and Computer Engineering Building	74.14%	\$ 19,227,574	\$ 3,938,179

Higher Education Capital Construction

CCHE CAPITAL CONSTRUCTION AND RENEWAL PRIORITY RANKING FY2021-22

Ranking	Institution Name	Project Name	Score	CCF	CF
17	University of Colorado - Boulder	Guggenheim Capital Renovation	72.06%	\$ 1,162,800	\$ 1,744,200
18	Adams State University	Facilities Services Center Replacement	68.97%	\$ 15,902,516	\$ 160,632
19	Colorado Mesa University	Performing Arts Renovation and Expansion	67.24%	\$ 4,564,751	\$ 451,460
20	University of Colorado - Denver	CU Denver Building	60.34%	\$ 22,182,686	\$ 224,068
21	Colorado Mesa University	Student Parking Garage	58.62%	\$ 22,670,495	\$ 2,242,138
22	Colorado State University - Pueblo	Technology Building Renovation and Addition	57.35%	\$ 16,927,020	\$ 170,980
23	Pikes Peak Community College	First Responder Emergency Education Complex	56.89%	\$ 29,004,095	\$ 3,584,776
24	Colorado Mesa University	Energy Independence	56.25%	\$ 6,924,309	\$ 684,823
25	Lamar Community College	Library / Learning Resource Center Renovation	55.88%	\$ 1,929,866	\$ 50,000
26	Lamar Community College	Capital Renewal Project	43.10%	\$ 3,843,356	\$ 38,822
27	Lowry Higher Education Center	North Quad Remodel	35.29%	\$ 1,998,685	-
28	Trinidad State Junior College	Freudenthal Library Renovation	32.76%	\$ 6,276,339	-
29	Pueblo Community College	Dental Hygiene Growth / Expansion Project	30.88%	\$ 6,300,000	-
30	Pueblo Community College	Medical Technology Renovation	18.97%	\$ 600,000	-
N/A	Colorado State University	NWC COP Lease Payments Through Construction	N/A	\$ 19,069,368	-
GRAND TOTAL				\$ 338,095,186	\$ 84,005,960

Thank You!

JBC Hearing

January 11, 2021



DEPARTMENT OF HIGHER EDUCATION
FY 2021-22 JOINT BUDGET COMMITTEE HEARING
WRITTEN RESPONSES ONLY

COMMON QUESTIONS: PLEASE RETAIN THE NUMBERING IN ORDER TO MAINTAIN CONSISTENT LABELING FOR COMMON QUESTIONS ACROSS DEPARTMENTS.

DEPARTMENT EXCLUDING HISTORY COLORADO

- 1 Provide a list of any legislation with a fiscal impact that the Department has: (a) not implemented, (b) partially implemented, or (c) missed statutory deadlines. Explain why the Department has not implemented, has only partially implemented, or has missed deadlines for the legislation on this list. Please explain any problems the Department is having implementing any legislation and any suggestions you have to modify legislation.

The Department of Higher Education has implemented or is on track to implement all required legislation.

- 2 Does the Department have any HIGH PRIORITY OUTSTANDING recommendations with a fiscal impact identified in the Office of the State Auditor's "Annual Report: Status of Outstanding Audit Recommendations"? What is the Department doing to resolve these HIGH PRIORITY OUTSTANDING recommendations? Please indicate where in the Department's budget request actions taken towards resolving HIGH PRIORITY OUTSTANDING recommendations can be found.

The Department of Higher Education does not have any high priority outstanding recommendations identified by the Office of the State Auditor.

- 3 For the FY 2020-21 hearing process, the Department was asked to respond to the following questions related to public awareness campaigns.

Is the Department spending money on public awareness campaigns? If so, please describe these campaigns, the goal of the messaging, the cost of the campaign, and distinguish between paid media and earned media. Further, please describe any metrics regarding effectiveness and whether the Department is working with other state or federal departments to coordinate the campaign?

Please provide an update to your response from last year, including any changes to existing campaigns and/or the addition or discontinuation of campaigns.

The Department of Higher Education is currently not spending any money on any public awareness campaigns.

- 4 Please identify how many rules you have promulgated in the past year (FY 2019-20). 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 the Department's rules as a whole? If so, please provide an overview of each analysis.

The only Department of Higher Education divisions that promulgate rules are the Colorado Opportunity Scholarship Initiative (COSI) and the Division of Private Occupational Schools (DPOS).

COSI revised its rules in FY 2019-20. A cost benefit analysis was not required. These rule amendments conform the rules to statutory changes in § 23-3.3-1004(4)(a), C.R.S., by SB20-006. The amendments also clarify or adjust reporting requirements, student support activities, evaluation criteria, categories of matching scholarship grants, and matching ratios.

In FY 2020 DPOS and the Board implemented an Emergency Rule to extend the expiration date for certificates of approval as authorized by Sections II.B.1 and II.B.4 of Executive Order D 2020 015 (as extended and amended by Executive Orders D 2020 042 and D 2020 075) and section 23-64-108(d), (i), and (k), C.R.S. A cost benefit analysis was not required.

- 5 What are the major cost drivers impacting the Department? Is there a difference between the price inflation the Department is experiencing compared to the general CPI? Please describe any specific cost escalations.

The majority of Department costs are personnel costs, and therefore inflation in these costs coincides with the total compensation increases approved by the General Assembly.

- 6 How is the Department's caseload changing and how does it impact the Department's budget? Are there specific population changes, demographic changes, or service needs (e.g. aging population) that are different from general population growth?

The number of students at the state's public higher education institutions has increased modestly over the past few years. Despite the current year's overall decline due the pandemic, as a result of the projections for growth in the college-age population and continued demand for postsecondary credentials, total enrollment at the state's public higher education institutions is likely to continue to increase modestly. Enrollment will be higher if unemployment remains elevated despite the end of the pandemic as more individuals seek educational opportunities while employment prospects are diminished.

The state's public institutions will continue to experience growth in the share of students of color due to the demographic shifts that are occurring in the state and U.S. overall. This rising share of students means that the students enrolled in the state's public higher education institutions are statistically more likely to be lower income, speak a language other than English as their first

language, and be the first generation of their family to attend a higher education institution. These students tend to need different types of services compared with white, traditional-age higher education students and those with greater financial resources. Specifically, these groups benefit from things like increased student services, higher levels of academic support, and a more diverse faculty. Institutions will need to continue to adapt to better serve the growing share of these students. The Department will need to continue to focus its initiatives and programs to serve the growing share of these students.

- 7 In some cases, the roles and duties of existing FTE may have changed over time. Please list any positions that have been created in the Department since FY 2018-19 that were not the result of legislation or a decision item.

There have been two positions created since FY 2018-19 that were not a result of legislation or a decision item. The first position is the part time Director of Industry Partnerships, which was filled in June of 2019. The Director of Industry Partnerships builds an employer network of highly engaged companies that commit to providing work based learning opportunities for our students. In return, the Department of Higher Education commits to being a resource and promotional partner, highlighting the associations between our universities and industries thereby enhancing our state's reputation. The Director of Industry Partnerships is responsible for researching and recruiting companies with long-term hiring needs into our network, then growing, nurturing and maintaining these partner companies through ongoing engagement strategies.

The other position of Director of Workforce Development was created through the federal apprenticeship grant in FY 2018-19. This position oversees the implementation of the COHELP grant; manages the COHELPs team, both internal and external; leads CDHE's discussions on workforce development, including policy; and collaborates with public and private partners to ensure the various workforce initiatives (including COHELP) complement and align with the existing work-based learning ecosystem in Colorado. Additionally, the position also attends external board, commissions, and other meetings that the Department deems important for the success of COHELP and workforce development within Colorado's higher education system, works with institutions to expand work-based learning opportunities, and works in coordination with CDHE's Director of Industry Partnerships.

For all FY 2021-22 budget requests that include an increase in FTE:

- a. Specify whether existing staff will be trained to assume these roles or these duties, and if not, why;
- b. Specify why additional FTE are necessary; and
- c. Describe the evaluation process you used to determine the number of FTE requested.

*Four budget requests include an FTE component:
R-07 Open Educational Resources (OER)*

R-08 RISE Fund for Higher Education

R-09 Restore Educator Loan Forgiveness Program

S-01 Gov Acceleration Stimulus/ COSI Displaced Workers Supplemental

Each of these requests was subject to careful scrutiny to ensure that the additional or existing FTE were absolutely critical to the success of the budget request proposed.

R-07 OER represents the continuation of an existing FTE. A DHE staff member (1.0 FTE) already exists who is responsible for the administration of the OER Grant Program. The R-07 request seeks to preserve this FTE even if resources are too constrained to warrant an additional appropriation to the actual OER grant fund. The body of the decision item contains additional details, however, the Department believes that in preserving this 1.0 FTE on an ongoing basis, a significant amount of momentum and innovation as it pertains to the development of open educational resources will also be preserved. This preservation of momentum and innovation would require the ongoing, full time effort of the existing FTE and could not be absorbed by another DHE staff member. In evaluating the number of FTE requested, the Department budget staff considered the current responsibilities of the 1.0 OER FTE and the CCHE Master Plan goal of investing in affordability. Maintaining the progress and momentum of open educational resource development is key strategy in making post-secondary education more affordable.

R-08 seeks a one-time investment of \$10 million General Fund to expand the Response, Innovation, and Student Equity (RISE) Education Fund. The RISE Fund is currently administered by 1.0 FTE housed within the Governor's Office. The FTE request made in conjunction with the Department's R-08 request seeks to retain this FTE and use an interagency agreement to allow the current 1.0 RISE Fund Grant administrator to also administer this additional \$10 million investment into the RISE Fund. The Department anticipates that the grant application process and administration needs can be met by the existing 1.0 FTE.

R-09 seeks to re-establish a loan repayment program that was suspended in early 2020 due to COVID-related budgetary shortfalls. The Department was responsible for building this program from the ground up in 2019 and early 2020. In doing so, the Department hired a program manager to oversee the daily operations of the program and to serve as a point of contact for educators seeking to apply. Throughout this process, many areas for improved program management were identified. Specifically, the Department found that the paper-based application process used in 2019 bred unnecessary complexity and confusion. Additionally, given the substantial interest resulting in over 1300 eligible applications, managing this process consumed an inordinate amount of time. Prior to the dissolution of the program in March of 2020, the Department had been exploring ways in which to streamline the application and repayment process. As a result, the Department believes that fewer FTE will be necessary on an ongoing basis to manage the Educator Loan Forgiveness program. Given the department's past experience with software implementation and the high levels of interest in educator benefits, there will be a significant work burden as the program is rebuilt and the necessary electronic application work is completed. Once that process is completed, the Department believes that the software will enable program administration to be absorbed into existing department functions. This FTE analysis (0.5 additional FTE in FY 2021-22 and zero additional FTE ongoing) is contingent upon successful software purchase negotiations. The evaluation process to determine the number of FTE required is based on past experience developing the original Educator Loan Forgiveness program.

The S-01 supplemental request seeks to build on existing COSI program infrastructure to provide immediate assistance to 3,150 Colorado residents seeking to upskill or complete a post-secondary credential. Much of the success enjoyed by the COSI program can be attributed to the wraparound support services provided to COSI grant recipients. Equally important is the support that COSI staff provide to institutional and community grantees. This request for additional COSI FTE (0.3 additional FTE in FY 2020-21 and 1.0 in FY 2021-22) reflects the level of service and support COSI has found to be necessary for successful program administration. To require existing COSI staff to absorb the additional workload would weaken the core work that the program staff are already performing. In order to preserve the functionality of the current COSI program, and to ensure that S-01 COSI Displaced Workers program is fully implemented, additional FTE will be required. The evaluation process to determine the number of FTE required is based on current COSI staff experience in building new components of the COSI program and ensuring grantees have adequate support to make the program successful.

- 8 Please describe any programmatic impacts resulting from cash fund transfers impacting the department as part of the FY 2019-20 and FY 2020-21 balancing process.

The Department has limited cash funds and did not have to make any transfers for the budget balancing process, thus there were no programmatic impacts.

HISTORY COLORADO

- 1 Provide a list of any legislation with a fiscal impact that the Department/Governing Board/Institution has: (a) not implemented, (b) partially implemented, or (c) missed statutory deadlines. Explain why the Department has not implemented, has only partially implemented, or has missed deadlines for the legislation on this list. Please explain any problems the Department is having implementing any legislation and any suggestions you have to modify legislation.

History Colorado does not have any legislation with a fiscal impact that have not been implemented, are partially implemented, or missed statutory deadlines.

- 2 Does the Department/Governing Board/Institution have any HIGH PRIORITY OUTSTANDING recommendations with a fiscal impact identified in the Office of the State Auditor's "Annual Report: Status of Outstanding Audit Recommendations"? What is the Department doing to resolve these HIGH PRIORITY OUTSTANDING recommendations? Please indicate where in the Department's budget request actions taken towards resolving HIGH PRIORITY OUTSTANDING recommendations can be found.

The 2020 report can be found at this link: http://leg.colorado.gov/sites/default/files/documents/audits/2056s_2020_annual_report_status_of_audit_recommendations.pdf.

The Department did not have any audit recommendations that drove a fiscal impact.

- For the FY 2020-21 hearing process, the Department/Governing Board/Institution was asked to respond to the following questions related to public awareness campaigns.

Is the Department/Governing Board spending money on public awareness campaigns? If so, please describe these campaigns, the goal of the messaging, the cost of the campaign, and distinguish between paid media and earned media. Further, please describe any metrics regarding effectiveness and whether the Department is working with other state or federal departments to coordinate the campaign?

Please provide an update to your response from last year, including any changes to existing campaigns and/or the addition or discontinuation of campaigns.

History Colorado has decreased and re-prioritized its advertising and marketing expenditures in response to the downturn in Agency funding caused by COVID-19, as evidenced by the following table.

Advertising Expenditures by Fiscal Year

Fiscal Year	2015	2016	2017	2018	2019	2020	2021
1st Quarter Amount (\$)	21,841	64,046	83,179	79,034	92,413	84,622	18,609
Full Year Amount (\$)	318,468	302,715	326,576	495,350	445,662	297,620	225,324*

*Projected budget for FY 2021

History Colorado has focused many of its advertising dollars on paid social media campaigns related to membership drives, annual donations appeals, and to promote new online programming. Partnerships have also been formed with other nonprofits and museums on different museum and history related campaigns with the goal of boosting brand awareness and increasing followers. Other advertising dollars have been used to pay for targeted membership programs, such as the one at the end of FY20 that also ran at the beginning of FY21 to promote the new History Buff Membership that is available to every fourth grade student with Colorado Parent Magazine. Since launching during period 12 of FY20 over 1,500 students have registered for the program.

At the same time, History Colorado has increased its earned-media reach by 63 percent during the pandemic. History Colorado has partnered with several other entities, such as: the Colorado Sun, Colorado Media Project, Colorado Public Radio, KRZA in Alamosa, the Society for Black Archaeologists, History Colorado’s State Historians Council, and the state legislature for the interpretation and exhibition of the

Sand Creek massacre statue. Individual staff have also received local and national awards within the past year that has aided in raising the public profile of History Colorado. At the start of the pandemic History Colorado created a weekly digest to its newsletter distribution list that shares materials like *Colorado Magazine* articles, podcasts, educational activities, photos and collections, Spanish language resources, digital opportunities, and more. This newsletter has over 27,000 subscribers and has a weekly open rate of 22 percent.

The Department has also developed and begun tracking metrics for the effectiveness of both independent and social engagement. Independent engagement is defined as the visitor connecting and accessing History Colorado content on their own time, without a response from History Colorado. Examples of independent engagement include digital research, digital exhibits, podcasts, blogs, YouTube videos, and newsletters. Metrics for each independent engagement category is dependent on how that category is accessed, Google Analytics, download count, open rates, etc. For the purposes of measuring data, social engagement is defined as a visitor engaging in the History Colorado social media channels, such as Twitter, Facebook, or Instagram. The nature of social media allows the visitor to connect and access content on their own time and typically results in bidirectional engagement when they comment or message the Department. Social engagement is measured by link clicks, likes, comments, and shares. Preliminary dashboards are summarized below.

Category	Base Engagement	Annual Engagement				Current Fiscal Year	
	Base Year Engagement**	FY 2017	FY 2018	FY 2019	FY 2020	FY 21 Q1	FY 21 Annual Goal
Digital Research	218,849		100,159	218,849	300,859	94,046	251,676
Digital Exhibits (badges program)	31,118	29,411	36,208	31,188	43,275	3,487	34,230
Podcast Programs	46,026				46,026	9,163	52,930
Blog*							
Youtube	36,792	25,750	41,863	37,628	41,927	10,749	42,311
Newsletter	644,160				644,160		740,784
Publications*							
Total	976,945	55,161	178,230	287,665	1,076,247	117,445	1,121,931

*Blog and publications numbers are in development and will be available following the second quarter

**Base engagement is defined for the purposes of benchmarking. The base is dependent upon the length of time the program has been established and the duration of tracking.

Category	Base Engagement	Annual Engagement			Current Fiscal Year	
	Base Year Engagement**	FY 2018	FY 2019	FY 2020	FY 21 Q1	FY 21 Annual Goal
Twitter Engagement	20,982	8,883	9,640	44,424	10,680	32,784
Facebook Engagement	480,337	174,048	500,235	766,727	118,896	635,246
Instagram Engagement	32,669	4,526	29,965	63,517	20,559	64,031
Engagement Totals	533,988	187,457	539,840	874,668	150,135	732,061
Twitter Engagement	6,795	0	4,858	6,795	7,072	8,222
Facebook Engagement	53,048	29,045	32,500	53,048	54,658	70,156
Instagram Engagement	18,619	2,275	6,891	18,619	21,160	26,811
Followers Total	78,462	31,320	44,249	78,462	82,890	105,189

- 4 Please identify how many rules you have promulgated in the past year (FY 2019-20). 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 the Department’s rules as a whole? If so, please provide an overview of each analysis.

The Agency has promulgated one rule (8 CCR 1504) in response to HB 18-1190 in FY 2019-2020 on January 24, 2019. History Colorado was not required to submit a cost-benefit analysis.

- 5 What are the major cost drivers impacting the Department? Is there a difference between the price inflation the Department is experiencing compared to the general CPI? Please describe any specific cost escalations.

The predominant cost driver for the Department is the escalation in its COP, which will escalate a half million dollars every five years until peaking at nearly \$5 million in Fiscal Year 2044, and terminating at \$4.8 million in Fiscal Year 2046. Anecdotally, this is counter to the costs that other agencies are experiencing in financing their COPs. The COP payments for the Judicial Center and the History Colorado Center were financed with Build America Bonds, which also carry a “make-whole provision” that would have required an estimated \$30 million at the time of refinance. This is opposed to Build America Bonds financed with “par-call” provisions that allowed the State to capture savings on refinance.

As also noted in the strategic plan, History Colorado is also faced with increasing annual state-wide costs. The growth in Payments to OIT is displayed below.

Fiscal Year	2015	2016	2017	2018	2019	2020
Payments to OIT	397,767	467,187	396,003	701,084	453,559	605,019
% Increase from Prior Year		17.5%	-15.2%	77.0%	-35.3%	33.4%

CPI*		2.772%	3.386%	2.731%	1.924%	N/A*
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Source: *<https://cdola.colorado.gov/inflation-denver-aurora-lakewood-consumer-price-index>

- 6 How is the Department’s caseload changing and how does it impact the Department’s budget? Are there specific population changes, demographic changes, or service needs (e.g. aging population) that are different from general population growth?

While History Colorado does not have a “caseload”, this question can be addressed in terms of the changing shift in programming at History Colorado. History Colorado is accustomed to delivering in-person educational programming for people of all ages via exhibits, lectures, tours and workshops. This makes up a significant portion of revenue. During COVID-19, in-person activities have been offered at greatly limited capacity, mostly in the form of admissions and special guided museum tours. Other programs have had to shift to a virtual realm or be cancelled altogether.

With “Tours & Treks”, long statewide and international trips are being converted into locally based walking or caravan tours resulting in significantly less revenue and less cost. Lectures and workshops geared toward an adult audience have moved to a virtual realm. Through virtual programs, History Colorado has expanded our offerings and expanded audiences as we are no longer limited by building capacity and physical proximity. However most of these offerings are at no cost or low cost, so the increased audience has not resulted in a significant revenue stream yet. For example, some families would buy 2+ tickets for an in-person lecture and now simply buy 1 ticket for the household.

On the flip side, some community museums have been offering free lectures over the years because they are in smaller communities with lower average incomes. The Borderlands lectures have gone virtual and received significantly larger audiences and about \$10K in revenue. History Colorado is experimenting with a new ticket cost system that is believed will enable access and earn more revenue from expanding audiences. History Colorado has introduced a new digital membership level and been experimenting with different pay options to gauge if the new audience can transition to become a member or donor. Within the first quarter some have become donors or members, but at this point it is a low percentage that we are hoping increases over time.

In addition, the organization once served and earned revenue from school tour programs and which staff have converted into delivering Hands-On History education for remote learners, summer camps, Hands-On History @ home and other COVID-related child care solutions for working families. History Colorado is also offering virtual field trips and are in the process of developing an online comprehensive

Colorado curriculum that supports classroom teachers in Colorado communities whether students are learning in person, online or in rural communities that face teacher shortages.

- 7 In some cases, the roles and duties of existing FTE may have changed over time. Please list any positions that have been created in the Department since FY 2018-19 that were not the result of legislation or a decision item.

For all FY 2021-22 budget requests that include an increase in FTE:

- a. Specify whether existing staff will be trained to assume these roles or these duties, and if not, why;
No additional staff are requested for History Colorado in the FY 2021-22 budget request.
 - b. Specify why additional FTE are necessary; and
No additional staff are requested for History Colorado in the FY 2021-22 budget request.
 - c. Describe the evaluation process you used to determine the number of FTE requested.
No additional staff are requested for History Colorado in the FY 2021-22 budget request.
- 8 Please describe any programmatic impacts resulting from cash fund transfers impacting the department as part of the FY 2019-20 and FY 2020-21 balancing process.

History Colorado did not experience any cash transfers outside the Agency.