

DEPARTMENT OF HIGHER EDUCATION
FY 2024-25 JOINT BUDGET COMMITTEE HEARING AGENDA

Monday, January 8, 2023

1:30 pm – 5:00 pm

1:30 – 1:40 DHE/CCHE INTRODUCTIONS AND OPENING COMMENTS

Presenter: Dr. Angie Paccione, Executive Director, Colorado Department of Higher Education

1:40 – 2:00 COMMON QUESTIONS

Main Presenters:

- Dr. Angie Paccione, Executive Director, Colorado Department of Higher Education
- Crystal L. Collins, Chief Financial Officer, Colorado Department of Higher Education
- Dr. Sophia Laderman, Chief Policy and Research Officer, Colorado Department of Higher Education

Supporting Presenters:

- Corey Evans, Interim Budget Director, Colorado Department of Higher Education
- Dr. Cynthia N. Armendariz, COSI Program Managing Director, Colorado Department of Higher Education

Topics:

- One-time State and Federal Stimulus Funds: Question 1, Pages 24-30 in the packet, Slides 8-10
- Financial Impact of Partnership Agreement: Question 2, Page 30 in the packet, Slide 11
- Budget Reduction Scenario: Question 3, Page 30 in the packet, Slide 11

2:00-3:00 CDHE/CCHE OPERATIONS, INSTITUTION FUNDING AND INITIATIVES

Main Presenters:

- Dr. Angie Paccione, Executive Director, Colorado Department of Higher Education
- Crystal L. Collins, Chief Financial Officer, Colorado Department of Higher Education
- Dr. Sophia Laderman, Chief Policy and Research Officer, Colorado Department of Higher Education

Supporting Presenters:

- Dr. Cynthia N. Armendariz, COSI Program Managing Director, Colorado Department of Higher Education

Topics:

- Salary Analysis: Questions 4-5, Pages 30-32 in the packet, Slide 12
- Cybersecurity Incident Update: Questions 6-7, Pages 33-34 in the packet, Slide 13
- R1 State Funding for Higher Education: Question 8, Pages 34-35 in the packet, Slide 14
- Affordability Messaging: Questions 9-13, Pages 35-40 in the packet, Slides 15-18
- Concurrent Enrollment: Questions 14-15, Pages 41-42 in the packet, Slide 19

Transition 3:00-3:02

3:02-3:20 COLORADO GEOLOGICAL SURVEY

Main Presenters:

- Matthew Morgan, Director and State Geologist, Colorado Geological Survey

Topics:

- Colorado Geological Survey 101: Question 1, Pages 43-54 in the packet, Slides 1 – 10

Break: 3:20-3:25

3:25-3:50 HISTORY COLORADO INTRODUCTIONS AND OPENING COMMENTS

Presenters: Dawn DiPrince, Executive Director, History Colorado
Penfield Tate, Board President, History Colorado

3:25-3:35 COMMON QUESTIONS

Main Presenters:

- Dawn DiPrince, Executive Director, History Colorado

Supporting Presenters:

- Luis Colón, Chief Administrative Officer, History Colorado

Topics:

- One-time State and Federal Stimulus Funds: Question 1, Page 54 in the packet
- Financial Impact of Partnership Agreement: Question 2, Pages 54-55 in the packet
- Budget Reduction Scenario: Question 3, Page 55 in the packet

3:35-4:10 HISTORY COLORADO CHANGE REQUESTS, 2-9

Main Presenters:

- Dawn DiPrince, Executive Director, History Colorado

Supporting Presenters:

- Luis Colón, Chief Administrative Officer, History Colorado

Topics:

- HC2 Historic Property Affordable Housing: Questions 1-2, Pages 56-58 in the packet
- HC3 250-150 Commission Outreach: Question 3, Pages 58-59 in the packet
- HC4 Adobe Maintenance Manager FTE: Question 4, Pages 59-60 in the packet
- HC 8 Strategic Initiatives Fund: Question 5, Page 61 in the packet
- HC 9 Indian Boarding School: Question 6, Page 62 in the packet

4:10-4:35 HISTORY COLORADO FACILITY LEASE REQUEST

Main Presenters:

- Dawn DiPrince, Executive Director, History Colorado
- Luis Colón, Chief Administrative Officer, History Colorado

Topics:

- History Colorado Facility Lease Request: Questions 7-10, Pages 62-64 in the packet

Transition 4:35-4:40

4:40-5:00 CUMBRES & TOLTEC

Main Presenters:

- Steven Butler, President, Cumbres & Toltec
- Scott Gibbs, Commissioner, Cumbres & Toltec
- Ed Beaudette, Board Member, Cumbres & Toltec

Topics:

- HC5 Cumbres Toltec Fire Mitigation: Question 11, Pages 64-65 in the packet

Department of Higher Education

Joint Budget Committee Hearing

January 8, 2024

Agenda

- **Department Overview**
- **Higher Education Ecosystem**
- **Strategic Plan**
- **Budget Requests**
- **Your Questions**



Department Overview



Higher Education Ecosystem

- The Polis Administration
- Colorado General Assembly
- Colorado Department of Higher Education
 - Colorado Commission on Higher Education
 - 10 Institutional Governing Boards
 - 2 Local District Colleges
 - 3 Area Technical Colleges

394,000

Students served by

31

Public Institutions

354

Private Institutions

Strategic Plan for Higher Education

Increase the number of Coloradans benefiting from valuable career skills, obtained while in high school or via postsecondary education, that –at a minimum– enable additional lifetime earnings greater than the cost of attendance.

Three strategic pillars underpin the goal and the opportunities available to institutions, policymakers, and others that affect change.

Pillar #1

Identify and improve pathways with a negative return on investment.

Pillar #2

Focus on equity and enable more learners to succeed.

Pillar #3

Catalyze increased postsecondary and workforce collaboration, alignment, and co-creation of new pathways that offer a positive return on investment.



Budget Requests

DHE Budget Requests

R1 — State Funding Increase for Public Higher Education, including an additional \$4M for COSI

R2 — Tuition Spending Authority

R3 — Fort Lewis College Native American Tuition Waiver

R4 — Department Staff Salary Adjustments

FY24 Budget Supplemental Requests

S-01/BA-01: Cybersecurity Incident Remediation

S-02/BA-03: Division of Occupational Education Cost Increase

S-03: Auraria Higher Education Center Indirect Cost Increase

S-04: Student Success Data System HB22-1349 Spending Authority Extension

FY25 Budget Amendment Requests

BA-01/S-01: Cybersecurity Incident Remediation

BA-02: Covering Classified Employee Step Increase

BA-03/S-02: Division of Occupational Education Cost Increase

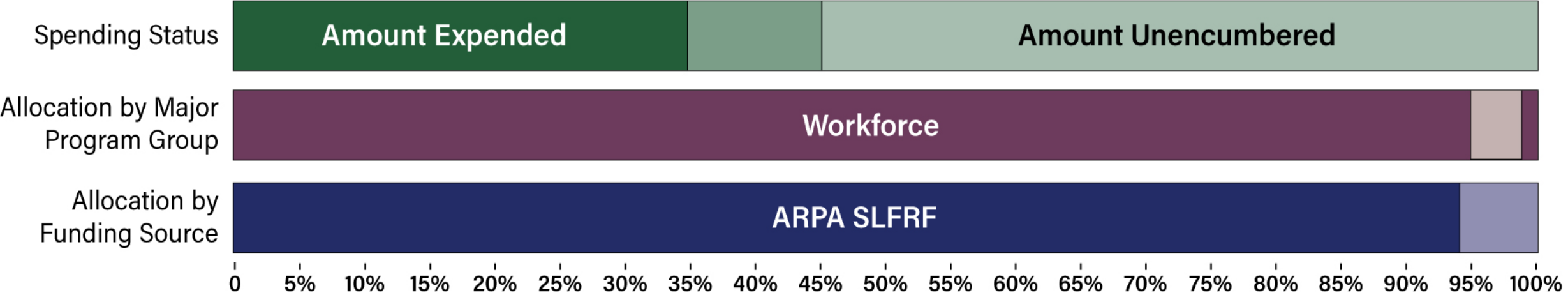
BA-04: Path4Ward Caseload Adjustment

FY25 Legislative Set Aside

\$1.5M to create first in the nation financial aid program covering cost of attendance for students who experienced homelessness in high school

Common Questions

Stimulus Funding Implementation



As of September 30, 2023, **\$85.32 million** of the **\$189.58 million** appropriated to higher education had been expended or encumbered.

BACK TO WORK



#BackToWorkCO



COLORADO
Department of
Higher Education



COLORADO
Colorado Opportunity
Scholarship Initiative

Common Questions

Department Staff Salary Adjustments

FY25 Department Budget Request

R4 – Department of Higher Education Salary Adjustments

- Status of Department's Personnel Services
 - Recruitment and retention challenges
 - Strategic use of vacancy savings
- Department of Personnel & Administration Analysis
 - Matched DHE non-classified positions to classified equivalent
 - 53% of DHE positions paid below their classified equivalent
 - Requesting \$171,130 to address salary gap
- Allow DHE to compete with our own state government department peers



Cybersecurity Incident Update

FY24 Department Budget Supplemental Request

S-01/BA-01: Cybersecurity Incident Remediation

- Public Notice and Credit Monitoring
- Hardening of IT Infrastructure
- Ongoing Work with State Office of Risk Management/Insurance Coverage
- Relationship with Governor's Office of Information Technology
- Restoration of IT Operations and Enhancement of Network/Data Security
- Remediation Efforts Associated with Budget Supplemental Request
 - Improve IT infrastructure, network security, database governance, and data security through investments in contracted professional services and additional FTE support



Funding for Students Experiencing Homelessness

FY25 Legislative Set Aside

\$1.5M to create first in the nation financial aid program covering cost of attendance for students who experienced homelessness in high school

- Last-dollar (after existing federal, state, institutional and private financial aid)
- Full cost of attendance critical for this population
- Eligible students must meet McKinney-Vento Act definition while in high school
- Designed after the FosterEd program model
- Financial costs are the primary driver of this population not attending or completing college

Reducing The Cost of Postsecondary Education

Current initiatives to reduce the cost of postsecondary education for Coloradans:

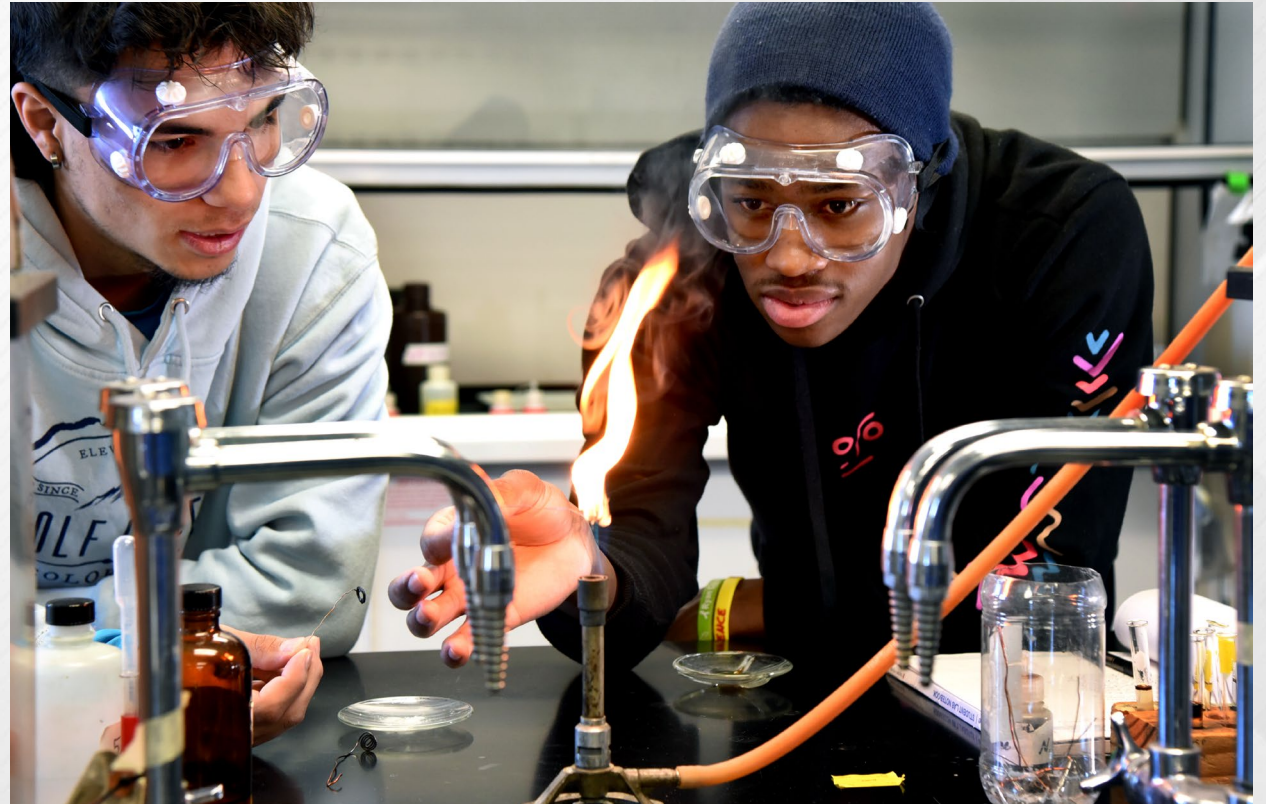
- Statewide Affordability Message
- Institutional Promise Programs
- Closer Than You Think
- Zero Cost Programs
- FAFSA/CASFA
- Fund My Future
- Open Educational Resources



Financial Aid Impact on Coloradans – COSI Programs

How the Colorado Opportunity Scholarship Initiative (COSI) supports Coloradans:

- Accessibility
- Affordability
- Attainment
- Value



Cost of Attendance and Net Price



Income Group	U.S. Avg Net Price	Colorado Rank	Colorado Net Price
\$0 - \$30,000	\$7,943	43	\$10,641
\$30,001 - \$48,000	\$9,190	39	\$11,054
\$48,001 - \$75,000	\$12,365	40	\$14,210
\$75,001 - \$110,000	\$17,557	45	\$19,995
\$110,00 +	\$21,846	45	\$24,662



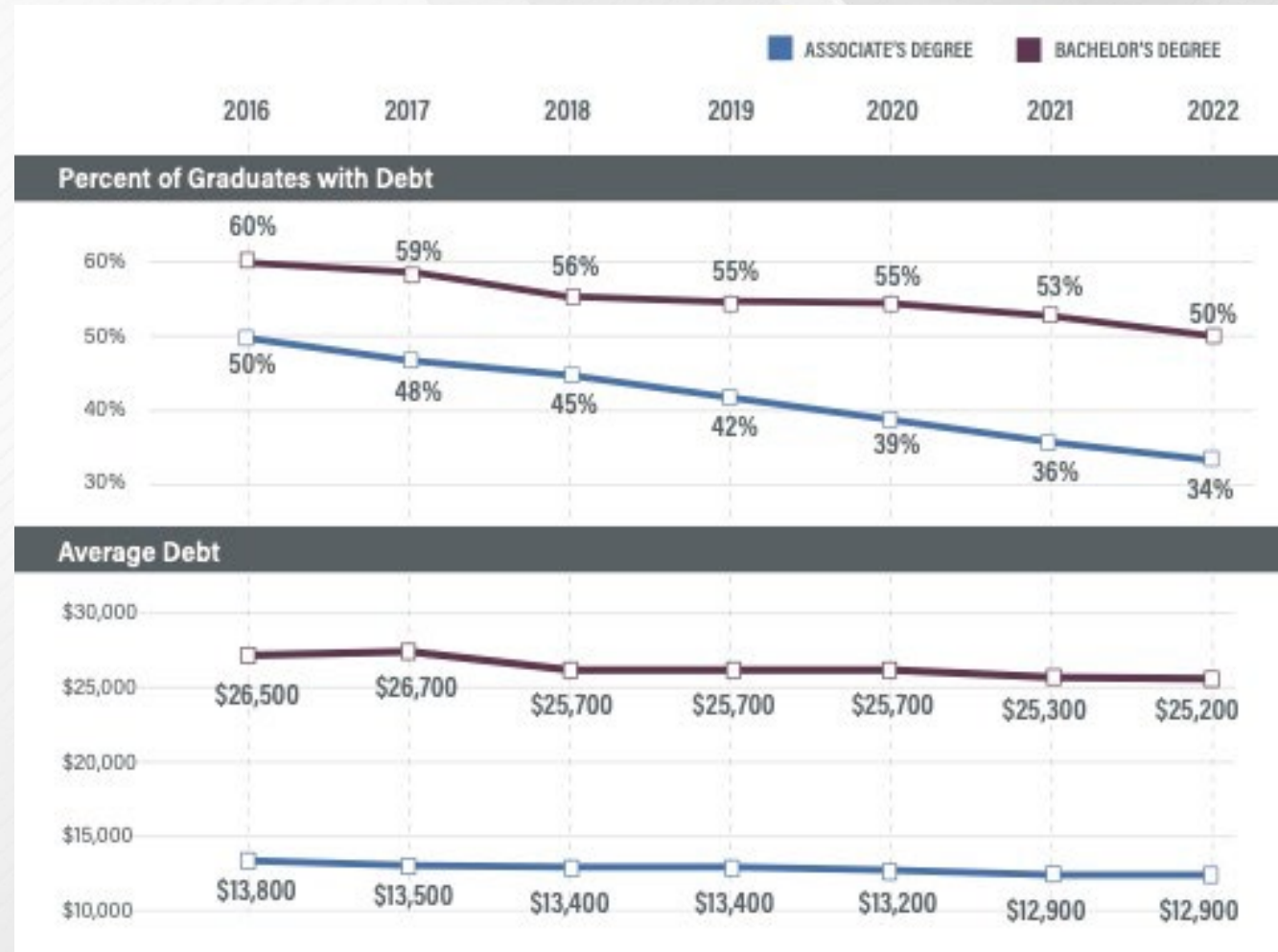
Cost of Attendance and Net Price

2022 Associate Degree Graduates

- 34% of graduates graduated with debt
- Average debt - \$12,900
- Just 2% of graduates accrued debt greater than \$30,000

2022 Bachelor's Degree Graduates

- 50% of graduates graduated with debt
- Average debt - \$25,200
- Just 9% of graduates accrued debt greater than \$40,000



Concurrent Enrollment – A Success Story

› **Finding #1**

Students were dramatically more likely to matriculate to college (77%) than those who did not take a Concurrent Enrollment course (52%).

+25%
More likely to attend college

› **Finding #2**

Students were dramatically more likely to earn a 2-year degree within 2 years of graduating from high school (13% vs. 5%).

+8%
On time degree completion from a 2-year college

+9.6%
Higher wages 5 years post-graduation

› **Finding #4**

Students had higher workforce earnings after 5 years (\$15,767.45 vs. \$14,377.98)

+10%
On time degree completion from a 4-year college

› **Finding #3**

Students were significantly more likely to earn a 4-year degree within 4 years (26% vs. 16%), and 4-year degree within 3 years (1.6% to 0.5%).

+1.1%
Early degree completion from a 4-year college



For more detailed information on this research:

<https://coloradolab.org/wp-content/uploads/2020/09/Concurrent-Enrollment-Policy-Brief.pdf>

Thank you!

DEPARTMENT OF HIGHER EDUCATION
FY 2024-25 JOINT BUDGET COMMITTEE HEARING

Monday, January 8, 2023

1:30 pm – 5:00 pm

QUESTIONS FOR THE GOVERNOR'S OFFICE TO BE ANSWERED HERE
OR WITH THE GOVERNOR'S OFFICE HEARING

- 1 [Sen. Kirkmeyer and Zenzinger, Reps. Bird] How does the Governor's Office justify not restoring the funding for the CU School of Medicine that was reduced on a temporary basis under S.B. 21-213 (Use of Enhanced Medicaid Match)? We reduced General Fund because of the enhanced federal Medicaid match rate provided as part of federal pandemic relief. Now that this is phasing out, why aren't we restoring this funding? Why should the State not keep this promise?

Response: The responses to these questions were provided as part of the Office of the Governor's Office hearing questions. Please refer to the hearing materials provided by the Governor's Office.

- 2 [Sen. Kirkmeyer and Zenzinger, Reps. Bird and Taggart] The Governor's request for the higher education institutions (DHE Request R1) includes an assumption that nonresident tuition will increase by about 6.5 percent. What is the basis for that assumption? Is there data or research to support it?

Response: The responses to these questions were provided as part of the Office of the Governor's Office hearing questions. Please refer to the hearing materials provided by the Governor's Office.

COMMON QUESTIONS FOR DISCUSSION AT DEPARTMENT HEARINGS

- 1 Please describe one-time state and federal stimulus funds that have been allocated to the Department but are not expended as of September 30, 2023, by bill, budget action, executive action, or other source that allocated funds. The description should include but is not limited to funds that originate from one-time or term-limited General Fund or federal funds originating from the American Rescue Plan Act (ARPA)/State and Local Fiscal Recovery Funds/Revenue Loss Restoration Cash Fund. Please describe the Department's plan to obligate or expend all allocated funds that originate from ARPA by December 2024.

Response: The Department has received significant investments of stimulus and recovery funds for the purposes of advancing internal programs and as passthrough funds for state institutions of higher education, private non-profit institutions of higher education, and other non-profit partnership organizations. These appropriations include one-time allocations of General Fund (\$11.72 million) and ARPA (\$177.86 million). As of September 30, 2023, \$85.32 million of the \$189.58 million appropriated to higher education had been expended or encumbered. All funding to higher education was received through legislation. The Department has also benefited from an Interagency Agreement with the Office of the Governor to provide administrative support for the oversight of these one-time funds.

The Department’s plans for unobligated stimulus funds appropriated to the department are outlined below by program type and bill:

Entity	Fund Type	Bill Number	Program Name	Appropriation (in millions)	Encumbered (in millions)	Expended (in millions)	Unencumbered (in millions)
Colorado Department of Higher Education	General Fund / State Stimulus	H.B. 22-1349	Postsecondary Student Success Data Systems	\$3.00	\$0.00	\$0.03	\$2.97
	General Fund / State Stimulus	H.B. 22-1366	Improving Students' Postsecondary Options	\$1.25	\$0.00	\$0.69	\$0.56
	General Fund / State Stimulus	S.B. 22-192	Opportunities For Credential Attainment	\$2.80	\$0.00	\$1.28	\$1.52
	ARPA	H.B. 21-1330	Colorado Opportunity Scholarship Initiative (COSI) – Finish What You Started	\$45.85	\$0.58	\$20.79	\$24.48
	ARPA	H.B. 21-1330	Colorado Opportunity Scholarship Initiative (COSI) – Finish What You Started (Alt. Elig.)	\$3.15	\$0.00	\$0.00	\$3.15
	ARPA	H.B. 21-1330	CO Re-engaged (CORE) Initiative and Associate Degrees	\$1.00	\$0.00	\$0.28	\$0.72
	ARPA	H.B. 21-1330	Student Aid Application Completion Program	\$1.50	\$0.89	\$0.12	\$0.49
	ARPA	S.B. 21-232	Colorado Opportunity Scholarship Initiative (COSI) - Back to Work	\$14.50	\$0.54	\$11.15	\$2.81
	ARPA	S.B. 21-232	Colorado Opportunity Scholarship Initiative (COSI) - Back to Work (Alt. Elig.)	\$0.50	\$0.00	\$0.00	\$0.50
	ARPA	S.B. 22-182	Economic Mobility Program	\$0.17	\$0.00	\$0.17	\$0.00
	ARPA	H.B. 22-1220	Removing Barriers to Educator Preparation	\$52.00	\$16.52	\$12.96	\$22.52
Subtotal				\$125.72	\$18.53	\$47.47	\$59.72

Department and Public Higher Education Institution Partnership Programs

While the Department is the receiving entity per statute for these funds, the programs described below are implemented by various public institutions of higher education, as identified in the table. Guidance from the federal government and Colorado Office of the State Controller has indicated that due to the nature of the relationship between the state and the institutions of higher education, these funds are not considered “obligated” until they reach a student or are contracted for service. The Department recommends reaching out directly to the implementing institution of higher education for additional information on spending and obligation plans.

Entity	Fund Type	Bill Number	Program Name	Appropriation (in millions)	Encumbered (in millions)	Expended (in millions)	Unencumbered (in millions)
Colorado Community College System	General Fund / State Stimulus	H.B. 21-1149	Energy Career Pathways	\$4.50	\$0.00	\$1.10	\$3.40
University of Colorado	ARPA	S.B. 21-137	Health Connectors	\$2.63	\$0.00	\$2.57	\$0.06
Colorado Community College System	ARPA	H.B. 21-1264	Career and Technical Education	\$10.00	\$0.92	\$3.82	\$5.26
Colorado Community College System	ARPA	S.B. 22-181	Behavioral Health Care Workforce Development	\$15.19	\$0.00	\$0.15	\$15.04
University of Colorado	ARPA	S.B. 22-226	Healthcare Workforce: In-Demand Short-Term Credentials	\$26.00	\$0.00	\$10.12	\$15.88
Colorado Community College System	ARPA	H.B. 22-1302	Regional Health Connector Workforce Program	\$0.25	\$0.00	\$0.25	\$0.00
University of Colorado	ARPA	S.B. 22-147	Funding Behavioral Health-Care Services for Children	\$4.60	\$0.00	\$0.03	\$4.57
Subtotal				\$63.17	\$0.92	\$18.04	\$44.21

Direct Appropriations to Institutions — ARPA Funded

H.B. 21-1264: Career and Technical Education

The bill creates a program to expand equipment, facilities, and instructional capacity in key career and technical education job demand areas. Currently, all \$10.0 million has been received by the Colorado Community College System (CCCS) and is being allocated at their discretion. CCCS has expended \$3.82 million and encumbered \$0.92 million. CCCS has \$5.62 million left unencumbered.

H.B. 21-1330: Higher Education Student Success

H.B. 21-1330 includes funding for three programs: the Colorado Opportunity Scholarship Initiative (COSI), Colorado Re-Engaged Initiative and Associate Degrees (CORE), and the Student Aid Application Completion Grant Program. Of the \$51.50 million appropriated under H.B. 21-1330, \$22.66 million had been expended or encumbered by September 30, 2023. Additional information about spending for each program is enumerated below.

Colorado Opportunity Scholarship (COSI) – Finish What You Started

Finish What You Started has expended or encumbered \$21.37 million of its \$49.00 million allocation. Most of the money has been disbursed to intuitional partners, however, as public institutions are considered part of state government, much of this disbursement is not considered encumbered/expended. COSI intends on obligating the remaining funds for Fiscal Year 2024-25 and Fiscal Year 2025-26 at the COSI Board level. The COSI Board approves student scholarship plans based on criteria established in state statute. As part of a recent review of expenditure plans, the Department informed the Office of the Governor that \$5.65M was available for recapture and reinvestment. Remaining fund obligation will occur sometime in Fall 2024 pending updated guidance from the U.S. Treasury and the Office of the Governor on fund obligations.

Colorado Re-Engaged Initiative (CORE) and Associate Degrees

The CORE Program has expended \$0.28 million of the \$1.00 million appropriated as part of H.B. 21-1330. Most of the remaining funding is currently with institutional partners.

Student Aid Application Completion Grant Program

The Student Aid Application Completion Grant program, also known as Fund My Future, has expended or encumbered \$1.01 million of the \$1.50 million appropriated as part of H.B. 21-1330. Funding has been distributed to several school districts to assist graduating seniors with completing the FAFSA. The program continues to expand and the majority of funding is currently with educational partners.

H.B. 22-1220: Removing Barriers to Educator Preparation

The educator stipend and loan forgiveness program has expended \$29.48 out of its allocation of \$52.00 million. This program has requested one additional six months of spending authority through June 2025 to allow the Department enough time to fully expend the funding. This request is part of the Governor's Office larger ARPA spending request.

S.B. 21-232: College Opportunity Scholarship (COSI) Displaced Workers Program – Back to Work

Back to Work has expended \$11.69 million out of its allocation of \$15.00 million. As part of a recent review of expenditure plans, the Department informed the Office of the Governor that \$0.66M was available for recapture and reinvestment. DHE does not anticipate issues obligating the remaining funding by December 31, 2024. These funds go primarily to foundations and non-profits and another wave of funding will be distributed by the Department in January 2024.

S.B. 22-182: Economic Mobility Program

The Economic Mobility Program has fully expended its allocation of \$0.17 million.

Colorado Department of Higher Education Administered Programs – General Fund / State Stimulus Funded Programs

H.B. 22-1349: Postsecondary Student Success Data Systems

H.B. 22-1349 was created to modernize the Department’s Student Unit Records Data Systems (SURDS). The Department has experienced delays in implementation of this legislation due to administrative struggles executing an agreement with a third-party vendor and due to the impacts of the 2023 cybersecurity incident affecting the Department. More information about the impacts of the cybersecurity incident can be found below in response to a specific committee question, and in the Department’s supplemental funding request submitted by the Governor on January 2nd. Due to these delays, DHE is requesting a spending authority extension through December 30, 2026, to allow the Department to spend these funds in alignment with the requirements of the legislation.

H.B. 22-1366: Improving Students’ Postsecondary Options

This legislation is responsible for funding the Department’s CASFA coordinator position and two full-time outreach positions. In addition, funding provided through this legislation has improved the department’s financial aid tools and FAFSA toolkit. The remaining unencumbered funds are the employee salaries through June 30th, 2024.

S.B. 22-192: Opportunities for Credential Attainments – Credentials to Support CO Jobs

This legislation creates stackable credential pathways in higher education across the state. Department staff funded through this legislation are currently working with institutions of higher education to accomplish the goals of the legislation and have planned allocation amounts for Spring 2024, Fall 2024, and Spring 2025. The remaining \$1.52 million of this program is on schedule to be expended by June 30th, 2025, consistent with current spending authority.

Department Interagency Agreement

The Department has benefited from an Interagency Agreement with the Office of the Governor to assist with compliance requirements associated with one-time federal and state stimulus funds.

Entity	Fund Type	Bill Number	Program Name	Appropriation (in millions)	Encumbered (in millions)	Expended (in millions)	Unencumbered (in millions)
Colorado Department of Higher Education	ARPA - IA	C.R.S. §21-75-226(4)(a)	ARPA Workforce Interagency Agreement	\$0.69	\$0.00	\$0.35	\$0.34
Subtotal				\$0.69	\$0.00	\$0.35	\$0.34

Colorado Department of Higher Education Administered Programs – ARPA Funded Interagency Agreements

C.R.S. §21-75-226(4)(a) ARPA Workforce Agreement

This agreement is for two full-time employees to assist DHE with implementation and compliance of Coronavirus State and Local Fiscal Recovery Funds (SLFRF) and other stimulus funding. The \$0.33 million in remaining funds will be expended on salary and staffing needs through December 2024.

H.B. 22-1302: Regional Health Connector Workforce Program

The University of Colorado has fully expended its allocation of \$250,000 for the Regional Health Connector Workforce Program.

S.B. 21-137: Behavioral Health Recovery Act

This bill created the regional health connector workforce program at the University of Colorado School of Medicine to improve community health and assist with mental health and substance abuse disorders (education, treatment, and prevention). CU has expended \$2.57 million of its \$2.63 million allocation.

S.B. 22-181: Behavioral Health Care Workforce Development

This bill was used to help further funding for behavioral health care-related programs at the Colorado Community College System (CCCS). CCCS has expended \$0.15 million of its \$15.04 allocation. S.B. 22-181 was identified for a spending authority increase as part of the Governor’s Office larger ARPA spending request. This legislation outlines a large-scale systems transformation workforce development initiative, which has required significant time for planning and development with many moving parts and collaboration with external stakeholders which has resulted in slower-to-date spending.

S.B. 22-226: Healthcare Workforce: In-Demand Short Term Credentials

This bill established the Care Forward program at the Colorado Community College System (CCCS). This program provides zero cost short-term healthcare credentialing scholarships and support to community college students. CCCS has expended \$10.12 million of its \$26.00 million allocation.

S.B. 22-147: Funding Behavioral Health-Care Services for Children

This bill created the Colorado Pediatric Psychiatry Consultation and Access Program (CoPPCAP) at the University of Colorado. CoPPCAP helps identify and treat behavioral health conditions in children. CU has expended \$0.03 million of its \$4.7 million allocation.

Direct Appropriations to Institutions — General Fund / State Stimulus Funded

H.B. 21-1149: Energy Sector Career Pathway in Higher Education

This bill funded energy sector training and educational programs at the Colorado Community College System (CCCS). Costs include curriculum development, administrative function, training, and equipment. CCCS has expended \$1.1 million of its \$4.5 million allocation.

Please further describe any budget requests that replace one-time General Fund or ARPA funded programs with ongoing appropriations, including the following information:

- a. Original fund source (General Fund, ARPA, other), amount, and FTE;
- b. Original program time frame;
- c. Original authorization (budget decision, legislation, other);
- d. Requested ongoing fund source, amount, and FTE; and
- e. Requested time frame (one-time extension or ongoing).

Response: The Department does not currently have any budget requests that replace one-time stimulus funded programs with ongoing appropriations at this time. However, the Department has requested extended spending authority for H.B. 22-1349, which received one-time General Fund dollars, and H.B.

22-1220, which received one-time ARPA funds, to allow for successful implementation of the legislation. An additional program, S.B. 22-181, is included in the Governor's Office larger ARPA spending authority request extension.

- 2 Please provide a description, calculation, and the assumptions for the fiscal impact of implementing compensation provisions of the Partnership Agreement, as well as a qualitative description of any changes to paid annual, medical, holiday or family leave as a result of the Agreement. Please describe any compensation and leave changes for employees exempt from the Agreement if applicable.

Response: The Department does not have any classified employees covered under the Partnership Agreement. However, to ensure equal treatment between classified and non-classified employees, the Governor's budget request includes comparable increases for exempt employees. The executive request includes a 3 percent across-the-board increase for employees, as well as a 3.7 percent increase for exempt employees, corresponding to the average increase for classified employees associated with the Steps Plan included in the COWINS agreement. Compensation increases are included in the total compensation request. Salary increases are requested through the salary survey line item, and associated benefits increases are captured in POTS adjustments. The Department does not anticipate any leave changes for exempt employees.

- 3 Provide a prioritized list of budget reductions the Department would propose if 10.0 percent General Fund appropriation reductions were required of every Department.

Response: We appreciate the question and the desire to partner with the Department on identifying reductions. On November 1st the Governor submitted a balanced budget that provided decision items for increases and reductions that we spent over half a year to identify and prioritize across the entire Executive Branch. The proposed budget is balanced, maintains a reserve of 15 percent, and does not require a 10.0 percent reduction in the General Fund to balance. If the economic conditions change the Governor will take actions to propose reduced expenditures and submit a plan to address the shortfall to the General Assembly. If the Joint Budget Committee wants feedback on specific reduction proposals, we welcome the opportunity to work with JBC staff on estimating the impacts and tradeoffs of those proposals.

CDHE/CCHE OPERATIONS, INSTITUTION FUNDING AND INITIATIVES

SALARY ANALYSIS:

- 4 *[Rep. Taggart]* Why did the Department only compare salaries for the 38 positions to classified state positions instead of comparisons to market salaries? Please explain the Department's approach to the salary analysis.

Response: As part of the 2023 Legislative session, the Department of Higher Education (DHE) submitted a request for additional salary funding to the Joint Budget Committee. At that time, the JBC indicated concern that the salary differentials provided were not aligned with existing classified employees. In response, the JBC instructed the Department to collaborate with the Department of Personnel and Administration (DPA) to determine the equivalent classified positions for each of the Department's 38 state funded FTE. Additional FTE at the Department are funded through federal or

cash funds and are unable to be impacted directly by increases in state General Fund appropriations for salaries. Lastly, comparisons to market analysis were not requested by JBC in 2023, and were, therefore, not considered for this analysis. The Department has experienced significant staff turnover due to DHE staff transitioning into comparable positions for higher salaries at other state agencies. This request focuses on aligning the salaries for the Department with comparable classified positions in the rest of state government to quell future losses due to non-competitive pay. Finally, the Department believes the comparison of state employee salaries to comparable positions in the market is outside of the Department's scope.

The Department of Higher Education (DHE) contracted with the Department of Personnel and Administration (DPA) to complete an analysis of staff salaries in June 2023. DHE shared the reporting structure and five primary duties for each DHE state funded employee with DPA. Using multiple reviews, DPA identified the classified equivalent position for each DHE employee. DHE then used this information to compare employee salaries to their classified equivalent position under the Fiscal Year 2024-25 compensation plan.

The Fiscal Year 2024-25 compensation plan implements tenure-based pay raises as per the COWINS agreement. The Department calculated the average tenure for each General Funded permanent position based on the current tenure levels for employees holding the position as of June 2023. Assuming DHE retains the staff in these positions, two additional years were added to determine the assumed tenure rate in Fiscal Year 2024-25. Based on these assumptions, 53 percent of the Department's positions will be paid below the equivalent tenured classified position in Fiscal Year 2024-25. This analysis identified \$171,130 in needed additional state investment to address the gap in salary for the employees paid below the equivalent tenured, classified employee. This funding will allow the Department to compensate its current employees more fairly, increasing the retention of these individuals. It is the goal of DHE to increase the average tenure of our employees to a level closer to the state average of 10 years. However, the Department needs financial assistance to be able to offer fairer and more attractive compensation levels to current employees.

Of note, this request has been updated since the November 1 budget was transmitted. In a response to additional analysis—moving away from the average tenure for employees across the Department and instead focusing on the actual tenure for the employees in each administrative position—requested by Joint Budget Committee staff, DHE and OSPB identified a revised salary adjustment amount of \$171,130. This revision accounts for an increase of \$25,360 from the November 1 request of \$145,770.

5 *[Sen. Kirkmeyer]* Please provide the following information:

a. What are the expenditures from the personal services line item for the Department?

Response: The Department only has one line item for its administration to cover personnel and operations. This line received an appropriation of \$4.32 million in Fiscal Year 2023-24. The Department spends approximately 92 percent of these funds on compensation. The remainder is spent on operating including, but not limited to, equipment, technology operations, limited professional development, and Commission operations.

- b. What kind of vacancy savings does the Department have, and how much has the Department reverted for vacancy savings?

Response: As a comparatively small agency, the Department’s vacancy savings do not allow for any long-term repeated investments. Most often, vacancy savings are utilized to temporarily compensate the employee(s) who take on the additional duties of the vacant position. Due to comparatively lower salary ranges for comparable positions, the Department has experienced additional delays in filling vacant positions with qualified candidates. This results in the remaining employees being responsible for additional duties for longer periods of time. Temporary salary increases funded through vacancy savings are meant to recognize this additional work and fairly compensate employees experiencing the stress of additional work and responsibility. Additionally, the Department needed to hire consultants to temporarily fill some of the senior staff level positions while searches were conducted. Any remaining vacancy savings have historically been used to invest in our IT division, given our limited base budget funds and our status as a non-affiliated state agency. Overall, operations only represent about 8 percent of total expenditures, even after accounting for vacancy savings.

Reversion from the Department’s administration line from the last five fiscal years for which final figures are available are as follows:

Fiscal Year	Reversion Amount
2017-18	\$9,177
2018-19	30,444
2019-20	34,491
2020-21	165,077
2021-22	101,913

Higher reversions in Fiscal Year 2021-22 and Fiscal Year 2022-23 are partially related to interruption to the Department’s normal operation due to the pandemic, given the absence of both Department and Commission travel expenditures and in-person conferences. While final numbers are not available, we anticipate the Fiscal Year 2022-23 reversion to more in alignment with pre-pandemic levels.

- c. How much, if any, does the Department anticipate reverting in FY 2023-24?

Response: The Department balances limiting any reversion of funds from its administration line with being a good fiscal steward of state tax dollars each year. Due to expenses associated with the cybersecurity incident in June 2023, the Department anticipates no reversion to in Fiscal Year 2023-24 as any available funds left after salary and usual operations will be applied to cybersecurity enhancements.

CYBERSECURITY UPDATE:

- 6 [Sen. Kirkmeyer] Please provide an update on the cybersecurity incident including a general status and an estimated timeline for the Department's system to be back online.

Response: The Department reported this cybersecurity and data event to the media, federal law enforcement, credit reporting agencies, and relevant regulatory authorities. Additionally, the Department provided notice on its website for potentially impacted students. This notice provided individuals access to complimentary credit monitoring for two (2) years through Experian and identified a designated call center to help address any questions about the event from those impacted.

Since the incident occurred, the Department has worked diligently to address immediate needs necessary to harden the IT infrastructure and return operations to neutral. Many of the remediation steps taken to return to normal working conditions have been approved for coverage by the Department's cybersecurity insurance provider or the State Office of Risk Management. However, the Department is covering some necessary expenses, particularly those related to hardening the IT infrastructure, with existing administrative funds.

Thanks to the hard work of Department data and IT staff over the last six months, the Department is currently able to securely collect aggregate data from institutions and isolated student-level data collections for certain programs. At this time, the primary student unit record data system (SURDS) collection used to collect more extensive student-level records from institutions has not been restored. This data system—including hundreds of stored procedures used for quality control and data validation—was damaged and partially encrypted in the cybersecurity attack in June.

Department staff continue to work to restore systems and web applications while also improving data security. The Department is engaged with the State Office of Risk Management in the Department of Personnel and Administration and has recently contracted with a third-party vendor to provide additional capacity to return the SURDS and other data systems to neutral. We anticipate this work will begin in the coming weeks. Until the vendor has completed an initial assessment of the status of our systems and assessed the work necessary to bring SURDS back online, we are unable to provide a timeline for when we will be able to resume data collection of student-level records and begin collecting both new and replacement data that were encrypted during the cybersecurity attack.

While the Department works to align policies and processes with the Governor's Office of Information Technology (OIT), DHE does not operate within the OIT environment and functions as a non-consolidated agency. Given this structure, the Department has been working with third-party vendors to restore IT operations and enhance network and data security since the cybersecurity attack over the summer. The Department has committed existing administrative budget to secure a temporary contract with a vendor to provide a cybersecurity solution within a co-managed service provider environment, further protecting the data for which the Department is responsible for gathering and for Departmental operations. DHE has submitted a supplemental budget request to the Joint Budget Committee to allow for continued implementation of these IT infrastructure, network, and data security solutions, along with the requisite staffing to appropriately ensure ongoing compliance.

Additional information about the cybersecurity incident, the remediation work that has already been completed, and the additional work and resources needed to ensure industry standard data security moving forward can be found in the Department's budget supplemental request.

- 7 [Sen. Kirkmeyer] Discuss the impact of this incident on the Department’s success implementing audit recommendations that it has not yet implemented.

Response: The Department appreciates the question from the Senator about the impact of the cybersecurity incident on the successful implementation of audit recommendations. The [2023 Audit Recommendations Not Fully Implemented](#) report released in November shows that the Department has fully remediated all recommended audit findings as of June 2023.

R1 STATE FUNDING FOR HIGHER EDUCATION:

- 8 [Sen. Zenzinger] Please discuss the homeless student initiative included in R1 State Funding for Higher Education.

Response: The new financial aid program for postsecondary students who experienced homelessness in high school is envisioned as a last-dollar college scholarship program for students who had experienced homelessness at some point between 9th and 12th grade. This proposal was modeled after SB22-008, which created a last-dollar college scholarship program for foster youth. To qualify for this new college scholarship program, students would need to be defined as “homeless youth” under the McKinney-Vento Act while enrolled in a Colorado high school. The McKinney-Vento Act is a federal designation program used to identify homeless youth in the K-12 system.

The McKinney-Vento Act data show that between 2017 and 2020 (pre-pandemic), an average of 2,000 12th grade students met the federal definition of homelessness in Colorado each year. Additionally, in 2021 the high school graduation rate for students experiencing homelessness in Colorado was 53.6 percent, compared to an overall graduation rate of 81.9 percent. The average college enrollment rate for youth who experienced homelessness is 15 percent compared to 50 percent for all students.

Students who experience homelessness face barriers in accessing higher education at higher rates than peers with stable housing. In addition to housing insecurity, these students often face additional barriers, including food insecurity, chronic absenteeism (often resulting in slower academic progress), and an inability to afford textbooks and other supplies.

A [2012 study](#) conducted by Dr. Seth Morones from the University of Northern Colorado surveying youth who experienced homelessness in Colorado found that financial costs were the primary driver of this population not enrolling in or not completing college. The students in the study indicated that while postsecondary attainment was often a life goal, financial roadblocks and lack of adequate resources led to the perception that postsecondary education was unattainable for them. This college scholarship proposal provides Colorado with the opportunity to break the systemic cycle of poverty by providing this underserved population the opportunity to earn certificates, associate degrees, or bachelor's degrees funded by the state and institutions.

This college scholarship program would serve as a last dollar award that covers the full cost of attendance (including housing) after grants, scholarships, and any other financial aid awards at a Colorado Public institution. Cost of attendance parameters are set annually by the Colorado Commission on Higher Education using federal and state data on housing and other living expenses. For Academic Year 2023-2024, the off-campus student monthly budget was set at \$1,995, including \$1,165 for housing, \$466 for food, \$185 for local transportation, and \$179 for personal expenses. Supplemental budget expenses, including books and supplies, childcare, non-local transportation, computer allowance, and medical costs would be evenly split between the state and the institution, after

other financial aid is applied. As is the case for the foster education program, this scholarship program is proposed to be half funded by the state General Fund and half funded through the institutions' other revenues.

The proposed program would require students to meet the following eligibility conditions:

1. Be designated a "homeless youth" under the McKinney-Vento Act (this data is collected by the Colorado Department of Education) at some point between grades nine through 12 while attending a Colorado high school.
2. Be between the ages of 18-26 at the time of scholarship receipt.
3. Be a Colorado resident.
4. Have completed the FAFSA or CASFA application depending on citizenship status.

Additionally, the proposed scholarship program would only apply to up to 134 undergraduate credit hours at any accredited public institution of higher education in Colorado and would only apply toward short-term credentials, certificates, associate degrees, or bachelor's degrees.

FINANCIAL AID & COST OF ATTENDANCE

- 9 [Sen. Bridges, Rep. Taggart] Discuss the Department's plans for collaborating with the institutions on financial aid messaging/your response to RFI #1. Can we build on what the institutions are already doing?

Response: As of October 2023, the Department has hired a policy analyst to develop and distribute a statewide affordability message as laid out in the 2023 Request for Information (RFI #1). As a first step in the creation of a statewide affordability message, DHE has compiled a list of the current institutional financial aid programs that focus on improving affordability for low-income students. Eligibility for these "promise" programs vary by institution, providing tuition (and sometimes mandatory fees) for those who qualify. Additionally, DHE mapped out a projected timeline for implementation of the requirements outlined in the RFI. The timeline and project are structured around utilizing the current institutions' various financial aid programs, including these institutional level "promise" programs.

The Department hopes to partner with institutions across the state to develop a statewide message around affordability. In the first quarter of 2024, the department plans to convene a working group of institutional representatives and other key stakeholders. The working group will focus on 1) assuring all institutional promise programs are accurately captured and up to date in DHE's inventory, and 2) identifying common core elements on which to build a statewide message. DHE staff has already started to engage institutions, participating in early conversations with Chief Financial Officers at Colorado's institutions of higher education at the monthly CFO meeting. At this meeting the project timeline and request for representatives was shared, and feedback was gathered on initial pieces to address with the working group. The Department intends to continue to engage with this affinity group to ensure institutions remain informed about the project's progress.

10 [Sens. Bridges & Zenzinger] H.B. 22-1366 included funding for both CDE and CDHE to improve FAFSA/CASFA completion. What's the status of those initiatives? What approach seems most successful/worth building on?

Response: H.B. 22-1366 created new initiatives concerning postsecondary career and education options for students. It identified completing a Free Application for Federal Student Aid (FAFSA) or Colorado Application for State Financial Aid (CASFA) as a mechanism to gain financial assistance for tuition, fees, and other expenses.

This bill included the below mandates:

1. Provide information and training concerning postsecondary financial aid.
2. Provide financial aid training to educators.
3. Develop a financial aid toolkit and training to help schools and nonprofit organizations support students and families in completing postsecondary state and federal financial aid applications and to increase the number of students completing the financial aid forms.
4. Make improvements to streamline the CASFA.
5. Update the FAFSA Completion Portal.

Updates on these mandates outlined in H.B. 22-1366 are provided below.

Training Initiatives:

1. *Cultivator Marketing Campaign Launch* — The Department is contracting with a communications and marketing vendor to provide brand, marketing, and advertising services to support FAFSA and CASFA completion. These services will engage the media and target audiences, create print and digital collateral, create a web presence for the campaign, and help inform a statewide communications plan. The work is currently at the end of Phase I, with a webpage, toolkit resources, and digital campaign launching at the beginning of January 2024.
2. *Local Educator Provider Stipends* — The Department has awarded 90 stipends of \$500 to local education providers to increase the number of students completing the FAFSA/CASFA. DHE has also facilitated trainings for secondary and postsecondary school counselors on best practices for completing the FAFSA/CASFA and strategies for improving financial aid information available to students and families.
3. *Department Trainings and Outreach* — The Department has facilitated a total of 47 trainings specific to K-12 educators and financial aid administrators throughout the State of Colorado. Additionally, the Department's Outreach Team has supported, presented, and exhibited at 82 events, providing FAFSA/CASFA information and resources attended to over 6,560 students, educators, and families this fiscal year.

Technology Initiatives:

1. *FAFSA/CASFA Toolkit* — FAFSA and CASFA resources and toolkits are being developed within the Cultivator contract with a goal of launching several components in January 2024. Phase II is planned for Spring 2024 with the release of additional resources and collateral materials. The FAFSA Completion Tool will be revamped in February to reflect changes to the federal application.
2. *Improvements to the CASFA Application* — In November 2022, the Department streamlined the CASFA application by launching new Student Experience software. These enhancements provided students with more autonomy over their application and added increased end-user functionality. Improvements included the capability for students to edit and revise their applications and reset their own passwords without technical assistance, removing an additional hurdle to on-time application completion.

3. *Creating Access to Community and Scholarship Resources* — The CASFA re-launch provided a platform to add valuable community resources and scholarship opportunities, both statewide and nationally. This feature advances the ability for educator administrators to provide a plethora of resources to CASFA students by directing them to the portal.
4. *Website Portal Improvements and CASFA Toolkit Addition* — Preceding the software launch, the CASFA website portal was redesigned and improved to include enhancements to user information, functionality, and experience. Additionally, the CASFA Toolkit was added to the website portal for both students, families, and administrators, which includes brochures, training materials, way finders, and other materials. Additional resources will be added through the Cultivator campaign.

Future Goals and Implementation:

The Department has experienced great success facilitating educator financial aid training and FAFSA/CASFA block parties through collaborative efforts with stakeholders including K12 institutions, institutions of higher education, and other third-party service providers. The Department will continue to build on this approach to offer statewide training and support to educators as we navigate these improvements and the changes implemented through the Better FAFSA and the FAFSA Simplification Act. Several events are scheduled in the first quarter of the year.

- 11 *[Staff]* Please discuss the increase for COSI included in R1. How would the large, proposed increase be used? How much for community partner grants versus scholarships? Are there sufficient matching funds available from communities to match additional state scholarship dollars? Is there sufficient staff/capacity to take up to an additional \$4.0 million in community partner grants? Do you have other new initiatives in mind?

Response: Please see below for individual responses to each question included above.

- a. Please discuss the increase for COSI included in R1. How would the large, proposed increase be used?

Response: The proposed \$4.0 million appropriation increase identified in the Fiscal Year 2024-25 budget would be used directly to support the highly successful Community Partner Program (CPP) grants. Per the COSI Board's direction, COSI is currently completing a review of its CPP and Matching Student Scholarship (MSS) programs to identify opportunities to better align these programs and ensure that all eligible students receive scholarships and student support services. To maintain the work of these pre-collegiate and postsecondary programs during this review, the COSI Board voted to extend the programs while the review is being conducted. The additional funds will support 30 CPP grantees across the state. Of these grantees, 17 provide support to 19 public postsecondary institutions, and 13 provide pre-collegiate support to 37 rural high schools across Colorado. The COSI CPP and MSS programs provide college-going and student support services to increase enrollment and completion to over 11,000 students annually.

- b. How much for community partner grants versus scholarships?

Response: The proposed \$4.0 million appropriation increase would be utilized for Community Partner Programs, specifically to fund pre-collegiate work at rural high schools and postsecondary work at public institutions of higher education. The Matching Student Scholarship program received an increase of \$1.5 million in Fiscal Year 2023-24. Additional funding for the student scholarship program would be drawn from the current COSI appropriation of \$10.0 million and would not be augmented by Fiscal Year 2024-25 additional funds.

- c. Are there sufficient matching funds available from communities to match additional state scholarship dollars?

Response: The proposed \$4.0 million appropriation increase would not be used for scholarship funds. Additional funding for the student scholarship program would be drawn from the current COSI appropriation of \$10.0 million and would not be augmented by Fiscal Year 2024-25 additional funds. The Matching Student Scholarship program purposefully allocates increases incrementally to allow time for grantees to fundraise any required match funds and to focus on the spending down of SFLRF funds.

- d. Is there sufficient staff/capacity to take up to an additional \$4.0 million in community partner grants?

Response: Yes, the staff currently leading the pre-collegiate and postsecondary programs will remain in their roles. In addition, as the federally funded Back to Work program closes out by December 31, 2024, COSI anticipates these staff will be available to transition to supporting the implementation of expanded CPP programming.

- e. Do you have other new initiatives in mind?

Response: Not currently. COSI currently manages nine programs providing scholarships and student support services to over 20,000 students annually. In Fiscal Year 2024-25, COSI plans to focus on current programming, the program review of CPP and MSS, and the spending down of federal funds.

12. *[Sen. Bridges]* Please provide information about how the net price for students at various income levels at Colorado institutions compares with the net price for students at various income levels in other states.

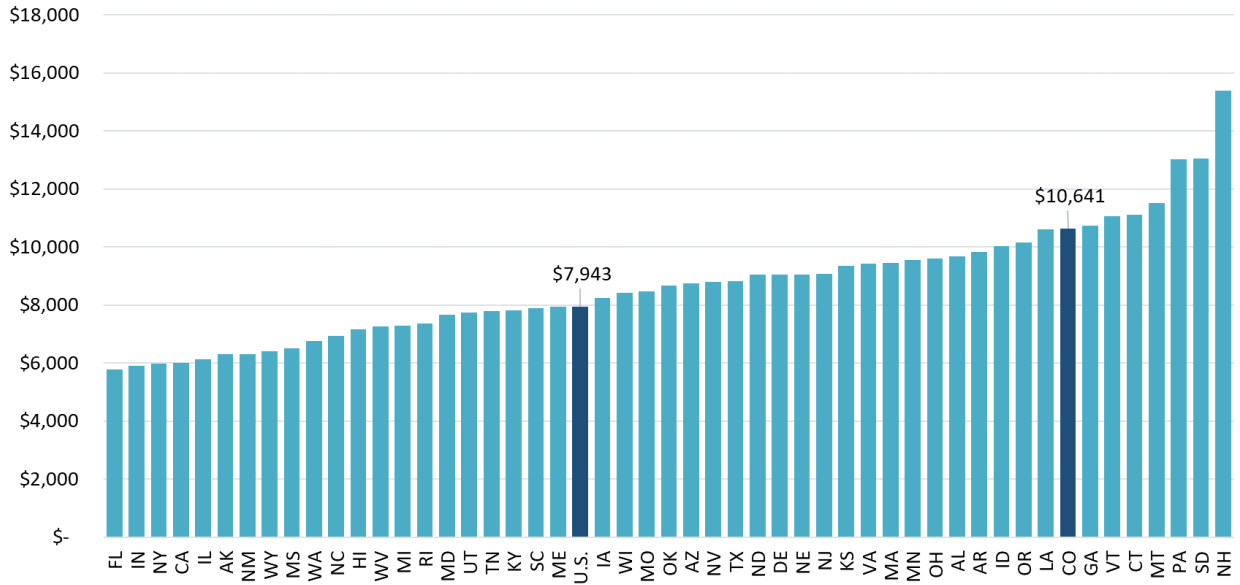
Response: In Colorado and across most other states, the net price at public institutions of higher education increases as family income rises. Across all income groups, however, Colorado has a higher net price than most other states, including each of Colorado’s bordering states. In Academic Year 2021-22, Colorado resident students with the lowest family incomes (\$0-\$30,000) had an average net price of \$10,641 at public institutions, about \$2,700 above the U.S. average and ranked 43rd nationally. On average, Colorado residents paid a net price between \$1,800 and \$2,800 more than their peers with similar incomes across the country.

The table and figures below show Colorado’s net price for each income group compared to other states and the U.S. average. Due to timing and availability of data, the most recent year available is Fiscal Year 2021-22. Therefore, the significant investments in resident student need-based financial aid made by Colorado, and many other states, over the last two years is not reflected below.

Income Group	U.S. Avg. Net Price	Colorado Net Price	Colorado Rank
\$0 - \$30,000	\$7,943	\$10,641	43
\$30,001 - \$48,000	9,190	11,054	39
\$48,001 - \$75,000	12,365	14,210	40
\$75,001 - \$110,000	17,557	19,995	45
\$110,001 and above	21,846	24,662	45

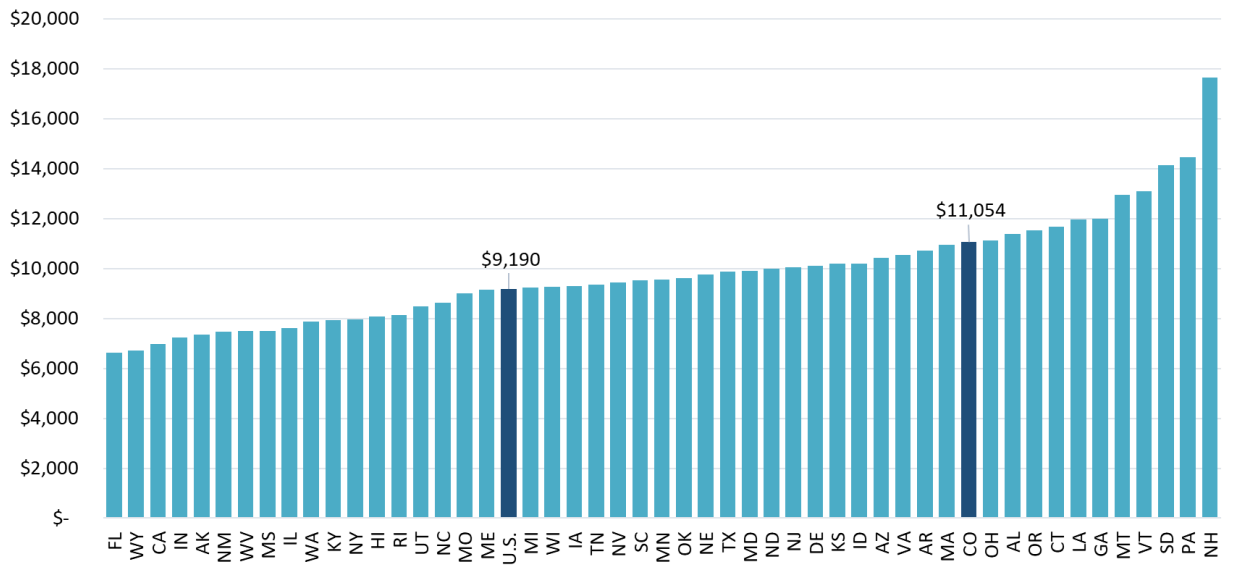
Note: Weighted net price for first-time, full-time, resident undergraduate students receiving Title IV federal financial aid in AY 2021-22.
Source: Integrated Postsecondary Education Data System (IPEDS).

Average Net Price for Public Institutions by State
Family Income Level: \$0-\$30,000



Note: Weighted net price for first-time, full-time, resident undergraduate students receiving Title IV federal financial aid in AY 2021-22.
Source: Integrated Postsecondary Education Data System (IPEDS).

Average Net Price for Public Institutions by State
Family Income Level: \$30,001-\$48,000

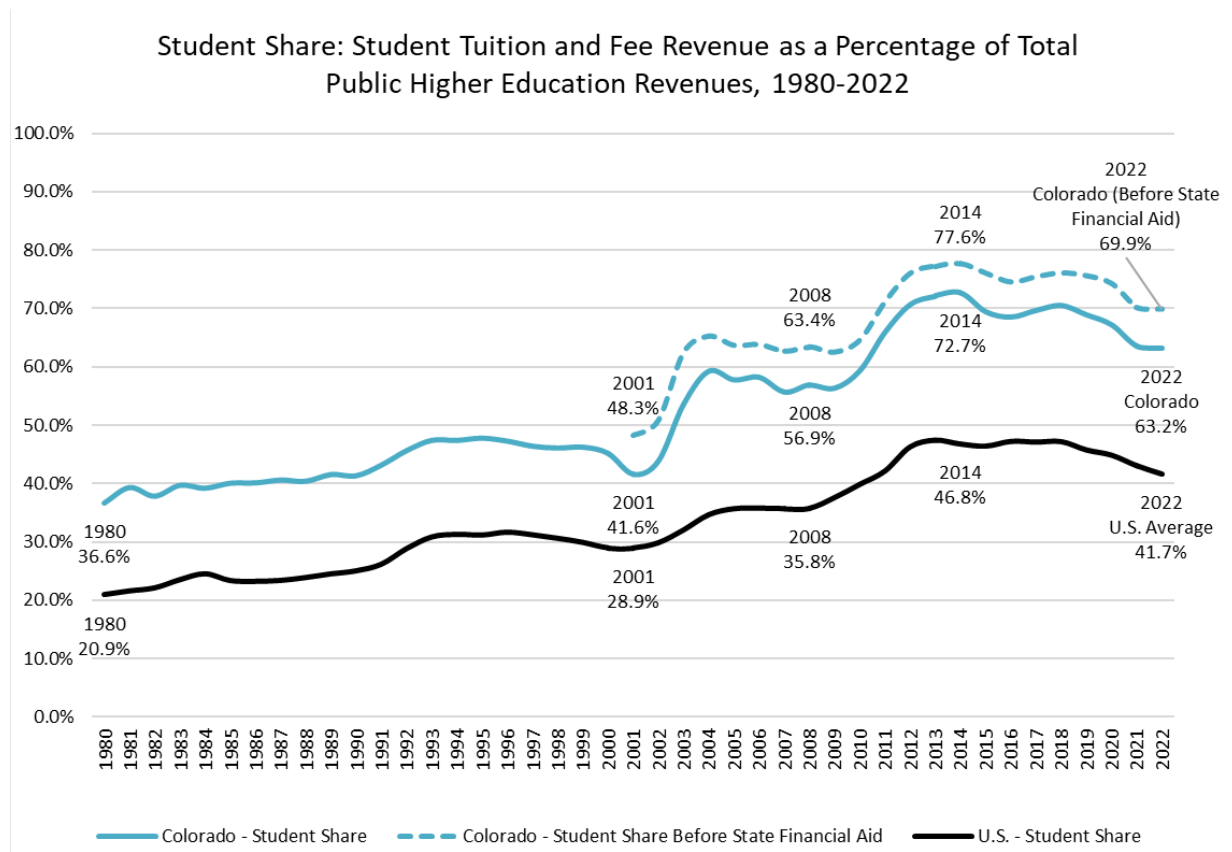


Note: Weighted net price for first-time, full-time, resident undergraduate students receiving Title IV federal financial aid in AY 2021-22.
Source: Integrated Postsecondary Education Data System (IPEDS).

13 [Rep. Taggart] Please provide your chart showing the change in the share of funding from students versus the State over time.

Response: In 1980 (the first year of data available), student tuition and fees represented 36.6 percent of public institution revenues in Colorado and 20.9 percent of public institution revenues nationally. In the early 2000s, state funding declined, with tuition rates and revenues rising during two recessions (the Dotcom Recession and the Great Recession), leading to large increases in the student share compared to the portion attributable to the state. By 2014, students in Colorado were responsible for 72.7 percent of public institution revenues, compared to 46.8 percent nationally. This represents a 31 percentage-point increase in the student share from 2001 to 2014 in Colorado, and an 18 percentage-point increase nationally. Since 2014, increases in state funding and limited tuition growth have resulted in a declining share attributable to students. In 2022 (the most recent year of data available), the student share in Colorado had declined 10 percentage points to 63.2 percent, compared to 41.7 percent nationally.

In Colorado, and in many other states, state financial aid dollars have helped keep the student share lower. Without state financial aid, Colorado’s student share would have peaked at 77.6 percent in 2014 and would remain at 69.9 percent today.



Note: State financial aid is included in the state share and not the student share. Institutional financial aid is excluded. Due to data limitations, federal grants and loans are included in the student share.
 Source: State Higher Education Executive Officers (2023), State Higher Education Finance Dataset.

CONCURRENT ENROLLMENT:

- 14 [Sen. Bridges, Staff] Does the Department have any feedback on the staff recommendation to not include concurrent enrollment classes on the lifetime limit on COF stipends?

Response: The Department appreciates the opportunity to provide feedback on the staff recommendation not to include concurrent enrollment classes on the lifetime limit on COF stipends. Currently, C.R.S. 23-18-202(5)(c)(III) states that all college-level credit hours earned by an eligible undergraduate student, including concurrent enrollment courses, count against the lifetime limitation of funding for no more than 145 credit hours. However, statute allows state institutions of higher education to grant a one-year waiver of the lifetime-credit-hour limitation for up to five percent of eligible undergraduate students enrolled in the state institution of higher education (C.R.S. 23-18-202(5)(f)). Colorado statute further directs institutions to apply these one-year waivers of up to five percent of eligible undergraduate students first to any waivers requested by any eligible student for courses taken pursuant to the “Concurrent Enrollment Act”. Therefore, it is the Department’s understanding that most, if not all, students who currently exceed the lifetime-credit-hour limitation due to concurrent enrollment participation are able to request, and receive, an institutional waiver for an additional year to complete their degree. The Department does not collect data from institutions on the number of institutional waivers requested and granted for concurrent enrollment. We defer to institutions for additional information on this dispensation.

Additionally, a student who is unable to receive or has already received an institutional waiver may apply for a waiver from the commission should the need for such a waiver be related to extenuating circumstances outlined in C.R.S. 23-18-202(5)(e)(I) though C.R.S. 23-18-202(5)(e)(IV). One condition under which the commission may grant a waiver is if requiring the eligible undergraduate student to pay the full amount of total in-state tuition for credit hours that exceed the lifetime-credit-hour limit would cause a substantial economic hardship on the student and the student’s family. DHE often provides this type of waiver to low-income students who have exceeded the lifetime-credit-hour limit due to previous participation in concurrent enrollment courses. The Department would welcome the opportunity to work with JBC staff to understand any potential fiscal impacts of instituting a policy change to concurrent enrollment.

- 15 [Sens. Bridges] The Department currently produces two reports about concurrent enrollment and postsecondary outcomes in collaboration with CDE. These are helpful. Do you see technical or other obstacles to adding additional information below?

[Concurrent enrollment report](#)

- including data on all CDE Pathways programs (adding early college, CDIP, PTECH, TREP, etc. in addition to ASCENT)
- providing data on what courses/pathways students are enrolling in, and
- breaking things out by district rather than by the postsecondary institution alone.

[Postsecondary outcomes](#)

- include information on outcomes for students who graduate from all CDE Pathways programs
- add wage outcomes for students for whom data are available.

Response: The Department welcomes feedback on its reports on concurrent enrollment and postsecondary outcomes for recent Colorado high school graduates. Current efforts focus on specific reporting requirements laid out in statute. DHE attempts to weave additional information into these reports as time and bandwidth allow. Adding more information on participation in and outcomes of other CDE Pathways programs (such as early college, CDIP, PTECH, TREP, ASCENT, etc.) is possible, but may be difficult to accomplish with existing staffing.

With focus on participation in and outcomes of various CDE Pathways (and in alignment with recommendations from the Secondary, Postsecondary, and Work-based Learning Integration/H.B. 22-1215 Task Force), DHE welcomes conversations to modify requirements for these reports to create more comprehensive and holistic reporting on these topics. To facilitate those goals, DHE would welcome conversations on streamlining reporting requirements for efficiency of staff time and increased transparency on program outcomes. A single, annual, streamlined, comprehensive report on various pathways between the K12 and postsecondary spaces could utilize existing data sharing agreements between the agencies. DHE and CDE already share data to produce the educator preparation programs reports. In this data sharing agreement, CDE receives DHE data for analysis to produce an robust annual report which examines outcomes of preparation programs' contributions to Colorado's new teacher workforce and portrays a talent pipeline from enrollment in a preparation program to retention in the classroom as an educator.

The Department also welcomes efforts to provide wage outcomes on students participating in these various pathways (for whom data are available). This aligns with the current CCHE/DHE Strategic Plan elevating conversations on value and return on investment (ROI) of various education and training options. DHE currently provides similar data in its annual ROI report, and wage outcomes specific to Colorado high school graduates could be elevated more in this existing report.

However, the annual report on postsecondary progress and success of recent Colorado high school graduates uses a shorter timeframe to assess postsecondary outcomes. This may limit the ability to align the shorter timeframes in the report to longer term workforce outcomes. To further these efforts (and in alignment with recommendations from the Secondary, Postsecondary, and Work-based Learning Integration/H.B. 22-1215 Task Force), DHE would welcome conversations to establish and utilize a robust statewide longitudinal data system. Work by DHE aligned to H.B. 22-1349 supports these efforts and ensures that detailed postsecondary data can be contributed to this system, enabling better analysis and evidence-based decision on topics along the education, training, and workforce continuum. The Department has requested an extension of the spending authority for H.B. 22-1349 to support the completion of this work.

COLORADO GEOLOGICAL SURVEY

COLORADO GEOLOGICAL SURVEY 101:

- 1 *[Rep. Bird, Sen Bridges] Please provide a general overview of what the Geological Survey does.*

[Please see the presentation below.](#)

The Colorado Geological Survey

Serving the People of Colorado

Matt Morgan

**Director and State Geologist
Colorado Geological Survey**

Black Canyon of the Gunnison



8-Jan-2024

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HED_Day 1-Hearing



The **COLORADO GEOLOGICAL SURVEY** is a state agency, under the umbrella of Colorado School of Mines, that is responsible for evaluating and responding to geologic hazards, assessing mineral and water resources, and conducting basic geologic studies across the entire state. Ultimately, we disseminate unbiased geologic information to the public.

To support our mission, we have a diverse staff of 14.5 FTE - **SCIENTISTS** and **ADMINISTRATORS** that work in many different disciplines such as mapping, groundwater, minerals, energy, geologic hazards, web development and GIS.

State Funding is a mixture of General Fund (\$0.66 M) and Severance Tax (\$1.7M FY24).





Geologic Hazards and Emergency Response Program (STAX Funds/External Funds)

*Debris Flow/Landslide/Other Hazard Mapping
Local Geohazard Studies
Emergency Response/Debris-flow Early Warning
Seismic Monitoring*

Land-Use Review Program (Cash Funds)

Groundwater Resources Program (General Funds/External Funds)

*County Groundwater Mapping
Groundwater Atlas of Colorado
Water Quality Studies*



Mineral Resources Program (General Funds/External Funds)

*County Aggregate Resource Mapping
Mineral and Energy Industry Activities Report
Critical Minerals, Geothermal, CCUS
Abandoned Mine Lands*

Geologic Mapping Program (Stax Funds/External Funds)





Geologic Hazards Impact Colorado



8-Jan-2024



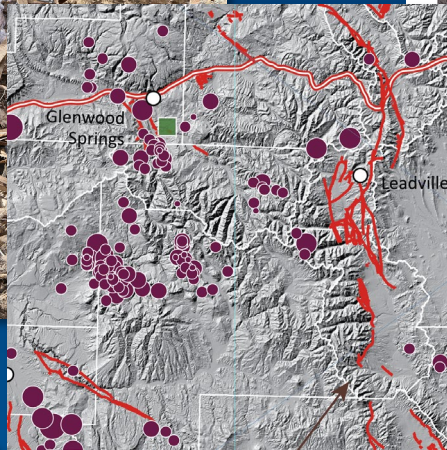
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HED_Day 1-Hearing

CGS On the Forefront of Geohazards



Emergency Response Teams

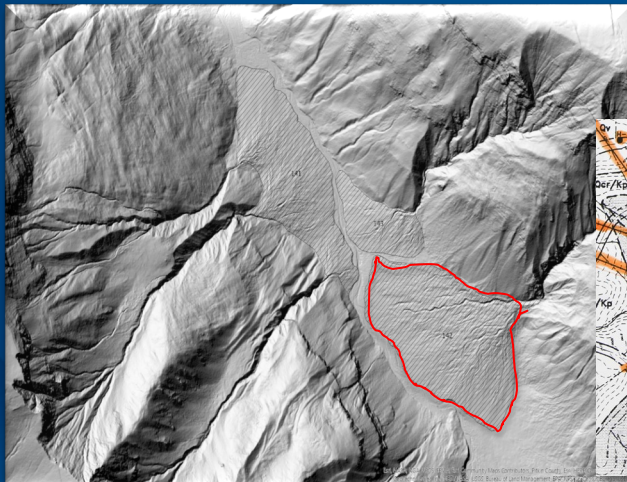


Earthquake Monitoring



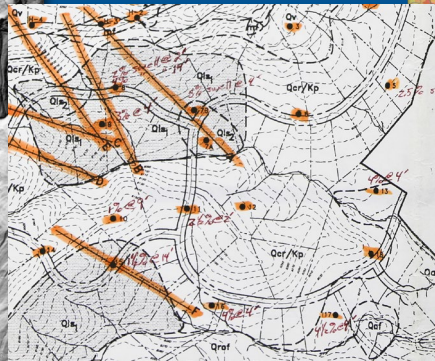
Debris Flow Early Warning

Photo 5: Installed instrumentation in Ingram Gulch, Fourmile Canyon, Boulder County



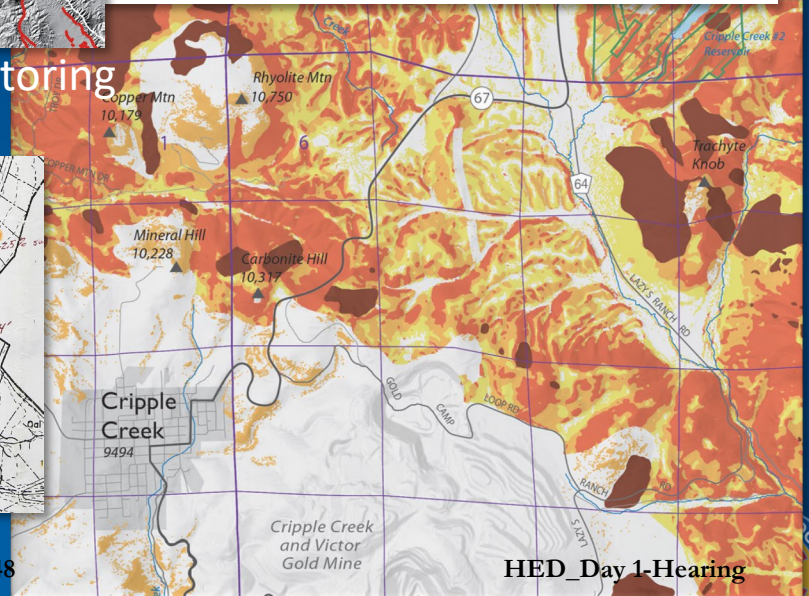
Alluvial fan Mapping

8-Jan-2024



Land-Use Reviews

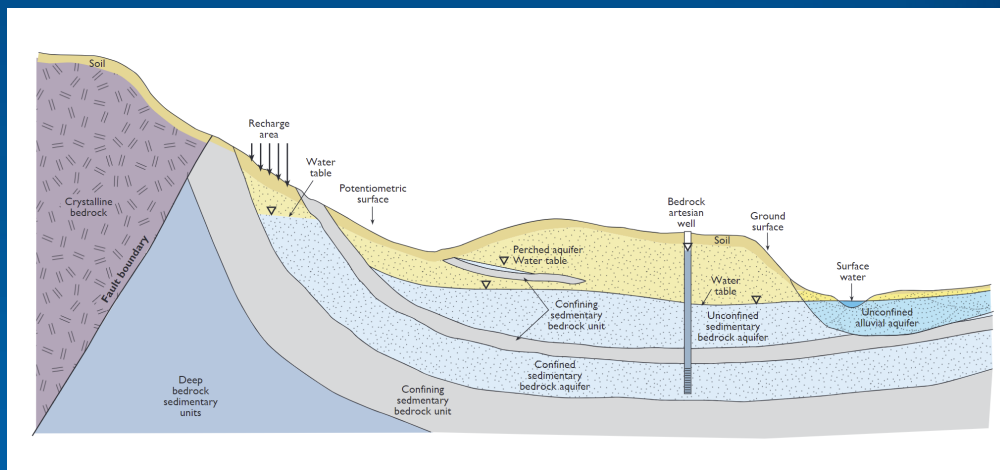
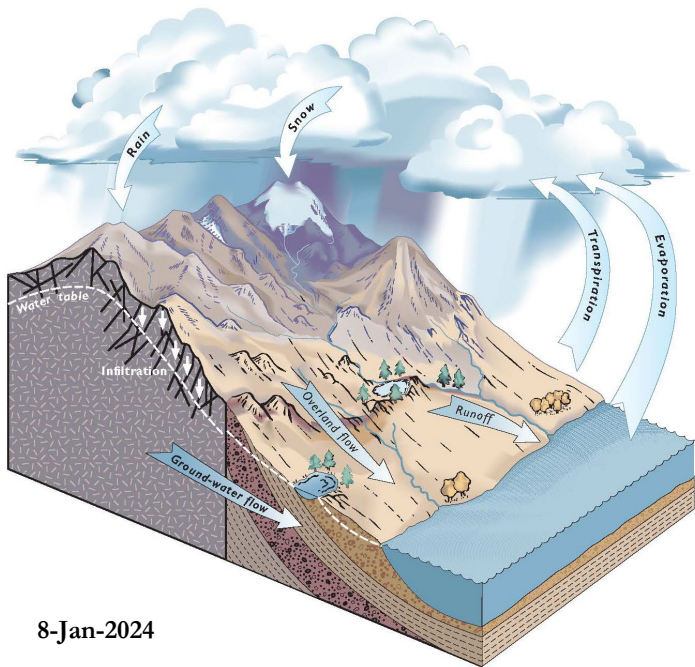
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HED_Day 1-Hearing



Stressed Groundwater Resources

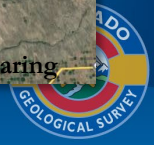
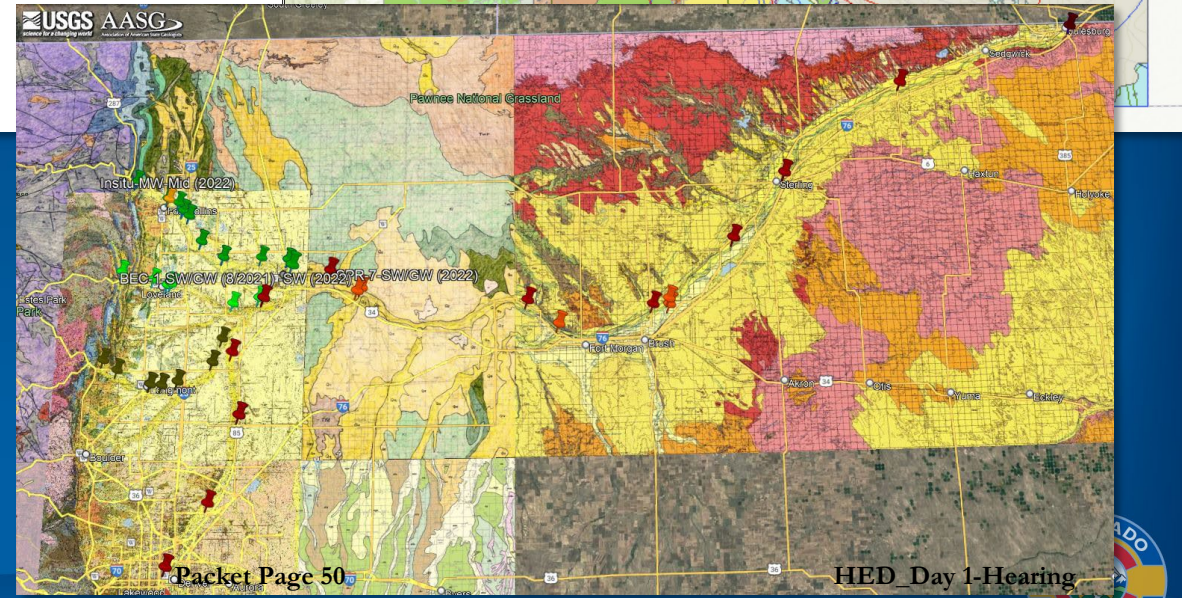
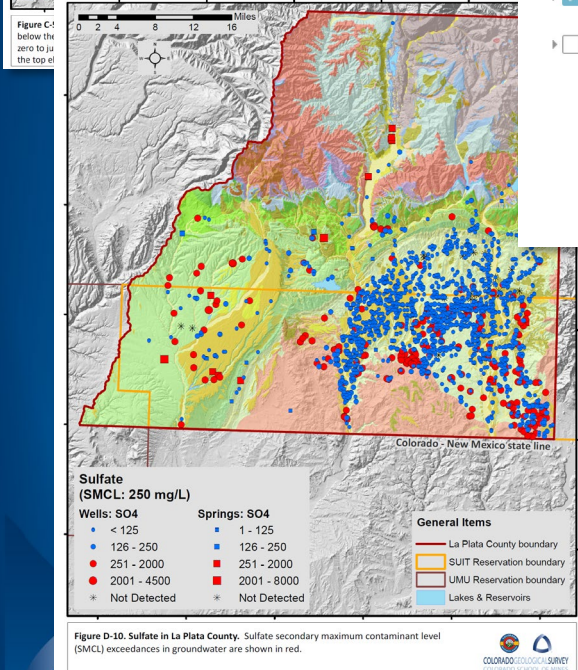
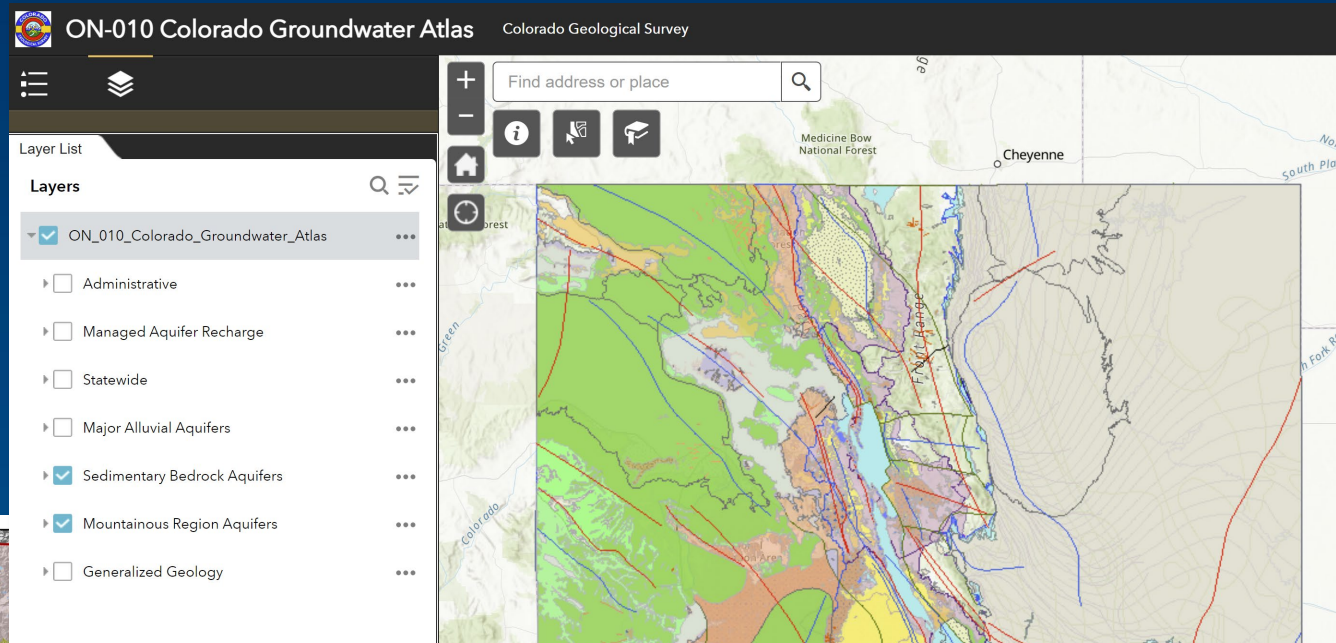
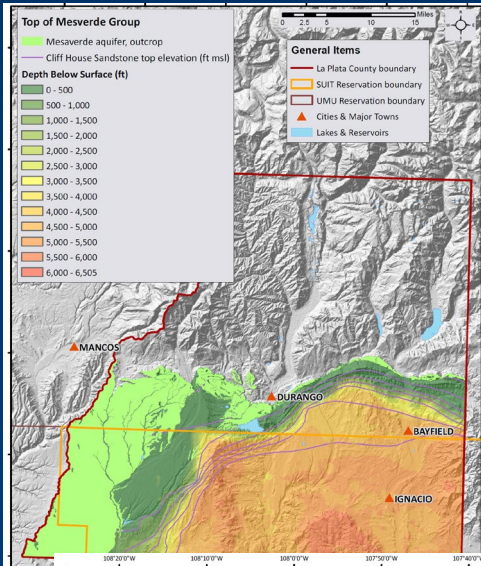


8-Jan-2024

Understanding Geology is Key! HED_Day 1-Hearing



CGS Commitment to Groundwater Resources





Need for Critical Minerals and Aggregate

8-Jan-2024

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HED_Day 1-Hearing

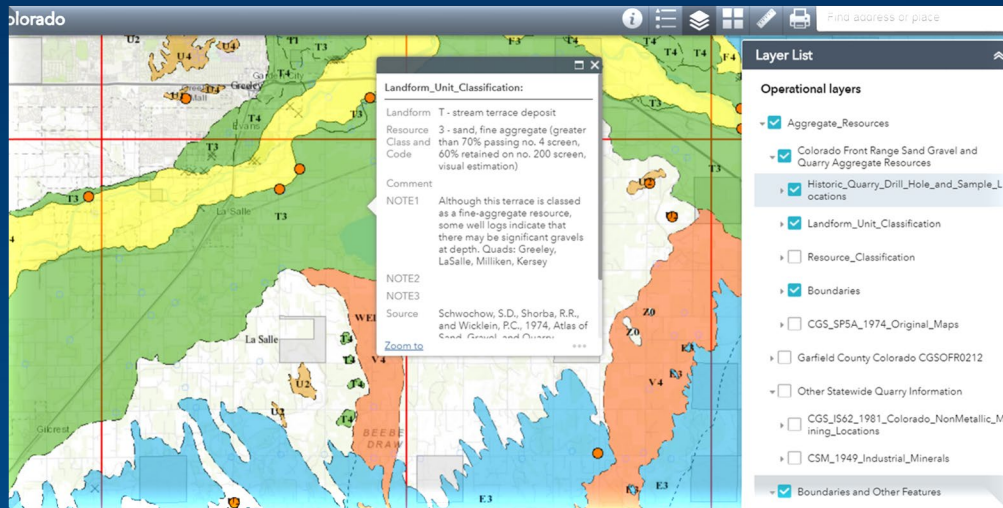
CGS Leading the Way in Critical Minerals

CGS-USGS Collaborations

- Wet Mountains Project (2-year)
- La Plata Mountains Project (3-year)
- Critical Minerals in Mine Waste (2-year)
- Re-analyses of NURE Data (3-year)

CGS-DOE Collaborations

- Critical Minerals in Coal/Coal By-Products
- Greater Green River Basin
- Piceance Basin

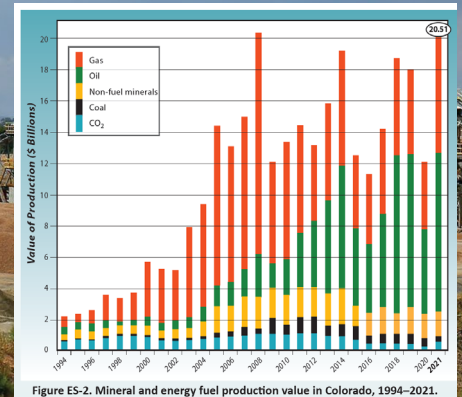


County Aggregate/Mineral Derivative Maps

57 La Lanthanum	58 Ce Cerium	59 Pr Praseodymium	60 Nd Neodymium	61 Pm Promethium	62 Sm Samarium
63 Eu Europium					66 Dy Dysprosium
64 Gd Gadolinium					67 Ho Holmium
65 Tb Terbium					68 Er Erbium
69 Tm Thulium	70 Yb Ytterbium	71 Lu Lutetium	71 Sc Scandium	39 Y Yttrium	

INFORMATION SERIES 85 Colorado Mineral and Energy Industry Activities 2021-2022

by Michael A. O'Keefe



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Yearly Mineral/Energy Report



CGS Works for the People of Colorado



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COLORADO SCHOOL OF MINES

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HED_Day 1-Hearing



HISTORY COLORADO

COMMON QUESTIONS FOR DISCUSSION AT DEPARTMENT HEARINGS

- 1 Please describe one-time state and federal stimulus funds that have been allocated to the Department but are not expended as of September 30, 2023, by bill, budget action, executive action, or other source that allocated funds. The description should include but is not limited to funds that originate from one-time or term-limited General Fund or federal funds originating from the American Rescue Plan Act (ARPA)/State and Local Fiscal Recovery Funds/Revenue Loss Restoration Cash Fund. Please describe the Department's plan to obligate or expend all allocated funds that originate from ARPA by December 2024.

Response: History Colorado has capital funding for two projects in the State Revenue Loss Restoration Cash Fund (HB22-1329). This includes funding for fire mitigation and repainting the high bridge at the Georgetown Loop railroad. History Colorado recently contracted with vendors for both projects. All funds will be encumbered by 12/24 and spent by 12/26.

Please further describe any budget requests that replace one-time General Fund or ARPA funded programs with ongoing appropriations, including the following information:

- a. Original fund source (General Fund, ARPA, other), amount, and FTE;
- b. Original program time frame;
- c. Original authorization (budget decision, legislation, other);
- d. Requested ongoing fund source, amount, and FTE; and
- e. Requested time frame (one-time extension or ongoing).

Response: History Colorado has not submitted any requests to replace one-time General Fund or ARPA funded programs with ongoing appropriations.

- 2 Please provide a description, calculation, and the assumptions for the fiscal impact of implementing compensation provisions of the Partnership Agreement, as well as a qualitative description of any changes to paid annual, medical, holiday or family leave as a result of the Agreement. Please describe any compensation and leave changes for employees exempt from the Agreement if applicable.

Response: The most notable impact to History Colorado in implementing the partnership agreement relates to the implementation of a step program. For FY25 the History Colorado, salary survey funding is \$812K. This is the result of the 3 percent across the board increase and the 3.7 percent step plan calculation to bring employees up to the range minimum. For comparison, the FY24 salary survey line was \$389K. The vast majority of History Colorado positions are non-classified therefore History Colorado has flexibility in the implementation of step or step-related compensation increases and is currently reviewing compensation levels to determine which position classifications fall below market rates. This undertaking is particularly challenging for History Colorado because the majority of History Colorado positions such as curators, exhibit developers, state historians, architectural services, cultural resource specialists, and community museum directors do not align well with existing state classifications. We are currently working with DPA to conduct this analysis.

Funding of these adjustments will come primarily from cash funds (\$636K) and given the cap on limited gaming fund growth and earned revenue limitations, the funding of the step program may need to be prioritized over other needs such as facilities maintenance, exhibit development, marketing, engagement, and education.

- 3 Provide a prioritized list of budget reductions the Department would propose if 10.0 percent General Fund appropriation reductions were required of every Department.

Response: We appreciate the question and the desire to partner with History Colorado on identifying potential reductions. On November 1st the Governor submitted a balanced budget that provided decision items for increases and reductions that we spent over half a year to identify and prioritize across the entire Executive Branch. The proposed budget is balanced, maintains a reserve of 15 percent, and does not require a ten percent reduction in the General Fund to balance. If the economic conditions change, we will work with the Governor's staff to propose reduced expenditures and submit a plan to address the shortfall to the General Assembly. If the Joint Budget Committee wants feedback on specific reduction proposals, we welcome the opportunity to work with JBC staff on estimating the impacts and tradeoffs of those proposals.

HISTORY COLORADO CHANGE REQUESTS, 2-9

HC2 HISTORIC PROPERTY AFFORDABLE HOUSING

- 1 *[Sen. Kirkmeyer]* Does History Colorado anticipate providing the consultation services for free?

Response: Yes, this request supports the State goal to develop More Housing Now and the History Colorado strategic plan goal of investing in rural prosperity. History Colorado is uniquely positioned to identify historic properties that are strong candidates for reuse and then provide deep technical expertise. This includes making connections between property owners and community leaders to the resources needed to make these projects viable. There is demand for affordable or workforce housing across the state and this will include projects in many areas where residents are cost burdened by housing, such as Lake (63 percent cost burdened), Pueblo (49 percent cost burdened), Otero (40 percent cost burdened), Las Animas (45 percent cost burdened), Alamosa (42 percent cost burdened), Rio Grande (41 percent cost burdened), Adams (54 percent cost burdened), Arapahoe (51 percent cost burdened), and Morgan (41 percent cost burdened). The addition of affordable housing or workforce housing in these areas will have significant benefits including property preservation, preserving, and building knowledge of community historic properties and areas, the environmental benefits of reusing existing buildings, converting vacant or underutilized properties across the state into housing, increasing the number of available housing units, and providing economic and community revitalization. Normal fees such as site services and tax credit fees will apply depending on the nature of the project, however charging a fee on top of these normal fees for History Colorado consultation could dissuade some projects from moving forward or lessen the number of units able to be created.

2 [Rep. Taggart] Historical property restoration is expensive. Please discuss how one restores historic properties and converts them into *affordable* housing.

Response: Projects across Colorado (listed below) demonstrate that adaptive use of existing, historic buildings for housing makes financial and environmental sense, all while preserving important community landmarks and their inherent cultural value. History Colorado proposes to advance this work in a meaningful way through this position, which will support working with communities and property owners to identify high priority buildings (those with the greatest reuse potential for housing) and then provide technical assistance to property owners and community leaders on how to make the projects financially possible. This work is typically completed by developers. One major advantage to utilizing historic properties for housing is that they are eligible for a 20 percent federal tax credit which brings significant federal investment into Colorado communities (and can be combined with myriad other programs, including state preservation tax credits and State Historical Fund grants, in addition to housing specific incentives). Between 1981 and 2015, 380 projects in Colorado took advantage of Federal Historic Tax Credits, with qualified rehabilitation expenditures of \$640.3 million. Adjusted for inflation, these projects generated a total economic impact of \$2.1 billion including direct and indirect¹. The use of tax credits and State Historic Fund grants significantly reduces the cost of such projects.

In a report titled “Affordable Housing and Historic Preservation”², the US Department of Housing and Urban Development (HUD) and the Advisory Council for Historic Preservation (ACHP) state that “Federal tax incentives provide opportunities for historic preservation and affordable housing to work together, including the Low-Income Housing Tax Credit and the Historic Rehabilitation Tax Credit,” and further includes that “continued investment in historic buildings through rehabilitation and repair for affordable housing purposes and stabilization of historic districts through the construction of infill housing should be recognized as contributing to the broad historic preservation goals of neighborhood revitalization and retention.”³

Often, historic buildings that are high priority for housing conversions are located in or near downtowns, utilize existing infrastructure, and are served by existing transit opportunities. Rehabilitation of existing historic buildings is less materials-intensive and relies more on local labor, resulting in good jobs that strengthen local economies. Adding high quality housing units to rural downtowns are a positive economic force that help support local businesses and rural revitalization efforts.

Additionally, based on studies completed by the firm PlaceEconomics (and supported by others), the rehabilitation of historic buildings has the following benefits⁴:

- Jobs - In a report on historic preservation in Savannah, one million dollars spent on the rehabilitation of a historic building will generate 1.2 more jobs and \$62,000 more in income than the same amount spent on new construction.
- Downtown Revitalization - Many rural communities in Colorado are suffering from disinvestment and historic preservation helps offer a solution. Historic districts disproportionately account for more income generation and higher property valuations than non-historic areas.

¹ <https://www.historycolorado.org/federal-historic-tax-credit-impact-colorado>

² *ACHP Policy Statement on Affordable Housing and Historic Preservation ...*, www.hudexchange.info/resource/3782/achp-policy-statement-on-affordable-housing-and-historic-preservation/. Accessed 29 Dec. 2023.

³ https://www.huduser.gov/publications/pdf/historic_preserv.pdf

⁴ <https://www.placeeconomics.com/resource/>

- Foreclosure Patterns - From a study in Indianapolis, between 2008 and 2012, foreclosure actions impacted nearly 26 percent of residential properties. Historic homes experienced rates of only 6 percent. In Pittsburgh, the foreclosure rate in historic districts was less than a third of what was experienced in non-historic areas.
- Millennials and Housing - As communities compete for talent, studies have demonstrated that millennials have shown a statistical preference for living in historic places. In Nashville, millennials make up 29 percent of the population, but constitute 33 percent of historic district residents. In Los Angeles, historic districts make up only 1.8 percent of the land area, but are home to 4 percent of new millennial residents. Nationally, millennials are approximately 34 percent of all homebuyers, but account for 59 percent of buyers of houses built before 1912 and 43 percent of buyers built between 1912 and 1960.
- Walkability and Livability - Historic buildings tend to be located near the downtown core of most communities and studies across the country demonstrate that historic districts are far more walkable than non-historic areas. This contributes to easier access to goods and services, an increased sense of community, and myriad environmental and health benefits to residents. As one example, a study in Raleigh found that the average walk score for the city was 29, while the average walk score of historic districts was 73 (higher walk scores indicate more walkability and less dependence on automobiles for daily life).
- Population Shifts - Some rural communities in Colorado are facing population loss, which has far-reaching consequences for their local economies. Interestingly, there is data that indicates in communities suffering from population declines, that historic districts fare better. In Pittsburgh, there was a population loss of 9 percent between 2000 and 2010. During that same time period, historic districts in Pittsburgh actually gained 4 percent in population.

Some examples of housing conversion projects in historic buildings that utilized the Colorado state preservation tax credit in recent years include:

- Fruitdale School, Wheat Ridge, 27 units (includes affordable units)
- Trinidad National Bank, Trinidad, 9 units
- Yampa Valley Electric Association Building, Steamboat Springs, 2 units
- Tammen Hall, Denver, 49 units (affordable senior housing)
- Cannery Lofts, Brighton, 6 units
- Essex Apartments, Denver, 20 units
- 213 S Lincoln, Denver, 1 Unit
- Eiber Village, Lakewood, 23 Units (affordable senior housing)
- ArtSpace, Trinidad, 13 units (affordable housing)
- Pancratia Hall, Denver, 68 Units (100% affordable/workforce)
- 500 Remington, Fort Collins, 1 Unit
- Citizens State Bank, Ouray, 2 Units (affordable/workforce housing)
- Hillard House, Breckenridge, 2 Units
- Frasier Apartments, Greeley, 2 Units
- Cortez High School, Cortez, 18 Units (affordable/workforce housing)
- 655 Broadway, Denver, 110 Units (affordable housing)
- Fulton Garage, Rifle, 3 Units
- Davis Drug, Leadville, 2 units

- Holmes Hardware / Fuel and Iron, Pueblo, 28 Units (affordable/workforce housing)
- Orrechio Block, Florence, 9 Units (affordable/workforce housing)
- East Street School, Trinidad, 16 Units (working artist housing)

Housing conversion projects in progress:

- Colorado Women's College, Denver, 154 units (affordable/workforce housing)
- SPMDTU, Antonito, 1 unit
- Seerie Residence, Denver, 7 units
- Maupin Building, Florence, 1 unit
- Burte Hotel, Denver, 20 units
- 2115 Glenarm, Denver, 5 units
- La Plaza Inn, Walsenburg, 13 units
- Central School, Brush, 40 units (affordable/workforce housing)
- Loveland Feed and Grain, Loveland, 9 units (affordable housing)
- Cook's House, Hartsel, 1 unit
- Joe's Auto Upholstery, Fort Collins, 1 unit
- Walsenburg Mercantile, Walsenburg, 17 units (affordable/workforce housing)
- Pantall School, Sterling, 20 units (affordable/workforce housing)
- Plaza Block, La Junta, 2 units
- Fox West Theater, Trinidad, 2 units
- Knights of Pythias Building, Central City, 17 units
- 1129 Green Street, Silverton, 3 units
- Arthur Block, Canon City, 10 units
- Keating School, Pueblo, 74 units
- McCandless Building, Florence, 15 units (affordable/workforce housing)
- Mad Sam Building, Pueblo, 4 units

HC3 250-150 COMMISSION OUTREACH

- 3 *[Sen. Zenzinger]* Rural parts of the state are worried that they are going to be left behind. They are worried about statewide planning to ensure that celebrations are not just metro area focused. Please discuss History Colorado's statewide planning and efforts to mitigate those concerns.

The Commission has identified a number of signature initiatives that will enable all areas of the state to participate in the 2026 sesqui-semiquincentennial anniversary. Programs the Commission is considering are informed by community outreach, and include programs such as traveling museum exhibitions, updated roadside markers throughout the state, new published scholarship, and more.

The Commission's Advisory Panel, made up of regional representation, has also been creating Local Organizing Committees with the support of the Commission, in order to develop local commemorative planning efforts. Commission staff have been attending Local Committee meetings throughout the state, in-person as much as possible, in order to share information about the Commission and proposed signature initiatives, and to encourage local participation.

Several efforts to build statewide collaborative platforms have begun as well. For example, Commissioners Hanson and Richie have begun hosting monthly meetings with representatives from statewide cultural institutions (museums, libraries, historical organizations, etc.) in order to provide an opportunity to discuss and plan for 2026 engagement.

In addition, Commissioners would like to hold in-person Commission meetings and community sessions throughout the state leading up to 2026.

HC4 ADOBE MAINTENANCE MANAGER FTE

4 [Rep. Bird] Please be prepared to discuss the following:

- What are these Adobe structures, where are they, and why is the State maintaining them?

Response: History Colorado has four historic sites with 9 adobe structures. This includes the following;

- The El Pueblo History Museum in Pueblo
- The Fort Garland Museum and Cultural Center in Costilla County
- The Trinidad History Museum in Las Animas County
- Fort Vasquez in Platteville

These historic sites are the property of the State of Colorado, and History Colorado maintains them on behalf of the State so they can be preserved and enjoyed by current Colorado residents and visitors for many generations to come. Eight of the nine adobe buildings owned by History Colorado were constructed between the 1860s and the 1930s, and History Colorado still uses each building as a part of its network of community museums. It should be noted that each of these sites is listed on the National Register of Historic Places through the National Park Service. Except for the El Pueblo History Museum adobe Trading Post, all of the adobe buildings are contributing structures to these National Register Designations.

- How are they being used?

Response: Three of these sites (El Pueblo, Fort Garland, and Trinidad) are a part of History Colorado's network of community museums. They each serve as gathering places for the community and showcase Colorado history and the history of the region through exhibits and community events. These sites also provide education and programs that support the community such as fifth day learning opportunities for students enrolled in districts with four-day school weeks. The adobe buildings on these sites are used daily and year-round.

The Trading Post at El Pueblo serves as the backdrop for the outdoor placita area which is where many of its annual events are held and is a rentable space available for weddings and other events. School groups and summer camps are facilitated within the Trading Post, and it is also open to the public as a part of the museum as well as scheduled tours.

The Fort Garland site is composed entirely of adobe buildings. While most of the buildings showcase various exhibits that are open to the public daily for both docent-led and self-guided tours, the Administrative Building serves as the front desk, gift shop, storage room, breakroom and office space for the staff, volunteers and interns that work on-site. The Mess Hall is also used for

community events, school group and summer camp activities and rental space. It is equipped with showers and a full industrial kitchen.

The Baca House and Santa Fe Trail Museum at the Trinidad History Museum are adobe buildings that are individually historically significant for their role in Southern Colorado's history. They are open daily as a part of both docent-led and self-guided tours. Additionally, one smaller adobe building on the property houses the maintenance storage and work shed as well as the main public restrooms for the site.

Fort Vasquez is operated in partnership with the town of Platteville and serves as a community information and visitor center. While the welcome center is not an adobe structure, the fort is entirely constructed of adobe and it is the focal point of the site.

Each of these sites provide positive economic impacts to these communities through employment, tourism, and local spending.

- What is the historical significance?

Response: The El Pueblo site sits in the heart of downtown Pueblo and through archaeological investigation, it was determined to be the site of the original Pueblo settlement. The site includes a re-created 1840s adobe trading post and plaza, and the archaeological excavation site of the original 1842 El Pueblo trading post. The El Pueblo History Museum showcases the region's many cultural and ethnic groups through innovative exhibits including the Borderlands of Southern Colorado, Steel City: 1980-2004, and Rainbows & Revolutions, the first state funded exhibition to explore the history of Colorado LGBTQ+ community.

The Fort Garland site includes the oldest structures owned by the State. Fort Garland was built in 1858, ten years after the Treaty of Guadalupe Hidalgo, during American expansion into the west. Visitors can explore life in a nineteenth century military fort by walking the parade grounds and touring five of the original adobe buildings, learn about the Buffalo Soldiers of the 9th Cavalry who were stationed at the Fort from 1876 to 1879, and discover Colorado's role in the Civil War in the West exhibit. Rich in military history, Fort Garland also highlights the women and children who brought a bit of home to the fort.

The Trinidad property features the historic Bloom Mansion and Baca House, two residences built in the late 19th century, as well as the Baca-Bloom Heritage Gardens and the Santa Fe Trail Museum, all on one block in Trinidad's acclaimed historic district. Trinidad's past and its place in the American West can be explored at the Trinidad History Museum. Featured exhibitions such as Borderlands of Southern Colorado, the Santa Fe Trail Museum, and the award-winning Children of Ludlow showcase the region's diverse cultural and ethnic heritage.

Fort Vasquez is the site of an 1835 fur-trading fort and highlights the paths of founders Louis Vasquez and Andrew Sublette, who hired mountain men like Jim Beckwourth and Baptiste Charbonneau at their adobe outpost on the South Platte River frequented by the Cheyenne, Arapaho, and Lakota people.

HC8 STRATEGIC INITIATIVES FUND

- 5 [Sen. Kirkmeyer] Please discuss the 250-150 Commission's source of funding and whether it was considered to include them as a strategic initiative. Was it ever considered to fund the Commission through the Strategic Initiatives Fund? If not, why?

Response: Original funding for the 250-150 Commission comes from the General Fund. This includes operating funds of \$151K for one FTE (the commission director), in-person community engagement throughout Colorado, and limited funding for other operating expenses such as supplies and in-state travel and some operating expenses (SB22-011). Additional funding for the Commission includes \$500K for fundraising activities, provided by SB 23-297.

Funding of the 250-150 Commission using the History Colorado strategic initiative fund was not considered because the 250-150 Commission is separate from History Colorado and was created under separate statutory authorization (SB 22-011) specifically for the commemoration of the America 250/Colorado 150 anniversaries in 2026. History Colorado supports the Commission by providing staff resources as needed, such as accounting, budget and procurement support, however the Commission has its own director, it is governed by the Commission members, and functions separately from History Colorado.

The strategic initiative funds were provided to History Colorado under SB 22-216, for the expansion of History Colorado's statewide impact and investments in earned-revenue-generating or enhancing initiatives. At the time History Colorado staff provided a list of strategic initiative programs to JBC staff. This includes:

- Hands-on History Expansion
- Make Admission Free for Kids at all History Colorado Museums
- Create and disseminate a comprehensive Colorado history curriculum
- Expand the Museum of Memory Program
- Create an Affiliates Program to support all 417 historical organizations in Colorado
- Create and attract marquee exhibitions
- License What's Your Story, which connects students to leaders and changemakers
- Upgrade meeting/events spaces
- Expand preservation access for marginalized communities
- Support compliance with S106 requirements as part of the Federal Infrastructure Investment and Jobs Act

Using the strategic initiative funds for 250-150 efforts would go against legislative intent both SB 22-011 and SB 22-216 and the goal of expanding History Colorado's statewide impact and generating additional revenue to reduce reliance on gaming revenues.

6 [Sen. Zenzinger] Please answer the following questions:

- What did the fiscal note say about the future of this particular activity?

Response: The fiscal note and the appropriation provided in H.B. 22-1327 only accounted for funding to research and prepare the original report on June 30, 2023. However, H.B. 22-1327 also required that History Colorado engage in consultation with the Commission of Indian Affairs and provide recommendations for future work needed, but no funding was appropriated or specifically identified in the fiscal note for this subsequent work. This is because the extent of the post-report work was not known at the time, and H.B. 22-1327 envisioned this by requiring the consultation and recommendations be made after the original report was published.

- How does this proposal pertain to the previous legislation and report? Was this anticipated to be an ongoing cost and ongoing research?

Response: Due to the depth of the boarding school history and the multi-generational impacts, it was anticipated that more research and more consultation would be required beyond the original report. H.B. 22-1327 required that research be done on the largely unknown history of federal Indian boarding schools in Colorado and to provide the legislature with recommendations for future work based on the findings of the initial report. The required research and report were completed and submitted to the Colorado Commission of Indian Affairs (CCIA) on June 30, 2023. H.B. 22-1327 also requires that, after completion of this report, History Colorado, in consultation with the Ute tribes and the CCIA, develops recommendations to increase the understanding of the abuse that occurred and support tribal members in healing from the effects of this abuse. After lengthy discussions with CCIA, other state agencies, tribal representatives, and members of the AI/AN community, the recommendations for further work were submitted in the summer of 2023 and are part of HC R-09 following requirements from HB22-1327.

HISTORY COLORADO FACILITY LEASE REQUEST

HC1 HISTORY COLORADO FACILITY LEASE REQUEST

7 [Rep. Taggart] Why did History Colorado purchase the North Storage facility if it was not intended to be a long-term solution?

Response: It is difficult to guess the train of thought behind making the purchase ten years ago, especially when those involved are no longer working for History Colorado. However, it should be noted that the purchase price was \$2,555,000, and the estimate to move the collection out of the building was pegged at ~\$1,000,000. Comparing these two numbers makes the purchase transaction an attractive financial and operating decision, given the proximity to the History Colorado Center in Denver. In addition, the Pueblo Service Center facility was also used for storage at the time, but this facility was small (only 14,484 square feet) and too far away for accessing collection items needed in Denver, so the items stored there were moved to this location at that time.

- 8 *[Sen. Kirkmeyer]* What is the intake process for materials and artifacts of historical importance? And what is the deaccession process/schedule? How does History Colorado decide whether to receive an item and how long/whether to keep an item?

Response: History Colorado has a designated Collection Committee that meets monthly to discuss accepting new acquisitions into the permanent collection. Curatorial staff present proposals for new acquisitions and then the Committee as a whole votes whether or not to formally add items to the permanent collection. Decisions are based on factors such as historical significance and the stories they can tell, representation of underserved and state-wide communities, duplication and authenticity, resources needed to properly steward items, potential for future educational and research use, etc. Once items are added to the History Colorado permanent collection, the intention is to keep and care for the item in perpetuity.

There is no set deaccession schedule and it is impossible to create an incoming and outgoing cadence between acquisitions and deaccessions, but rather deaccessions are proposed based on research surveys or opportunistic activities related to other initiatives such as exhibits. Deaccessions may be proposed for a variety of reasons including deteriorating physical condition, duplication, lack of historically relevant provenance, or because the item does not fit into the defined scope of the collection. Objects proposed for deaccession require thorough research and two layers of approval, with the staff Collections Committee and then finally with the Board of Directors. Objects that are approved by the Board may then be removed from the collection through several avenues such as transferring to another institution, being sold at public auction, or disposal. These guidelines are in accordance with museum industry standards ([American Alliance of Museums](#) and [American Association for State and Local History](#)).

- 9 *[Sen. Bridges]* What is a typical “average” amount of storage for a museum of this size? Is History Colorado above or below average?

Response: There is no average for collections storage size, since history museums are very diverse, and the storage requirements are heavily dependent on the size of the museum and the nature of its collection. There are suggested guidelines that estimate that a museum should have as much storage space as the combined space dedicated to exhibits, because generally only a very small percentage of artifacts are on display at any given time. Those numbers are generally adjusted up for entities with historic artifact collections, since they generally have a higher share of large items in their collections.

For History Colorado, which currently has about 100,000-110,000 in exhibit space throughout its museum network, the guideline above would suggest that it needs a minimum of 110,000 in storage and preservation space. This request is in line with recently opened statewide historic collection/archive facilities including the California Statewide Museum Collections Facility (160,000 sq ft, opened in 2013) and the Wisconsin State Archive Preservation Facility (182,803 sq ft, opened in 2018).

It should be noted that the American Institute for Conservation recommends taking extra care in ensuring safe access to the collections while in storage. The Institute also points out that improper storage is a leading cause of damage to collections. Therefore, there should be enough space allocated for storage not only to accommodate the collections, but also to ensure their preservation. The storage plan considers both considerations.

- 10 *[Sen. Kirkmeyer, Staff]* Please discuss the broader intentions for the facility beyond just replacing the storage facility. How much space is for storage? Office space? Educational use? And why?

Response: According to the collections space needs analysis conducted by Stantec in 2022, of the total 169,000 sf needed in the long term (10+ years), approximately 8,800 (5.2 percent) would be allocated to office and office support space, and the rest (~160,000 sf) would be dedicated to storage space. Any space used for educational purposes would be part of the 8,800 allocated to offices and office support. This space could be used for making collection items available to the public which is statutorily required (upon request), programming, or hosting school groups that might be interested in learning how items in the collection are cataloged, cared for, and accessed. The scope of these activities has not been fully developed; it was mentioned as potential ways to utilize the space available and even create some additional revenue. It is possible that a site this large is not available soon, in which case, we'd have to reduce non-storage needs and strategize as to how the collection would be best stored given a particular space available.

CUMBRES & TOLTEC

CUMBRES TOLTEC FIRE MITIGATION

- 11 *[Rep. Bird]* Did History Colorado apply for any of the grants that the State made available over the past several years for fire mitigation? Please discuss.

Response: The Cumbres & Toltec Scenic Railroad operates steam locomotive powered passenger excursion trains over 64 miles of historic narrow gauge rail lines between Antonito, Colorado and Chama, New Mexico. The railroad runs through remote country adjacent to private and government owned lands, much of which is heavily forested. Since it began operations in 1970, it has never been the cause of a significant wildfire.

Because of increased risk in 2022, the railroad took significant internal actions to mitigate the wildfire threat. These actions included the retrofitting of two coal fired locomotives to burn recycled used oil and internal modifications to the remaining locomotives to minimize cinder production that might initiate a wildfire. Additionally, the railroad's Wildland Fire Prevention & Mitigation Plan was revised with the concurrence of the U. S. Forest Service to ensure railroad operations minimized the risk of initiating a wildland fire. The spring of 2022 was unusually dry, resulting in a severe fire risk. The railroad responded by delaying the start of the operating season until the beginning of July, resulting in a notable loss of railroad operating revenue along with significantly reduced activity for area businesses. The efforts were successful during a year of elevated risk.

During 2023, the railroad took further initiative to reduce the risk of wildfire through reduction of fuel sources along its right of way. The railroad is 64 miles in length; however, the right of way is only between 100 and 200 feet wide. Over time, vegetation from adjacent forested land has encroached onto the railroad providing fuel for initiating a wildfire. Reduction of this fuel would be necessary to further lower the fire risk. Unfortunately, the remote nature of the railroad made the task of removing this fuel very costly and no internal resources were available to fund this effort.

External funding sources were investigated to support the project. Grants from the State of Colorado, as well as other resources were explored, but it was determined that the Railroad was not eligible due to the unique requirements of the grants. These included the following:

- State Fire Assistance – Wildland Urban Interface (SFA-WUI)
- Community Assistance Funds Adjacent to National Forest Lands (CAFA)
- Community Wildfire Defense Grants (CWDG)
- Forest Restoration and Wildfire Risk Mitigation Grant (FRWRM)

While each of these funding sources supported the general goal of risk mitigation through fuel reduction, none were applicable to the unique situation faced by the Cumbres & Toltec. The grants were primarily intended for communities, tribes and various other non-profit organizations and the railroad didn't qualify. Also, there were matching fund requirements, and none were available. Other avenues were also explored, but none were seen as meeting the unique requirements of the Cumbres & Toltec. Consequently, it was decided to seek State support in the upcoming legislative session for this important work.

The Cumbres & Toltec Scenic Railroad is a vital component of the economic wellbeing of southern Colorado and northern New Mexico. It has an economic impact of more than \$17,000,000 per year to the area it serves and provides significant employment to residents of the area. Continued safe operation of the railroad is essential to continued operation and minimizing the risk of wildfire is a major component of operational safety and that of the public. The railroad seeks your support in accomplishing this goal.

History Colorado serves Colorado communities, focusing on four pillars, **investing in rural prosperity**, **strengthening Colorado through education**, **sharing the diverse stories of our state**, and **building long-term sustainability**. Strategic initiatives and investments in FY23 and FY24 support each of these pillars, and demonstrate History Colorado's growing impact. Over time History Colorado has granted more than \$350 million dollars through the State Historical Fund, with more than 60% of all grants awarded to rural communities. History Colorado has also earned significant accolades, including the Fort Garland Museum being named as a finalist for the National Museum Medal, and awards from two national organizations for the Sand Creek Massacre exhibition at the History Colorado Center.

Hands-On History



In 2023 more than **628 kids** participated in Hands-On History, and History Colorado provided more than **140,000** enriching contact hours in support of working families. The program focuses on interactive, hands-on, experiential style explorations that intersect with the themes and topics specific to the local community. The program has expanded across the state, including locations in **Pueblo, Trinidad, Fort Garland, Montrose, and Denver**, and the Hands-On History Program Director is actively developing partner sites in other childcare deserts. Hands-On History serves kids in grades 1-8 in communities that have 4-day school weeks and offers full day camps over summer and winter breaks.

Compelling New Exhibitions

History Colorado is a network of 11 museums and historic sites, and each museum serves its local community by providing engaging exhibitions. In 2023 new exhibits drew significant attention, with the Fort Garland Museum opening **buffalo soldiers:revision**, the History Colorado Center opening **Revolt**, featuring ancestral puebloan pottery in conversation with the work of contemporary Pueblo artist Virgil Ortiz, **John Fielder Revealed**, the first of several exhibits to share the work of Colorado's acclaimed nature photographer, and **Winter Warriors**, featuring the history of the 10th Mountain Division during World War II.



Preservation Meets Community Needs



Preservation programs are increasingly advancing much-needed **affordable housing** projects statewide, where underutilized structures are converted into residential units. Examples include the Holmes Hardware in Pueblo that is now home to 28 affordable units, Bains Department Store in Alamosa now includes 18 low-income apartments, and the The Quayle and Pancratia Hall in Denver together include more that 150 income-restricted units. History Colorado also reviews federally-funded projects and tax credit applications. Since 1981 Colorado's preservation projects, those funded by the **State Historical Fund**, the **Federal Historic Preservation Tax Credit**, and the **Colorado Preservation Tax Credit** have created over 27,000 jobs and generated nearly \$3.9 billion in positive economic impacts.

Colorado Heritage for All



As part of the celebration of the 250th anniversary of the Declaration of Independence and the 150th anniversary of Colorado's statehood, History Colorado will take ambitious action to increase representation on the **Colorado Register of Historic Places** – listing 150 spaces and places that build individual and community identity, bolster understanding of contemporary places, strengthen social ties, and support both resiliency and economic prosperity for communities of all shapes and sizes. Currently less than 4% of the sites listed on Colorado's Register of Historic Places represent the stories of Colorado's Black, Indigenous, Latino/a, Chicano/a, Asian American, women, and LGBTQ+ communities. Breaking this pattern and moving the needle to ensure that the full history of Colorado is recognized, honored, and protected, requires innovation and a generational investment.

Affiliates Program Development

Colorado is home to more than **400 history museums and sites**. History Colorado is uniquely positioned to serve this community of organizations, helping to build a connected network, share resources, and build capacity. In 2023, a new Affiliates Program Director completed a business planning process, and interviewed nine museums across Colorado as well as six peer organizations, including programs in neighboring states that provide similar services. The Affiliates program will enable history museums in communities of all sizes to enhance their collective impact statewide, while extending the reach, resources, and mission of History Colorado. Unique offerings include: Museum Basics Courses, State-wide Marketing, Affinity Group Connections, Technical Assistance & Consulting Support, and the opportunity to share content, exhibits, and more. An Inaugural Members Advisory Committee has already begun meeting, and confirmed the potential of this initiative.

Federal Indian Boarding School Research, HB 1327

In 2022 the State Legislature directed History Colorado to investigate the lived experiences of students at the one-time federal Native American boarding school in Hesperus, Colorado, also referred to as the Fort Lewis Indian Boarding School; as well as to identify potential burial places of students who perished while attending the school. On September 1, 2023, History Colorado shared an executive summary of the research, which also included information about other residential schools in Colorado and related sites, and provided recommendations on next steps. History Colorado's recommendations came out of government-to-government consultations with Tribal Nations as well as conversations with state agencies and community groups.

Caring for Colorado's Collection

History Colorado is the statutory steward of Colorado's collection of 15 million artifacts, photographs, and archival materials spanning 13,000 years of history. Much of the state's collection, currently stored in a north Denver warehouse is at risk of damage or loss due to nonexistent environmental controls; risks of fire, flood and other water damage; inadequate security; and insufficient space to safely access materials. In 2022 History Colorado developed a Master Plan that proposes a new storage facility to address the severe and imminent risk posed by the current storage conditions. The project ensures Colorado's historic collection lasts for generations, leverages partnerships, and enables the strategic growth of the collection, especially to ensure the collection is inclusive of the rich diversity of all people in the state.

For more information visit www.historycolorado.org or contact Annie Levinsky, Chief of Staff, at annie.levinsky@state.co.us.



History Colorado Timeline

1990/91 Constitutional Amendment

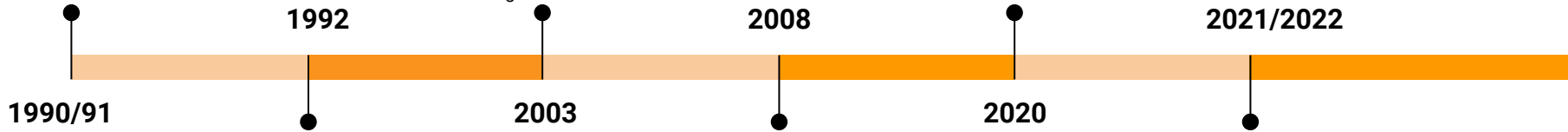
This amendment legalized gambling in Black Hawk, Cripple Creek, and Central City, and stated that a portion of the gaming tax revenues are to be used for historic preservation throughout the state, which created the State Historical Fund to provide historical preservation grants.

Museum Operations Fund Created

The Museum Operations Fund was created to support the day-to-day operations of the state's network of history museums. Prior to 2003, History Colorado's operations were funded from Limited Gaming with limited guidance on museum operations vs State Historical Fund usage.

COVID (50% funding reduction) & HB20-1400

- Mandatory closing and distancing requirements dropped HC's revenues by 50%. History Colorado benefited from PPP funds and sustainability funding from the State, resulting in no layoffs.
- HB20-1400 paused the gaming fund allocation formula established in 2008 because of its impact on HC finances during COVID.



1990/91

1992

2003

2008

2020

2021/2022

TABOR Passage

The TABOR amendment was approved by voters in 1992 limiting the amount of revenue the State can retain and spend.

2008 Amendment 50, Recession & HCC COP

- Amendment 50 allowed Cripple Creek, Black Hawk, and Central City to expand casino operations, adding extended hours of operation, higher betting limits, and additional games.
- The amendment required that the additional revenue generated goes to community colleges and gaming cities and counties, giving birth to an allocation formula.
- Unfortunately, this formula set the limited gaming baseline at its lowest level in a decade, given the 2008 recession.
- The General Assembly authorized (through SB08-206) an \$85 million COP for the design, construction, and relocation of the Judicial Center and History Colorado Center. HC was expected to pay its portion from cash funds.

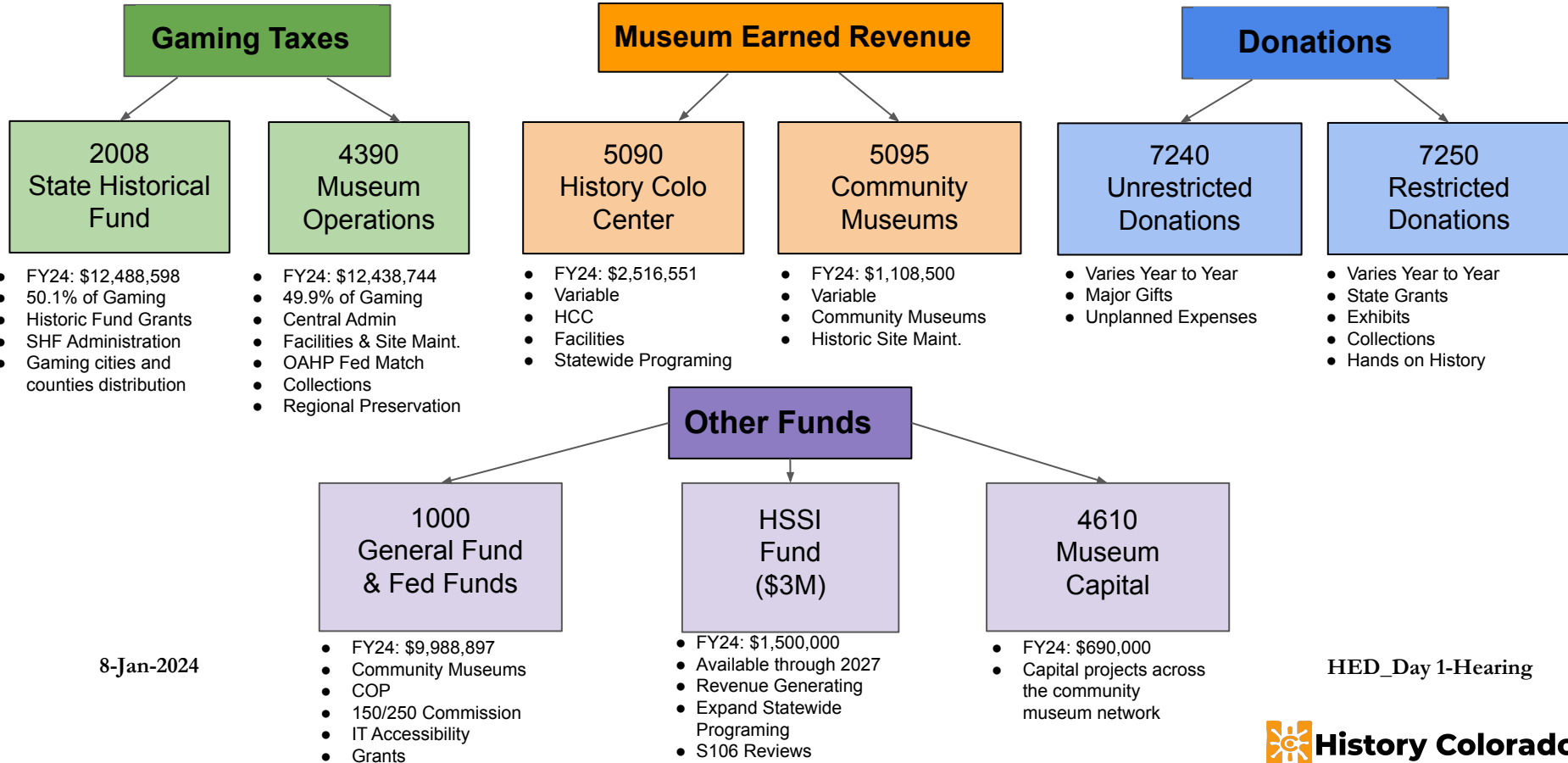
Amendment 77, COP & SB22-216

- Amendment 77 allowed Black Hawk, Central City, and Cripple Creek to increase betting limits or remove them entirely.
- General Fund COP appropriation created in the long bill to relieve HC from the COP payment that put a significant burden in its finances for over a decade.
- SB22-216 re-established the original gaming revenues allocation formula, and provided History Colorado time-limited funding for strategic initiatives to expand HC earned revenue and statewide impact.

8-Jan-2024

HED_Day 1-Hearing

History Colorado Fund Structure Overview



8-Jan-2024

HED_Day 1-Hearing