

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



**FY 2013-14 STAFF FIGURE SETTING
DEPARTMENT OF HIGHER EDUCATION**

**JBC Working Document - Subject to Change
Staff Recommendation Does Not Represent Committee Decision**

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March 6, 2013**

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DEPARTMENT OF HIGHER EDUCATION

Department Overview

The public higher education system serves roughly 220,000 students from Colorado annually. Approximately 45 percent of the students attend 2-year and certificate institutions. These include state-operated community colleges, local district junior colleges that receive regional property tax revenues in addition to state funding, and area vocational schools that offer occupational certificates and serve both secondary and post-secondary students. Students attending institutions that offer baccalaureate and higher degrees are concentrated at the University of Colorado, Colorado State University, and Metropolitan State College of Denver.

The Colorado Commission on Higher Education (CCHE) coordinates the higher education delivery system, including requests for state funding. The CCHE has some regulatory authority over the public higher education institutions in areas such as role and mission, degree programs, the transfer of credits, and performance reporting. However, each institution has a governing board that makes policy and budget decisions for the institution.

The General Assembly has delegated significant budgetary control to the governing boards of the higher education institutions. The members of the governing boards are appointed by the Governor, except at the University of Colorado, which has an elected Board of Regents. Within broad parameters the governing boards are allowed to determine how to spend the revenue they earn, and they can retain unspent funds at the end of each fiscal year for future initiatives.

The Department includes the following divisions and programs:

- **Colorado Commission on Higher Education**, including staff, operating expenses, and special purpose programs. The executive director of CCHE is also the executive director of the Department. The **Department Administrative Office** includes centrally-appropriated amounts for CCHE and History Colorado.
- **Financial aid** programs, which fall under the purview of CCHE. The director of CCHE also appoints the directors of College Assist and CollegeInvest, which are both statutorily authorized state enterprises with responsibilities related to student loans and college savings programs. Both of these programs are off-budget.
- The **College Opportunity Fund** Program which provides stipend for undergraduate resident students to attend public colleges and participating private colleges in Colorado. The section also includes appropriations for fee-for-service contracts with public higher education institutions for graduate education and other educational services not covered by the stipends.
- Appropriations for each of the higher education **Governing Boards**. Tuition, stipend, and fee-for-service spending authority for public higher education institutions is provided in the Governing Boards section.
- The **Division of Occupational Education** oversees Colorado Vocational Act programs, the Area Vocational Schools, federal Perkins technical training programs, and resources for the promotion of job development, job training, and job retraining.

- State subsidies for **Local District Junior Colleges; History Colorado;** and the **Auraria Higher Education Center**, which maintains the single shared campus of the Community College of Denver, Metropolitan State College of Denver, and the University of Colorado at Denver and Health Sciences Center.
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DEPARTMENT REQUEST AND RECOMMENDATION SUMMARY

Executive Request

The Department request is for \$3,102,280,175, including 656,729,783 General Fund, representing an increase of \$68.3 million total funds (2.3 percent) and \$37.5 million General Fund (6.1 percent) over the FY 2012-13 Long Bill and \$50.0 million total funds (1.6 percent) and \$28.2 million General Fund (4.5 percent) over the FY 2012-13 base as adjusted for supplemental action. Consistent with recent years, this request represents a unified submission from the Colorado Commission for Higher Education (CCHE) and the Governor's Office, as CCHE did not submit a separate request.

The largest increase components include:

- an increase of \$30.0 million General Fund over the FY 2012-13 Long Bill base (\$20.7 million over the FY 2012-13 base after supplemental adjustments), allocated among state higher education institutions for College Opportunity Fund fee-for-service contracts and student stipends. Amounts are allocated based on a three-part formula to which all the institutions agreed.
- an associated increase of \$5.3 million General Fund for financial aid need-based aid; increase of \$1.6 million General Fund for the Fort Lewis Native American tuition waiver; and
- an increase of \$1.6 million in cash and federal fund and 12.0 FTE to reflect the transfer of the Colorado Geological Survey to the Colorado School of Mines.

Smaller adjustments are also requested for the Dependent Tuition Assistance Program, Private COF stipends, WICHE memberships, funding for two research and data positions at the Colorado Commission for Higher Education, and for the Cumbres and Toltec railroad.

Committees of Reference SMART Act Recommendations

The House and Senate Education Committees have not provided recommendations regarding funding for the Department of Higher Education.

The House Agriculture, Livestock and Natural Resources Committee submitted a letter to the JBC dated January 29, 2013 recommending that the JBC restore \$300,000 and approximately 2.0 to 2.5 FTE for the Colorado Geological Survey to cover some of the unfunded functions which were transferred to the Colorado School of Mines. This recommendation passed with a vote of 8 to 5.

Staff Recommendation

The staff recommendation is summarized in the table below, followed by brief description of each item listed. Key differences between the request and recommendation include the following:

- The recommendation adjusts tuition and fee amounts shown for informational purposes for both FY 2012-13 and FY 2013-14, based on recent projections. Higher education staff FTE shown for informational purposes are also adjusted for FY 2013-14.
- The recommendation adjusts College Opportunity Fund (COF) fee for service and stipend amounts based on updated projected enrollment data for COF-eligible students in FY 2012-13 and FY 2013-14. The adjustments net to \$0 (General Fund and total funds) as, consistent with historic practice, staff has offset decreases in the projected number of students receiving COF stipends with increases in fee-for-service funding for the institutions.
- The staff recommendation adds funds one (but not two) staff at the Colorado Commission on Higher Education.
- Staff has included a \$1.6 million General Fund FY 2012-13 one-time supplemental increase for need-based grants to comply with statutory requirements.
- The staff recommendation reflects an increase of \$1.9 million and 14.5 FTE for the Colorado School of Mines (\$300,000 cash funds and 2.5 FTE more than the request).
- The staff recommendation adds \$190,000 less than the request for the Cumbres and Toltec Railroad and adds a footnote outlining various funding expectations related to the Railroad.

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Department of Higher Education						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2012-13 Appropriation:						
HB 12-1335 (Long Bill)	3,034,535,714	619,571,953	1,850,970,474	544,880,058	19,113,229	21,494.3
Other legislation	(544,590)	(310,045)	75,500	(310,045)	0	(35.4)
FY 2012-13 Regular Supplemental	18,282,793	9,307,882	2,415	8,972,496	0	0.0
Recommended Long Bill Supplemental	(14,161,531)	1,612,927	(15,774,458)	0	0	0.0
TOTAL	\$3,038,112,386	\$630,182,717	\$1,835,273,931	\$553,542,509	\$19,113,229	21,458.9
FY 2013-14 Recommended Appropriation:						
FY 2012-13 Appropriation	\$3,038,112,386	\$630,182,717	\$1,835,273,931	\$553,542,509	\$19,113,229	21,458.9
Projected tuition and fee revenue	139,271,759	0	139,271,759	0	0	0.0
R-1: Operational funding increase for public colleges and universities	58,873,272	30,040,620	0	28,832,652	0	0.0
R-2: Increase for financial aid, need based grants	5,348,748	5,348,748	0	0	0	0.0
Colorado Geological Survey	1,863,401	0	1,759,401	0	104,000	14.5
R-4: Fort Lewis College Native American tuition waiver	1,692,673	1,692,673	0	0	0	0.0
Centrally appropriated line items	921,100	0	753,878	91,293	75,929	0.0
R-5: Increase for private COF stipend allocation	180,420	180,420	0	0	0	0.0
Increase in limited gaming funds	680,000	0	680,000	0	0	0.0
NPI-2: Constitutionally required increase for categorical programs	348,320	0	0	348,320	0	0.0
HC-1: Cumbres and Toltec Scenic Railroad Commission operations	84,500	84,500	0	0	0	0.0
R-7: Funding for data and research positions	75,386	0	0	75,386	0	0.0
R-3: Increase for the Dependent Tuition Assistance Program	55,078	55,078	0	0	0	0.0
NPI-1: OIT enterprise asset management	8,987	0	8,987	0	0	0.0
R-6: Increased dues for participation in the Western Interstate Commission on Higher Education	6,000	0	0	6,000	0	0.0
Indirect Cost Adjustments	0	173,871	(53,249)	(120,622)	0	0.0
Annualize one-time supplemental increase	(19,893,305)	(10,920,809)	0	(8,972,496)	0	0.0
Higher Education Competitive Research Authority spending adjustment	(581,000)	0	(581,000)	0	0	0.0
Tobacco settlement revenue adjustment	(299,210)	0	(299,210)	0	0	0.0
IT common policy adjustments	(108,826)	0	(98,786)	(10,040)	0	0.0
Reflect projected FTE	0	0	0	0	0	1,367.4
TOTAL	\$3,226,639,689	\$656,837,818	\$1,976,715,711	\$573,793,002	\$19,293,158	22,840.8
Increase/(Decrease)	\$188,527,303	\$26,655,101	\$141,441,780	\$20,250,493	\$179,929	1,381.9
Percentage Change	6.2%	4.2%	7.7%	3.7%	0.9%	6.4%
FY 2013-14 Executive Request:	\$3,103,843,576	\$656,729,783	\$1,853,831,115	\$573,996,703	\$19,285,975	21,470.9
Request Above/(Below) Recommendation	(\$122,796,113)	(\$108,035)	(\$122,884,596)	\$203,701	(\$7,183)	(1,369.9)

Issue Descriptions

Recommended Long Bill Supplemental: The recommendation: (1) adjusts higher education tuition and fee revenue estimates; (2) adds \$1.6 million General Fund for need-based aid to comply with statutory requirements; and (3) adjusts College Opportunity Fund (COF) fee for service and stipend amounts based on updated projected enrollment data for COF-eligible students.

Projected tuition and fee revenue: The recommendation adjusts higher education tuition and fee revenue estimates reflected in the Long Bill for informational purposes.

R-1: Operational funding increase for public colleges and universities: The recommendation includes an increase for the operations of public institutions of higher education consistent with the request. Amounts are allocated to institutions based on a formula to which all the institutions have agreed.

R-2: Increase for financial aid, need based grants: The recommendation includes a General Fund increase for financial aid need based grants proportional to the operational funding increase authorized for public universities and colleges.

Colorado Geological Survey: The recommendation reflects the transfer of the Colorado Geological Survey to the Colorado School of Mines and provides an appropriation sufficient to maintain existing core Geological Survey functions.

R-4: Fort Lewis College Native American tuition waiver: The recommendation includes an increase for the Fort Lewis College Native American tuition waiver mandated by Section 23-52-105 (1) (b) (I), C.R.S., and federal court decisions. The recommendation exceeds the November 1 budget request based on updated data.

Centrally appropriated line items: The recommendation includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees Retirement Association (PERA) pension fund; salary survey; merit pay; workers compensation; administrative law judges; payment to risk management and property funds; and leased space. The amount shown reflects the request where a common policy decision is pending.

R-5: Increase for private COF stipend allocation: The recommendation includes an increase to accommodate the growth in the number of students using the College Opportunity Fund (COF) stipend program at participating private institutions (the University of Denver, Regis University, and Colorado Christian University).

Increase in limited gaming funds: The recommendation includes an estimated increase in limited gaming funding distributed to gaming cities. The amount shown is an initial estimate to be revised after the March forecast.

NPI-2: Constitutionally required increase for categorical programs: The amount shown reflects the request for funds transferred from the Department of Education for secondary career and technical education programs. The recommendation is pending a Committee decision during figure setting for the Department of Education.

HC-1: Cumbres and Toltec Scenic Railroad Commission operations: The recommendation increases funding for Railroad Commission operations and capital costs.

R-7: Funding for data and research positions: The recommendation adds funding for a research analyst position at the Colorado Commission on Higher Education.

R-3: Increase for the Dependent Tuition Assistance Program: The recommendation includes an increase to accommodate the increase in the number of eligible students in this program.

NPI-1: OIT enterprise asset management: The recommendation includes an increase to fund the Department's share of an executive branch information technology asset management program and corresponding data system.

R-6: Increased dues for participation in the Western Interstate Commission on Higher Education: The recommendation includes increased dues for participation in the Western Interstate Commission on Higher Education (WICHE).

Indirect Cost Adjustments: The recommendation includes adjustments for anticipated indirect cost collections, resulting in an increase in General Fund required. This amount may be subject to further adjustments pending Committee decisions on some centrally-appropriated line items.

Annualize one-time supplemental increase: The recommendation annualizes (eliminates) FY 2012-13 increases for the higher education institutions included in the regular supplemental bill (S.B. 13-090). It also eliminates an associated one-time increase for need based aid recommended as a Long Bill supplemental.

Higher Education Competitive Research Authority spending adjustment: The recommendation reduces spending authority based on projected revenue and expenditures.

Tobacco settlement revenue adjustment: The recommendation includes a reduction based on the statutory allocation of revenue anticipated to be available from the Tobacco Master Settlement Agreement.

IT common policy adjustments: This amount reflects the executive request to adjust funding for information technology line items. The recommendation is pending a Committee common policy decision.

Reflect projected FTE: The recommendation adjusts the number of higher education staff FTE reflected in the Long Bill for informational purposes.

(1) Department Administrative Office

This division includes funding for centrally appropriated items for the Colorado Commission on Higher Education, Division of Private Occupational Schools, and the Historical Society. These centrally appropriated items include salary survey, risk management, leased space, health benefits, and other miscellaneous expenses. These expenses are not appropriated centrally for the other divisions within the Department. The sources of cash funds include limited gaming revenues deposited in the State Historical Fund and various fees. The source of reappropriated funds is statewide and departmental indirect cost recoveries.

DIVISION REQUEST AND RECOMMENDATION SUMMARY

	Department Administrative Office					FTE
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	
FY 2012-13 Appropriation:						
HB 12-1335 (Long Bill)	2,598,707	0	1,566,929	787,993	243,785	0.0
FY 2012-13 Regular Supplemental	2,415	0	2,415	0	0	0.0
TOTAL	\$2,601,122	0	\$1,569,344	\$787,993	\$243,785	0.0
FY 2013-14 Recommended Appropriation:						
FY 2012-13 Appropriation	\$2,601,122	0	\$1,569,344	\$787,993	\$243,785	0.0
Centrally appropriated line items	921,100	0	753,878	91,293	75,929	0.0
R-7: Funding for data and research positions	0	0	0	0	0	0.0
NPI-1: OIT enterprise asset management	8,987	0	8,987	0	0	0.0
IT common policy adjustments	(108,826)	0	(98,786)	(10,040)	0	0.0
TOTAL	\$3,422,383	0	\$2,233,423	\$869,246	\$319,714	0.0
Increase/(Decrease)	\$821,261	0	\$664,079	\$81,253	\$75,929	0.0
Percentage Change	31.6%	0.0%	42.3%	10.3%	31.1%	0.0%
FY 2013-14 Executive Request:	\$3,402,172	0	\$2,212,669	\$876,972	\$312,531	0.0
Request Above/(Below) Recommendation	(\$20,211)	0	(\$20,754)	\$7,726	(\$7,183)	0.0

*Includes amounts that were pending at the time this document was finalized. For amounts that are pending the *request* is reflected.

Issue Descriptions

Centrally appropriated line items: The increase shown primarily reflects previously-approved Committee common policy increases for state staff salary and benefits. Adjustments to some line items, however, are still pending common-policy decisions.

R-7: Funding for data and research positions: The recommendation does not adjust centrally-appropriated line items for requested new FTE, consistent with Committee common policy.

NPI-1: OIT enterprise asset management: Funding for an enterprise asset management tool to enable the Governor’s Office of Information Technology to track state technology assets was approved during figure setting for the Governor’s Office.

IT common policy adjustments: Common policy adjustments for information technology services are pending.

LINE ITEM DETAIL

Health, Life, and Dental

This line item funds the State's contribution to state employee medical and dental plans. The request is made for the entire Department, based on the recommended contribution rates as submitted by the State Personnel Director and enrollment figures.

The health, life, dental insurance benefit for staff of the Colorado Commission on Higher Education (CCHE) differs from the benefit provided for other state staff, as CCHE contracts for its health, life, and dental benefit through the community college system. Based on a comparison of the state versus the community college plans, it appears that the cost of the plans to State are similar (*e.g.*, state contribution of \$403 per individual per month at the community colleges versus \$404.72 for state employees; employee + family of \$887.50 at the community colleges versus a range from \$733.24 to \$1,025.72 for the state plan, depending upon the size of the family). However, the cost of the community college plan to the employee and the benefit provided appears generally better than the standard state plan.

Request: The Department requests an appropriation of \$1,277,857 total funds for this line item, including an OSPB common policy adjustment and \$8,842 for R-7 (funding for research and data positions).

Recommendation:

	Health, Life, and Dental					
	Total Funds	General Fund	Cash Funds	Reappropriated	Federal Funds	FTE
FY 2012-13 Appropriation:		0				
HB 12-1335 (Long Bill)	1,123,166		768,119	197,183	157,864	0.0
TOTAL	\$1,123,166	\$0	\$768,119	\$197,183	\$157,864	0.0
FY 2013-14 Recommended Appropriation:						
FY 2012-13 Appropriation	\$1,123,166	0	\$768,119	\$197,183	\$157,864	0.0
R-7: Funding for data and research positions	0	0	0	0	0	0.0
Centrally appropriated line items	123,865	0	125,253	(6,787)	5,399	0.0
TOTAL	\$1,247,031	0	\$893,372	\$190,396	\$163,263	0.0
Increase/(Decrease)	\$123,865	0	\$125,253	(\$6,787)	\$5,399	0.0
Percentage Change	11.0%	0.0%	16.3%	(3.4%)	3.4%	0.0%
FY 2013-14 Executive Request:	\$1,277,856	\$0	\$914,344	\$199,369	\$164,143	0.0
Request Above/(Below) Recommendation	\$30,825	0	\$20,972	\$8,973	\$880	0.0

The lower staff recommendation is based on:

- Updated common policy calculations, including a correction to information submitted the Office of State Planning and Budgeting after November 1; and

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- Consistent with common policy, staff has not included a Health, Life, Dental adjustment for the new positions requested pursuant to R-7.

Short-term Disability

This line item is used to purchase short-term disability (STD) coverage. Pursuant to Section 24-50-609 (13), C.R.S., short-term disability provides for a partial payment of an employee's salary if an individual becomes disabled and cannot perform his or her duties. This benefit is available to all employees and is paid entirely by the State. The coverage provides for a 30-day waiting period, and it will pay 60.0 percent of an employee's salary for a maximum of five months.

Request: The Department requests an appropriation of \$19,114 total funds for this line item, including an OSPB common policy adjustment and \$234 for R-7 (funding for research and data positions).

Recommendation: The recommendation is based on JBC common policy. Consistent with this, no adjustment to centrally-appropriated amounts is included for decision item R-7.

Short-term Disability						
	Total Funds	General Fund	Cash Funds	Reappropriated	Federal Funds	FTE
FY 2012-13 Appropriation:						
HB 12-1335 (Long Bill)	14,120	0	9,810	2,507	1,803	0.0
TOTAL	\$14,120	\$0	\$9,810	\$2,507	\$1,803	0.0
FY 2013-14 Recommended Appropriation:						
FY 2012-13 Appropriation	\$14,120	0	\$9,810	\$2,507	\$1,803	0.0
R-7: Funding for data and research positions	0	0	0	0	0	0.0
Centrally appropriated line items	4,853	0	3,187	850	816	0.0
TOTAL	\$18,973	\$0	\$12,997	\$3,357	\$2,619	0.0
Increase/(Decrease)	\$4,853	0	\$3,187	\$850	\$816	0.0
Percentage Change	34.4%	0.0%	32.5%	33.9%	45.3%	0.0%
FY 2013-14 Executive Request:	\$19,114	\$0	\$12,934	\$3,574	\$2,606	0.0
Request Above/(Below) Recommendation	\$141	\$0	(\$63)	\$217	(\$13)	0.0

Amortization Equalization Disbursements

Increases the effective state contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 04-257 (Section 24-51-111, C.R.S.).

Request: The Department requests an appropriation of \$366,950 total funds for this line item, including an OSPB common policy adjustment and \$4,752 for R-7 (funding for research and data positions).

Recommendation: The recommendation is based on JBC common policy. Consistent with this, no adjustment to centrally-appropriated amounts is included for decision item R-7.

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S.B. 04-257 Amortization Equalization Disbursement						
	Total Funds	General Fund	Cash Funds	Reappropriated	Federal Funds	FTE
FY 2012-13 Appropriation:						
HB 12-1335 (Long Bill)	292,914	0	189,165	60,046	43,703	0.0
TOTAL	\$292,914	\$0	\$189,165	\$60,046	\$43,703	0.0
FY 2013-14 Recommended Appropriation:						
FY 2012-13 Appropriation	\$292,914	0	\$189,165	\$60,046	\$43,703	0.0
R-7: Funding for data and research positions	0	0	0	0	0	0.0
Centrally appropriated line items	71,041	0	57,950	6,096	6,995	0.0
TOTAL	\$363,955	\$0	\$247,115	\$66,142	\$50,698	0.0
Increase/(Decrease)	\$71,041	0	\$57,950	\$6,096	\$6,995	0.0
Percentage Change	24.3%	0.0%	30.6%	10.2%	16.0%	0.0%
FY 2013-14 Executive Request:						
Request Above/(Below) Recommendation	\$2,995	\$0	(\$1,193)	\$4,432	(\$244)	0.0

Supplemental Amortization Equalization Disbursements

This line item increases the effective state contribution to the Public Employees Retirement Association (PERA) pursuant to S.B. 06-235 (Section 24-51-111, C.R.S.)

Request: The Department requests an appropriation of \$331,274 total funds for this line item, including an OSPB common policy adjustment and \$4,290 for R-7 (funding for research and data positions).

Recommendation: The recommendation is based on JBC common policy. Consistent with this, no adjustment to centrally-appropriated amounts is included for decision item R-7.

S.B. 06-235 Supplemental Amortization Equalization Disbursement						
	Total Funds	General Fund	Cash Funds	Reappropriated	Federal Funds	FTE
FY 2012-13 Appropriation:						
HB 12-1335 (Long Bill)	251,723	0	162,564	51,602	37,557	0.0
TOTAL	\$251,723	\$0	\$162,564	\$51,602	\$37,557	0.0
FY 2013-14 Recommended Appropriation:						
FY 2012-13 Appropriation	\$251,723	0	\$162,564	\$51,602	\$37,557	0.0
R-7: Funding for data and research positions	0	0	0	0	0	0.0
Centrally appropriated line items	76,847	0	60,526	8,109	8,212	0.0
TOTAL	\$328,570	\$0	\$223,090	\$59,711	\$45,769	0.0
Increase/(Decrease)	\$76,847	0	\$60,526	\$8,109	\$8,212	0.0
Percentage Change	30.5%	0.0%	37.2%	15.7%	21.9%	0.0%
FY 2013-14 Executive Request:						
Request Above/(Below) Recommendation	\$2,704	\$0	(\$1,077)	\$4,002	(\$221)	0.0

Salary Survey

This line item pays for department staff salary increases related to the annual compensation survey. This survey compares state employee compensation to the market for comparable jobs.

Request: The Department requests an appropriation of \$160,732 total funds for this line item, consistent with the OSPB common policy request for a 1.5 percent increase.

Recommendation: The recommendation is based on the JBC common policy increase of 2.0 percent.

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Salary Survey						
	Total Funds	General Fund	Cash Funds	Reappropriated	Federal Funds	FTE
Centrally appropriated line items	215,193	0	145,257	39,592	30,344	0.0
TOTAL	\$215,193	\$0	\$145,257	\$39,592	\$30,344	0.0
Increase/(Decrease)	\$215,193	0	\$145,257	\$39,592	\$30,344	0.0
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FY 2013-14 Executive Request:	\$160,732	\$0	\$108,279	\$29,694	\$22,759	0.0
Request Above/(Below) Recommendation	(\$54,461)	0	(\$36,978)	(\$9,898)	(\$7,585)	0.0

Merit Pay

This line item funds pay increases related to employee performance evaluations.

Request: The Department requests an appropriation of \$174,977 total funds for this line item, consistent with OSPB common policy.

Recommendation: The recommendation is based on the JBC common policy.

Merit Pay						
	Total Funds	General Fund	Cash Funds	Reappropriated	Federal Funds	FTE
Centrally appropriated line items	174,977	0	119,653	31,161	24,163	0.0
TOTAL	\$174,977	\$0	\$119,653	\$31,161	\$24,163	0.0
Increase/(Decrease)	\$174,977	0	\$119,653	\$31,161	\$24,163	0.0
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FY 2013-14 Executive Request:	\$174,977	\$0	\$119,653	\$31,161	\$24,163	0.0
Request Above/(Below) Recommendation	\$0	0	\$0	\$0	\$0	0.0

Worker's Compensation

This line item pays the Department's share of the workers' compensation program for state employees. This program is administered by the Department of Personnel.

Request: The Department requests \$179,965 total funds for this line item consistent with OSPB common policy.

Recommendation: The recommendation is to follow the JBC's common policy, which was pending at the time this document was prepared. Workers' compensation premiums are calculated based on claims history. When the JBC makes a common policy decision, staff will apply the policy to this line item.

Legal Services for 448 hours

This line item provides funding for the Department's purchase of legal services from the Department of Law.

Request: The Department requests a continuation level of funding of \$34,608 total funds for this line item pursuant to OSPB's budget instructions.

Recommendation: Staff recommends funding for 448 legal services hours. The appropriation is **pending** a common policy by the JBC on the legal services hourly rate. When the JBC makes a common policy decision, staff will apply the policy to this line item.

Administrative Law Judge Services

This line item provides funding the Department to purchase Administrative Law Judge services from the Department of Personnel.

Request: The Department requests an appropriation of \$684 total funds for this line item pursuant to OSPB's budget instructions.

Recommendation: The staff recommendation is to follow the JBC's common policy, which was **pending** at the time this document was prepared. When the JBC makes a common policy decision, staff will apply the policy to this line item.

Purchase of Services from Computer Center

This line item provides funding for the Department's share of statewide computer services provided by the Governor's Office of Information Technology.

Request: The Department requests an appropriation of \$185,984 total funds for this line item pursuant to OSPB's budget instructions. This includes an increase of \$8,987 for NPI-1 (OIT Enterprise Asset Management).

Recommendation: The staff recommendation for this line item is **pending**. Staff will reflect the amount approved by the Committee when the common policy amount for this service is finalized. Funding for NPI-1, a tool to enable the Governor's Office of Information Technology to track state technology assets, was approved during figure setting for the Governor's Office.

Multiuse Network Payments

This line item provides for the Department's contribution to the Multiuse Network. Funding for this line item was discontinued in FY 2011-12. **The Department does not request, and staff does not recommend, an appropriation for this line item.**

Management and Administration of OIT

This line item pays for the management and administration costs of the Governor's Office of Information Technology.

Request: The Department has not requested an appropriation for this line item.

Recommendation: The staff recommendation for this line item is **pending**. Staff will reflect the amount approved by the Committee when the common policy amount for this service is finalized.

COFRS Modernization

Supports the development and implementation of a new state accounting and budgeting system. Appropriations in department operating budgets will be reappropriated in the capital construction budget for FY 2013-14.

Request: The Department requests a continuation appropriation of \$39,319 total funds for this line item pursuant to OSPB's budget instructions.

Recommendation: The staff recommendation for this line item is **pending**. Staff will reflect the amount approved by the Committee when the common policy amount for this service is finalized.

Payment to Risk Management and Property Funds

This line item provides funding for the Department's share of the statewide costs for the liability and property programs operated by the Department of Personnel and Administration. The state's liability program is used to pay liability claims and expenses brought against the State. The property program provides insurance coverage for state buildings and their contents.

Request: The Department requests an appropriation of \$139,296 total funds for this line item pursuant to OSPB's budget instructions.

Recommendation: The staff recommendation for this line item is **pending**. Staff will reflect the amount approved by the Committee when the common policy amount for this service is finalized.

Leased Space

This line item pays for leased space for the Department's administrative office at 1560 Broadway.

Request: The Department requests \$524,862 total funds for this line item based on the terms of the lease.

Recommendation: Staff recommends the Department's request of \$514,210 total funds based on the cost of the lease.

(2) Colorado Commission on Higher Education

The Colorado Commission on Higher Education serves as a central policy and coordinating board for public higher education in Colorado. This division includes funding for the Commission's staff, the Division of Private Occupational Schools, and special purpose initiatives of the Department.

DIVISION REQUEST AND RECOMMENDATION SUMMARY

Colorado Commission on Higher Education						
	Total Funds	General Fund	Cash Funds	Reappropriated	Federal Funds	FTE
FY 2012-13 Appropriation:						
HB 12-1335 (Long Bill)	7,310,957	62,261	4,326,740	2,537,370	384,586	38.3
Other legislation	75,500		75,500	0	0	0.0
TOTAL	\$7,386,457	\$62,261	\$4,402,240	\$2,537,370	\$384,586	38.3
FY 2013-14 Recommended Appropriation:						
FY 2012-13 Appropriation	\$7,386,457	\$62,261	\$4,402,240	\$2,537,370	\$384,586	38.3
Colorado Geological Survey	1,863,401		1,759,401	0	104,000	14.5
R-7: Funding for data and research positions	75,386		0	75,386	0	0.0
R-6: Increased dues for participation in the Western Interstate Commission on Higher Education						
Education	6,000		0	6,000	0	0.0
Indirect Cost Adjustments	0	(62,261)	(53,249)	115,510	0	0.0
Higher Education Competitive Research Authority spending adjustment	(581,000)		(581,000)	0	0	0.0
TOTAL	\$8,750,244	\$0	\$5,527,392	\$2,734,266	\$488,586	52.8
Increase/(Decrease)	\$1,363,787	(\$62,261)	\$1,125,152	\$196,896	\$104,000	14.5
Percentage Change	18.5%	(100.0%)	25.6%	7.8%	27.0%	37.9%
FY 2013-14 Executive Request:	\$9,106,630	\$62,261	\$5,861,641	\$2,694,142	\$488,586	50.3
Request Above/(Below) Recommendation	\$356,386	\$62,261	\$334,249	(\$40,124)	\$0	(2.5)

Issue Descriptions

R-7: Funding for data and research positions: The recommendation provides funding for a data analyst position.

R-6: Increased dues for participation in the Western Interstate Commission on Higher Education: The recommendation includes an increase for WICHE dues.

Indirect Cost Adjustments: The recommendation includes indirect cost adjustments in various divisions.

Higher Education Competitive Research Authority Spending Adjustment: The recommendation adjusts spending authority based available revenue and actual expenditures.

(A) ADMINISTRATION

Administration

This line item pays for personal services, contracts, and operating expenses associated with CCHE and staff. The sources of cash funds include indirect cost recoveries paid by CollegeInvest and College Assist, and fees paid by private institutions for program approval pursuant to S.B. 08-167 and S.B. 10-108. The sources of reappropriated funds include indirect cost recoveries and a transfer from the Department of Education for aligning public education with postsecondary and workforce readiness standards.

CCHE and the Department Administration are responsible for consulting with the higher education institutions and coordinating statewide policies. Some key statutory responsibilities include:

- Develop a master plan to achieve statewide expectations and goals [23-1-108, 23-13-104, 108]
 - Recommend changes to the statewide expectations and goals
 - Measure progress toward statewide expectations and goals
 - Adopt a statewide enrollment plan
- Define the role and mission of each institution within statutory guidelines [23-1-108]
 - Set admissions criteria consistent with the roll and mission of each institution [23-1-108 (1) (d), (e), 113, 113.5, 113.7]
 - Set tuition and fee policies based on roll and mission [23-1-108 (12)]
 - Approve fixed tuition policies [23-5-131]
 - Establish service areas and designate regional education providers [23-1-109, 127, 23-5-116, 23-60-207]
 - Evaluate duplicate graduate programs and discontinue them where the need is not justified by special excellence, geographical or other particular needs served, or the unique contributions of duplicate programs [23-1-107]
 - Approve comprehensive academic and facilities master plans for the Auraria campus and resolve disputes [23-70-115, 23-70-106.5]
 - Establish policies for community colleges to become local district junior colleges [23-71-205]
- Prescribe uniform reporting and collect data regarding
 - financial information [23-1-105]
 - counting and classifying student FTE [23-1-105]
 - academic data [23-1-108 (8)]
 - students eligible for stipends [23-18-202, 203]
 - financial aid [23-3.3-101]
 - shared data with the state board of education [23-1-109.3]
 - performance [23-5-129, 23-13-105]
 - facility inventories [24-30-1303.5]
 - auxiliary bonds [23-5-102]
 - students convicted of riot offenses [23-5-124, 126]

- information requested by federal agencies in anti-terrorism investigations [23-5-126]
 - health and dental benefits to higher education employees [23-5-133]
- Regulate tuition and fees
 - Establish policies for determining student residency status within statutory guidelines [23-1-105, 23-7-101 et seq.]
 - Negotiate reciprocal tuition agreements [23-1-108 (10), 112, 23-3.3-601]
 - Adopt policies concerning the definition, assessment, increase, and use of fees, and the minimum necessary student input [23-1-123]
- Request operating funds for state institutions [23-1-109.7]
 - Negotiate fee-for-service contracts [23-1-109.7]
 - Oversee stipends [23-18-101 et seq.]
 - report on College Opportunity Fund Program [23-18-207]
 - Negotiate performance contracts with state-operated institutions [23-5-129]
 - Reward performance [23-13-107]
 - Recognize and reward (the latter is not currently funded) programs of excellence and improvement initiatives [23-1-118, 120]
 - Approve the acceptance of gifts, if they require on-going state expenditures [23-5-112]
 - Prepare fiscal notes to help the legislature assess the impact of legislation
- Regulate capital construction [23-1-106, 106.3, 24-82-1202], including
 - setting space utilization standards to measure the need for new projects
 - approving long range and individual facility master plans
 - prioritizing projects for state funding
- Implement policies to assure students can complete programs in a timely fashion [23-1-108 (13), 125] after reviewing
 - advising and counseling
 - the availability of courses
 - barriers to transferring course credits
 - costs
 - the implementation of core courses
 - Establish and enforce transfer agreements and common course numbering, and resolve disputes [23-1-108 (7), 108.5]
- Coordinate with the State Board of Education to define postsecondary and workforce readiness, align admissions criteria and assessments, and report to school districts on whether students are prepared [23-1-113, 113.2, 113.3, 119]
 - Develop a strategic plan for improving Pre-K-16 mathematics, science, and technology education [22-81-104, 22-83-102]
 - Coordinate with the State Board of Education regarding concurrent enrollment [22-35-107]
 - Standardize assessments of basic skills, ensure students needing remedial work are notified of the available options, and report to the General Assembly [23-1-113, 113.3]
- Approve public and private academic and degree programs and investigate complaints [23-1-107, 101 through 105]

JBC Staff Figure Setting – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

- Review, approve, and regulate preparation programs for K-12 educators [23-1-121 et seq.]
- Provide financial aid to teachers [23-3.3-901, 23-3.9-102]
- Evaluate and implement 2-year educational programs for professional registered nursing [23-1-126]
- Provide financial aid to nursing professionals [23-3.3-701, 23-3.6-102]
- Administer financial aid programs [23-3.3-101 et seq.]
 - Act as designated state agency to administer federal loan programs [23-3-101 through 107, 23-3.1-103]
 - Oversee CollegeInvest [23-3.1-205.7]
 - Distribute financial aid to institutions and create policies governing how they use it to support students [23-3.3-101 et seq.]
- Coordinate technology policy
 - Facilitate the transfer of technology from higher education to the private sector [23-1-106.7, 23-5-121]
 - Facilitate the establishment of the statewide telecommunications network [24-30-1804]
- Perform outreach to potential students [23-1-119.1, 23-1-119.2, 23-13-106, 23-15-110.5, 23-18-205]
- Adopt statewide affirmative action policies [23-1-108 (1) (f)]
 - Ensure academic credit for American sign language courses [23-1-128]

Request: The Department requests \$2,713,675 and 30.5 FTE, including an increase for R-7 (Research and Data Position Funding).

Recommendation:

	Administration					FTE
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	
Personal Services						
FY 2012-13 Appropriation:	1,967,423	0	75,500	1,507,337	384,586	30.5
R-7: Funding for data and research positions	73,656	0	0	73,656	0	0.0
Indirect Cost Adjustments	0	0	0	0	0	0.0
Subtotal - Personal Services	2,041,079	0	75,500	1,580,993	384,586	30.5
Operating Expenses						
FY 2012-13 Appropriation:	405,894	0	0	405,894	0	0.0
R-7: Funding for data and research positions	1,730	0	0	1,730	0	0.0
Indirect Cost Adjustments	0	0	0	0	0	0.0
Subtotal - Operating Expenses	407,624	0	0	407,624	0	0.0
Other						
FY 2012-13 Appropriation:	189,586	0	189,586	0	0	0.0
R-7: Funding for data and research positions	0	0	0	0	0	0.0
Indirect Cost Adjustments	0	0	(53,249)	53,249	0	0.0
Subtotal - Other	189,586	0	136,337	53,249	0	0.0
Total Recommended FY 2013-14 Appropriation	\$2,638,289	\$0	\$211,837	\$2,041,866	\$384,586	30.5
FY 2013-14 Executive Request:	\$2,713,675	0	\$265,086	\$2,064,003	\$384,586	30.5
Request Above/(Below) Recommendation	\$75,386	0	\$53,249	\$22,137	\$0	0.0

➔ R -7 – Funding for Research and Data Positions

- The Department requests \$168,890 reappropriated funds to support two additional FTE (data research analysts) who will be responsible for analyzing and presenting data to address a wide variety of questions about the performance of the Colorado higher education system and its effectiveness in meeting student and workforce needs.
- Staff recommends \$75,386 General Fund for FY 2013-14, representing funding for one FTE and excluding centrally-appropriated benefits amounts. This will annualize to \$74,156 reappropriated funds (indirect cost collections) in FY 2014-15.

Request: The request includes an increase of \$168,890 reappropriated funds from indirect cost collections to fund two new positions: a research analyst and a research communications analyst. The source of reappropriated funds is departmental indirect costs. No new FTE authority is requested because the funding will be used to fill existing FTE authority within the Department. The request will provide funding for a research analyst to process and analyze data that the Department is unable to accomplish with its current staffing. The request will also allow the department to fund a research communications analyst position that will focus on presenting and interpreting analyses conducted by the Department for administrators, educators, and the general public

Recommendation: **Staff recommends the request in part:**

- The staff recommendation is for funding for 1.0 additional FTE rather than the two requested.
- Consistent with Committee common policy, staff does not recommend the adjustments to centrally-appropriated amounts, such as those for health, life, dental benefits. The recommendation is outlined in the table below.

Data Analyst		
Annual Salary	\$ 66,000	
PERA @ 10.15%	6,699	
Medicare @ 1.45%	957	
Operating*	1,730	
Per-position total	75,386	
*Includes 1x PC outlay of \$1,230		

- **The staff recommendation effectively adds the additional position as a General Fund increase for FY 2013-14. This will annualize to indirect cost support for about 80**

percent of the total in FY 2014-15. (The funding is added as reappropriated funds in the Administration line item for FY 2013-14, but this reduces the indirect cost amount available to offset other line items and thus effectively drives a General Fund increase.) Based on the Department's current indirect cost collection structure, which relies on prior-year appropriations for CCHE administration for the indirect cost pool, **indirect cost collections should largely cover FY 2014-15 costs for this request but will not cover FY 2013-14 costs.** At present, indirect cost collections are not expected to fully cover the CCHE line items that were previously supported with indirect cost collections, even without the new positions requested. *Option: If the Committee would like to avoid a General Fund charge in FY 2013-14, it could assess a special "indirect cost surcharge" to the institutions in FY 2013-14 to offset the additional cost for FY 2013-14. Staff believes this is feasible, although it would add some administrative complexity and reflect a deviation from the way indirect cost collections have historically been calculated.*

Analysis:

Staff **supports the request in part** based on the following factors:

- As indicated in the request, the Department has a wealth of data but very little staff capacity to analyze its huge data sets. It currently has only 1.0 FTE responsible for data analysis and reports, while two additional staff with information technology expertise focus on collection, validation, and IT system maintenance for the Department's database system. (Database tools are accessible on-line at <http://higher.ed.colorado.gov/i3/default.aspx>).
- Virtually all of the higher education institutions that CCHE coordinates have their own data analysis units. However, only CCHE is responsible for cross-institution analysis, and it has access to workforce and K-12 data that individual institutions do not.
- As reflected in the request, the Department's access to various sources of data is in the process of expanding significantly. Staff anticipates that policy-makers, as well as many other stakeholders, will be interested in what these data show about how well Colorado higher education institutions serve the needs of Colorado students and the workforce needs of the State.
 - According to the workload indicators included in its budget request, the number of reports processed from the Student Unit Record Data System (SURDS), and the number of such reports analyzed, is expected to nearly double between FY 2011-12 to FY 2012-13. This is because the Department will begin collecting data from the three Area Vocational Schools and, with the passage of H.B. 12-1155, from 52 private postsecondary institutions.¹
 - The Department is actively working with the Colorado Department of Education to link postsecondary and K-12 records and with the Department of labor and

¹ SURDS is used to collect and report data from higher education institutions on enrollment, applicants, degrees awarded, financial aid, remediation, teacher education, and verification of lawful presence.

Employment to link postsecondary and wage-employment records related to the development of a Statewide Longitudinal Data System.²

- The Department reports that it recently signed a three year contract with the National Student Clearinghouse, which will enable the Department to view college-going trends for Coloradans who attend college out of state.

- The amount requested per position (a base annual salary of \$66,000 per person) appears reasonable. Because Department staff are unclassified, it is not clear what constitutes a base salary or formal salary range for this kind of position. In response to staff questions, the Department reported that it considers the positions to be: "...similar to a Senior Institutional Research Analyst at a large institution or a Director of Institutional Research at a medium or small institution. Salaries of Institution Directors vary widely at Colorado institutions from \$60,000 at the Community Colleges to the low \$100,000 at the research institutions." Staff has confirmed this based on an on-line search of institutional research positions posted. For example, CSU currently has a more entry-level position open in its office for institutional research for \$50,000-\$65,000, but many institutional research positions posted are in the \$100,000 or more range. The Department indicates it is seeking staff in the "middle of the pay range" and expects to be able to hire individuals with doctoral degrees in the salary range identified.

For background, staff also notes that CCHE's net funding for staff was cut by \$208,042 between FY 2010-11 and FY 2012-13, but that the staff it proposes to add will serve a different purpose from the staff previously downsized.

- **Staff's only significant concern about the request is that this represents a further expansion—albeit very small in the context of the higher education institutions—of the administrative overhead which contributes to the increasing cost of higher education. For this reason, staff recommended 1.0 FTE rather than 2.0.** At present, the Department has only 1.0 FTE responsible for data analysis and reporting. **Adding 1.0 additional FTE will double the size of the Department's current data analysis and report-writing staff.** Staff believes this may be a reasonable place to start. Staff notes that if the General Assembly continues to add additional requests for data analysis and reports from the Department, further increases in staffing will be required.

Indirect Cost Adjustments

The Department charges cash, reappropriated, and federal funded programs for their portion of statewide overhead costs, such as human resources in the Department of Personnel, and for Department overhead costs for CCHE and the Department Administration. The revenues generated, called indirect cost recoveries, are then used to offset the need for General Fund.

² Colorado received a federal grant of \$17.4 million in 2009 under the American Recovery and Reinvestment Act as part of a national initiative to develop its Statewide Longitudinal Data Systems. Developing links across pre-K, K-12, higher education, and workforce development systems (including linking data-systems) is a focus of the Governor's Education Leadership Council, as well as the previous P-20 Education Coordinating Council.

JBC Staff Figure Setting – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

- The Department has submitted a requested indirect cost allocation plan, detailed below, but has not submitted a request for related adjustments to line items typically supported through indirect cost collections.
- Staff recommends the Department’s allocation plan **and** recommends indirect cost adjustments in several department line items, based on the total revenue generated by departmental and statewide indirect cost collections the amount required to support line items typically funded through indirect cost collections. Final adjustments are pending Committee decisions for some centrally-appropriated line items.

Indirect Cost Plan - Request: The table below shows The Department’s requested indirect cost allocation plan.

	FY14 ASSESSMENT	FY13 Assessment		
	Total	Total	Difference in Total Assessment	
University of CO	\$1,143,600	\$698,039	\$445,561	63.83%
CSU System	\$643,279	\$701,826	(\$58,547)	-8.34%
Ft. Lewis	\$97,915	\$99,096	(\$1,181)	-1.19%
Adams State	\$70,766	\$69,427	\$1,339	1.93%
Colorado Mesa	\$109,180	\$148,709	(\$39,529)	-26.58%
Western State	\$81,538	\$59,655	\$21,883	36.68%
Metro State	\$335,730	\$334,759	\$970	0.29%
Community Colleges	\$1,115,240	\$1,437,563	(\$322,323)	-22.42%
U. of Northern CO	\$226,199	\$251,362	(\$25,164)	-10.01%
School of Mines	\$145,273	\$168,382	(\$23,108)	-13.72%
Auraria Higher Ed Ctr	\$15,236	\$14,950	\$286	1.91%
SUBTOTAL	\$3,983,955	\$3,983,769	\$186	0.00%
CCHE	\$0	\$0	\$0	0.00%
HISTORICAL	\$160,489	\$131,568	\$28,920	21.98%
Private Occupational Schools	\$4,283	\$4,537	(\$254)	-5.59%
Vet. Medicine	\$278	\$309	(\$30)	-9.87%
SUBTOTAL	\$4,149,005	\$4,120,183	\$28,823	0.70%
CollegeInvest	\$20,721	\$15,646	\$5,075	32.44%
CollegeAssist	\$60,491	\$105,620	(\$45,129)	-42.73%
TOTAL	\$4,230,217	\$4,241,449	(11,231)	-0.26%

Typically, the share of indirect costs allocated to the General Fund are not collected, because it is unnecessary to collect from the General Fund in order to pay the General Fund. A large portion of the cash funds each institution collects is just a transfer of General Fund from the College Opportunity Fund Program. However, if higher education institutions were not charged for a share of centrally provided services, like those provided by the Department of Personnel, then these services would need to be considered a state grant for purposes of determining the enterprise status of the institutions. To avoid this, the higher education institutions are assessed indirect on revenue earned from stipend payments and fee-for-service contracts.

All of the indirect recoveries are characterized as reappropriated funds except the recoveries from CollegeInvest and College Assist. Those two agencies are not otherwise appropriated in the Long Bill, and so the indirect cost recoveries from them are not a double count.

Recommendation: Staff recommends approval of the Department's indirect cost recovery plan. Staff also recommends funding adjustments throughout the Department, as outlined below. **Due to a reduction in indirect cost collections and increases in line items typically funded through indirect costs, staff currently anticipates that \$173,871 in additional General Fund will be required for the Department for FY 2013-14. This is reflected in the staff recommendation.** Increases to the FY 2013-14 base for the Department Administrative Office and the Colorado Commission on Higher Education Administration line item should contribute to an increase in departmental indirect costs collected in FY 2014-15, eliminating the need for some of this additional General Fund in FY 2014-15.

Adjustments to line items supported through indirect cost recoveries are anticipated related to pending JBC decisions on several centrally appropriated line items. If the distribution of indirect cost recoveries within the Department of Higher Education needs to be adjusted after the common policies are set by the JBC, staff will apply the adjustment to the Division of Occupational Education, Administration line item to fit the available indirect collections. In the unlikely event that the total indirect cost recoveries exceed the administration-related line items in the Department of Higher Education the excess will be applied to offset General Fund in the Department of Personnel.

Indirect Cost Line Item Adjustments		
Colorado Commission on Higher Education, Administration		
CF from CollegeInvest indirect cost collections		(\$53,249)
RF from statewide indirect cost collections		53,249
Colorado Commission on Higher Education, Special Purpose, WICHE - Optometry		
General Fund		(62,261)
RF from departmental indirect cost collections		62,261
Division of Occupational Education, Administration		
General Fund		236,132
RF from departmental indirect cost collections		115,299
RF from statewide indirect cost collections		(351,431)
TOTAL Indirect Cost Adjustments		
General Fund		173,871
CF from CollegeInvest/CollegeAssist		(53,249)
RF from departmental indirect cost collections		177,560
RF from statewide indirect cost collections		(298,182)
Components of Required General Fund Increase Related to Indirect Costs		
Reduced indirect collections		\$11,231
R-7 New CCHE FTE funding		75,386
R-6 Increase WICHE dues		6,000
Departmental "pots" increases		81,254
Total		\$173,871

(B) DIVISION OF PRIVATE OCCUPATIONAL SCHOOLS

This program is responsible for reviewing the curriculum and establishing standards for private occupational schools in Colorado, pursuant to Section 12-59-101, C.R.S., et. seq. The Division regulates over 300 private occupational schools in Colorado and 40 out-of-state schools that deliver education or training in areas such as cosmetology, real estate, IT/business, massage therapy, trucking, automotive, bartending and allied healthcare professions.

As outlined in statute, the Division reports to the executive director of the Department, rather than to the Division of Occupational Education within the Community College System. The Board of Private Occupational Schools, which consists of seven members appointed by the Governor and confirmed by the Senate, advises the executive director and has regulatory

oversight and rule-making authority. The source of cash funds in this division is fee revenue from the individual schools and the students.

Request: The Department requests a continuing appropriation of \$633,554 cash funds and 7.8 FTE for this line item.

Recommendation: The recommendation is calculated consistent with Committee common policy.

Division of Private Occupational Schools				
	Total Funds	General Fund	Cash Funds	FTE
Personal Services				
FY 2012-13 Appropriation:	459,746	0	459,746	7.8
Subtotal - Personal Services	459,746	0	459,746	7.8
Operating Expenses				
FY 2012-13 Appropriation:	173,808	0	173,808	0.0
Subtotal - Operating Expenses	173,808	0	173,808	0.0
Other				
FY 2012-13 Appropriation:	0	0	0	0.0
Subtotal - Other	0	0	0	0.0
Total Recommended FY 2013-14 Appropriation	633,554	0	633,554	7.8
FY 2013-14 Executive Request:	\$633,554	\$0	\$633,554	7.8
Request Above/(Below) Recommendation	\$0	0	\$0	0.0

(C) SPECIAL PURPOSE

Western Interstate Commission on Higher Education (WICHE)

The line provides funding for Colorado's dues to support WICHE. This coalition of 15 western states works to benefit members through shared research data and the development of reciprocity and student exchange programs. WICHE provides the following main services:

- ▶ coordinates the undergraduate, graduate and professional student exchange programs;
- ▶ operates conferences on national and western higher education issues;
- ▶ conducts research and develops publications on regional and national higher education issues (tuition and fee report, summary of recent legislation, student demographics, etc.); and
- ▶ provides a forum for exchanging information, such as interstate technology efforts.

Through WICHE's undergraduate exchange program, students pay 150 percent of resident tuition rates. Colorado sends more students out of state than it accepts through this program. Each state controls the circumstances under which they accept students.

The graduate education exchange program allows students to attend selected uncommon, specialized, or high-quality graduate programs in other WICHE states at resident tuition rates.

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For the receiving institution, accepting out-of-state students at the reduced WICHE rate can help fill out low-enrollment courses.

In WICHE's professional exchange program, students pay resident tuition rates and the sending state pays a support fee to the receiving state. Colorado is a net importer of students through the professional exchange program.

Examples of WICHE's research publications and data sharing initiatives can be found at WICHE's web site: <http://www.wiche.edu/>

Request: The Department requests \$131,000 reappropriated funds for this line item, including an increase of \$6,000 for R-6 (Increased Dues for Participation in WICHE). The source of reappropriated funds is indirect cost recoveries.

Recommendation: Staff recommends the request, as outlined below.

Western Interstate Commission for Higher Education (WICHE)				
	Total Funds	General Fund	Reappropriated Funds	FTE
FY 2012-13 Appropriation:				
HB 12-1335 (Long Bill)	125,000	0	125,000	0.0
TOTAL	\$125,000	\$0	\$125,000	0.0
FY 2013-14 Recommended Appropriation:				
FY 2012-13 Appropriation	\$125,000	\$0	\$125,000	0.0
R-6: Increased dues for participation in the Western Interstate Commission on Higher Education	6,000	0	6,000	0.0
TOTAL	\$131,000	\$0	\$131,000	0.0
Increase/(Decrease)	\$6,000	\$0	\$6,000	0.0
Percentage Change	4.8%	0.0%	4.8%	0.0%
FY 2013-14 Executive Request:	\$131,000	\$0	\$131,000	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	0.0

➔ R-6: Increased Dues for Participation in WICHE

Request: The Department received notification from WICHE that it would increase participation dues from the current rate of \$125,000 in FY 2012-13 to \$131,000 in FY 2013-14, with a further increase to \$137,000 in FY 2015-16.

The 15 member states of WICHE all pay the same dues. Member dues represent approximately a third of WICHE's budget, with the remainder coming primarily from grants and contracts. The equally-apportioned dues have remained flat for the past three years.

Recommendation: Staff recommends the requested increase for R-6. Staff believes WICHE membership provides sufficient benefits to justify the program’s costs.

WICHE - Optometry

This line provides funding for Colorado students to enroll in out-of-state institutions with optometry programs at resident tuition rates through an exchange set up by WICHE. The exchange offers an alternative to establishing such a program in Colorado. In return for the discounted tuition, the students agree to return to Colorado to practice optometry, or to repay the state for its investment. Historically, 75 percent of the students return. The funding is based on enrollment and the reimbursement rates negotiated by the WICHE institutions. The source of reappropriated funds is indirect cost recoveries.

FY 2012-13 request BRI #7 proposed to phase out the program, but the General Assembly did not approve this request.

Request: The Department requested a continuing appropriation of \$399,000 funds for this line item, including \$62,261 General Fund and \$336,739 federal funds.

Recommendation:

WICHE - Optometry				
	Total Funds	General Fund	Reappropriated Funds	FTE
FY 2012-13 Appropriation:				
HB 12-1335 (Long Bill)	399,000	62,261	336,739	0.0
TOTAL	\$399,000	\$62,261	\$336,739	0.0
FY 2013-14 Recommended Appropriation:				
FY 2012-13 Appropriation	\$399,000	\$62,261	\$336,739	0.0
Indirect Cost Adjustments	0	(62,261)	62,261	0.0
TOTAL	\$399,000	\$0	\$399,000	0.0
Increase/(Decrease)	\$0	(\$62,261)	\$62,261	0.0
Percentage Change	0.0%	(100.0%)	18.5%	0.0%
FY 2013-14 Executive Request:	\$399,000	\$62,261	\$336,739	0.0
Request Above/(Below) Recommendation	\$0	\$62,261	(\$62,261)	0.0

Indirect Cost Adjustments: As previously discussed, staff recommends indirect cost adjustments to several line items. In the case of the WICHE – Optometry line item, the adjustment reflects a “clean up”: amounts in this line item were historically reflected as indirect costs, but a portion was changed to General Fund when the General Assembly chose not to accept an FY 2012-13 request to eliminate this program. *The net General Fund impact of the change in this line item is \$0, as there is an offsetting General Fund increase in the Division of Occupational Education, Administration line item.*

Distribution to the Higher Education Competitive Research Authority

The Higher Education Competitive Research Authority is created in Section 23-19.7-102, C.R.S. The authority is overseen by a board comprised of the presidents or designees of the research

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institutions and a Governor appointee. Its role is to provide matching funds for federal research grants.

Pursuant to Section 25-17-202 (3) (a) (I), C.R.S. through FY 2013-14, a portion of the fees collected for the disposal of waste tires are deposited in the Innovative Higher Education Research Fund and are subject to annual appropriation by the General Assembly for use by the Higher Education Research Authority. Receipts from this source were \$388,000 in FY 2011-12.

In addition, the Authority has been supported by statutory transfers of Limited Gaming Funds. Most recently, S.B. 11-159 provided for a limited gaming funds transfer of \$2,051,000 in FY 2011-12 and a projected transfer of \$1,677,883 for FY 2012-13. The FY 2012-13 transfer would increase to \$2,000,000 if S.B. 13-133 (Distribution of Limited Gaming Revenues) is adopted. The table below reflects calendar year revenues and annual disbursements to provide matching funds for various grants at the research institutions. Disbursements for projects are typically spread over two to six years, depending upon the grant. Commitments for CY 2013 total \$2,275,000, although a portion of this funding is contingent upon federal approval of the proposed projects.

		Calendar Year		
		2010	2011	2012
Balance Available January 1		\$ 478,208	\$ 1,565,866	\$ 2,299,401
Revenues				
	Subtotal Waste Tire fee	373,415	378,744	393,752
	Limited Gaming Fund	1,904,251	1,680,376	1,546,919
	interest earnings	14,109	24,608	15,468
	Total Revenues	\$ 2,291,775	\$ 2,083,729	\$ 1,956,140
Disbursements				
	Total Disbursements	\$ 1,204,117	\$ 1,350,193	\$ 1,429,000
Balance Available at December 31		\$ 1,565,866	\$ 2,299,401	\$ 2,826,541

Request: The Department requests a continuation level of funding of \$3,381,000 cash funds for this line item.

Recommendation:

Distribution to Higher Education Competitive Research Authority				
	Total Funds	General Fund	Cash Funds	FTE
FY 2012-13 Appropriation:				
HB 12-1335 (Long Bill)	3,381,000		3,381,000	0.0
TOTAL	\$3,381,000		\$3,381,000	0.0
FY 2013-14 Recommended Appropriation:				
FY 2012-13 Appropriation	\$3,381,000		\$3,381,000	0.0
Higher Education Competitive Research	(581,000)		(581,000)	0.0
Authority spending adjustment				
TOTAL	\$2,800,000		\$2,800,000	0.0
Increase/(Decrease)	(\$581,000)		(\$581,000)	0.0
Percentage Change	(17.2%)	0.0%	(17.2%)	0.0%
FY 2013-14 Executive Request:	\$3,381,000		\$3,381,000	0.0
Request Above/(Below) Recommendation	\$581,000		\$581,000	0.0

Higher Education Competitive Research Authority Spending Adjustment: Staff recommends reducing the appropriation to \$2,800,000, based on the recent-year expenditure pattern (spending under \$2.4 million in each of the past two actual years), and staff’s understanding that the spending for FY 2013-14 would likely not differ substantially from prior years. The recommendation exceeds the annual projected revenues of approximately \$2.4 million to enable the Authority to spend down reserves if it chooses to do so and to ensure sufficient spending authority in light of a potential increase in revenue from S.B. 13-133.

Veterinary School Program Needs

This line represents the WICHE cash funds (currently 43 percent) and state funds (57 percent) for capital outlay associated with CSU's veterinary medicine program. These moneys appear in the CCHE budget rather than under the Board of Governors of the Colorado State University System with the rest of the veterinary medicine school money due to an agreement with WICHE that requires separate accounting. The funding split is based on the ratio of residents to out-of-state WICHE students. The FY 2011-12 appropriation includes \$122,600 from WICHE cash funds and \$162,400 from indirect cost recoveries that offset the need for General Fund.

Request: The Department requests a continuation level of funding of \$285,000 total funds for this line item.

Recommendation:

Veterinary School Program Needs					
	Total Funds	General Fund	Cash Funds	Reappropriated	FTE
FY 2012-13 Appropriation:					
HB 12-1335 (Long Bill)	285,000	0	122,600	162,400	0.0
TOTAL	\$285,000	0	\$122,600	\$162,400	0.0
FY 2013-14 Recommended Appropriation:					
FY 2012-13 Appropriation	\$285,000	0	\$122,600	\$162,400	0.0
TOTAL	\$285,000	0	\$122,600	\$162,400	0.0
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%
FY 2013-14 Executive Request:					
Request Above/(Below) Recommendation	\$0	0	\$0	\$0	0.0

Enrollment/Tuition and Stipend Contingency

This line item previously provided spending authority that CCHE could transfer to any of the governing boards in the event that enrollment increases above projected levels, resulting in greater revenue than expected. The line item was included in the past because the statutes specified that the cash fund appropriations to the governing boards in the Long Bill represent a cap on the revenue higher education institutions may raise. If cash revenues reached the appropriation cap and there was no contingency, schools could be forced to either refund tuition or stop enrolling additional students.

Pursuant to S.B. 10-003, higher education governing boards are not bound by tuition appropriations in the Long Bill for five years, starting in FY 2011-12. **This line item is neither requested nor recommended for FY 2013-14.**

Colorado Geological Survey at the Colorado School of Mines [New Line Item]

Pursuant to H.B. 12-1355 and H.B. 13-1057, the Department of Natural Resources, in collaboration with the Colorado School of Mines, submitted a budget amendment to reflect the transfer of the Colorado Geological Survey (excluding the Avalanche Information Center) to the Colorado School of Mines.

Note: The Department's request reflects creating a new line item for the Geological Survey in the Governing Boards section. However, based on the structure of that section, staff recommends adding the new line item to this special purpose section.



Changes due to H.B. 12-1355 and H.B. 13-1057 (Geological Survey)

- The Department of Higher Education requests an appropriation of \$1,563,401, including \$1,295,601 from the Operational Account of the Severance Tax Trust Fund with the balance from other cash and federal funds sources. This represents a net reduction of \$3.0 million in total funding, when compared to the former appropriation at the Department of Natural Resources, including a reduction of \$907,455 in Severance Tax funds.
- The House Agriculture, Livestock, and Natural Resources Committee has requested that the JBC restore an additional \$300,000 in Severance Tax funds and 2.0 to 2.5 FTE for the Geological Survey at the School of Mines.
- The staff recommendation for \$1,863,401 adds back the \$300,000 and 2.5 FTE recommended by the Agriculture Committee to retain core CGS ground water and mineral and energy functions.

Request: The Department of Higher Education requests an appropriation of \$1,563,401 and 12.0 FTE, including \$1,295,601 from the Operational Account of the Severance Tax Trust Fund for a new line item for the Geological Survey at the Colorado School of Mines. This request amended the November 1 submissions from the Departments of Natural Resources (DNR) and Higher Education to reflect the transfer of the Colorado Geological Survey (CGS) from DNR to the Colorado School of Mines, subject H.B. 12-1355 and H.B. 13-1057 and a Memorandum of Understanding between DNR and the School of Mines.

Background: During the 2012 legislative session, the General Assembly adopted the JBC-sponsored H.B. 12-1355 (Concerning the transfer to the Geological Survey to the Colorado School of Mines). Pursuant to the provisions of the bill, the School of Mines and DNR reported by December 1, 2012 to the JBC and other legislative committees concerning their plans to enter into a Memorandum of Understanding (MOU) to transfer the CGS from DNR to the School of Mines. The President of the School of Mines and the Executive Director of DNR subsequently signed the MOU December 31, 2012. Pursuant to the agreement, authority over the CGS and associated FY 2012-13 appropriations transferred to the Colorado School of Mines effective January 31, 2013. The Avalanche Information Center was exempted from the transfer by H.B. 13-1057.

Fiscal Impact: As reflected in the table below, the combined impact of the requests in the DNR and the Colorado School of Mines drives a net funding reduction of just under \$3.0 million total funds, and a total savings in appropriations from the Operational Account of the Severance Tax Trust Fund (Tier 1 funding) of \$907,455.

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	Total	Cash Funds			Reappropriated Funds		Federal Funds
		Severance Tax	Geological Survey CF	Various Cash Funds	Geological Survey RF	Indirect Costs*	
Department of Natural Resources	(4,547,748)	(2,203,056)	(930,217)	138,673	(457,235)	(119,110)	(976,804)
Colorado School of Mines	1,563,401	1,295,601	163,800	-	-	-	104,000
Net Change by Fund Source	(2,984,347)	(907,455)	(766,417)	138,673	(457,235)	(119,110)	(872,804)

*This amount represents a double-count

The budget amendment does not discuss the rationale for the budget reduction or the CGS functions eliminated, but those functions transferred with funding and those functions transferred without funding were outlined in an appendix to the MOU and were reviewed in the JBC staff FY 2013-14 budget briefing for DNR on November 27, 2012.

According to DNR, its executive director initiated discussions with the School of Mines based on two goals: (1) improving the operations and prospects of the CGS by moving the agency; and (2) generating savings from the Operational Account of the Severance Tax Trust Fund to assist with balancing the Operational Account and to provide more funding for the Department’s other priorities.

Pursuant to the final MOU, **functions that were transferred with funding:**

- **land use reviews**, funded through fees paid by local governments (new subdivision proposals must be reviewed by CGS for geologic hazards);
- **other geologic hazard work** supported with Severance tax (e.g., identifying areas of natural geologic hazards, providing related technical assistance to state and local governments, creating guidelines for land use in natural hazard areas);
- **surface mapping activities**, which are closely related to and integrated with the geologic hazard work and are supported with both Severance tax and federal funds.

CGS activities in these areas would continue to including preparing publishing, and distributing maps and reports in these core areas.

- In addition, **two positions transferred without Severance tax** funding due to interest on the part of the Colorado School of Mines: an FTE supported by a grant related to **geothermal energy** and another FTE supported by a grant related to **carbon sequestration**.

Functions **transferred without funding:**

- **All groundwater activities**, including mapping, reporting, and technical assistance and advisory work for state and local governments. According to the Department, local water providers and local governments will be the entities most affected by the elimination of the program. The Department reports that 1.0 FTE who has transferred to the CGS as part of ongoing geologic hazards work also has expertise in groundwater mapping and would therefore be available for work in this area if entities interested in this kind of work were interested in contracting for it.

- **All commercial energy and minerals activities**, including mapping and reporting on mineral deposits and energy resources, as well as reporting on the status of the energy industry. The Department reports that energy and mineral industries are the primary consumers of the reports, although they are also used by academia, the press, and local governments. The Department argues that supplementing the energy and minerals’ industries exploration and development efforts is no longer critical. It also argues that much the information compiled and reported by the CGS regarding energy and mineral development will still be available from the Oil and Gas Conservation Commission and the Division of Reclamation Mining, and Safety. (The Department acknowledges that these agencies are not presently organized to provide the data in an easily accessible format, but it indicates that it is also not certain how much demand there is for this data.)

House Agriculture, Livestock and Natural Resources Committee Recommendation: This Committee submitted a letter to the JBC dated January 29, 2013 recommending that the JBC restore \$300,000 and approximately 2.0 to 2.5 FTE for the Colorado Geological Survey to cover some of the unfunded functions which have been transferred to the Colorado School of Mines. This recommendation passed with a vote of 8 to 5.

Based on communication with individuals supporting the above recommendation, staff was provided the following outline of functions proposed to be partially restored.

	Approx. Salary + Benefits	FTE
Ground Water	\$120,000	1.0
Geothermal	60,000	0.5
Carbon sequestration	60,000	0.5
Mineral/Mineral Energy	60,000	0.5
Total	300,000	2.5

This would add back funding to:

- Assist and advising state and local governments on problems related to ground water;
- Prepare and publish reports, maps and bulletins on ground water quality and quantity;
- Provide mineral and energy data services used by economists and extractive industries;
- Provide technical assistance to state and local governments on geothermal energy and carbon sequestration;
- Update maps of commercial mineral deposits for local governments;
- Inventory and analyze the state’s mineral and energy resources.

Recommendation:

Colorado Geological Survey at the Colorado School of Mines					
	Total Funds	General Fund	Cash Funds	Federal Funds	FTE
Colorado Geological Survey	1,863,401	0	1,759,401	104,000	14.5
TOTAL	\$1,863,401	\$0	\$1,759,401	\$104,000	14.5
FY 2013-14 Executive Request:	\$1,563,401	\$0	\$1,459,401	\$104,000	14.5
Request Above/(Below) Recommendation	(\$300,000)	\$0	(\$300,000)	\$0	(2.5)

As reflected above, the staff recommendation adds back \$300,000 and 2.5 FTE, consistent with the recommendation of the House Agriculture Committee.

Analysis: As a result of the statutory change, all funding for the CGS (apart from funding for the Avalanche Information Center) is eliminated from the budget for the Department of Natural Resources for FY 2013-14. However **the amount of funding to be added in the Colorado School of Mines for the CGS in FY 2013-14 is at the discretion of the General Assembly.**

Statutory Guidance: House Bill 12-1355 included a legislative declaration at Section 23-41-202, C.R.S. that specified legislative intent that:

- “...sufficient funds be provided to cover the direct costs of a base staff and their operating expenses to ensure functional continuation of the [CGS] as provided by statute and as determined pursuant to any memorandum of understanding entered into pursuant to [the bill]”;
- ...the [CGS] place primary emphasis on the statutory objectives of recognition and mitigation of geologic risks affecting public health and safety and promotion of economic development of the mineral resources...of Colorado. Such work shall require appropriate consideration to public safety and environmental concerns. Economic development projects... shall involve basic and applied geologic research...designed to encourage resource exploration and development by industry...”.

This section further specifies that the CGS shall charge for its maps and publications and may undertake economic development projects funded by a wide range of public and private sources. However, it is not to “directly compete with the private sector”.

Section 23-41-205, C.R.S., specifies that “The Colorado School of Mines shall determine the priority of the objectives of the [CGS], subject to available appropriations and consistent with the [MOU]”. The list of these objectives includes both items are would be funded under the request submitted by the Colorado School of Mines, e.g., “to assist, consult with, and advise existing state and local governmental agencies on geologic problems” and functions that would be discontinued under the current proposal unless additional grant funding is identified, e.g., “to conduct scientific studies of how geology affects and controls water resources...”

Issues for JBC Consideration:

- **Severance Tax Revenue:** Severance tax revenues are currently low, resulting in a projected cut of \$9.9 million (over 25 percent) to tier 2 severance tax programs for FY 2012-13 and FY 2013-14, with programs only fully funded again in FY 2014-15. By reducing severance tax support for CGS at the levels reflected in the Executive request, FY 2013-14 tier 2 cuts would be reduced to \$7.5 million or 19.4 percent based on recent Department spreadsheets. (A cut to CGS has a disproportionate impact on tier 2 programs because of the 100 percent reserve requirement for tier 1 programs.) Conversely, if Severance Tax funding is restored to CGS, this will drive greater cuts to tier 2 programs—albeit small ones if the funds restored to CGS are in the \$300,000 range.
- **Water Resources:** *The staff recommendation adds back funding for 1.0 FTE related to CGS water resources work on the grounds that this program addresses issues critical to public health and safety* and because the private funding sources for this work are less obvious than for work related to oil and gas and mining. Many regions in the state rely on groundwater to supply water for drinking water, agriculture, and industry. *Staff considers this the highest priority for adding back funding.*

Water Quantity: Functions include mapping subsurface underground aquifers to identify groundwater capacity and location, assisting local governments in sound groundwater resource planning (e.g., helping counties to determine minimum acreage for subdivisions relying on groundwater), and examining the potential for underground water storage.

Water Quality: investigating “natural” water quality issues (such as acid resulting from natural mineral run-off), and assessing impacts on groundwater quality from mining and changes in land use. CGS work related to mapping the Denver basin aquifers has been particularly important given the rapid expansion of oil exploration and related new uses of ground water (fracking) and risks of groundwater contamination.

Customers: A variety of public and private entities rely on CGS’s groundwater work, including local governments and water utilities, the state engineer’s office, and consultants and engineers working on groundwater-related issues both for industry and private homeowners. While it is possible that some additional fee revenue could be generated from these sources, it seems unlikely that CGS’s activities in this area could be adequately supported through fee revenue alone.

- **Mineral and Energy Development:** *The staff recommendation also adds back 1.5 FTE to retain some CGS mineral and energy functions.* CGS functions in this area include mapping of the state’s commercial mineral deposits and oil and gas fields, analyzing the quantity and quality of various kinds of mineral and energy resources (e.g., rare earth metals, geothermal), and providing current data on the status of extraction industries in the State. *This funding is required if the General Assembly wishes to retain the CGS’s statutory function of “promoting the economic development of the mineral resources of Colorado”.* *Staff believes the Severance tax funding restoration recommended by the Agriculture Committee (\$180,000) is a relatively modest price for maintaining these services.*

Economic Development: The mapping and data services provided are economic development tools. While mining and energy development companies do their own specialized studies, the “starting point” information provided by geological survey maps and data can determine whether/where a company should look more closely.

Because information developed by the CGS is public, citizens and local governments use it to help understand the value and potential uses of public and private properties, and large and small companies use it to determine whether further exploration is likely to be cost-effective. CGS has played a significant role in development of commercial geothermal energy in Colorado, as well as in evaluating the potential for carbon sequestration in the state. Both of these activities have resulted in millions of dollars of investment in Colorado, including a an \$11 million federal research project on carbon sequestration near Craig and a new private, power-generating geothermal plant (first test-well to be drilled soon in Chaffee County).

Feedback from a CGS user-survey found that CGS data was important for small business as well as large: 44 percent of projects using CGS information were projects of \$200,000 or less, 20 percent were for projects from \$200,000 to \$1.0 million, and 36 percent were for projects that ranged in size from \$1 to \$200 million. According to this survey, 41% of customers indicated that limitations on access to CGS information might reduce the amount of work they do in Colorado. As highlighted in a recent Scientific American article

Public Service and Outreach: CGS mineral and energy data is used by local governments in mineral resource planning, by homeowners and the real estate industry in evaluating land, and by government and researchers engaged in projecting energy development and related tax revenues. State mineral and energy maps and publications are also used educators and researchers at all levels: elementary to post-doctoral.

- **Current Funding/Transition Issues:** Staff believes that the CGS may ultimately be able to develop additional funding sources and has the potential to thrive at the Colorado School of Mines. However, without additional funding in the near term, important CGS functions will be eliminated.

Capacity to Leverage Severance Funds: Historically, CGS has been very effective at leveraging private and federal funds, based on the availability of matching Severance tax moneys. **Staff believes the funds recommended by the Agriculture Committee would enable CGS to maintain the nucleus of its current statutory functions and use these dollars to bring in more.**

CGS Public Service/Outreach Function: Many research grants of the type typically generated by the Colorado School of Mines faculty do not cover activities such as services to local governments. For now, it seems unlikely that grant funding will be available for public outreach activities or that local governmental entities are a plausible source for fully supporting many CGS services.

Integration/Transition Issues: An outside consultant has been hired to assist with integrating CGS into the Colorado School of Mines. Staff anticipates that, as the transition progresses, it will become more clear what functions can and cannot be supported through grants and fees and to what extent severance “matching” funds are or are not required to access these other sources of support. In the meantime, however, **if the State wishes to preserve particular services, it would be wise to make this decision before staff are lost or reassigned.** Some positions were transferred without ongoing support and will be defunded when their grants expire in August and December 2013. Research grants may be found to substitute; however, such grants are unlikely to support the same Colorado-based, public service activities that these staff currently provide.

Report Due December 2013: House Bill 12-1355 requires a report to the General Assembly on or before December 1, 2013 and each December thereafter concerning the priority of functions for the Geological Survey determined by the School of Mines, the sufficiency of Severance tax moneys to implement the functions and objectives of the survey, and additional funding available from other sources to carry out these functions. One options would be for the General Assembly to add back funds for CGS for FY 2013-14 and to reevaluate for FY 2014-15 based on the results of the December 1, 2013 report.

(3) Colorado Commission on Higher Education Financial Aid

Of the General Fund appropriations for higher education in FY 2012-13, \$104.2 million (16.8 percent) are for financial aid. The majority of the money goes for need based aid and work study. There are also a number of smaller, special purpose financial aid programs. Financial aid funds are appropriated to the CCHE and then allocated to the institutions, including approximately \$6.6 million in FY 2011-12 for private institutions, based on formulas that consider financial need at the schools, total student enrollment, and program eligibility criteria.

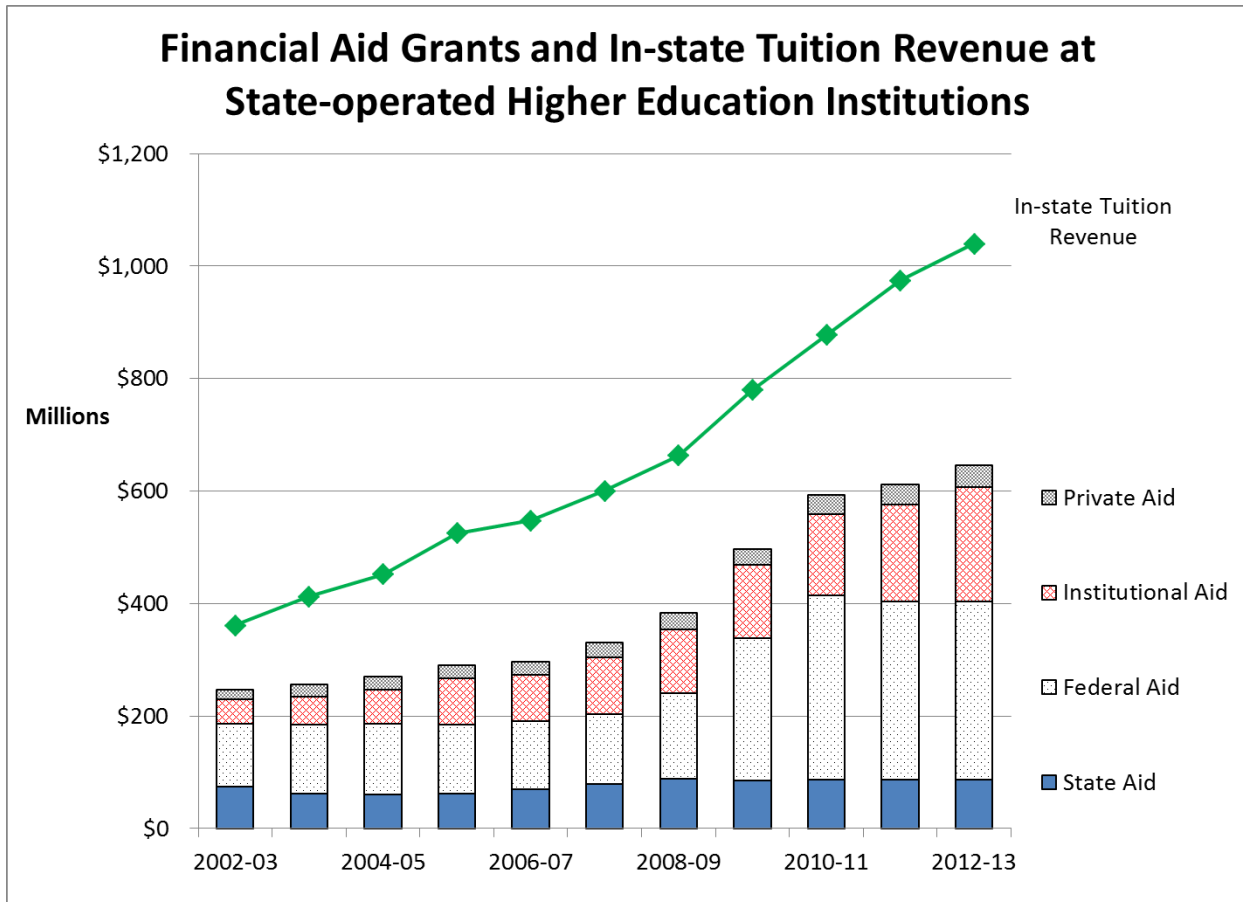
The federal government also provides a significant amount of financial aid for students. The majority of federal grants come through the Pell program for the neediest students. Federal legislation recently increased the maximum Pell grant for a full-time student to \$5,550 in FY 2010-11 and expanded Pell eligibility, and those changes continued in FY 2011-12. However, for FY 2012-13, eligibility has been reduced. In FY 2011-12, the average adjusted gross income of the families of dependent students receiving the full Pell award was \$18,955, compared to \$19,501 in FY 2010-11, and the average of students receiving any Pell award was \$30,326, compared to \$31,187 in FY 2010-11.

The federal government also provides low-interest guaranteed loans and tax credits and deductions for tuition. Fifty-nine percent of students completing a bachelor’s degree in FY 2011-12 from public institutions graduated with the support of federal student loans, and the average amount of federal loans for people graduating with debt was \$24,850.

Another source of funding for financial aid is money set aside by the institutions. Some of the money comes from fundraising, but the majority comes from the operating budgets of the schools. There is significant variation in the amount of money available by institution based on differences in school policies and fundraising.

The following table shows financial aid grants from various sources awarded to students attending state-operated higher education institutions. As an indication of the buying power of financial aid grants, the chart also provides information on total resident tuition revenues collected. However, it should be noted that financial aid is used for more than paying tuition. It also helps pay for expenses related to room, board, transportation, student fees, and learning materials. Depending on the institution, these other costs of attendance can dwarf the price of tuition. Also, the table does not take into account changes in the economic circumstances of the overall student population, including the number of students with financial need and the amount of need for those students.

Between FY 2008-09 and FY 2010-11 there were changes in the Pell eligibility criteria, an increase in the maximum Pell award, and increases in the number of low-income students qualifying for Pell awards. These changes account for the significant increase in federal funds granted those fiscal years.



DIVISION REQUEST AND RECOMMENDATION SUMMARY

Colorado Commission on Higher Education Financial Aid					
	Total Funds	General Fund	Reappropriated	Federal Funds	FTE
FY 2012-13 Appropriation:					
HB 12-1335 (Long Bill)	104,769,698	104,169,698	0	600,000	0.0
Recommended Long Bill Supplemental	1,612,927	1,612,927	0	0	0.0
TOTAL	\$106,382,625	\$105,782,625	\$0	\$600,000	0.0
FY 2013-14 Recommended Appropriation:					
FY 2012-13 Appropriation	\$106,382,625	\$105,782,625	\$0	\$600,000	0.0
R-2: Increase for financial aid, need based grants	5,348,748	5,348,748	0	0	0.0
R-4: Fort Lewis College Native American tuition waiver	1,692,673	1,692,673	0	0	0.0
R-3: Increase for the Dependent Tuition Assistance Program	55,078	55,078	0	0	0.0
Annualize one-time supplemental increase	(1,612,927)	(1,612,927)	0	0	0.0
TOTAL	\$111,866,197	\$111,266,197	\$0	\$600,000	0.0
Increase/(Decrease)	\$5,483,572	\$5,483,572	\$0	\$0	0.0
Percentage Change	5.2%	5.2%	0.0%	0.0%	0.0%
FY 2013-14 Executive Request:	\$111,742,033	\$111,142,033	\$0	\$600,000	0.0
Request Above/(Below) Recommendation	(\$124,164)	(\$124,164)	\$0	\$0	0.0

Issue Descriptions

Long Bill Supplemental: The recommendation includes a one-time increase for need-based grant for FY 2012-13 to comply with statutory requirements, in light of the FY 2012-13 supplemental authorized for the institutions.

R-2: Increase for financial aid, need based grants: The recommendation includes an increase for need-based grants proportionate to the requested increase for institutions.

R-4: Fort Lewis College Native American tuition waiver: The recommendation includes an increase for the Fort Lewis Native American tuition waiver, consistent with statute and federal court rulings. The recommendation is higher than the request due to updated data.

R-3: Increase for the Dependent Tuition Assistance Program: The recommendation includes a requested increase for the Dependent Tuition Assistance Program based on program utilization and statutory requirements.

(A) Need Based Grants

This line item includes grants for full-time and part-time graduate and undergraduate students with demonstrated financial need attending eligible institutions in Colorado, which include some private institutions.

Determining Need: Financial need is determined by the formula of [cost of attendance] – [estimated family contribution] = need. The federal Pell grant formula determines the estimated family contribution and is the amount the family is expected to contribute before any aid (including low interest subsidized federal loans) can be offered. The State Auditor’s Office confirms that need-based aid, including both state and federal need-based aid, has been authorized consistent with this formula.

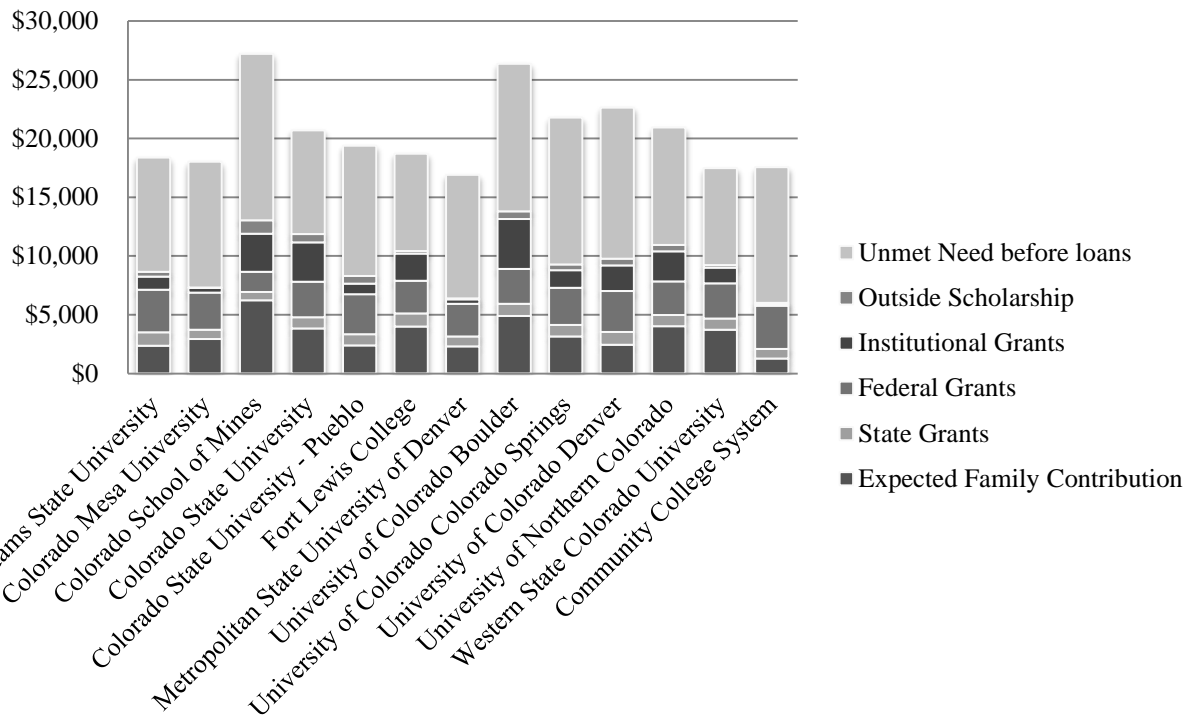
Pursuant to Section 23-3.3-102, C.R.S., CCHE is responsible for determining the allocation of financial aid among the institutions. However, public institutions are authorized to administer their financial assistance program according to policies and procedures established by their governing boards. According to CCHE, public institutions’ need-based aid policies may authorize use of state-funded need based aid for individuals with estimated family contribution of up to 150 percent of Pell-grant eligibility.

The chart below reflects how each institution’s calculated “cost of attendance”, including living costs, is met by the average student qualifying for financial aid. As shown, whether at a high cost institution or a low cost institution, the burden on low income students and families of attending a Colorado higher education institution is very large, contributing to the rapid overall growth in student loan debt. Notably, the unmet average need at Metropolitan State University of Denver, where 64 percent of students qualify as Pell eligible or the community college system, where 57 percent of students qualify as Pell eligible, is similar to or larger than the average unmet need at state colleges and universities where only 25 to 35 percent of students are Pell-eligible.

Two points to keep in mind about the chart:

- “Cost of attendance” (and thus unmet need) may be overstated if a student is able to contain living costs, *e.g.*, by living at home with other family members.
- Unmet need may be addressed in various ways including both student loans and student employment income.

FY 2011-12 Average Student Grant and Unmet Need by Institution for Students Qualifying for Financial Aid



	Percentage of Students who are Pell Eligible	Average Unmet Need before loans
Adams State University	77%	\$9,707
Colorado School of Mines	22%	\$14,146
Colorado State University	31%	\$8,844
Colorado State University - Pueblo	62%	\$11,079
Fort Lewis College	36%	\$8,275
Colorado Mesa University	57%	\$10,701
Metropolitan State University of Denver	64%	\$10,519
University of Colorado Boulder	26%	\$12,554
University of Colorado Colorado Springs	41%	\$12,491
University of Colorado Denver	45%	\$12,852
University of Northern Colorado	38%	\$9,990
Western State Colorado University	40%	\$8,253
Community College System	57%	\$11,554

Recent CCHE Allocation Formula Changes: In January 2013, CCHE approved a new formula for allocating need-based aid among the higher education institutions. The formula is based on the number of Pell-eligible individuals at each institution and provides an increasing level of funding depending upon whether the student is a freshman, sophomore, junior, etc. (no institution’s allocation is reduced in FY 2013-14 due a hold-harmless mechanism.) The formula is designed to incentivize institutions in their efforts to retain students.

Request: The Department requests \$79,147,639 General Fund, including an increase of \$5,348,748 General Fund for request R-2.

Recommendation:

Need Based Grants				
	Total Funds	General Fund	Reappropriated Funds	FTE
FY 2012-13 Appropriation:				
HB 12-1335 (Long Bill)	73,798,891	73,798,891	0	0.0
Recommended Long Bill Supplemental	1,612,927	1,612,927	0	0.0
TOTAL	\$75,411,818	\$75,411,818	\$0	0.0
FY 2013-14 Recommended Appropriation:				
FY 2012-13 Appropriation	\$75,411,818	\$75,411,818	\$0	0.0
R-2: Increase for financial aid, need based grants	3,735,821	3,735,821	0	0.0
TOTAL	\$79,147,639	\$79,147,639	\$0	0.0
Increase/(Decrease)	\$3,735,821	\$3,735,821	\$0	0.0
Percentage Change	5.0%	5.0%	0.0%	0.0%
FY 2013-14 Executive Request:				
Request Above/(Below) Recommendation	\$0	\$0	\$0	0.0

➔ R-2 General Fund Increase for Financial Aid, Need Based Grants

- The Department requests an increase of \$5.3 million General Fund for Financial Aid, Need-Based Grants for FY 2013-14;
- Staff recommends FY 2013-14 total Need Based Grants funding at the level requested.
- Staff also recommends an FY 2012-13 supplemental of \$1.6 million General Fund for this line item to comply with statutory requirements.

Request: The Department requests an increase of \$5,348,748 General Fund for Financial Aid, Need-Based Grants in FY 2013-14. The financial aid program seeks to provide equal educational opportunities to qualified students whose personal or family resources are insufficient to cover the cost of attending college. A primary goal is to expand access to college. Research suggests that even academically prepared students at lower income levels may not enroll or persist in higher education if they have to struggle to pay for college. This increase is

intended to comply with the requirement of Section 23-3.3-103, C.R.S. that any General Fund operating increase to the governing boards be accompanied by an increase to financial aid funding at the same percentage.

Recommendation: **Staff recommends the requested FY 2013-14 increase of \$5,348,748 General Fund.** Staff further recommends:

- The Committee **provide a supplemental FY 2012-13 appropriation of \$1,612,927 General Fund for Need-Based Grants** to address the failure to comply with Section 23-3.3-103, C.R.S., requirements (related to the supplemental FY 2012-13 increase for the institutions).
- If the Committee chooses to increase FY 2013-14 funding for the institutions above the amount requested, it should provide a proportionate increase for Need Based Grants, consistent with statute. (The increase for financial aid may be proportionately greater than the increase for the institutions, but it may not be lower.)

Analysis: Section 23-3.3-103, C.R.S. requires: “The annual appropriations for student financial assistance under this article shall increase by at least the same percentage as the aggregate percentage increase of all general fund appropriations to institutions of higher education...” Article 3.3 of Title 23 incorporates tuition assistance for need and merit-based grants, the work-study program, national guard tuition assistance, assistance to dependents of deceased or disabled national guardsmen, law enforcement officers, and firefighters.

FY 2012-13 Appropriation: Due to the FY 2012-13 supplemental General Fund increase provided to the institutions, financial aid appropriations for FY 2012-13 are currently in violation of this statutory requirement. Prior to the FY 2012-13 supplemental adjustment, General Fund appropriations for both the institutions and financial aid reflected a 1.1 percent decrease when compared to the FY 2011-12 appropriation. However, after the \$9.3 million FY 2012-13 supplemental, FY 2012-13 General Fund appropriations for the institutions exceed FY 2011-12 appropriations by \$3,507,882--an increase of 0.68 percent over the base. To address this situation the Committee should consider the following options:

- Provide a supplemental FY 2012-13 General Fund increase for Need Based Financial Aid of \$1,612,927 through an add-on to the FY 2013-14 Long Bill (recommended); or
- Run a bill to make a statutory change to Section 23-3.3-103, C.R.S. to specifically exempt financial aid appropriations for FY 2012-13 from the requirement that increases be commensurate with increases for the institutions. Such an exemption was previously authorized for FY 2010-11.
- If the Committee chooses to pursue the statutory exemption, it might also consider making a “compensatory” increase of \$1.6 million for Need-Based Financial Aid for FY 2013-14. Note, however, that the statutory exemption would still be required and that an additional increase for FY 2013-14 would be base-building—while an FY 2012-13 adjustment – if treated like the FY 2012-13 supplemental adjustment for the institutions – would be one-time.

JBC Staff Figure Setting – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

FY 2011-12 Financial Aid Appropriations	\$92,384,696
FY 2012-13 Financial Aid Appropriations To-date	91,396,141
Change FY 2011-12 to FY 2012-13	(988,555)
Percentage Change Financial Aid FY 2011-12 to FY 2012-13	-1.1%
Percentage Change Institutional GF Appropriations	
FY 2011-12 to FY 2012-13 After Supplemental	0.68%
FY 2012-13 Financial Aid Appropriations Required (1.68% * \$92,384,696 FY 2011-12 appropriation)	93,009,068
FY 2012-13 Financial Aid Appropriations To-date	91,396,141
Difference: FY 2012-13 Financial Aid Supp. Required	1,612,927

FY 2013-14 Appropriation: The request (and recommendation) for FY 2013-14 for financial aid programs exceeds the minimum required pursuant to Section 23-3.3-103, C.R.S., as reflected in the table below. The calculation shown assumes that the Committee will increase the financial aid appropriation for FY 2012-13 consistent with current law.

FY 2012-13 Institutional General Fund Appropriation	
After FY 2012-13 supplemental	\$522,238,531
FY 2013-14 Institutional General Fund Appropriation	
Requested/Recommended	542,930,649
Difference	20,692,118
Percentage Change	3.96%
FY 2012-13 Financial Aid Appropriation	
Required by Section 23-3.3-103, C.R.S.	93,009,068
FY 2013-14 Percentage Increase Required	3.96%
Financial Aid Increase Required	3,685,202
Total minimum FY 2013-14 Financial Aid Required	96,694,271
Financial Aid Appropriations Requested/Recommended FY 2013-14	
Need-Based Grants	79,147,639
Work-Study	16,432,328
Veterans/Law Enforcement/POW	420,000
National Guard Tuition Assist.	800,000
Total	96,799,967
Request Above/(Below) Minimum Requirement	105,696

Merit Based Grants [Inactive]

Prior to FY 2009-10 merit based grants provided awards to both undergraduate and graduate students attending eligible institutions in Colorado, which include some private institutions. The awards were used to recognize and encourage outstanding achievement in academic and other talent areas. In FY 2009-10 funding was eliminated to address the budget shortfall. **Funding is neither requested nor recommended for FY 2013-14.**

(B) Work Study

Work Study allows resident undergraduates to earn money to help pay for college. Eligibility is for students with financial need as well as students who can benefit from work experience, but statutes require that at least 70 percent of the funds be awarded based on need. Students may work at state-funded educational institutions, non-profit organizations, or government agencies.

Request: The Department requests a continuing appropriation of \$16,432,328 General Fund for this line item.

Recommendation: Staff recommends the Department's request for a continuation level of \$16,432,328 General Fund. The Department has indicated in the past that students receiving work study have better achievement and retention rates than both students who don't work and students who find work on their own, speculating that work study creates a sense of investment, while the regulated hours and locations ensure that employment doesn't interfere with study.

(C) Special Purpose

Veterans'/Law Enforcement/POW Tuition Assistance

This line pays tuition, room, and board for Colorado dependents of deceased or permanently disabled members of the national guard, law enforcement, firefighters, prisoners of war and military personnel missing in action. Pursuant to Section 23-3.3-202, C.R.S. this is the first priority of any state financial aid funds. If the appropriation in this line is insufficient to cover costs, CCHE must use money appropriated in other financial aid line items for this purpose.

Qualified dependents are eligible to pursue an undergraduate education leading to a first baccalaureate degree or a certificate of completion. The educational benefits provided vary depending upon the type of school a student attends. Students attending a public in-state institution of higher education receive free tuition, and if the institution has on-campus living, the room and board (half of double-occupancy) is also included. Students attending private in-state institutions receive the average cost of undergraduate instruction calculated for student at a comparable public institution. Students attending an out-of-state institution receive tuition assistance only, up to the average cost of undergraduate tuition at a comparable Colorado state institution.

Request: The Department requests \$420,000 General Fund for this line item, including an increase of \$55,078 for R-3 (Dependent Tuition Assistance Program).

Recommendation:

	Total Funds	General Fund	FTE
FY 2012-13 Appropriation:			
HB 12-1335 (Long Bill)	364,922	364,922	0.0
TOTAL	\$364,922	\$364,922	0.0
FY 2013-14 Recommended Appropriation:			
FY 2012-13 Appropriation	\$364,922	\$364,922	0.0
R-3: Increase for the Dependent Tuition Assistance Program	55,078	55,078	0.0
TOTAL	\$420,000	\$420,000	0.0
Increase/(Decrease)	\$55,078	\$55,078	0.0
Percentage Change	15.1%	15.1%	0.0%
FY 2013-14 Executive Request:	\$420,000	\$420,000	0.0
Request Above/(Below) Recommendation	\$0	\$0	0.0

➔ R-3 Dependent Tuition Assistance Program

Request: The Department requests an increase of \$55,078 General Fund to ensure adequate appropriations to serve eligible students in the Dependent Tuition Assistance Program. Need for this program has consistently outstripped available funding for the past four fiscal years. Increases in spending have been driven by tuition increases and the increased cost of residence living at institutions in general.

The average annual over-expenditure for the Dependent Tuition Assistance program over the past four fiscal years is \$44,654. Over-expenditure amounts have fluctuated substantially, but in FY 2011-12 totaled \$78,488. Per statute, up to 10 percent of the difference if funding can be made up with other financial aid funding. This has been achieved using the Department’s roll forward authority in the work study line item. However, the FY 2011-12 over-expenditure was large enough that the Department was unable to cover it within available financial aid resources and had to request a transfer through the Governor’s transfer authority. Further, the Department anticipates that work-study funds will be less available to cover the program in the future.

Recommendation: Staff recommends the requested increase of \$55,078 General Fund.

- Pursuant to Section 23-3.3-202, C.R.S., the Department is required to fund this program before funding any other financial aid program.
- The Department may transfer amounts from one financial aid line item to another, as long as expenditures in any program do not exceed the allocation for that program by more than 10 percent (Section 23-3.3-102 (7), C.R.S.); however, the over-expenditure for this program has exceeded this threshold in two of the last four years.
- Over-expenditures for this line item have fluctuated substantially since FY 2008-09, from a low of \$14,703 in FY 2009-10 to the high of \$78,488 in FY 2011-12; therefore, providing an

increase close to the average of \$44,654, and providing a total appropriation that is a round number appears reasonable.

National Guard Tuition Assistance

Since the adoption of H.B. 04-1347, the first priority of any funds appropriated for financial aid in the Department of Higher Education must be providing tuition assistance to national guard members (in addition to the priority provided to Veterans'/Law Enforcement/POW Tuition Assistance). Pursuant to statute, funding for this program is capped at \$800,000. Thus, if the General Fund appropriation is insufficient for the actual number of qualifying applicants, CCHE must use funds appropriated for other financial aid programs for this purpose, up to the \$800,000 statutory cap.

Request: The Department requests a continuation level of funding of \$800,000 General Fund for this line item.

Recommendation: Staff recommends the Department's request for a continuation level of funding of \$800,000 General Fund. If more students enroll, or the cost of grants increases, the Department is not required to transfer any more money to the Department of Military Affairs. Instead, the Department of Military Affairs will prorate the benefit per student.

Native American Students/Fort Lewis College

To comply with a federal treaty and the contract that granted the Fort Lewis property to the state, Section 23-52-105, C.R.S. requires that the General Assembly appropriate funds to cover 100 percent of the cost of tuition for qualified Native Americans who wish to attend Fort Lewis College. The college waives tuition for these students up front, and then receives reimbursement in the following fiscal year.

Request: The Department requests an appropriation of \$14,342,066 General Fund for this line item, including an increase of \$1,568,509 for R-4 (Fort Lewis College Native American Tuition Waiver).

Recommendation:

Native American Students/Fort Lewis College				
	Total Funds	General Fund	Reappropriated	FTE
FY 2012-13 Appropriation:				
HB 12-1335 (Long Bill)	12,773,557	12,773,557	0	0.0
TOTAL	\$12,773,557	\$12,773,557	\$0	0.0
FY 2013-14 Recommended Appropriation:				
FY 2012-13 Appropriation	\$12,773,557	\$12,773,557	\$0	0.0
R-4: Fort Lewis College Native American tuition waiver	1,692,673	1,692,673	0	0.0
TOTAL	\$14,466,230	\$14,466,230	\$0	0.0
Increase/(Decrease)	\$1,692,673	\$1,692,673	\$0	0.0
Percentage Change	13.3%	13.3%	0.0%	0.0%
FY 2013-14 Executive Request:	\$14,342,066	\$14,342,066	\$0	0.0
Request Above/(Below) Recommendation	(\$124,164)	(\$124,164)	\$0	0.0

➔ R-4 Fort Lewis College Native American Tuition Waiver

Request: Resident student tuition growth and Native American enrollment growth of 6.0 percent for resident students and 11 percent for non-resident students have driven a need for \$1.6 million General Fund in FY 2013-14. Funding is made one year in arrears. Thus, the FY 2013-14 request is based on the FY 2012-13 estimate.

Recommendation: The staff recommendation for R-4 is for an increase of \$1,692,673 General Fund, which exceeds the Department’s formal request for \$1,568,509 by \$124,164.

- Consistent with past practice, the staff recommendation is based on the prior year (FY 2012-13) Native American Tuition Waiver cost. The higher staff figure is based on revised estimates of the FY 2012-13 Native American Tuition Waiver cost provided (as in prior years) in February.
- The state's obligation to waive tuition for Native Americans has been challenged and upheld in court. In 1971, Colorado passed legislation requiring Native American students at Fort Lewis who came from outside Colorado to pay tuition, while resident Native American students would be admitted free of charge. The federal government brought suit against the State, resulting in an injunction requiring that tuition be waived for all Native American students. The 1972 District Court ruling against the State was subsequently upheld by the federal Court of Appeals.
- About 95 percent of costs for the Native American Tuition Waiver are due to costs associated with non-resident students. The primary cost driver for FY 2012-13 is an increase in the number of non-resident Native American students.

- Fort Lewis has worked with Colorado's Congressional delegation to try and secure federal support for the Native American tuition waivers, since so many of the students are not from Colorado. However, there has been no recent progress, and a significant change seems unlikely in the near-term, given overall pressures on the federal budget and ongoing Congressional negotiations related to federal budget cuts.
- In some prior years, increases for the Native American Tuition waiver have been funded through reductions in the Need Based Grants line item. As outlined under the Need Based Grants line item, the Department's current request for Financial Aid exceeds the increase that would be required by statute, so this line item could be used as an offset if desired. This is not a part of the staff recommendation.

GEAR-UP

Description: The federal GEAR-UP program is a precollegiate program designed to provide services at high-poverty middle and high schools to help students to be college ready. These funds are also used to provide college scholarships to low income students.

Request: The Department requests a continuation level of funding of \$600,000 federal funds for this line item. Amounts are shown for informational purposes only.

Recommendation: Staff recommends the Department's request for a continuation level of funding of \$600,000 federal funds. FY 2011-12 expenditures substantially exceeded this figure; however the GEAR-UP program will be subject to federal sequestration reductions if these are implemented in FY 2013-14. As a result, staff has not included any budget adjustments.

Nursing Teacher Loan Forgiveness Pilot Program

This program allows payments of up to \$20,000 for all or part of the principal and interest on a loan for persons who teach courses in nursing at a state institution of higher education for at least 5 consecutive academic years after receipt of an advanced nursing degree. Each year that the teacher is employed in a qualified position, the lesser of one-fifth or \$4,000 shall be paid or forgiven. No funding has been authorized since FY 2010-11. **The Department does not request, and staff does not recommend, an appropriation for FY 2013-14.**

Required Federal Match

This line provides the federally required state match for the Perkins Student Loan Program, the Colorado Leveraging Education Assistance Partnership, and the Student Leveraging Education Assistance Partnership grant. These programs help very low-income students. Most of the federal funds drawn down through this match go directly to the students or institutions, and so do not appear in the Long Bill, but a small portion flow through the Department. No funds have been appropriated or expended in this line item since FY 2010-11. **The Department does not request, and staff does not recommend, an appropriation for FY 2013-14.**

(4) College Opportunity Fund Program

The College Opportunity Fund Program section includes line items for stipends for students at state operated institutions, stipends for students at private institutions, and fee-for-service contracts with state supported institutions. The Governing Board section includes the reappropriated funds spending authority for the higher education institutions to receive and expend the stipend payments on behalf of students, and to receive and expend the fee-for-service contracts.

Stipends

- With some exceptions, resident undergraduate students who attend a state operated higher education institution are eligible for a stipend per credit hour taken.
- The General Assembly annually sets the stipend rate through the Long Bill.
- Statutes express the intent of the General Assembly that the Department request at least inflation and enrollment growth for the stipends.
- Stipends are not considered a state grant for purposes of determining the enterprise status of higher education institutions.
- The General Assembly must appropriate spending authority to the higher education institutions for money received from stipends.
- If there is not enough money in the College Opportunity Fund to pay all student stipends at the rate established in the Long Bill, the Department of Higher Education must prorate the stipend payments to the institutions. Although the higher education institutions receive less from stipend payments in this scenario, they may not increase the student share of tuition to compensate for the lost revenue per student.
- If an institution that doesn't earn the entire stipend payments authorized in the Long Bill, up to three percent of the spending authority appropriated for stipends may be converted to spending authority for fee-for-service contracts, if the Department approves an amendment to the fee-for-service contract.
- Students that qualify for the federal need-based Pell grant that attend a participating private institution (currently the University of Denver, Regis, and Colorado Christian University) are eligible for a stipend equal to half of the stipend for students attending a state supported institution.

Fee-for-service contracts

The General Assembly may appropriate money to the Department to purchase the following services from state operated higher education institutions:

- educational services in rural areas or communities in which the cost of delivering education services is not sustained by the amount received in student tuition;
- educational services required for reciprocal agreements with other states;
- graduate services;
- educational services that may increase economic development opportunities; and
- specialized education and professional degrees.

- Fee-for-service contracts are not considered a state grant for purposes of determining the enterprise status of higher education institutions.

General Observations

- **Value/weaknesses of the current College Opportunity Fund system:** Studies by the Western Interstate Commission on Higher Education, as well as a recent State Auditor’s Office Performance Audit, indicate that the College Opportunity Fund structure, as implemented, has not functioned as intended. It has primarily been useful in removing higher education tuition and fee revenue from the limitations on total state revenue and expenditures imposed by Article X, Section 20 of the state Constitution (the Taxpayers Bill of Rights). In other respects, the system has had little if any impact on state funding decisions or institutional behavior. The primary reason for this is that the State has not been in a financial position to adjust funding for the institutions based on the population of students or inflation.
- **Options for Change?** Staff would like to explore options for improving the higher education funding structure—but is also aware that nobody thus far has come up with a satisfactory alternative that both keeps higher education tuition revenue outside of the state TABOR calculation and addresses other concerns about the COF, *i.e.*, that it doesn’t really incentivize particular institutional behavior and is administratively cumbersome.
 - *The General Assembly could consider a referred measure—perhaps as part of another education-related referred measure—to explicitly remove higher education tuition revenues and fees from the TABOR limits on state fiscal year spending/revenue* The advantage of a referred measure is that it could enable the General Assembly to address other questions about higher education funding policy in a more direct fashion, without worrying about the TABOR implications. Such a referred measure should not limit the General Assembly’s ability to restrict institutional tuition levels in the future but should address solely TABOR revenue/spending limits.
 - Operating within the current structure, the General Assembly could *consider providing virtually all higher education funding through COF fee-for-service contract payments rather than COF stipend payments*. Staff assumes that the fee-for-service contracts would then be modified to require general student education services to a minimum number of students at each institution. This would eliminate the need for annual adjustments (with a net \$0 impact) between the share of funding provided based on stipends versus fee-for-service contracts. *Such a change would, in effect, make the General Assembly’s actual approach to funding institutions more explicit*. That said, staff acknowledges that such action would not be consistent with the legislative intent reflected Section 23-18-202, C.R.S., that the General Assembly “shall” make an appropriation for student stipends. There would also be practical implications related to the allocation of funds to private institutions for COF stipends and the notice of the state stipend contribution that appears on student bills. *If the General Assembly wished to*

pursue this approach, a statutory change would be appropriate, although possibly not required.

- ***In the next few years the General Assembly may want to rethink what it “buys” from higher education institutions.*** For example, does it wish to “buy-down” the cost of a credit-hour, as envisioned but not effectively implemented through COF stipends? Does it wish to buy completed degrees-as opposed to credit hours? In December 2013, CCHE will submit a plan regarding how performance-based funding will be implemented. Further, legislative authority over institutional tuition rates will be restored after FY 2015-16 based on current law. ***Staff believes it may be easier for the General Assembly to work on other higher education financing policy questions if they are not entangled with the issue of whether or not higher education tuition revenues are incorporated in TABOR spending/revenue caps.***

DIVISION REQUEST AND RECOMMENDATION SUMMARY

	College Opportunity Fund Program		
	Total Funds	General Fund	FTE
FY 2012-13 Appropriation:			
HB 12-1335 (Long Bill)	494,744,672	494,744,672	0.0
Other legislation	(310,045)	(310,045)	0.0
FY 2012-13 Regular Supplemental	8,972,496	8,972,496	0.0
Recommended Long Bill Supplemental	0	0	0.0
TOTAL	\$503,407,123	\$503,407,123	0.0
FY 2013-14 Recommended Appropriation:			
FY 2012-13 Appropriation	\$503,407,123	\$503,407,123	0.0
R-1: Operational funding increase for public colleges and universities	28,873,272	28,873,272	0.0
R-5: Increase for private COF stipend allocation	180,420	180,420	0.0
Annualize one-time supplemental increase	(8,972,496)	(8,972,496)	0.0
TOTAL	\$523,488,319	\$523,488,319	0.0
Increase/(Decrease)	\$20,081,196	\$20,081,196	0.0
Percentage Change	4.0%	4.0%	0.0%
FY 2013-14 Executive Request:	\$523,488,286	\$523,488,286	0.0
Request Above/(Below) Recommendation	(\$33)	(\$33)	0.0

Recommended Long Bill Supplemental: The recommendation reflects adjustments to the portion of the total appropriation allocated for COF stipends versus COF fee-for-service contracts with public institutions.

R-1: Operational funding increase for public colleges and universities: This division incorporates the vast majority of the \$30.0 million General Fund requested and recommended for this decision item.

R-5: Increase for private COF stipend allocation: The recommendation includes an increase for COF stipends to Pell-eligible students attending certain private institutions consistent with the increase for public institutions recommended for request R-1.

Annualize one-time supplemental increase: The recommendation annualizes the FY 2012-13 supplemental increase to COF fee-for-service contracts authorized in the higher education supplemental bill (S.B. 13-090).

REQUEST AFFECTING MULTIPLE LINE ITEMS

➔ R-1 Operational Funding Increase for Public Colleges and Universities

- The Department requests an increase of \$30.0 million General Fund above the FY 2012-13 Long Bill appropriation for higher education institutions, allocated among the public institution using a formula to which all the governing boards have agreed.
- Staff recommends the request with minor differences related to rounding. The recommendation treats the FY 2012-13 supplemental increase authorized for the governing boards as a one-time event and therefore applies the formula proposed by the governing boards as though the FY 2012-13 supplemental had not been provided.

Request: The Department requests an increase of \$30,000,000 General Fund (5.9 percent) over the FY 2012-13 Long Bill appropriation for an operational increase for public colleges and universities, with an associated increase of \$40,620 for stipends at private institutions. After accounting for the supplemental FY 2012-13 increase of \$9,307,882 General Fund authorized by the General Assembly, this represents an increase of \$20,692,118 over the FY 2012-13 base.

- The allocation of the funds requested is based on an agreement between the governing bodies and includes the following components:
 1. Proportional allocation based on the FY 2012-13 allocation of General Fund among the governing boards.
 2. A proportional restoration of the funds reduced between FY 2008-09 and FY 2012-13 by governing board. (Compares General Fund+ARRA at each institution in FY 2008-09 versus GF in FY 2012-13)
 3. A proportional restoration of the average funding per resident student at FY 2008-09 funding levels. This is based on each institution's proportional share of the following calculation: [(FY 2012-13 GF appropriation at the institution) – [(FY 2008-09 ARRA+General Fund support per FY 2008-09 student FTE at the institution) X (FY 2011-12 student FTE at the institution)]]

- The letter from the governing bodies specifies that this is the formula they propose to use regardless whether the funding available for this request increases or decreases.
- Area Vocational Schools and Local District Junior Colleges are included for all three portions of the calculation.
- Consistent with past practice, this formula is used to establish a total funding level for each institution, and the allocation of this amount between College Opportunity Fund stipends and fee-for-services amounts is a secondary calculation. The request includes a \$2 increase in the COF stipend per credit hour (from \$62 to \$64).
- This adjustment to the COF stipend amount results in an associated increase for the nonprofit private institutions that participate in the COF stipend program. (For these schools, the COF stipend is half of the amount at public institutions and is available only for youth who also qualify for Pell Grants.)

Recommendation: Staff recommends the request with minor technical adjustments, primarily related to rounding.

- The requested increase is modest in comparison to the level of reductions taken in recent years;
- the allocation formula proposed does not appear unreasonable; and
- accepting an allocation formula to which all institutions agree eliminates the need for competing legislative formulas.

The recommendation treats the FY 2012-13 supplemental adjustment for the Governing Boards as a one-time event and therefore applies the formula proposed by the Governing Boards as though the supplemental adjustment had not been provided. Staff believes this is most consistent with the intent of the governing boards when the formula was originally negotiated. The alternative—to apply the agreed-upon formula on the revised FY 2012-13 base—provides a somewhat different distribution of funds, which is also shown below for comparison.

JBC Staff Figure Setting – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

Recommendation: R-1 Formula Allocation Treating FY 2012-13 Supplemental as One-time							
	FY 2012-13 General Fund Base Excluding S.B. 13- 090 Supplemental	FY 2013-14 Total Recommendation State General Fund Support	R-1 Recommended Change from FY 2012-13 Base Excluding S.B. 13- 090 Supplemental	Percentage Change	FY 2012-13 Adjusted General Fund Appropriation (Includes S.B. 13- 090)	Recommended Change from FY 2012-13 Adjusted General Fund Appropriation	Percentage Change
Adams State	\$10,909,111	\$11,557,361	\$648,250	5.94%	\$11,072,551	\$484,810	4.38%
Colorado Mesa	18,630,850	19,818,451	1,187,601	6.37%	18,938,856	879,595	4.64%
Metropolitan State	36,982,005	38,965,053	1,983,048	5.36%	37,555,909	1,409,144	3.75%
Western State	9,114,442	9,529,069	414,627	4.55%	9,244,944	284,125	3.07%
Colorado State University	103,669,552	109,793,622	6,124,070	5.91%	105,461,189	4,332,433	4.11%
Ft. Lewis	9,058,839	9,534,560	475,721	5.25%	9,208,917	325,643	3.54%
University of Colorado	141,171,344	150,186,519	9,015,175	6.39%	144,317,401	5,869,118	4.07%
Colorado School of Mines	15,772,582	16,807,787	1,035,205	6.56%	16,139,583	668,204	4.14%
U. of Northern Colorado	31,857,095	33,618,940	1,761,845	5.53%	32,396,303	1,222,637	3.77%
Community Colleges	116,190,007	122,377,117	6,187,110	5.32%	117,992,670	4,384,447	3.72%
		0			0	0	
Local District Junior Colleges	11,909,951	12,650,325	740,374	6.22%	12,126,418	523,907	4.32%
Area Vocational Schools	7,664,871	8,091,845	426,974	5.57%	7,783,790	308,055	3.96%
					0	0	
TOTAL	\$512,930,649	\$542,930,649	\$30,000,000	5.85%	\$522,238,531	\$20,692,118	3.96%

Comparison: Apply Formula Treating S.B. 13-090 as One-Time versus as Part of Base					
	Recommend: Treat S.B. 13-090 as One-time	Alternative: Apply Formula to Revised Base	Difference	Variance	
Adams State	\$484,810	\$448,894	(\$35,916)	-7.4%	
Colorado Mesa	879,595	822,136	(57,459)	-6.5%	
Metropolitan State	1,409,144	1,367,672	(41,472)	-2.9%	
Western State	284,125	284,663	538	0.2%	
Colorado State University	4,332,433	4,232,198	(100,235)	-2.3%	
Ft. Lewis	325,643	327,681	2,038	0.6%	
University of Colorado	5,869,118	6,215,270	346,152	5.9%	
Colorado School of Mines	668,204	713,531	45,327	6.8%	
U. of Northern Colorado	1,222,637	1,214,853	(7,784)	-0.6%	
Community Colleges	4,384,447	4,258,416	(126,031)	-2.9%	
	-				
Local District Junior Colleges	523,907	511,439	(12,468)	-2.4%	
Area Vocational Schools	308,055	295,365	(12,690)	-4.1%	
	-				
TOTAL	20,692,118	20,692,118	-	0.0%	

To assist members in making an informed decision, staff has provided further information on the history of state support, tuition, and enrollment data for each institution. Looking toward the future, staff believes that legislators may want to contemplate:

- to what extent they want funding to be restored to institutions consistent with the level of reductions they experienced in the past; and
- to what extent they want to consider the state's priorities for funding higher education from the ground-up and how those priorities can be best achieved.

Staff also recommends the following request for information that may help to answer the question: what is the State buying? As the General Assembly is not currently restricting

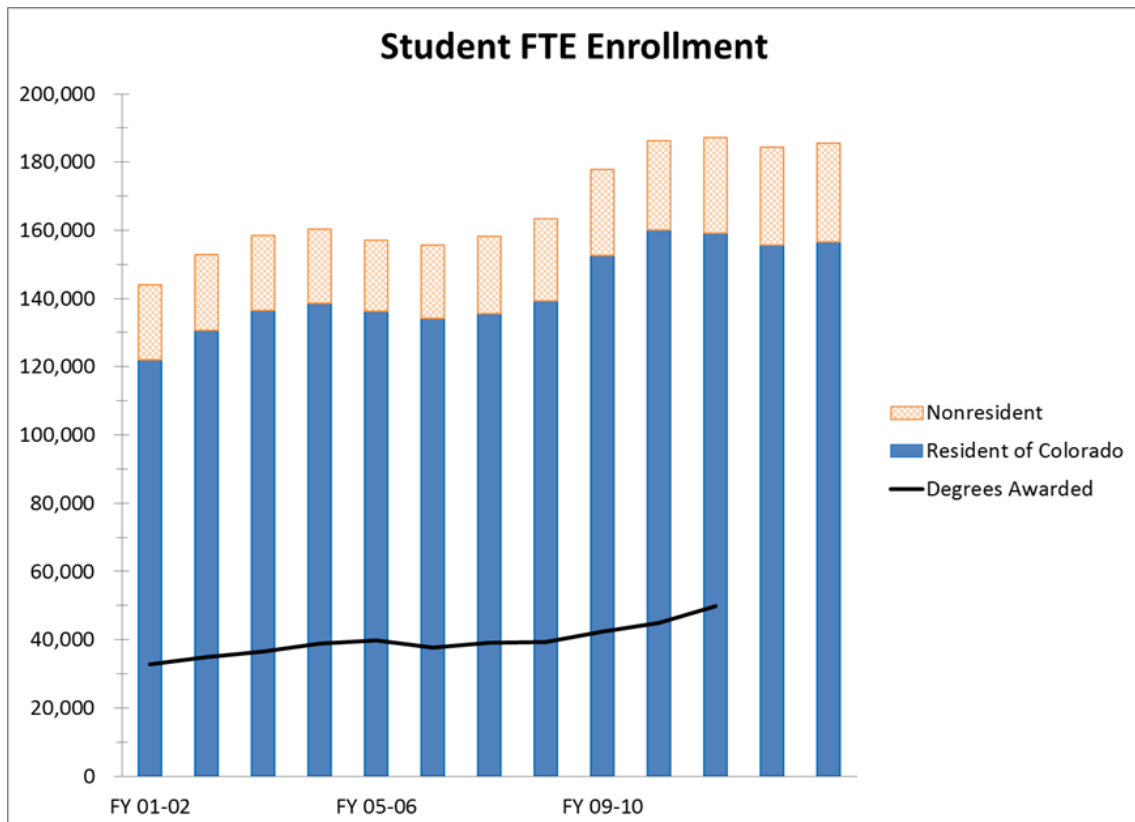
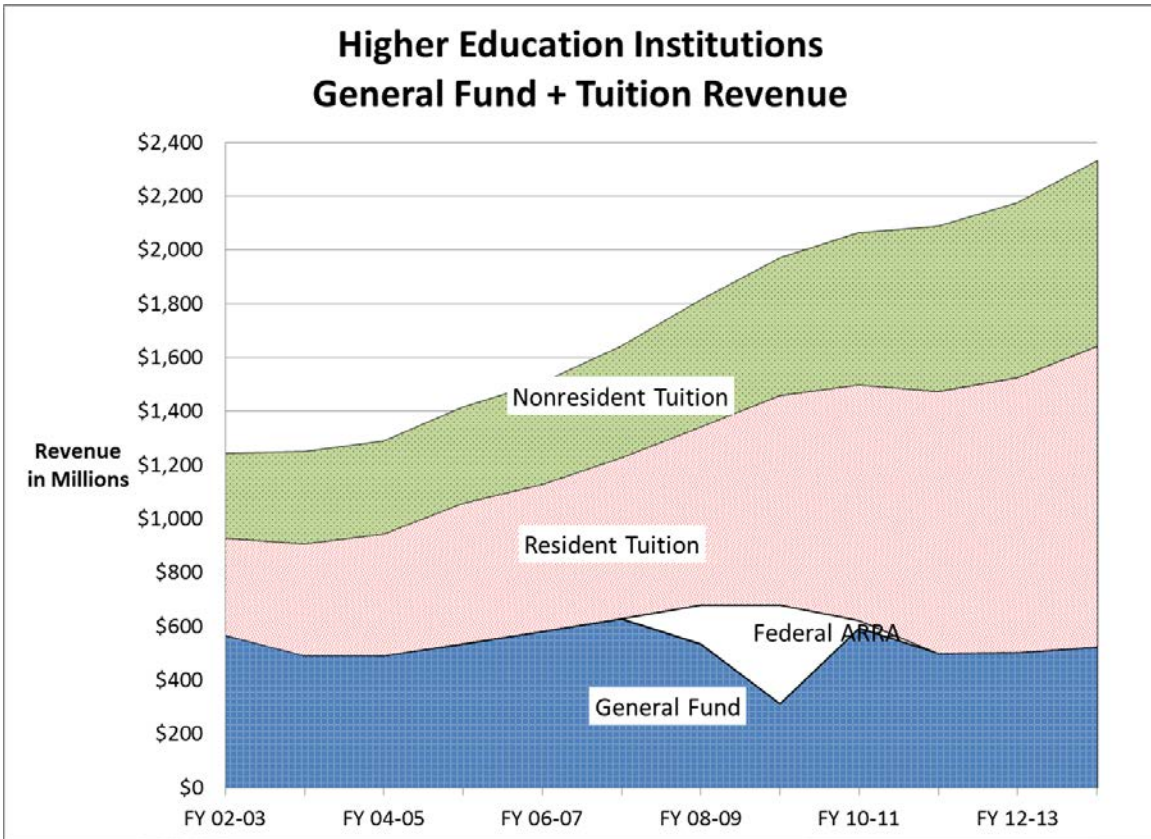
tuition levels at the institutions, and in light of the steep cuts to higher education funding in recent years, it can be difficult to determine how state operating support actually affects the tuition charged to resident students or other services of interest to the General Assembly.

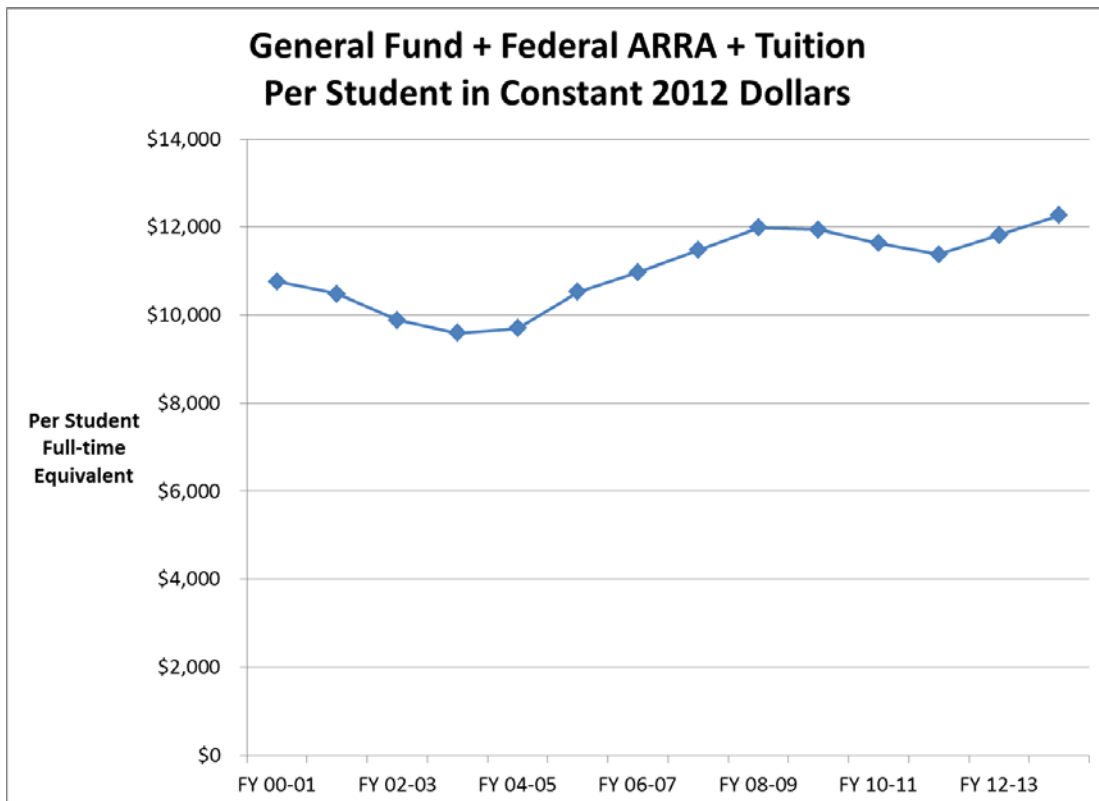
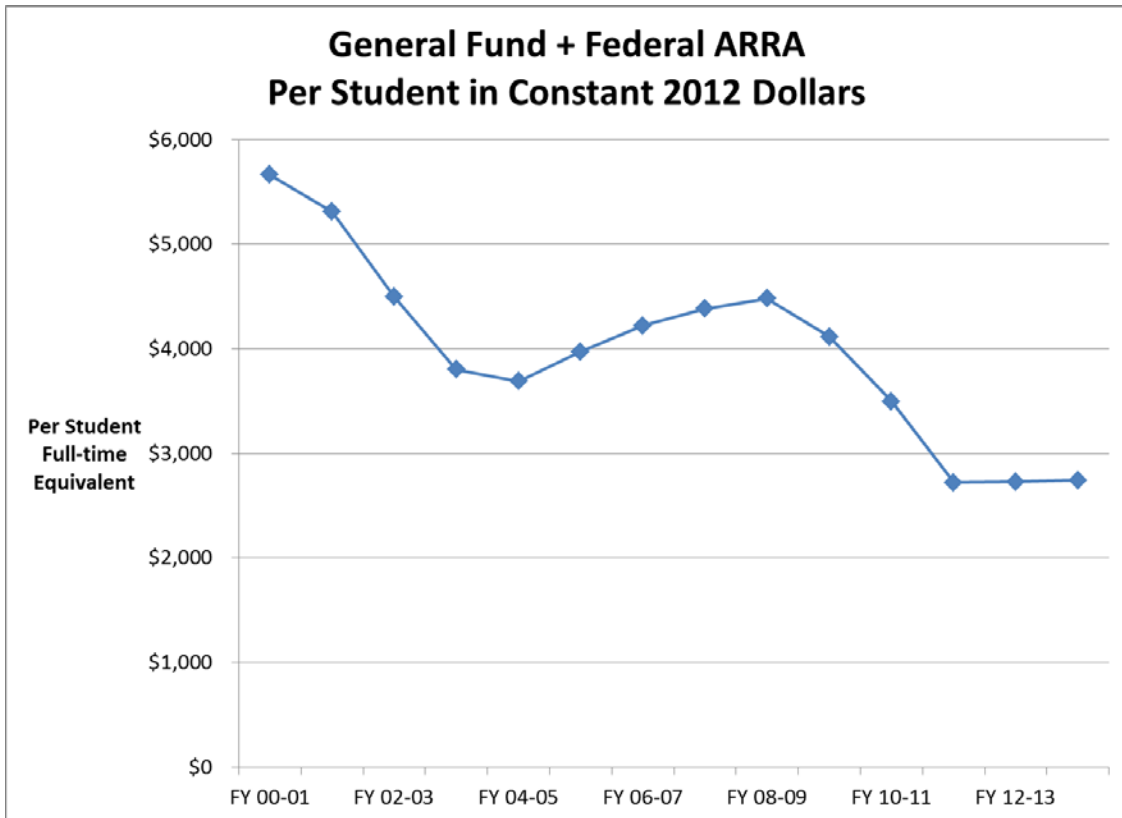
N Department of Higher Education, Colorado Commission on Higher Education, Administration – The Department, in conjunction with the higher education institutions, is requested to provide a report by June 30, 2014 on the impact of state financial support for public institutions of higher education, including the impact of such support on the tuition charged to resident students, the availability of programs that might not otherwise be offered, and other factors the Commission and the institutions deem significant. To the extent feasible, the report should include related data for each of the governing boards and quantitative analysis supporting the report’s conclusions.

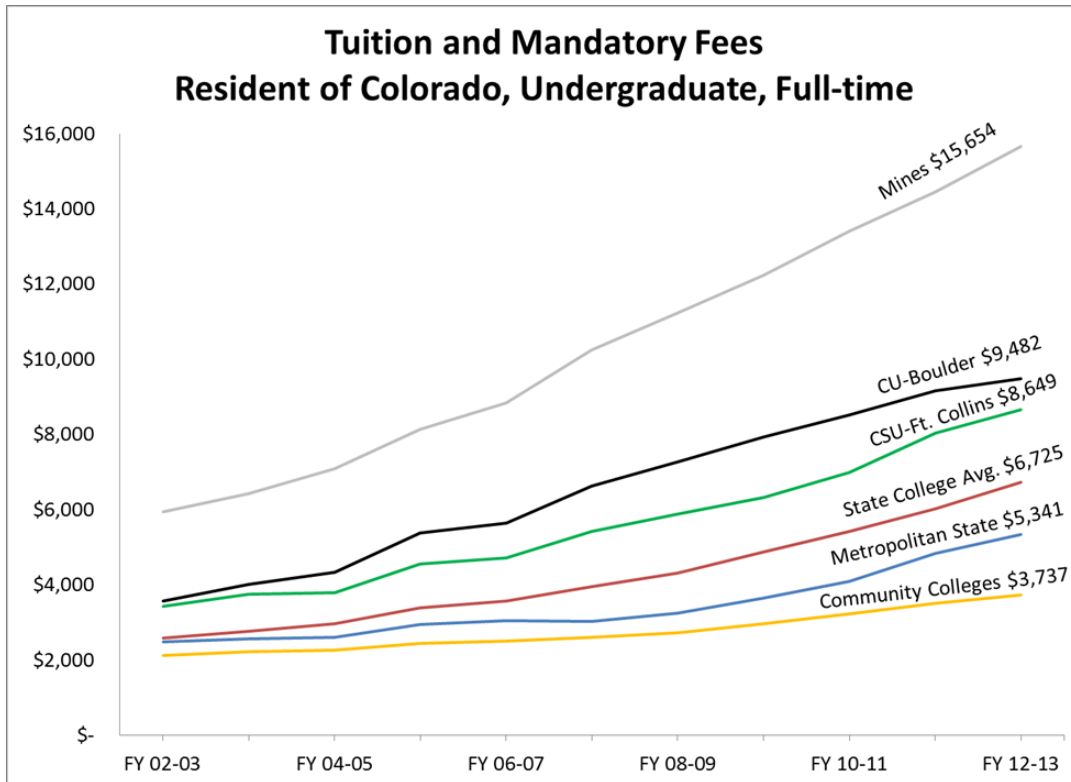
Note: If the Committee would like to have this information available prior to figure setting for FY 2014-15, the date for this RFI could be moved to February 2014. However, staff understands an earlier date (e.g., November 2013) is unlikely to yield a useful report, due to the limited data available at that point. At the same time, the Committee’s ability to respond to a substantive report is more time-constrained during the legislative session. In light of this, staff has included a later date, anticipating that the report would be discussed during the briefing presentation on the **FY 2015-16** budget request. The FY 2015-16 budget is the last budget cycle before tuition revenue is again appropriated by the General Assembly.

Analysis:

Higher Education Funding History: The charts below provide funding and student FTE history for the governing boards since FY 2001-02, updated with the staff recommendation for appropriations and Legislative Council Staff tuition projections (for FY 2012-13 and FY 2013-14) to be reflected in the Long Bill. Note that FY 2013-14 tuition figures have not yet been established for most of the governing boards, and, therefore, amounts included for FY 2013-14 are based on an assumed 9 percent average increase for resident students and 5 percent increase for non-resident students.





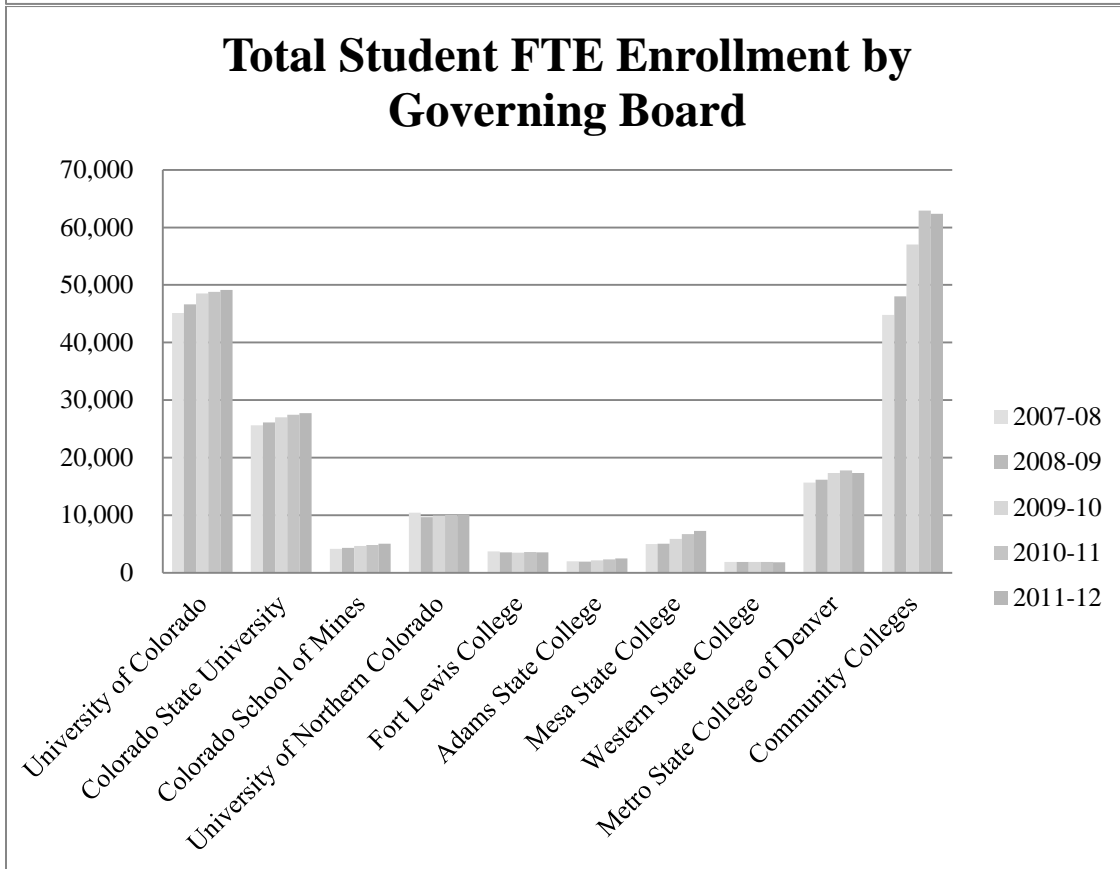
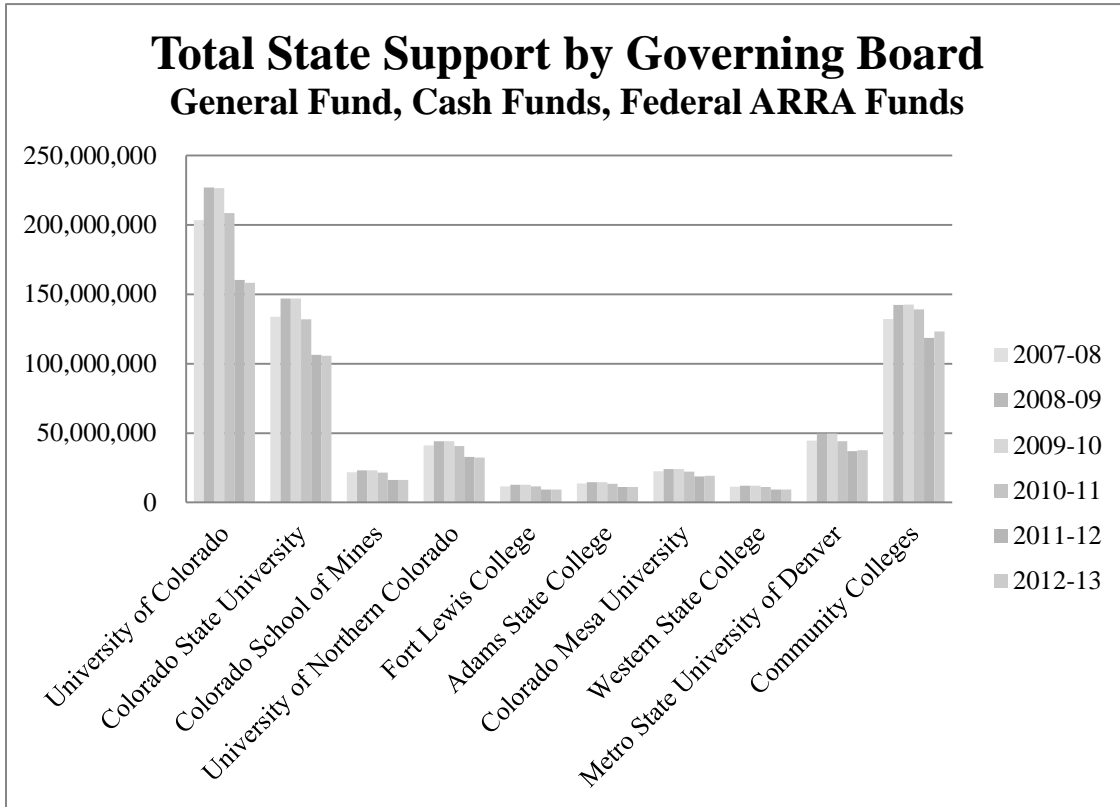


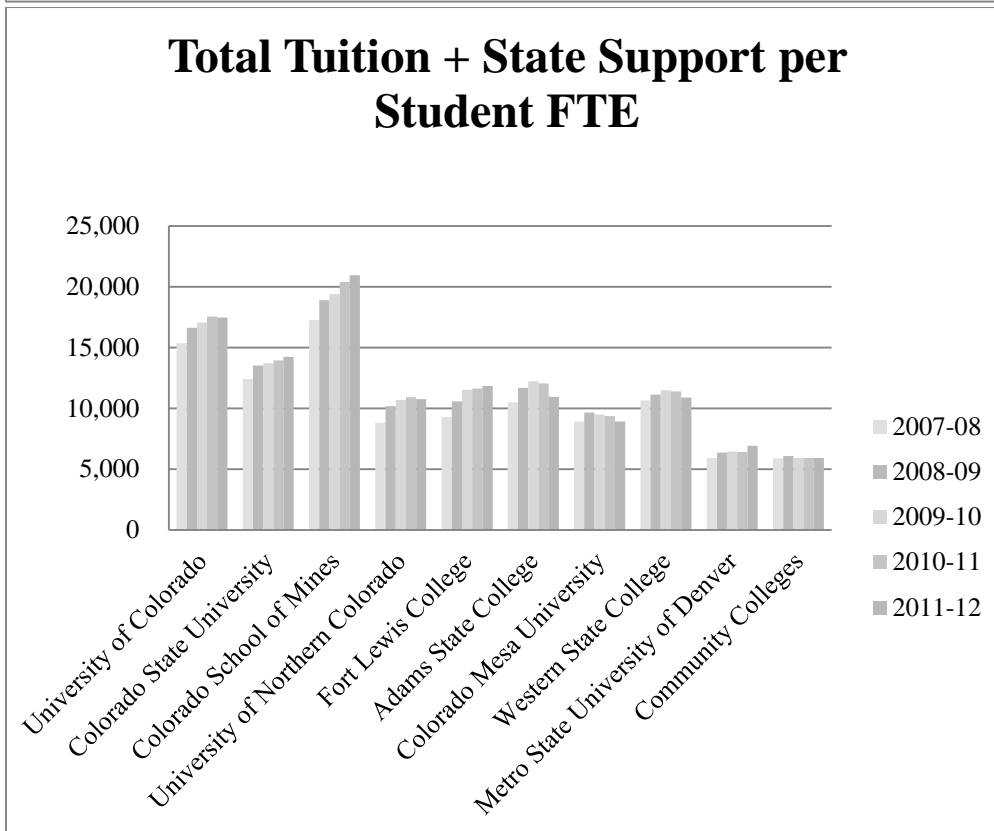
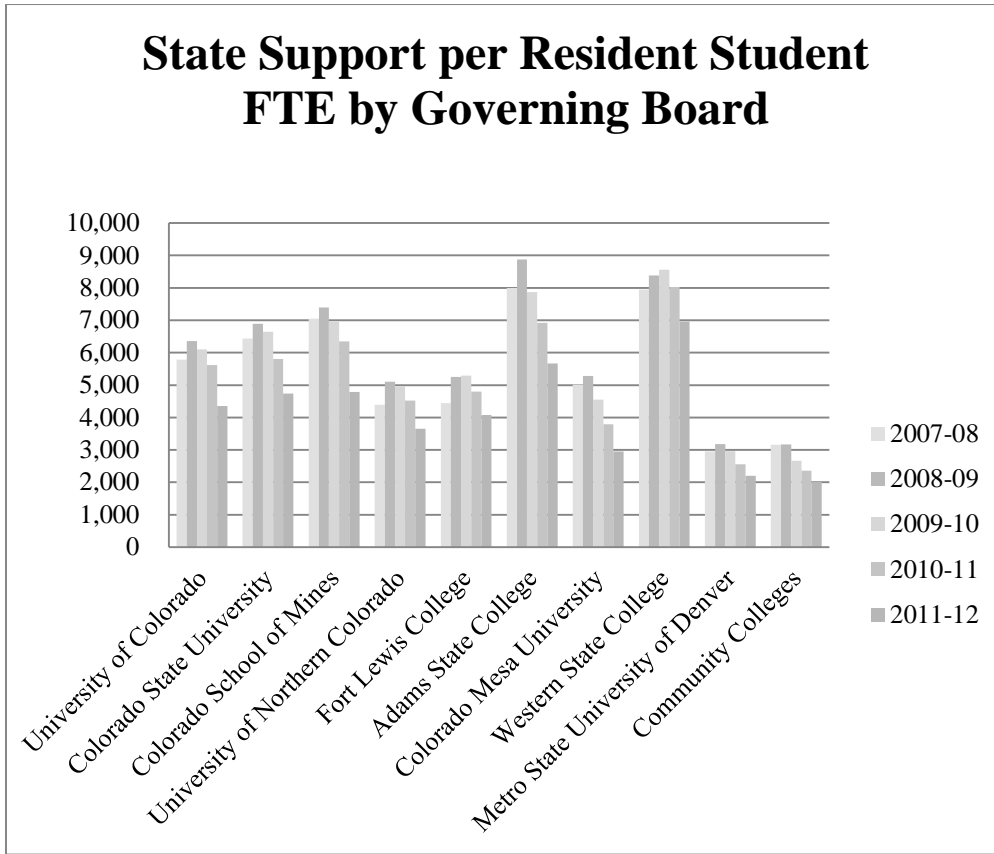
As the Committee is aware:

- In total, state support has fallen substantially. From a pure General Fund perspective, the funding high-point was FY 2007-08, but the institutions typically focus on FY 2008-09, when state funding was enhanced with federal ARRA funds. If funding from all state sources (General Fund and cash and federal ARRA funds are included), between FY 2008-09 and FY 2012-13, funding for the governing boards fell 25 percent.
- As is typical in a recessionary period, enrollment at virtually all institutions increased substantially through FY 2010-11. This exacerbated the impact of falling state support: total state support per resident FTE fell by 34 percent from FY 2008-09 through FY 2012-13. The decline is even more dramatic from a constant-dollar-per student FTE perspective: over 39 percent over the same period.
- As has also been typical in many states, the holes created by reduced state support were filled through increases in tuition revenue. The combined impact of reduced state support and other higher education cost drivers contributed to rapid tuition increases.
- The picture has begun to change. Enrollment began to decline in FY 2011-12, and state support increased slightly in FY 2012-13. Tuition charges nonetheless continue to increase rapidly, although the rate of increase has moderated at some institutions.

The specific situation of individual institutions varies, based on the institutions' level of control over enrollment and ability to raise tuition revenue, including from out-of-state students. The following charts, based on actual and appropriated data, compare the funding history broken-out by institution. As reflected in these charts:

- Many of the institutions experienced, in total, flat or declining revenue per FTE through the recession, while the major research institutions substantially increased their revenue per FTE through the tuition mechanism and particularly through the expansion of their non-resident student population.
- From state funding per student FTE chart, note also that that research institutions continue to receive, on average, about double the state funding per student FTE provided to open-enrollment schools such as Metro or the community colleges. However, the institutions that receive the highest per-student state funding are some of the smaller colleges with low enrollments.
- The final table shows the significance of state funding as a proportion of the institution's overall funding. As shown, the relative significance of state support has fallen across the board, but it continues to be of far greater importance to some institutions than others. Note that this chart does not incorporate revenue from federal and private research grants and donations which are not included in the state budget.





*JBC Staff Figure Setting – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision*

	State Support as a Percentage of Total Tuition + State Support									
	<i>University of Colorado</i>	<i>Colorado State University</i>	<i>Colorado School of Mines</i>	<i>University of Northern Colorado</i>	<i>Fort Lewis College</i>	<i>Adams State College</i>	<i>Mesa State College</i>	<i>Western State College</i>	<i>Metro State College of Denver</i>	<i>Community Colleges</i>
2007-08	29%	42%	30%	45%	34%	66%	50%	57%	48%	50%
2008-09	29%	42%	28%	45%	34%	65%	49%	58%	48%	49%
2009-10	27%	40%	26%	42%	32%	55%	43%	57%	45%	42%
2010-11	24%	35%	22%	37%	28%	48%	35%	53%	39%	37%
2011-12	19%	27%	15%	30%	22%	42%	29%	48%	31%	32%
2012-13	18%	25%	14%	29%	21%	38%	27%	41%	29%	33%

Impact of Authorizing the Requested Percent Increase:

- **Staff assumes that authorizing the requested funding increase will affect the level of tuition increases authorized by the Governing Boards—but, given that the General Assembly has relinquished control over tuition revenue pursuant to S.B. 10-003, no specific impact is guaranteed.**
- The increase requested exceeds the combined projected increase in COF-eligible SFTE (a projected increase of 0.66 percent for FY 2013-14) and the projected CY 2012 Denver-Metro CPI (2.1 percent as of the December LCS forecast). The 2.8 percent increase that would result from this calculation (\$14.7 million) is lower than the 4.0 percent (\$20.7 million) increase requested over the final FY 2012-13 appropriation. However, academic inflation continues to move at far faster clip than the usual Denver-Metro CPI, for a variety of reasons. Thus, simply maintaining higher education funding at the level of CPI+COF-eligible FTE is likely to drive even greater tuition increases.
- Loss of state support has clearly been a key driver behind rapid tuition increases at state institutions. However, as state support now represents a relatively small proportion of funding for many institutions, even a state funding increase somewhat above the rate of academic inflation will have only a limited impact in offsetting tuition increases that would otherwise occur.

(A) Stipends

Stipends for eligible full-time equivalent students attending state institutions

COF stipend payments are made on behalf of eligible students to each of the governing boards. The FY 2012-13 rate reflected in the Long Bill is \$1,860 per student FTE.

Request: The Department requests \$272,457,600 General Fund, including \$8,514,300 for request R-1.

JBC Staff Figure Setting – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

Recommendation:

	Total Funds	General Fund	FTE
FY 2012-13 Appropriation:			
HB 12-1335 (Long Bill)	263,943,300	263,943,300	0.0
Recommended Long Bill Supplemental	(20,597,640)	(20,597,640)	0.0
TOTAL	\$243,345,660	\$243,345,660	0.0
FY 2013-14 Recommended Appropriation:			
FY 2012-13 Appropriation	\$243,345,660	\$243,345,660	0.0
R-1: Operational funding increase for public colleges and universities	9,514,500	9,514,500	0.0
TOTAL	\$252,860,160	\$252,860,160	0.0
Increase/(Decrease)	\$9,514,500	\$9,514,500	0.0
Percentage Change	3.9%	3.9%	0.0%
FY 2013-14 Executive Request:			
Request Above/(Below) Recommendation	\$19,597,440	\$19,597,440	0.0

The staff recommendation is for 130,831 stipend-eligible student FTE at the previously-established rate of \$1,860 per FTE in FY 2012-13 and 131,698 stipend-eligible student FTE at the new rate of \$1,920 per stipend-eligible student FTE in FY 2013-14

Recommended Long Bill Supplemental: The recommendation includes an adjustment based on an updated projection of the number of stipend-eligible FTE.

R-1: Operational funding increase for public colleges and universities: The recommendation includes a requested increase of the stipend rate to \$1,920 per eligible student FTE. However, both the base and the adjustment differ from the request due to updated projections of the number of stipend-eligible FTE in FY 2012-13 and FY 2013-14.

Stipends for students attending participating private institutions

Students who qualify for the federal need-based Pell grant and attend a participating private institution are eligible for a stipend equal to half of the stipend for students attending a state operated institution.

Request: The Department requests an appropriation of \$435,000 General Fund for this line item, based on an estimated 1,160 eligible student FTE at a rate of \$375 per full-time student. The request includes an increase associated with request R-1 and request R-5

Recommendation:

	Total Funds	General Fund	FTE
FY 2012-13 Appropriation:			
HB 12-1335 (Long Bill)	1,078,800	1,078,800	0.0
TOTAL	\$1,078,800	\$1,078,800	0.0
FY 2013-14 Recommended Appropriation:			
FY 2012-13 Appropriation	\$1,078,800	\$1,078,800	0.0
R-1: Operational funding increase for public colleges and universities	40,620	40,620	0.0
R-5: Increase for private COF stipend allocation	180,420	180,420	0.0
TOTAL	\$1,299,840	\$1,299,840	0.0
Increase/(Decrease)	\$221,040	\$221,040	0.0
Percentage Change	20.5%	20.5%	0.0%
FY 2013-14 Executive Request:	\$1,299,840	\$1,299,840	0.0
Request Above/(Below) Recommendation	\$0	\$0	0.0

The recommendation, including requests R-1 and R-5, provides for a stipend of \$960 for 1,354 Pell-eligible students at participating private institutions.

R-1: Operational funding increase for public colleges and universities: As previously discussed, staff recommends the requested increase for R-1. This request includes an increase in the COF stipend for public institutions of \$2 per credit hour, resulting in a total COF stipend of \$1,920 for a full-time 30-credit load. Pursuant to statute, Pell-eligible students attending participating private institutions would receive an increase of half of this amount or \$960 for a 30 credit hour load. This line item was is funded for 1,160 student FTE in FY 2012-13, but the increase would also apply to the additional participants authorized pursuant to request R-5.

➔ R-5 Increase in Funding to Private COF Stipend Allocation

Request: The Department requests an additional \$180,420 General fund for the College Opportunity Fund, Private Stipend payments. The increase is to accommodate the increase in the number of students using the program at participating private institutions (the University of Denver, Regis University, and Colorado Christian University). This request will serve an additional 194 student FTEs and increase the total College Opportunity Fund private stipend line item to \$1,259,220 General Fund (1,354 students) for FY 2013-14. The increase is due to two factors: (1) PELL eligibility, on which student participation in the COF program at the private institutions is based, was expanded by the federal government. (2) An increasing number of students have been granted the COF private stipend due to Colorado Christian University’s participation. The line item experienced over-expenditures for the past two fiscal years. These over-expenditures were accommodated through other financial aid resources made available through the Department’s roll-forward authority in Work Study Financial Aid. In recent years, there has been diminished roll-forward funding available, due to greater financial aid flexibility granted to the institutions.

Recommendation: Staff recommends the requested increase of \$180,420 General Fund. Pursuant to Section 23-18-201 (2), C.R.S., students attending participating nonprofit institutions are eligible to receive COF stipends if the institution has agreed to a performance contract with the Department. The number of additional students is based on the average of the number of student FTE served by the program in the last two actual years (FY 2010-11 and FY 2011-12), which staff believes is a reasonable approach.

(B) Fee-for-service Contracts with State Institutions

Each governing board has a fee-for-service contract with the Department for services not supported through the COF stipend payment.

Request: The Department requests \$249,730,846, including an increase of \$20,318,319 for request R-1.

Recommendation:

	Total Funds	General Fund	FTE
FY 2012-13 Appropriation:			
HB 12-1335 (Long Bill)	229,722,572	229,722,572	0.0
Other legislation	(310,045)	(310,045)	0.0
FY 2012-13 Regular Supplemental	8,972,496	8,972,496	0.0
Recommended Long Bill Supplemental	20,597,640	20,597,640	0.0
TOTAL	\$258,982,663	\$258,982,663	0.0
FY 2013-14 Recommended Appropriation:			
FY 2012-13 Appropriation	\$258,982,663	\$258,982,663	0.0
R-1: Operational funding increase for public colleges and universities	19,318,152	19,318,152	0.0
Annualize one-time supplemental increase	(8,972,496)	(8,972,496)	0.0
TOTAL	\$269,328,319	\$269,328,319	0.0
Increase/(Decrease)	\$10,345,656	\$10,345,656	0.0
Percentage Change	4.0%	4.0%	0.0%
FY 2013-14 Executive Request:	\$249,730,846	\$249,730,846	0.0
Request Above/(Below) Recommendation	(\$19,597,473)	(\$19,597,473)	0.0

Recommended Long Bill Supplemental: The recommendation includes an adjustment to the stipend appropriation based on an updated projection of the number of stipend-eligible FTE and an offsetting adjustment to the fee-for-service contract amount.

R-1: Operational funding increase for public colleges and universities: The recommendation provides for a total adjustment to fee-for-service and stipend amounts commensurate with the

request, but the FY 2012-13 base amounts and FY 2013-14 allocation of funding between stipend and fee-for-service line items differ from the request due to updated projections of the number of COF-eligible student FTE.

(5) Governing Boards

This division includes a single line item for each governing board that contains reappropriated funds spending authority for stipends, fee-for-service contracts, and appropriated grants, and cash funds spending authority for tuition, academic and academic facility fees, and revenue from the tobacco master settlement agreement.

DIVISION REQUEST AND RECOMMENDATION SUMMARY

	Governing Boards				
	Total Funds	General Fund	Cash Funds	Reappropriated	FTE
FY 2012-13 Appropriation:					
HB 12-1335 (Long Bill)	2,311,220,034	0	1,815,178,631	496,041,403	21,119.7
Other legislation	(310,045)	0	0	(310,045)	(35.4)
FY 2012-13 Regular Supplemental	8,972,496	0	0	8,972,496	0.0
Recommended Long Bill Supplemental	(15,774,458)	0	(15,774,458)	0	0.0
TOTAL	\$2,304,108,027	\$0	\$1,799,404,173	\$504,703,854	21,084.3
FY 2013-14 Recommended Appropriation:					
FY 2012-13 Appropriation	\$2,304,108,027	\$0	\$1,799,404,173	\$504,703,854	21,084.3
Projected tuition and fee revenue	139,271,759	0	139,271,759	0	0.0
R-1: Operational funding increase for public colleges and universities	28,832,652	0	0	28,832,652	0.0
Annualize one-time supplemental increase	(8,972,496)	0	0	(8,972,496)	0.0
Tobacco settlement revenue adjustment	(299,210)	0	(299,210)	0	0.0
Reflect projected FTE	0	0	0	0	1,367.4
TOTAL	\$2,462,940,732	\$0	\$1,938,376,722	\$524,564,010	22,451.7
Increase/(Decrease)	\$158,832,705	0	\$138,972,549	\$19,860,156	1,367.4
Percentage Change	6.9%	0.0%	7.7%	3.9%	6.5%
FY 2013-14 Executive Request:					
Request Above/(Below) Recommendation	(\$123,198,124)	\$0	(\$123,198,091)	(\$33)	(1,367.4)

Recommended Long Bill Supplemental: The recommendation reflects adjustments to projected tuition and fee revenue for FY 2012-13. It also includes adjustments to the portion of reappropriated funds allocated for COF stipends versus COF fee-for-service contracts at each institution.

R-1: Operational funding increase for public colleges and universities: This recommendation provides an increase to the governing boards for reappropriated funds from COF stipend and fee-for-service contracts.

Annualize one-time supplemental increase: The recommendation annualizes the FY 2012-13 supplemental increase to COF fee-for-service contracts authorized in the higher education supplemental bill (S.B. 13-090).

Annualize one-time supplemental increase: The recommendation includes an adjustment to governing board revenue from the Tobacco Master Settlement Agreement.

Reflect projected FTE: The recommendation adjusts the *employee* FTE shown in the Long Bill for each governing board to reflect the most recent estimates available. FTE figures are shown for informational purposes only.

RECOMMENDATIONS AFFECTING ALL LINE ITEMS – FY 2012-13

Request: The Department has not submitted a formal request for FY 2012-13 adjustments to stipends, fee-for-service contracts, or tuition or fee revenue. Pursuant to Section 23-18-202 (2) (a) (I), C.R.S., the Department is required to annually estimate the number of undergraduate full-time equivalent students eligible for COF stipends and report the numbers by February 15 to the Governor and the Joint Budget Committee. Although the Department did not follow this procedure, it did provide tuition and fee revenue estimates and provide feedback on Legislative Council Staff's estimates of COF-eligible students.

Recommendation:

COF Stipends and Fee-for-service Contracts: Staff recommends an adjustment to the FY 2012-13 COF stipend appropriation to each institution based on Legislative Council Staff's February 2012 forecast of COF-eligible students. Staff also recommends corresponding adjustments in fee-for-service contracts with each governing board, resulting in a \$0 net change in total funds. This adjustment changes the amount of each governing board's reappropriated funds that is identified in Long Bill lettersnotes as coming from COF stipend payments as opposed to COF fee-for-service payments, but it does not change the total reappropriated funds appropriated to each governing board.

The Legislative Council Staff enrollment projection indicates a net decrease in the stipend-eligible population for FY 2012-13 of 11,074.0 student FTE from the appropriated level. This corresponds to a decrease from 141,905.0 FTE to 131,831 FTE, or a 7.8 percent correction to the forecast. Appendix B to this packet provides the resulting detailed calculations by governing board.

The recommendation for a net \$0 change to reappropriated funds is based on past practice, as well as institutional expectations for stable funding. It has been the practice of the General Assembly since virtually the inception of the College Opportunity Fund to adjust fee-for-service and stipend COF allocations to the Governing Boards so that mid-year adjustments net to a \$0 impact, both to the governing boards and the General Fund.

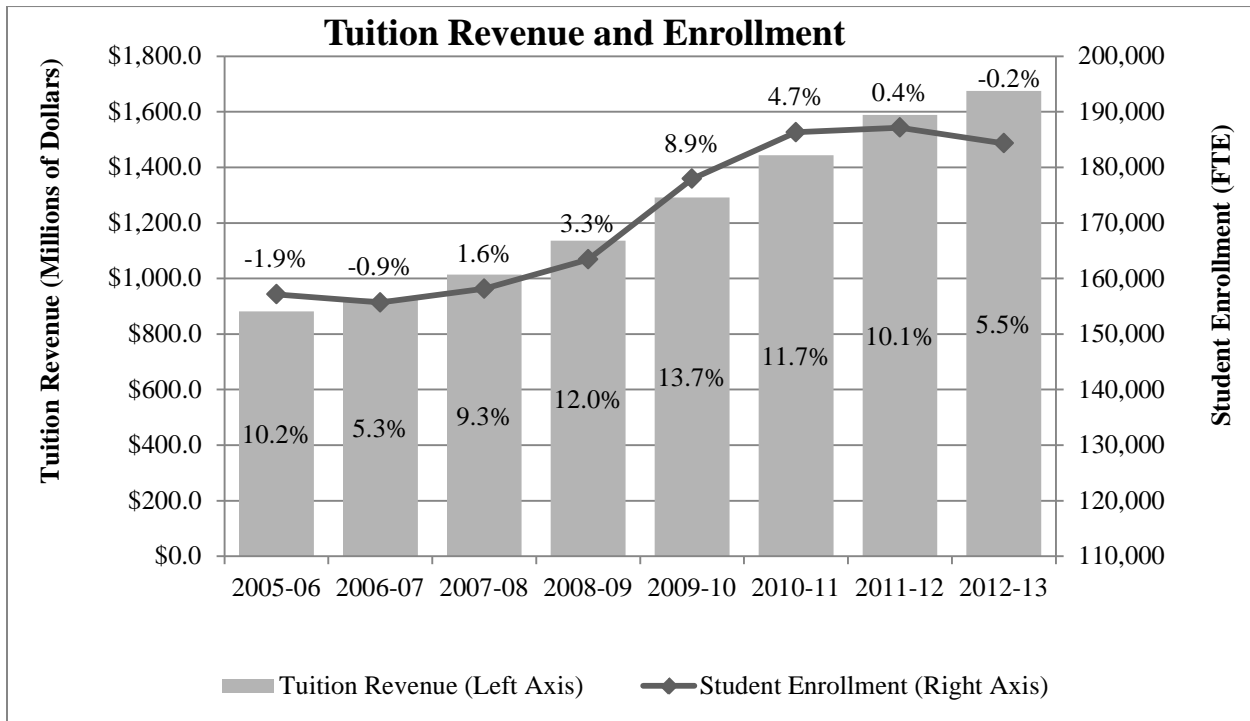
- Staff does not believe it would be reasonable to change this practice without warning the governing boards in advance.
- Staff is not certain that there would be a public benefit to adjusting funding to the institutions mid-year, based on enrollment. If the adjustment to stipend funding were applied without an associated fee-for-service increase for FY 2012-13, the result would be a \$20.6 million mid-year funding reduction.
- Staff assumes that if no adjustment to fee-for-service contracts and stipends is included as an FY 2012-13 supplemental add-on, the Department will request such adjustments through a late supplemental in June 2013.
- Section 23-18-202, C.R.S., authorizes transfer of up to 3.0 percent of a governing board's allocation for stipends to its fee-for-service contract, but this transfer authority is unlikely to be sufficient, given the scale of the correction to the forecast.

Tuition and Fees: Staff also recommends updating tuition and fee amounts to match new projections. The increases in the projected tuition revenue are primarily attributable to enrollment adjustments and increases in graduate and nonresident rates. The Legislative Council Staff forecast projects that the governing boards will earn a total of \$27.4 million less than the FY 2012-13 estimates reflected in the Long Bill -- a correction of 1.6 percent to the forecast. Adjusting the FY 2012-13 base tuition amounts to match the projection will make it easier for the JBC to explain tuition assumptions for FY 2013-14.

- Tuition adjustments for FY 2012-13 are based on the Legislative Council Staff projection;
- Fee adjustments are based on data provided by the Department, as this information is not included in Legislative Council staff materials.

These adjustments in fee spending authority represent changes in enrollment. **All of the staff recommended changes to FY 2012-13 appropriations are detailed in Appendix B at the end of this document.**

The chart below summarizes the Legislative Council Staff tuition revenue and enrollment projection, as updated for FY 2012-13.



RECOMMENDATIONS AFFECTING ALL LINE ITEMS – FY 2013-14

Request: The Department’s sole request affecting this section was R-1 -- the operational funding increase for public colleges and universities.

Recommendation:

State Support: Staff recommends a total of \$542.9 million General Fund for the higher education institutions, including the Local District Junior Colleges and Area Vocational Schools, distributed according to the CCHE formula. Amounts for the governing boards, including the increase recommended pursuant to request R-1, are reflected as reappropriated funds in the appropriation for each governing board.

Tuition: For five years beginning in FY 2011-12, pursuant to S.B. 10-003, governing boards may increase resident undergraduate tuition rates by up to 9.0 percent without outside review or approval. Governing boards may increase resident undergraduate tuition rates by more than 9.0 percent if CCHE approves a financial accountability plan submitted by the governing board ensuring access and accountability. There are no statutory limits on graduate and nonresident tuition rate increases.

The Department has not requested any funding adjustments for tuition revenue for FY 2013-14. Staff notes that this is not consistent with the General Assembly’s intent as outlined in Footnote 17 to H.B. 12-1335:

- 17 Department of Higher Education, Governing Boards -- The cash funds appropriations from tuition and academic and academic facility fees are for informational purposes only. Within the parameters of Section 23-5-130.5, C.R.S. higher education governing boards may set the tuition rates for the institutions they govern. The appropriation reflects the projected tuition if institutions increase Colorado resident tuition rates 9.0 percent and nonresident rates 5.0 percent. *The General Assembly requests that with the FY 2013-14 budget request the Governor and the Colorado Commission on Higher Education include the assumed tuition rate increases with the level of General Fund support requested.* [Emphasis added]

For tuition, staff recommends assuming the same 9.0 percent increase in resident tuition rates and 5.0 percent increase in nonresident tuition rates reflected in the Legislative Council Staff Forecast. The staff recommendation uses the Legislative Council Staff February 2013 forecast to estimate the revenue generated with these tuition rate increases.

Tobacco Settlement Funds: Staff recommends reflecting tobacco funding for the University of Colorado of \$13,623,990, a reduction of \$299,210. The Department did not request this change, but it reflects the statutory allocation of money from the tobacco master settlement agreement, the projected tobacco revenues, and the JBC's action during figure setting for the tobacco-funded programs. If H.B. 13-1181 is adopted, the appropriation will increase to \$13,872,246. Staff requests permission to include this higher amount in the Long bill if H.B. 13-1181 is adopted prior to the Long Bill; otherwise, the incremental adjustment will be included in the appropriations clause for the bill.

Limited Gaming Funds: Staff requests permission to insert the formula distributions of limited gaming funds into the Long Bill based on the March revenue forecast. The total and the amounts by governing board are pending the March forecast. In December, Legislative Council Staff estimated approximately \$6.7 million limited gaming funds would flow to the institutions with a 2-year mission in FY 2012-13 and that this would increase to \$7.1 million for FY 2013-14.

Academic and Facility Fees: For Academic and Academic Facility Fees, staff recommends an appropriation equal to the revenue projected by the higher education institutions. For the same reasons staff recommends an informational appropriation for tuition, staff also recommends an informational appropriation for Academic and Academic Facility Fees.

Appropriated Grants: Staff recommends continuation funding for appropriated grants, consistent with the Department's request. These grants come from the mineral energy impact program administered by the Department of Local Affairs. An appropriation does not guarantee that a governing board will receive a grant. The governing board must apply and be selected through the competitive process. Statutes require that state agencies have an appropriation in order to spend a grant from the Department of Local Affairs. A few institutions historically have applied and received grants. The recommendation would allow these institutions to apply and, if they receive a grant, expend the grant, without the need for a supplemental appropriation.

JBC Staff Figure Setting – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

Full-time Equivalent (FTE) Institution Staff: The staff recommendation on FTE to be reflected in the Long Bill is based on FY 2012-13 estimated FTE in the budget data books submitted by the Department. Prior to FY 1999-00, FTE designations were not included in the Long Bill for Higher Education. In FY 1999-00 the JBC adopted a policy of reflecting FTE for all departments in the Long Bill to provide additional information about the number of state employees. Pursuant to statute, the governing boards can hire as many or as few employees as they see fit. The staff recommendation is consistent with the historic practice of the JBC of using the current year estimate in the budget data books for each governing board.

	FTE			
	FY 2012-13	FY 2013-14	Recommended	
	Appropriation	(FY 2012-13 Data Books Estimates)	Change	Percent
Adams	294.7	327.0	32.3	10.96%
Mesa	534.5	623.6	89.1	16.67%
Metro	1,299.0	1,350.7	51.7	3.98%
Western	231.9	237.7	5.8	2.48%
CSU System	4,002.4	4,204.6	202.2	5.05%
Fort Lewis	417.8	401.9	-15.9	-3.80%
CU Regents	6,797.7	6,998.0	200.3	2.95%
Mines	766.6	815.3	48.7	6.35%
UNC	1,003.1	1,049.9	46.8	4.67%
Community Colleges	5,736.6	6,443.0	706.4	12.31%
TOTAL	21,084.3	22,451.7	1367.4	6.49%

JBC Staff Figure Setting – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

LINE ITEM DETAIL – RECOMMENDATION TABLES

Trustees of Adams State College					
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
FY 2012-13 Appropriation:					
HB 12-1335 (Long Bill)	34,471,996	0	23,562,885	10,909,111	294.7
FY 2012-13 Regular Supplemental	163,440	0	0	163,440	0.0
Recommended Long Bill Supplemental	(2,661,069)	0	(2,661,069)	0	0.0
TOTAL	\$31,974,367	\$0	\$20,901,816	\$11,072,551	294.7
FY 2013-14 Recommended Appropriation:					
FY 2012-13 Appropriation	\$31,974,367	0	\$20,901,816	\$11,072,551	294.7
Projected tuition and fee revenue	2,358,288	0	2,358,288	0	0.0
R-1: Operational funding increase for public colleges and universities	648,250	0	0	648,250	0.0
Annualize one-time supplemental increase	(163,440)	0	0	(163,440)	0.0
Reflect projected FTE	0	0	0	0	32.3
TOTAL	\$34,817,465	\$0	\$23,260,104	\$11,557,361	327.0
Increase/(Decrease)	\$2,843,098	0	\$2,358,288	\$484,810	32.3
Percentage Change	8.9%	0.0%	11.3%	4.4%	11.0%
FY 2013-14 Executive Request:					
Request Above/(Below) Recommendation	\$302,771	0	\$302,781	(\$10)	(32.3)

Trustees of Colorado Mesa University					
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
FY 2012-13 Appropriation:					
HB 12-1335 (Long Bill)	73,265,398	0	54,634,548	18,630,850	534.5
FY 2012-13 Regular Supplemental	308,006	0	0	308,006	0.0
Recommended Long Bill Supplemental	(2,058,461)	0	(2,058,461)	0	0.0
TOTAL	\$71,514,943	\$0	\$52,576,087	\$18,938,856	534.5
FY 2013-14 Recommended Appropriation:					
FY 2012-13 Appropriation	\$71,514,943	\$0	\$52,576,087	\$18,938,856	534.5
Projected tuition and fee revenue	6,648,927	0	6,648,927	0	0.0
R-1: Operational funding increase for public colleges and universities	1,187,601	0	0	1,187,601	0.0
Annualize one-time supplemental increase	(308,006)	0	0	(308,006)	0.0
Reflect projected FTE	0	0	0	0	89.1
TOTAL	\$79,043,465	\$0	\$59,225,014	\$19,818,451	623.6
Increase/(Decrease)	\$7,528,522	\$0	\$6,648,927	\$879,595	89.1
Percentage Change	10.5%	0.0%	12.6%	4.6%	16.7%
FY 2013-14 Executive Request:					
Request Above/(Below) Recommendation	(\$4,590,427)	\$0	(\$4,590,466)	\$39	(89.1)

JBC Staff Figure Setting – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

Trustees of Metropolitan State College of Denver					
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
FY 2012-13 Appropriation:					
HB 12-1335 (Long Bill)	128,971,863	0	91,989,858	36,982,005	1,299.0
FY 2012-13 Regular Supplemental	573,904	0	0	573,904	0.0
Recommended Long Bill Supplemental	11,645,335	0	11,645,335	0	0.0
TOTAL	\$141,191,102	\$0	\$103,635,193	\$37,555,909	1,299.0
FY 2013-14 Recommended Appropriation:					
FY 2012-13 Appropriation	\$141,191,102	\$0	\$103,635,193	\$37,555,909	1,299.0
Projected tuition and fee revenue	8,290,576	0	8,290,576	0	0.0
R-1: Operational funding increase for public colleges and universities	1,983,048	0	0	1,983,048	0.0
Annualize one-time supplemental increase	(573,904)	0	0	(573,904)	0.0
Reflect projected FTE	0	0	0	0	51.7
TOTAL	\$150,890,822	\$0	\$111,925,769	\$38,965,053	1,350.7
Increase/(Decrease)	\$9,699,720	\$0	\$8,290,576	\$1,409,144	51.7
Percentage Change	6.9%	0.0%	8.0%	3.8%	4.0%
FY 2013-14 Executive Request:	\$130,954,904	\$0	\$91,989,858	\$38,965,046	1,299.0
Request Above/(Below) Recommendation	(\$19,935,918)	\$0	(\$19,935,911)	(\$7)	(51.7)

Trustees of Western State College					
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
FY 2012-13 Appropriation:					
HB 12-1335 (Long Bill)	23,751,446	0	14,637,004	9,114,442	231.9
FY 2012-13 Regular Supplemental	130,502	0	0	130,502	0.0
Recommended Long Bill Supplemental	523,463	0	523,463	0	0.0
TOTAL	\$24,405,411	\$0	\$15,160,467	\$9,244,944	231.9
FY 2013-14 Recommended Appropriation:					
FY 2012-13 Appropriation	\$24,405,411	\$0	\$15,160,467	\$9,244,944	231.9
Projected tuition and fee revenue	645,095	0	645,095	0	0.0
R-1: Operational funding increase for public colleges and universities	414,627	0	0	414,627	0.0
Annualize one-time supplemental increase	(130,502)	0	0	(130,502)	0.0
Reflect projected FTE	0	0	0	0	5.8
TOTAL	\$25,334,631	\$0	\$15,805,562	\$9,529,069	237.7
Increase/(Decrease)	\$929,220	\$0	\$645,095	\$284,125	5.8
Percentage Change	3.8%	0.0%	4.3%	3.1%	2.5%
FY 2013-14 Executive Request:	\$24,166,134	\$0	\$14,637,004	\$9,529,130	231.9
Request Above/(Below) Recommendation	(\$1,168,497)	\$0	(\$1,168,558)	\$61	(5.8)

JBC Staff Figure Setting – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

Board of Governors of the Colorado State University System					
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
FY 2012-13 Appropriation:					
HB 12-1335 (Long Bill)	421,567,311	0	317,417,714	104,149,597	4,037.8
Other legislation	(310,045)	0	0	(310,045)	(35.4)
FY 2012-13 Regular Supplemental	1,791,637	0	0	1,791,637	0.0
Recommended Long Bill Supplemental	11,520,158	0	11,520,158	0	0.0
TOTAL	\$434,569,061	\$0	\$328,937,872	\$105,631,189	4,002.4
FY 2013-14 Recommended Appropriation:					
FY 2012-13 Appropriation	\$434,569,061	\$0	\$328,937,872	\$105,631,189	4,002.4
Projected tuition and fee revenue	25,186,660	0	25,186,660	0	0.0
R-1: Operational funding increase for public colleges and universities	6,124,070	0	0	6,124,070	0.0
Annualize one-time supplemental increase	(1,791,637)	0	0	(1,791,637)	0.0
Reflect projected FTE	0	0	0	0	202.2
TOTAL	\$464,088,154	\$0	\$354,124,532	\$109,963,622	4,204.6
Increase/(Decrease)	\$29,519,093	\$0	\$25,186,660	\$4,332,433	202.2
Percentage Change	6.8%	0.0%	7.7%	4.1%	5.1%
FY 2013-14 Executive Request:	\$427,381,325	\$0	\$317,417,714	\$109,963,611	4,002.4
Request Above/(Below) Recommendation	(\$36,706,829)	\$0	(\$36,706,818)	(\$11)	(202.2)

Trustees of Fort Lewis College					
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
FY 2012-13 Appropriation:					
HB 12-1335 (Long Bill)	45,045,006	0	35,938,167	9,106,839	417.8
FY 2012-13 Regular Supplemental	150,078	0	0	150,078	0.0
Recommended Long Bill Supplemental	180,569	0	180,569	0	0.0
TOTAL	\$45,375,653	\$0	\$36,118,736	\$9,256,917	417.8
FY 2013-14 Recommended Appropriation:					
FY 2012-13 Appropriation	\$45,375,653	\$0	\$36,118,736	\$9,256,917	417.8
Projected tuition and fee revenue	2,822,682	0	2,822,682	0	0.0
R-1: Operational funding increase for public colleges and universities	475,721	0	0	475,721	0.0
Annualize one-time supplemental increase	(150,078)	0	0	(150,078)	0.0
Reflect projected FTE	0	0	0	0	(15.9)
TOTAL	\$48,523,978	\$0	\$38,941,418	\$9,582,560	401.9
Increase/(Decrease)	\$3,148,325	\$0	\$2,822,682	\$325,643	(15.9)
Percentage Change	6.9%	0.0%	7.8%	3.5%	(3.8%)
FY 2013-14 Executive Request:	\$45,520,719	\$0	\$35,938,167	\$9,582,552	417.8
Request Above/(Below) Recommendation	(\$3,003,259)	\$0	(\$3,003,251)	(\$8)	15.9

JBC Staff Figure Setting – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

Regents of the University of Colorado					
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
FY 2012-13 Appropriation:					
HB 12-1335 (Long Bill)	946,571,892	0	804,743,017	141,828,875	6,797.7
FY 2012-13 Regular Supplemental	3,146,057	0	0	3,146,057	0.0
Recommended Long Bill Supplemental	(13,935,035)	0	(13,935,035)	0	0.0
TOTAL	\$935,782,914	0	\$790,807,982	\$144,974,932	6,797.7
FY 2013-14 Recommended Appropriation:					
FY 2012-13 Appropriation	\$935,782,914	0	\$790,807,982	\$144,974,932	6,797.7
Projected tuition and fee revenue	55,492,503	0	55,492,503	0	0.0
R-1: Operational funding increase for public colleges and universities	9,015,175	0	0	9,015,175	0.0
Annualize one-time supplemental increase	(3,146,057)	0	0	(3,146,057)	0.0
Tobacco settlement revenue adjustment	(299,210)	0	(299,210)	0	0.0
Reflect projected FTE	0	0	0	0	200.3
TOTAL	\$996,845,325	0	\$846,001,275	\$150,844,050	6,998.0
Increase/(Decrease)	\$61,062,411	0	\$55,193,293	\$5,869,118	200.3
Percentage Change	6.5%	0.0%	7.0%	4.0%	2.9%
FY 2013-14 Executive Request:					
Request Above/(Below) Recommendation	(\$41,258,264)	0	(\$41,258,258)	(\$6)	(200.3)

Trustees of the Colorado School of Mines					
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
FY 2012-13 Appropriation:					
HB 12-1335 (Long Bill)	113,224,565	0	97,451,983	15,772,582	766.6
FY 2012-13 Regular Supplemental	367,001	0	0	367,001	0.0
Recommended Long Bill Supplemental	2,560,153	0	2,560,153	0	0.0
TOTAL	\$116,151,719	\$0	\$100,012,136	\$16,139,583	766.6
FY 2013-14 Recommended Appropriation:					
FY 2012-13 Appropriation	\$116,151,719	\$0	\$100,012,136	\$16,139,583	766.6
Projected tuition and fee revenue	7,820,865	0	7,820,865	0	0.0
R-1: Operational funding increase for public colleges and universities	1,035,205	0	0	1,035,205	0.0
Annualize one-time supplemental increase	(367,001)	0	0	(367,001)	0.0
Reflect projected FTE	0	0	0	0	48.7
TOTAL	\$124,640,788	\$0	\$107,833,001	\$16,807,787	815.3
Increase/(Decrease)	\$8,489,069	0	\$7,820,865	\$668,204	48.7
Percentage Change	7.3%	0.0%	7.8%	4.1%	6.4%
FY 2013-14 Executive Request:					
Request Above/(Below) Recommendation	(\$10,381,087)	\$0	(\$97,451,983)	\$16,807,718	766.6
Request Above/(Below) Recommendation	(\$10,381,087)	\$0	(\$10,381,018)	(\$69)	(48.7)

JBC Staff Figure Setting – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

University of Northern Colorado					
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
FY 2012-13 Appropriation:					
HB 12-1335 (Long Bill)	124,405,052	0	92,547,957	31,857,095	1,003.1
FY 2012-13 Regular Supplemental	539,208	0	0	539,208	0.0
Recommended Long Bill Supplemental	(9,097,895)	0	(9,097,895)	0	0.0
TOTAL	\$115,846,365	\$0	\$83,450,062	\$32,396,303	1,003.1
FY 2013-14 Recommended Appropriation:					
FY 2012-13 Appropriation	\$115,846,365	\$0	\$83,450,062	\$32,396,303	1,003.1
Projected tuition and fee revenue	6,553,900	0	6,553,900	0	0.0
R-1: Operational funding increase for public colleges and universities	1,761,845	0	0	1,761,845	0.0
Annualize one-time supplemental increase	(539,208)	0	0	(539,208)	0.0
Reflect projected FTE	0	0	0	0	46.8
TOTAL	\$123,622,902	\$0	\$90,003,962	\$33,618,940	1,049.9
Increase/(Decrease)	\$7,776,537	\$0	\$6,553,900	\$1,222,637	46.8
Percentage Change	6.7%	0.0%	7.9%	3.8%	4.7%
FY 2013-14 Executive Request:	\$126,166,901	\$0	\$92,547,957	\$33,618,944	1,003.1
Request Above/(Below) Recommendation	\$2,543,999	\$0	\$2,543,995	\$4	(46.8)

State Board for Community Colleges and Occupational Education State System Community Colleges					
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
FY 2012-13 Appropriation:					
HB 12-1335 (Long Bill)	399,945,505	0	282,255,498	117,690,007	5,736.6
FY 2012-13 Regular Supplemental	1,802,663	0	0	1,802,663	0.0
Recommended Long Bill Supplemental	(14,451,676)	0	(14,451,676)	0	0.0
TOTAL	\$387,296,492	\$0	\$267,803,822	\$119,492,670	5,736.6
FY 2013-14 Recommended Appropriation:					
FY 2012-13 Appropriation	\$387,296,492	\$0	\$267,803,822	\$119,492,670	5,736.6
Projected tuition and fee revenue	23,452,263	0	23,452,263	0	0.0
R-1: Operational funding increase for public colleges and universities	6,187,110	0	0	6,187,110	0.0
Annualize one-time supplemental increase	(1,802,663)	0	0	(1,802,663)	0.0
Reflect projected FTE	0	0	0	0	706.4
TOTAL	\$415,133,202	\$0	\$291,256,085	\$123,877,117	6,443.0
Increase/(Decrease)	\$27,836,710	\$0	\$23,452,263	\$4,384,447	706.4
Percentage Change	7.2%	0.0%	8.8%	3.7%	12.3%
FY 2013-14 Executive Request:	\$406,132,589	\$0	\$282,255,498	\$123,877,091	5,736.6
Request Above/(Below) Recommendation	(\$9,000,613)	\$0	(\$9,000,587)	(\$26)	(706.4)

(6) Local District Junior Colleges

This division, comprised of one line item, provides funding for grants to Aims Community College and Colorado Mountain College. The source of cash funds is limited gaming revenue distributed to higher education institutions with a 2-year mission.

Request: The Department requests an appropriation of \$13,262,584 total funds for this line item, including \$12,650,359 General. The request includes an increase pursuant to R-1 (Operational funding increase for public colleges and universities).

Recommendation:

Local District Junior College Grants				
	Total Funds	General Fund	Cash Funds	FTE
FY 2012-13 Appropriation:				
HB 12-1335 (Long Bill)	12,522,176	11,909,951	612,225	0.0
FY 2012-13 Regular Supplemental	216,467	216,467	0	0.0
TOTAL	\$12,738,643	\$12,126,418	\$612,225	0.0
FY 2013-14 Recommended Appropriation:				
FY 2012-13 Appropriation	\$12,738,643	\$12,126,418	\$612,225	0.0
R-1: Operational funding increase for public colleges and universities	740,374	740,374	0	0.0
Annualize one-time supplemental increase	(216,467)	(216,467)	0	0.0
TOTAL	\$13,262,550	\$12,650,325	\$612,225	0.0
Increase/(Decrease)	\$523,907	\$523,907	\$0	0.0
Percentage Change	4.1%	4.3%	0.0%	0.0%
FY 2013-14 Executive Request:	\$13,262,584	\$12,650,359	\$612,225	0.0
Request Above/(Below) Recommendation	\$34	\$34	\$0	0.0

R-1: Operational funding increase for public colleges and universities: The staff recommendation is based on funding the higher education institutions at the total \$542.9 million General Fund level discussed above and allocating the increases to the higher education institutions according to the distribution formula agreed to by the governing bodies.

Annualize one-time supplemental increase: As previously discussed, the staff calculation treats the supplemental increases included in S.B. 13-090 as a one-time event and eliminates these amounts in FY 2013-14. Related to this, staff allocates request R-1 formula increases to the governing boards, local district junior colleges, and area vocational schools as though this increase had not been provided.

Staff also requests permission to adjust the limited gaming funds based on the formula distribution of the total funds projected in the March Legislative Council Staff revenue forecast.

(7) Division of Occupational Education

The Division is administratively located within the State Board for the Community Colleges and Occupational Education State System Community Colleges and has responsibility for approving programs and maintaining standards for public vocational programs (the Division of Private Occupational Schools in CCHE oversees proprietary schools). The Division also distributes state and federal funds for occupational education.

DIVISION REQUEST AND RECOMMENDATION SUMMARY

Division of Occupational Education					
	Total Funds	General Fund	Reappropriated	Federal Funds	FTE
FY 2012-13 Appropriation:					
HB 12-1335 (Long Bill)	52,465,673	7,664,871	27,843,040	16,957,762	32.0
FY 2012-13 Regular Supplemental	118,919	118,919	0	0	0.0
TOTAL	\$52,584,592	\$7,783,790	\$27,843,040	\$16,957,762	32.0
FY 2013-14 Recommended Appropriation:					
FY 2012-13 Appropriation	\$52,584,592	\$7,783,790	\$27,843,040	\$16,957,762	32.0
R-1: Operational funding increase for public colleges and universities	426,974	426,974	0	0	0.0
NPI-2: Constitutionally required increase for categorical programs	348,320	0	348,320	0	0.0
Indirect Cost Adjustments	0	236,132	(236,132)	0	0.0
Annualize one-time supplemental increase	(118,919)	(118,919)	0	0	0.0
TOTAL	\$53,240,967	\$8,327,977	\$27,955,228	\$16,957,762	32.0
Increase/(Decrease)	\$656,375	\$544,187	\$112,188	\$0	0.0
Percentage Change	1.2%	7.0%	0.4%	0.0%	0.0%
FY 2013-14 Executive Request:					
Request Above/(Below) Recommendation	(\$1)	(\$236,133)	\$236,132	\$0	0.0

R-1: Operational funding increase for public colleges and universities: The recommendation includes an increase for the Area Vocational Schools.

NP-2 Constitutionally Required Increase for K-12 Categorical Programs: The amount shown is the request. The recommendation is pending figure setting in the Department of Education.

Indirect Cost Adjustments: The recommendation includes adjustments based on the Department's indirect cost plan.

Annualize one-time supplemental increase: The recommendation annualizes supplemental increases included in S.B. 13-090.

(A) Administrative Costs

These FTE are responsible for approving the programs and distributing funds. The source of reappropriated funds is indirect cost recoveries.

Request: The Department requests a continuation level of funding of \$900,000 reappropriated funds and 9.0 FTE.

Recommendation:

	Administrative Costs			
	Total Funds	General Fund	Reappropriated Funds	FTE
FY 2012-13 Appropriation:				
HB 12-1335 (Long Bill)	900,000	0	900,000	9.0
TOTAL	\$900,000	\$0	\$900,000	9.0
FY 2013-14 Recommended Appropriation:				
FY 2012-13 Appropriation	\$900,000	\$0	\$900,000	9.0
Indirect Cost Adjustments	0	236,132	(236,132)	0.0
TOTAL	\$900,000	\$236,132	\$663,868	9.0
Increase/(Decrease)	\$0	\$236,132	(\$236,132)	0.0
Percentage Change	0.0%	0.0%	(26.2%)	0.0%
FY 2013-14 Executive Request:	\$900,000	\$0	\$900,000	9.0
Request Above/(Below) Recommendation	\$0	(\$236,132)	\$236,132	0.0

(B) Distribution of State Assistance for Career and Technical Education pursuant to Section 23-8-102, C.R.S.

The appropriation provides state support for secondary students enrolled in vocational programs in school districts across the state. These funds help the school districts offset, in part, the higher cost of vocational education. State statutes and regulations from the Division define the eligible costs for which K-12 schools may apply for reimbursement. The source of reappropriated funds is a transfer from the Department of Education. This is one of the categorical programs covered by Amendment 23.

Request: The Department requests \$24,566,338 reappropriated funds, including an increase of \$348,320 reappropriated funds pursuant to NP-2.

➔ NP-2 Constitutionally Required Increase for K-12 Categorical Programs

The Department requests an increase of \$348,320 reappropriated funds related to the constitutionally required increase for categorical programs in the Department of Education. This

request will be discussed in more detail during the figure setting presentation for the Department of Education.

Recommendation: The staff recommendation for this request is pending figure setting for the Department of Education. Staff requests permission to include an amount in the Long Bill consistent with the Committee decision for that Department.

(C) Area Vocational School Support

This line provides state support for the three area vocational schools to provide post-secondary vocational training: Delta-Montrose Technical College, Emily Griffith Technical College, and Pickens Technical College. In addition to the General Fund shown in the Long Bill, the Area Vocational Schools (AVS) charge tuition and fees to students. Also, the AVS provide some vocational training to secondary students with funds from their local school districts, which may include Colorado Vocational Act dollars. The distribution of General Fund is determined by the Division in consultation with the AVS.

Request: The Department requests an appropriation of \$8,091,844 General Fund for this line item. The request includes an increase for R-1, as discussed above.

Recommendation:

Area Vocational School Support			
	Total Funds	General Fund	FTE
FY 2012-13 Appropriation:			
HB 12-1335 (Long Bill)	7,664,871	7,664,871	0.0
FY 2012-13 Regular Supplemental	118,919	118,919	0.0
TOTAL	\$7,783,790	\$7,783,790	0.0
FY 2013-14 Recommended Appropriation:			
FY 2012-13 Appropriation	\$7,783,790	\$7,783,790	0.0
R-1: Operational funding increase for public colleges and universities	426,974	426,974	0.0
Annualize one-time supplemental increase	(118,919)	(118,919)	0.0
TOTAL	\$8,091,845	\$8,091,845	0.0
Increase/(Decrease)	\$308,055	\$308,055	0.0
Percentage Change	4.0%	4.0%	0.0%
FY 2013-14 Executive Request:	\$8,091,844	\$8,091,844	0.0
Request Above/(Below) Recommendation	(\$1)	(\$1)	0.0

R-1: Operational funding increase for public colleges and universities: The staff recommendation is based on funding the higher education institutions at the total \$542.9 million General Fund level discussed above and allocating the increases to the higher education institutions according to the distribution formula agreed to by the governing bodies.

Annualize one-time supplemental increase: As previously discussed, the staff calculation treats the supplemental increases included in S.B. 13-090 as a one-time event and eliminates these amounts in FY 2013-14. Related to this, staff allocates request R-1 formula increases to the governing boards, local district junior colleges, and area vocational schools as though this increase had not been provided.

(D) Sponsored Programs

The programs in this section are federally funded occupational education programs.

Administration

These FTE review educational programs to ensure compliance with federal Perkins requirements and approve courses eligible for federal funds. They also provide training and technical assistance to educators and students.

Request: The Department requests a continuation level of funding of \$2,220,227 federal funds and 23.0 FTE for this line item.

Recommendation: Staff recommends the Department's request for a continuation level of funding of \$2,220,227 federal funds and 23.0 FTE.

Programs

These funds are federal "Carl Perkins" funds, and are distributed to Community Colleges, Local District Junior Colleges, Area Vocational Schools, and K-12 districts.

The Department requests a continuation level of funding of \$14,737,535 federal funds for this line item.

Recommendation: Staff recommends the Department's request for a continuation level of funding of \$14,737,535 federal funds.

(E) Colorado First Customized Job Training

This line item is for General Fund dollars transferred from the Governor's Office for community colleges to provide training to employees of new companies or expanding firms.

Request: The Department requests a continuation level of funding of \$2,725,022 reappropriated funds for this line item.

Recommendation: Staff recommends the Department's request for a continuation level of funding of \$2,725,022 reappropriated funds. The appropriation for this line item was discussed during figure setting presentation for the Governor's Office, and the staff recommendation reflects the amount of reappropriated funds based on the JBC's decision.

(8) Auraria Higher Education Center

Administration

The Auraria Higher Education Center collects funds from the institutions with programs on the Auraria campus for operation and maintenance of the campus. While there is some impact on AHEC's budget when enrollment changes on the campus, much of the expenses are for fixed costs related to maintaining the buildings and coordinating activities of the co-tenants. The source of cash funds is payments by enterprises and the source of cash funds exempt is payments by non-enterprises.

Request: The Department requests a continuation level of funding of \$17,670,252 reappropriated funds and 172.9 FTE for this line item.

Recommendation: Staff recommends the Department's request for a continuation level of funding of \$17,670,252 reappropriated funds and 172.9 FTE.

The staff recommendation on FTE, similar to the recommendation for the governing boards, reflects the FY 2012-13 estimated staffing level provided in the budget data book for informational purposes.

(9) History Colorado

History Colorado collects, preserves, exhibits and interprets properties and artifacts of historical significance. In addition to operating museums and historical sites throughout the state, the Society distributes gaming funds for preservation projects.

DIVISION REQUEST AND RECOMMENDATION SUMMARY

	State Historical Society				
	Total Funds	General Fund	Cash Funds	Federal Funds	FTE
FY 2012-13 Appropriation:					
HB 12-1335 (Long Bill)	31,233,545	1,020,500	29,285,949	927,096	131.4
TOTAL	\$31,233,545	\$1,020,500	\$29,285,949	\$927,096	131.4
FY 2013-14 Recommended Appropriation:					
FY 2012-13 Appropriation	\$31,233,545	\$1,020,500	\$29,285,949	\$927,096	131.4
Increase in limited gaming funds	680,000		680,000	0	0.0
HC-1: Cumbres and Toltec Scenic Railroad Commission operations	84,500	84,500	0	0	0.0
TOTAL	\$31,998,045	\$1,105,000	\$29,965,949	\$927,096	131.4
Increase/(Decrease)	\$764,500	\$84,500	\$680,000	\$0	0.0
Percentage Change	2.4%	8.3%	2.3%	0.0%	0.0%
FY 2013-14 Executive Request:					
Request Above/(Below) Recommendation	\$190,000	\$190,000	\$0	\$0	0.0

Increase in limited gaming funds: The request includes an initial estimate of the increase in distributions to gaming cities. This amount will be adjusted based on the March forecast.

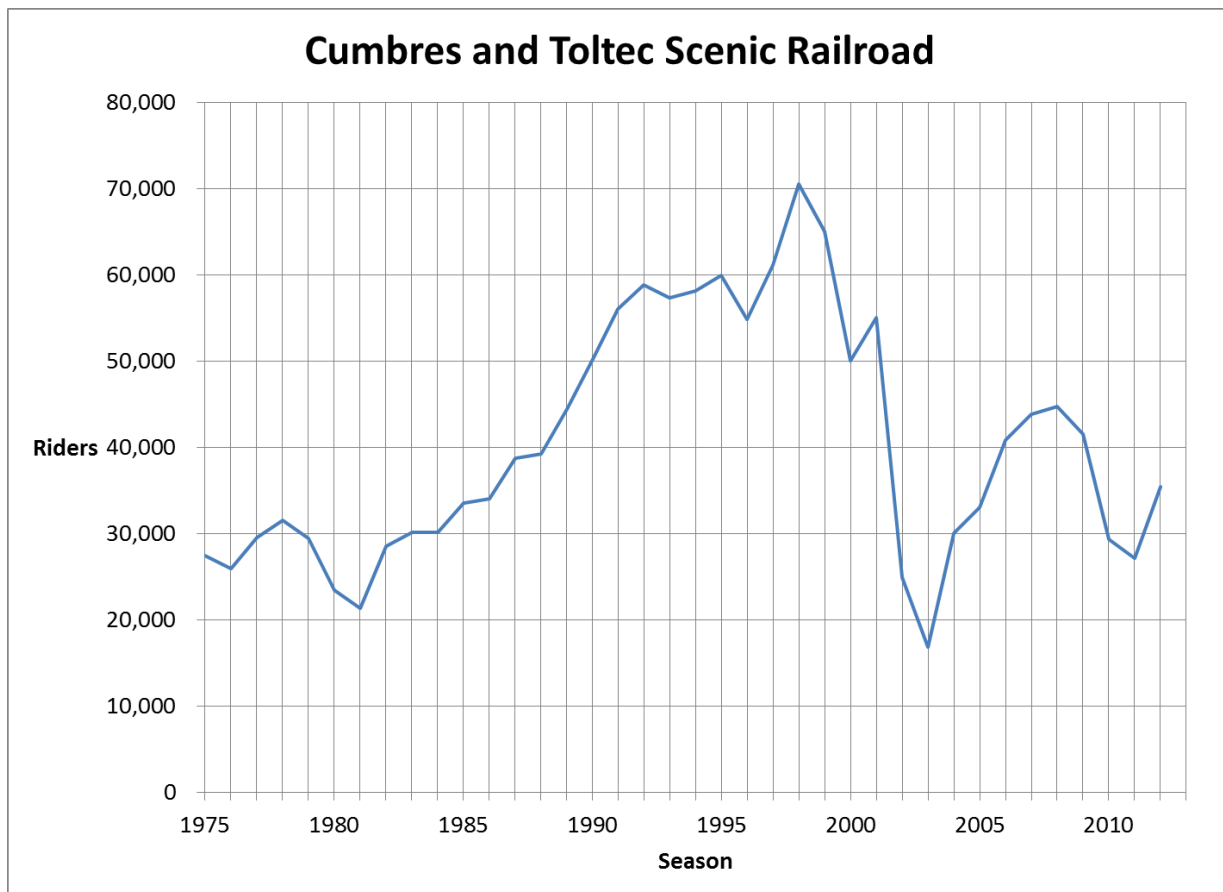
Cumbres and Toltec Scenic Railroad Commission operations: The recommendation includes an increase for the Cumbres and Toltec Scenic Railroad Commission.

(A) Cumbres-Toltec Railroad Commission

This line item funds the state's portion of a cooperative agreement with New Mexico to operate the Cumbres and Toltec Scenic Railroad. The railroad is the last remaining portion of an 1880 Denver and Rio Grande line from Alamosa to Durango that was called the San Juan Extension. Smaller lines originating in Durango and branch lines from the San Juan Extension serviced the nearby silver mines and logging areas, including the line that is now called the Durango and Silverton Narrow Gauge Railroad. Natural gas briefly revived the line after World War II, but then it became progressively less profitable to operate for freight. In 1970 Colorado and New Mexico jointly purchased the portion of track between Antonito, Colorado and Chama, New Mexico before it was ripped up by the Denver and Rio Grande.

The states set up an interstate commission to operate the railroad that snakes back and forth across the border as a passenger tourism line. The primary sources of operating funds are ticket and gift shop sales. Both states provide an ongoing operating appropriation and provide capital appropriations for larger projects. The railroad is also supported by an associated non-profit, the Friends of the Cumbres and Toltec Scenic Railroad, which coordinates volunteer services focused on equipment and facility maintenance and repair.

The railroad was designated a National Historic Landmark in October 2012. It offers trips between Antonito and Chama, including lunch and a round trip connection by bus, for \$89 coach class, as well as round trips entirely by train to the approximate mid-point of the railroad in Osier, Colorado for the same price, including lunch. More luxurious seating runs up to \$169 per ticket.



The railroad has attributed recent drops in ridership to fires, maintenance issues, issues with the contract operator, and the impact of the overall economy on tourism. In 2010 a fire destroyed the Lobato trestle, disrupting travel between Chama and Osier. The railroad finished the process of repairing the trestle for the 2011 season and expected ridership to rebound. Ridership has improved, but it appears to be nowhere near its late 1990s peak.

JBC Staff Figure Setting – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

In FY 2012-13, the Joint Budget Committee and General Assembly chose to finance amounts originally requested as capital construction funding as part of the Department of Higher Education, Colorado Historical Society operating budget. A total of \$1,870,500 was included in the Long Bill, including \$1,020,500 General Fund and \$850,000 cash funds reflected from the State of New Mexico.

Cumbres and Toltec - FY 2012-13 General Assembly Action/ Projection as of FY 2013 Long Bill	FY 2012-13 Approp.	FY 2013-14 Projection	Future Year Capital (thru 16)*	Total FY 13 to FY 16
Operating - Continuing Base				
GF	\$ 202,500	\$ 202,500	405,000	\$ 810,000
Los Pinos Water Tank Foundation				
GF	168,000	-	-	
Track Rehabilitation				
GF	400,000	500,000	975,000	2,000,000
CF (New Mexico)	600,000	500,000	975,000	2,000,000
Passenger Car Rehabilitation				
GF	250,000	117,500	57,500	470,000
CF (New Mexico)	250,000	117,500	57,500	470,000
Other Out-year Needs Identified for the Capital Development Cmt. In FY 2012-13*				
Controlled Maintenance - GF		180,880	700,037	880,917
Locomotive Boiler Rehabilitation - GF		250,000	250,000	500,000
TOTAL - Funded in Operating Budget	\$ 1,870,500	\$ 1,868,380	\$ 3,420,037	\$ 6,320,917
GF	1,020,500	1,250,880	2,387,537	3,850,917
CF (New Mexico)	850,000	617,500	1,032,500	2,470,000

*This funding was not approved, but simply identified by the Department

Request: The Department requests \$2,145,000, including \$1,295,000 General Fund, with the balance of \$850,000 representing cash funds from New Mexico. The request incorporates an increase of \$274,500 General Fund for Request R-1 from Historical Society.

Recommendation:

Cumbres and Toltec Railroad Commission				
	Total Funds	General Fund	Cash Funds	FTE
FY 2012-13 Appropriation:				
HB 12-1335 (Long Bill)	1,870,500	1,020,500	850,000	0.0
TOTAL	\$1,870,500	\$1,020,500	\$850,000	0.0
FY 2013-14 Recommended Appropriation:				
FY 2012-13 Appropriation	\$1,870,500	\$1,020,500	\$850,000	0.0
HC-1: Cumbres and Toltec Scenic Railroad Commission operations	84,500	84,500	0	0.0
TOTAL	\$1,955,000	\$1,105,000	\$850,000	0.0
Increase/(Decrease)	\$84,500	\$84,500	\$0	0.0
Percentage Change	4.5%	8.3%	0.0%	0.0%
FY 2013-14 Executive Request:	\$2,145,000	\$1,295,000	\$850,000	0.0
Request Above/(Below) Recommendation	\$190,000	\$190,000	\$0	0.0

➔ HC-1: Cumbres & Toltec Scenic Railroad Commission Operations

Request: This request is for an increase of \$274,500 General Fund above the FY 2012-13 appropriation. The table below compares FY 2012-13 funding for the Railroad Commission with the request for FY 2013-14 through FY 2015-16, including Request R-1. With the exception of a small amount assumed to come from New Mexico, this spending plan is for Colorado General Fund and excludes New Mexico appropriations. **The overall use of funds as outlined in the spending plan below reflects various adjustments from the FY 2012-13 capital construction spending request:** funding related to track rehabilitation has been reduced, funding related to passenger car upgrades has been increased, ongoing controlled maintenance funding has been adjusted, and property and liability insurance has been added.

JBC Staff Figure Setting – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	Total
	Estimated	Request	Request	Request	FY 13 to FY 16
<i>Capital</i>					
Locomotive Boiler Repair	\$0	\$250,000	\$250,000	\$0	\$500,000
Passenger Car Upgrades	250,000	250,000	150,000		650,000
Track, Bridge and Tunnel Upgrade	400,000	350,000	350,000	350,000	1,450,000
Locomotive Running Gear	112,500	-	120,000	130,000	362,500
Historic Car Rehabilitation	-	100,000	100,000	150,000	350,000
Construct Premium Class Cars				250,000	250,000
Replace Shop Machines				60,000	60,000
<i>Controlled Maintenance</i>					
Building Rehabilitation/Upgrades	168,000	-	150,000	160,000	478,000
Antonito Building Addition	-	80,000			80,000
Antonito Parking Lot Rehabilitation		60,000			60,000
<i>Operating</i>					
Commision Operating	90,000	115,000	120,000	125,000	450,000
Property and Liability Insurance	-	90,000	90,000	90,000	270,000
Total	\$1,020,500	\$1,295,000	\$1,330,000	\$1,315,000	\$4,960,500
General Fund	1,020,500	1,295,000	1,295,000	1,295,000	4,905,500
Cash Funds (additional NM contribution)	0	-	35,000	20,000	55,000

The request highlights the following needs:

Steam Locomotive Boiler Rehabilitation (\$250,000 for FY 13-14/\$500,000 through FY 15-16): Boilers must be completely dismantled and measured for thickness to confirm compliance with federal Railroad Administration standards every 1,472 days of service.

Passenger Car Upgrades (\$250,000 for FY 2013-14/\$650,000 through FY 15-16): Continues replacement of 14 axles and wheels; upgrades sixty windows; provides new roofs on seven coaches; provides interior upgrades to 15 coaches; provides for ADA compliant wheelchair lifts under two cars.

Track, Bridge and Tunnel Upgrade (\$350,000 for FY 2013-14/\$1,450,000 through FY 15-16): Purchase, distribution and tamping of rock ballast, tie upgrades, and annual bridge inspection and repair.

Historic Car Rehabilitation (\$100,000 for FY 2013-14/\$350,000 through FY 2015-16): The railroad was created with no historic passenger cars. It has since acquired several and plans to restore five 1880's era cars to operate as a special train to raise additional revenues.

Controlled Maintenance: The request includes \$140,000 for the Antonito Parking Lot and building upgrades.

Property and Liability Insurance: This has increased since the Lobato Trestle Fire. The amount represents half of the cost, which is proposed to be shared with New Mexico.

Commission Operating Budget: Represents annual funding required to plan and execute maintenance and facilities improvements.

Recommendation: **Staff recommends the request in part:**

- **The staff recommendation does not include the requested additional funding for property and liability insurance (\$90,000) or historic car rehabilitation (\$100,000).**
 - Staff would like to see property and liability insurance (\$90,000) treated as an operating expense supported by passenger fee revenue, rather than adding to the operating costs borne by the two state governments.
 - Staff believes that the requested funding for historic car rehabilitation (\$100,000) might be a good candidate for private grant funding and does not present immediate life-safety issues.
 - Boiler rehabilitation, track repair, and passenger car upgrades related to maintaining existing cars in functional condition, and track and tunnel upgrades appear to be significant, high priority issues for which the State of New Mexico will share costs. Staff also supports continuing a base level of funding sufficient for routine controlled maintenance such as the Antonito building repairs, as well as adequate operating funds to cover Colorado Commissioner compensation, as required by statute.
- **Both the additional funding and most of the base amount should be treated as a temporary, three-year funding authorization for capital projects.**
- **The level of future state funding support should be contingent, in part, upon the railroad’s success at building ridership and revenue and its willingness to commit additional revenue toward capital, as well as operating, expenses.**

New Mexico Contribution: Based on documents provided by the Railroad, staff’s understanding is that the FY 2013-14 request to the State of New Mexico was for a total comparable to the Colorado request (\$1,250,000). Based on information currently available, staff understands that the Railroad Commissioners are “cautiously optimistic” that for FY 2013-14 they will receive \$98,700 for Commission operating expenses, and \$850,000 for capital costs including locomotive boiler rehabilitation, passenger car upgrades, and track rehabilitation (\$948,700 total) from the State of New Mexico. An additional \$300,000 request for Chama Depot upgrades is also under consideration.

Based on the jointly-funded capital projects that New Mexico appears likely to approve, staff believes it is reasonable to retain the \$850,000 cash funds from New Mexico shown in the budget for informational purposes.

Footnote: As outlined below, this footnote:

- clarifies the portion of the line item that incorporates capital and controlled maintenance spending;
- authorizes roll-forward authority for the appropriation (requested by the Executive Branch); and
- indicates that this funding level is expected through FY 2015-16 only, after which a new request will be required.

N Department of Higher Education, Colorado Historical Society, Cumbres and Toltec Scenic Railroad Commission Operations – The amount in this line item is calculated based on the following assumptions: (1) Amounts in this line item include \$202,500 for annual Commission operating expenses and other routine ongoing costs including controlled maintenance. The balance of this appropriation is for capital projects including locomotive boiler repair, passenger car upgrades, and track, bridge and tunnel upgrades. Amounts that are not expended by June 30, 2014 may be rolled forward for expenditure in FY 2014-15. (2) Amounts above the \$202,500 ongoing operating support are based on an analysis of the Railroad’s capital outlay needs over a three year period and are not assumed to continue after FY 2015-16. Railroad ridership and the Railroad’s contribution to capital construction and controlled maintenance costs from earned revenue will be considered in determining future state funding levels.

Analysis: Statute at Section 24-60-1901, C.R.S., et. seq. codifies the compact between New Mexico and Colorado regarding the Cumbres and Toltec railroad, which the two states jointly own. Section 24-60-1904, C.R.S., specifies that “the Colorado share of expenses of the Cumbres and Toltec scenic railroad commission and the expenses and compensation of the Colorado members shall be paid out of funds appropriated by the General Assembly”. Although statute specifies that Colorado is responsible for the compensation of the Colorado Commissioners, beyond this, precisely what constitutes the “Colorado share” is not outlined in statute. Thus, the General Assembly of Colorado, like the state legislature of New Mexico, has some flexibility in determining what it considers a reasonable level of contribution.

The individual components of the request appear reasonable and fairly consistent with the kinds of investments Colorado has agreed to in the past. However, staff is concerned about the railroad’s level of reliance on state subsidies and believes the General Assembly should provide direction as to whether it expects additional state investments in the railroad to reduce the demand for future capital and operating costs borne by Colorado and the State of New Mexico. Staff recognizes that a railroad of this sort may never be able to fully cover its costs, but also notes that the railroad has struggled to establish profitable operations. Its current strategic plan includes a circumspect goal of “increasing revenue to the point it exceeds the cost of operating [the railroad]”.

- In 2007, the Governors of Colorado and New Mexico in 2007 signed a Memorandum of Understanding agreeing to immediately replace the previous Commissioners with new members that had at least five years' experience in a substantial oversight role over major business enterprise, agreeing that future commissioners would be required to have similar expertise, and requiring that economic development and transportation officials from both states provide assistance to the railroad.
- **There have been significant recent changes in the railroad's management.** In early 2012, the Commission signed an agreement with American Heritage Railways, which operates the Durango Silverton line, to operate Cumbres and Toltec, but the owner of American Heritage Railways withdrew from the agreement after eight months due to conflicts between the Commissioners and the owner of American Heritage, who had more ambitious ideas for developing the railroad as a tourist attraction. **The Commission recently created a new LLC to operate the railroad. In January 2013, the Commission hired a new executive director for the Commission** (after retirement of the prior director) **and a new president for the LLC.**
- **The railroad's financial and ridership performance has been fairly weak.** The railroad was finally able to operate continuously between the Chama and Antonito terminals in 2012 (repairs from the 2010 Lobato trestle fire having been completed); however, **ridership for the 2012 season was down 3.9 percent and ticket revenue was down 13.5 percent.** New management and an improving economy may be able to turn this around. The Commission is currently seeking grant support to develop a new business and marketing plan. However, **if the Commission is not more successful in recruiting visitors in the future, the railroad's dependence upon state support could grow larger, rather than smaller.**
- The state budget reflects only state subsidies, and the railway's fee-generating components are "off budget". However, based on budget documents and financial statements provide by the railroad, it appears that **for the last six actual fiscal years (FY 2005-06 through FY 2011-12), support from the states of Colorado and New Mexico has comprised 37 percent of revenue on average** (about \$900,000 per year from each state). About 70 percent of capital construction revenue has come from the two state budgets and about 15 percent of operating revenue.
- Based on the higher levels of state support and low levels of ridership experienced thus far **for FY 2012-13 (without the requested FY 2013-14 increase), state support is expected to comprise 46 percent of revenue** (\$3.0 million in state support out of a \$6.4 million budget). While both ridership and the specific state contribution level vary from year to year, as reflected in the current budget request, the Commission hopes that Colorado and New Mexico will now agree to further increase their average annual level of support for the railroad.
- The railroad currently carries about 35,000 passengers per year between two small towns with populations of 1,000 to 2,000 each. Based on an estimated ridership of 35,000 and an appropriation of \$1,020,000 General Fund, Colorado alone provided an effective subsidy of about \$29 per rider in FY 2012-13, with New Mexico contributing a similar amount.

- In response to staff questions about the railroad’s economic impacts and goals, the Commission indicated that it has submitted a grant proposal this year to study the railroad’s regional economic impacts and to develop a business plan for the railroad going forward.

The railroad offers a tourist attraction in an economically-challenged region of the State. It provides a living “museum on wheels” of significant historic value. However, *in the context of a request for increased railroad spending, legislators may wish to consider whether, apart from these benefits, they expect any further return on their railroad investment.*

(B) Sponsored Programs

This line item provides spending authority for a variety of programs supported through restricted donations, federal funds and other dedicated sources. Examples of activities include special exhibits, and artifact conservation and processing.

Request and Recommendation: History Colorado requests a continuation level of funding of \$250,000 total funds and 3.5 FTE for this line item. Staff recommends the request, consistent with common policy.

Sponsored Programs					
	Total Funds	General Fund	Cash Funds	Federal Funds	FTE
FY 2012-13 Appropriation:					
HB 12-1335 (Long Bill)	250,000	0	20,000	230,000	3.5
TOTAL	\$250,000	\$0	\$20,000	\$230,000	3.5
FY 2013-14 Recommended Appropriation:					
FY 2012-13 Appropriation	\$250,000	0	\$20,000	\$230,000	3.5
TOTAL	\$250,000	0	\$20,000	\$230,000	3.5
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%
FY 2013-14 Executive Request:					
Request Above/(Below) Recommendation	\$0	0	\$0	\$0	0.0

(C) Auxiliary Programs

This line item provides spending authority for various self-supporting activities of the Historical Society. Included in this line are the museum shop, public education and membership/publications. There are 14.5 FTE associated with this line item.

Request and Recommendation: History Colorado requests a continuing appropriation of \$1,757,535 cash funds and 14.5 FTE for this line item. Staff recommends the request, consistent with Committee common policy.

JBC Staff Figure Setting – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

Auxiliary Programs				
	Total Funds	General Fund	Cash Funds	FTE
Personal Services				
FY 2012-13 Appropriation:	558,621	0	558,621	14.5
Subtotal - Personal Services	558,621	0	558,621	14.5
Operating Expenses				
FY 2012-13 Appropriation:	995,051	0	995,051	0.0
Subtotal - Operating Expenses	995,051	0	995,051	0.0
Other				
FY 2012-13 Appropriation:	203,863	0	203,863	0.0
Subtotal - Other	203,863	0	203,863	0.0
Total Recommended FY 2013-14 Appropriation	1,757,535	0	1,757,535	14.5
FY 2013-14 Executive Request:	\$1,757,535	\$0	\$1,757,535	14.5
Request Above/(Below) Recommendation	\$0	0	\$0	0.0

(D) Gaming Revenues

The voter-approved amendment to Colorado's constitution that permitted limited gaming included a formula allocation of the tax revenues generated from gaming activities. This constitutional formula provides a portion to the State Historical Fund to support activities of the State Historical Society. The total amount for the State Historical Fund is determined by the constitution and revenues, but within this, the General Assembly has latitude in the use of the funds for statewide grants and other state historic preservation needs, including Historical Society operations and related capital construction projects.

Constitutional Allocations: Article XVIII, Section 9 of the State Constitution, which provides for limited gaming in Central City, Black Hawk, and Cripple Creek, specifies that up to 40 percent of the adjusted gross proceeds from gaming, in addition to license fees, shall be paid by each licensee into the Limited Gaming Fund. For the portion of the revenue derived pre-Amendment 50³, and after deductions for administrative expenses, the Limited Gaming Fund proceeds are distributed as follows:

- 50 percent to the General Fund or other fund as the General Assembly provides;
- 28 percent to the State Historical Fund;
- 12 percent to Gilpin and Teller counties in proportion to the gaming revenues generated in each;
- 10 percent to the governing bodies of Central City, Black Hawk, and Cripple Creek in proportion to the gaming revenues generated by each.

The Constitution further specifies:

- Of the amount distributed to the State Historical Fund, twenty percent shall be used for the preservation and restoration of Central City, Black Hawk, and Cripple Creek.

³ Amendment 50 provided for bets up to \$100 and provides distributions to higher education institutions.

JBC Staff Figure Setting – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

Statutory Guidelines: As outlined Section 12-47.1-1201, C.R.S., the General Assembly has further elected:

- To direct a portion of the State Historical Fund limited gaming revenue that is not allocated to gaming cities and counties to provide funding for the operations of the State Historical Society, while directing the majority to grants to government entities and nonprofit organizations for historic preservation purposes. (Specific dollar amounts or percentages to grants versus operations are not specified.)
- To direct a portion of the funds allocated for operations of the State Historical Society to construction of the new Colorado history museum. Specifically, for FY 2011-12 through FY 2045-46, requires the General Assembly to appropriate each year from the State Historical Fund to the State Historical Society an amount sufficient to cover the Certificates of Participation (COP) payments for the new Colorado history museum. COP payments are \$3.0 million per year.
- To transfer a portion of the moneys for the statewide grant program to the Capitol Dome Restoration Fund. Specifically:
 - FY 2010-11 through FY 2012-13: \$4.0 million in each year, reduced dollar-for-dollar in each year by the amount deposited into the Capitol Dome Restoration Trust Fund from fund-raising activities
 - FY 2013-14: \$5.0 million reduced dollar-for-dollar by the amount deposited into the Capitol Dome Restoration Trust Fund from fund-raising activities.

The Executive request includes amounts from State Historical Fund gaming funds in the capital construction request, as well as the operating budget request. The table below summarizes a portion of the Department’s cash funds schedule for Limited Gaming Fund distributions related to the state’s share of funds (excludes allocations to gaming cities and counties).

	State's 80 Percent Share - Gaming Funds for Historic Preservation				
	Actual	Actual	Appropriated	Requested	Projected
	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Preservation Grants					
Statewide grants	\$10,393,348	\$10,228,006	\$3,963,923	\$3,417,522	\$8,785,442
Capitol Dome	\$4,000,000	\$3,924,738	\$3,907,255	\$5,000,000	\$0
Capital /Internal Grants	\$756,835	\$541,467	\$725,000	\$725,000	\$725,000
Subtotal	\$15,150,183	\$14,694,211	\$8,596,178	\$9,142,522	\$9,510,442
<i>Percentage of Total</i>	<i>60.0%</i>	<i>65.2%</i>	<i>43.0%</i>	<i>44.2%</i>	<i>45.2%</i>
Preservation Fund Administration	\$1,298,245	\$1,444,582	\$1,398,266	\$1,557,198	\$1,557,198
	5.1%	6.4%	7.0%	7.5%	7.4%
Museum Operations					
Museum Operations	\$5,980,968	\$6,375,234	\$6,949,951	\$6,949,951	\$6,949,951
COP Payments for museum	\$0	\$13,204	\$3,042,094	\$3,021,710	\$3,021,734
Subtotal	\$5,980,968	\$6,388,438	\$9,992,045	\$9,971,661	\$9,971,685
<i>Percentage of Total</i>	<i>23.7%</i>	<i>28.4%</i>	<i>50.0%</i>	<i>48.2%</i>	<i>47.4%</i>
Total -	\$25,238,907	\$22,527,231	\$19,986,489	\$20,671,381	\$21,039,325

- As reflected in the table, the **amount of funding available in FY 2012-13 and FY 2013-14 for new statewide Historic Preservation grants is far lower than in the past:** just \$4.0 million for FY 2012-14 and \$3.4 million for FY 2013-14. This is due to: (1) the large portion

of total funds currently being directed to restoration of the Capitol Dome per statutory direction (diversion ends after FY 2013-14); and (2) new \$3.0 million debt service payments for the new Colorado history museum.

- Based on the distribution of funds for FY 2012-13 and FY 2013-14, **the statutory requirement that the “majority” of funds be used for preservation grants is only barely met if the costs associated with administration of the Preservation Fund are included in Preservation Grants costs.**

Gaming Cities Distribution

Twenty percent of revenue generated from gaming and deposited to the State Historical Fund is returned to the gaming cities, pursuant to the state Constitution. Section 12-47.1-1202, C.R.S., establishes standards for the use and administration of the funds by the gaming cities to ensure that expenditures are used as intended for historic restoration and preservation.

History Colorado requests an appropriation of \$4,940,000 cash funds for this line item, which represents the anticipated gaming revenue to be allocated to the State Historical Fund.

Recommendation: **The staff recommendation is pending the March revenue forecast.** This amount is included in the Long Bill for informational purposes, since the allocation is constitutional. Staff requests permission to use the March forecast to update the figure for the Long Bill.

Statewide Preservation Grant Program

The majority of the revenue generated from gaming is to be used for the preservation and restoration of historical sites and municipalities throughout the state. The Historical Society has statutory authority to expend some of these funds to cover the "reasonable costs" of administration. These administrative costs come off the top and the remainder is to be used for grants through this line item.

Staff notes that due to statutory requirements for a transfer of funds allocated for Statewide Preservation Grants to the Capitol Dome renovation project, as well as new demands on the State Historic Fund related to COP payments for the new museum, amounts available for the Statewide Preservation Grant Program have declined sharply, as detailed in tables above.

Request: History Colorado requests a continuation appropriation of \$14,758,933 cash funds and 18.0 FTE for this line item.

Recommendation: **Staff recommends the request for a continuation appropriation of \$14,758,933 cash funds and 18.0 FTE, based on the Department’s report that this continues to represent a reasonable estimate of outlays, based on prior project commitments.** The Department’s cash funds schedule indicates that it maintains large cash fund reserves in its Limited Gaming Fund and has spent at approximately this level over the last two actual years. *Staff nonetheless anticipates that this line item may need to be adjusted in the future, in light of the ongoing, diversion of gaming revenue to COP payments and the resulting long-term reduction in funds available for preservation grants.*

Society Museum and Preservation Operations

This line item funds the administrative staff for the division and the staff for the museums and associated operating expenses. The sources of cash funds include museum admission fees, user charges, and gaming revenues deposited in the State Historical Fund.

Request: History Colorado requests a continuing appropriation of \$8,336,577 total funds and 95.4 FTE for this line item.

Recommendation: Staff recommends the request for a continuation appropriation of \$8,336,577 and 94.5 FTE, including \$5,579,201 from Limited Gaming revenues. (Additional operating appropriations from limited gaming revenues are including in centrally-appropriated line items.)

Long Bill Footnotes and Requests for Information

Long Bill Footnotes

Staff recommends the following **new footnote**:

N **Department of Higher Education, Colorado Historical Society, Cumbers and Toltec Scenic Railroad Commission Operations** – The amount in this line item is calculated based on the following assumptions: (1) Amounts in this line item include \$202,500 for annual Commission operating expenses and other routine ongoing costs including controlled maintenance. The balance of this appropriation is for capital projects including locomotive boiler repair, passenger car upgrades, and track, bridge and tunnel upgrades. Amounts that are not expended by June 30, 2014 may be rolled forward for expenditure in FY 2014-15. (2) Amounts above the \$202,500 ongoing operating support are based on an analysis of the Railroad’s capital outlay needs over a three year period and are not assumed to continue after FY 2015-16. Railroad ridership and the Railroad’s contribution to capital construction and controlled maintenance costs from earned revenue will be considered in determining future state funding levels.

Staff recommends the following footnotes be **continued**:

14 **Department of Higher Education, Colorado Commission on Higher Education Financial Aid, Work Study --** It is the intent of the General Assembly to allow the Colorado Commission on Higher Education to roll forward two percent of the Work Study appropriation to the next fiscal year.

Comment: Expresses legislative intent with regard to rolling forward work study funds. The footnote provides flexibility for the Department to roll forward work study funds

because employment by some students in the summer of the academic year may occur in the next state fiscal year.

- 15 Department of Higher Education, Colorado Commission on Higher Education Financial Aid, Special Purpose, National Guard Tuition Assistance Fund --** It is the intent of the General Assembly that only the minimum funds necessary to pay tuition assistance for qualifying applicants pursuant to Section 23-5-111.4, C.R.S. will be transferred to the National Guard Tuition Fund administered by the Department of Military Affairs. Any funds appropriated in this line item that are in excess of the minimum necessary to pay tuition assistance for qualifying applicants may be used for need-based financial aid.

Comment: Expresses legislative intent with regard to National Guard Tuition Assistance. This footnote expresses legislative intent that the Department not automatically transfer the full appropriation to the Department of Military Affairs, but rather that the Department transfer only the funds necessary to comply with Section 23-5-111.4, C.R.S. The footnote also provides flexibility for the Department to transfer unused funds to other need based financial aid programs. In FY 2011-12 the Department transferred only the minimum funds necessary, but this was all of the appropriation.

- 18 Department of Higher Education, Local District Junior College Grants Pursuant to Section 23-71-301, C.R.S. --** It is the intent of the General Assembly in making this appropriation that local district tax revenue supplement, rather than supplant, the amount of General Fund provided, and thus annual General Fund adjustments should be equitable with General Fund adjustments for the state-operated governing boards.

Comment: Expresses legislative intent with regard to General Fund appropriations for the Local District Junior Colleges. Both the Governor and CCHE request an increase in funding for the Local District Junior Colleges using the same methodology applied to the increases for the governing boards.

Staff recommends the following footnotes be **continued as modified:**

- 16 Department of Higher Education, Governing Boards, Trustees of Adams State College; Trustees of Mesa State College; Trustees of Metropolitan State College of Denver; Trustees of Western State College; Board of Governors of the Colorado State University System; Trustees of Fort Lewis College; Regents of the University of Colorado; Trustees of the Colorado School of Mines; University of Northern Colorado; State Board for Community Colleges and Occupational Education State System Community Colleges; and Auraria Higher Education Center --** ~~Notwithstanding the limitations set forth in subsection (3) of section 1 of this act, the~~ THE FTE reflected in these line items are shown for informational purposes and are not intended to be a limitation on the budgetary flexibility allowed by Section 23-1-104 (1) (a) (I), C.R.S.

Comment: The Long Bill headnotes no longer refer to FTE, and there is no longer a subsection (3) to section 1; therefore, the first sentence in this footnote is obsolete. This footnote is not strictly necessary, as all FTE in the Long Bill are shown solely for informational purposes. Nonetheless, the General Assembly has historically imposed less oversight over the number of employees at the higher education institutions than it does over state agencies. This footnote highlights the institutions' budgetary flexibility.

- 17 Department of Higher Education, Governing Boards, Trustees of Adams State College; Trustees of Mesa State College; Trustees of Metropolitan State College of Denver; Trustees of Western State College; Board of Governors of the Colorado State University System; Trustees of Fort Lewis College; Regents of the University of Colorado; Trustees of the Colorado School of Mines; University of Northern Colorado; State Board for Community Colleges and Occupational Education State System Community Colleges** -- The cash funds appropriations from tuition and academic and academic facility fees are for informational purposes only. Within the parameters of Section 23-5-130.5, C.R.S. higher education governing boards may set the tuition rates for the institutions they govern. The appropriation reflects the projected tuition if institutions increase Colorado resident tuition rates 9.0 percent and nonresident rates 5.0 percent. ~~The General Assembly requests that with the FY 2012-13 budget request the Governor and the Colorado Commission on Higher Education include the assumed tuition rate increases with the level of General Fund support requested.~~

Comment: This footnote expresses legislative intent with regard to the reporting of projected tuition rate increases by the Governor and the Colorado Commission on Higher Education. For FY 2013-14, the Colorado Commission on Higher Education did not comply with the request reflected in this footnote to include the assumed tuition rate increases with the level of General Fund support requested. In light of Section 23-5-130.5, C.R.S., tuition and fees are not limited by appropriations. The Department has been responsive to staff requests for information on its tuition and fee revenue projections, so staff does not feel that it is necessary to specify this requirement in a footnote. Further, pursuant to statute, such a request does not technically fit within the purposes of a footnote.

Requests for Information

Staff recommends the following **new request**:

- N Department of Higher Education, Colorado Commission on Higher Education, Administration** – The Department, in conjunction with the higher education institutions, is requested to provide a report by June 30, 2014 on the impact of state financial support for public institutions of higher education, including the impact of such support on the tuition charged to resident students, the availability of programs that might not otherwise be offered, and other factors the Commission and the institutions deem significant. To the extent feasible, the report should include related data for each of the governing boards and quantitative analysis supporting the report's conclusions.

Comment: Staff hopes that the response to this RFI will help answer a key question in state higher education funding: what is the State buying? As the General Assembly is not currently restricting tuition levels at the institutions, and in light of the steep cuts to higher education funding in recent years, it can be difficult to determine how state operating support actually affects the tuition charged to resident students or other services of interest to the General Assembly. *Note: If the Committee would like to have this information available prior to figure setting for FY 2014-15, the date for this RFI could be moved to February 2014.* However, staff understands an earlier date (e.g., November 2013) is unlikely to yield a useful report, due to the limited data available at that point. At the same time, the Committee's ability to respond to a substantive report is more time-constrained during the legislative session. In light of this, staff has included a later date, anticipating that the report would be discussed during the briefing presentation on the **FY 2015-16** budget request. The FY 2015-16 budget is the last budget cycle before tuition revenue is again appropriated by the General Assembly.

Staff recommends the following request be **continued**:

- 1 Department of Higher Education, Colorado Commission on Higher Education, Administration** -- The Department should continue its efforts to provide data on the efficiency and effectiveness of state financial aid in expanding access to higher education for Colorado residents. The Department is requested to provide to the Joint Budget Committee by January 1 of each year an evaluation of financial aid programs, which should include, but not be limited to: 1) an estimate of the amount of federal, institutional, and private resources (including tax credits) devoted to financial aid; 2) the number of recipients from all sources; 3) information on typical awards; and 4) the typical debt loads of graduates. To the extent possible, the Department should differentiate the data based on available information about the demographic characteristics of the recipients. To the extent that this information is not currently available, the Department is requested to provide a reasonable estimate, or identify the additional costs that would be associated with collecting the data.

Comment: The report was submitted January 1 and provides information on financial aid that staff believes is useful.

Appendix: Indirect Cost Assessment Methodology

Description of Indirect Cost Assessment Methodology

There are two major components of the Department’s indirect cost methodology:

- A component for allocating departmental indirect costs; and
- A component for allocating statewide indirect costs, which are significant for this department.

Departmental Indirect Cost Methodology

The Department of Higher Education's indirect cost assessment methodology is calculated based on two components: an “*Indirect Cost Pool*”, and an “*Indirect Cost Base*.”

The *Departmental Indirect Cost Pool* is comprised of the FY 2012-13 appropriated amounts for the administrative functions of the Colorado Commission on Higher Education, and its share of central POTS costs. *Table 1* outlines which lines are included in the *Department’s* Indirect Cost Pool.

Table 1		
Department of Higher Education Indirect Cost Pool		
Division	Line Item	FY 2012-13 Approp.
Department Administrative Office		
	Heath, Life, and Dental	\$197,183
	Short-term Disability	2,507
	AED	60,046
	SAED	51,602
	Workers' Compensation	6,916
	Legal Services	25,058
	GGCC Services	15,209
	COFRS Modernization	16,847
	Risk Management	1,257
	Leased Space	411,368
Colorado Commission on Higher Education		
	Administration	2,102,817
	Adjustments (reversions, supplemental adjustments)	-25,736
Total Indirect Cost Pool		\$2,864,074
	Reduce for nonpublic schools	-68,017
	Subtotal	2,795,051
Cash and Reappropriated Share of Total (79.29%)		\$2,216,157

The *Indirect Cost Base* is comprised of the FY 2012-13 appropriations shown in Table 1. The costs are allocated to the programs, divisions, and Governing Boards using a multi-tiered allocation methodology.

In the first step of the allocation methodology, costs of services to non-public schools are allocated (\$68,023 in FY 2012-13). The balance of the indirect cost pool is allocated proportionately to each funding source. Next, the costs allocated to the cash and reappropriated funding sources (79.29 percent of the FY 2012-13 total), are further allocated to the divisions, programs, and governing boards (in aggregate) based on FY 2012-13 appropriations. Finally the aggregate governing board costs are then allocated to each individual governing board based on student FTE, using a three-year rolling average.

Table 2 illustrates the final allocations assessed to each program and governing board.

Table 2 Department of Higher Education Departmental Indirect Cost Assessments	
University of CO	\$584,044
CSU System	\$326,807
Ft. Lewis	\$43,724
Adams State	\$26,921
Colorado Mesa	\$75,686
Western State	\$22,240
Metro State	\$210,698
Community Colleges	\$720,083
U. of Northern CO	\$120,244
School of Mines	\$57,118
Auraria Higher Ed Ctr	\$0
SUBTOTAL	\$2,187,565
CCHE	\$0
HISTORICAL	\$27,723
Private Occupational Schools	\$600
Vet. Medicine	\$270
SUBTOTAL	\$2,216,157
CollegeInvest	\$0
CollegeAssist	\$0
TOTAL	\$2,216,157

Department Share of *Statewide* Indirect Cost Assessment Request

In addition to the *Departmental* indirect cost pool, the Department is responsible for an allocated share of the *statewide* indirect cost pool. For this department, the statewide pool and associated indirect cost collections from the governing boards are large. The statewide indirect cost amount for the Department is allocated to the governing boards based upon their usage of state services as calculated by the State Controller’s Office. The statewide indirect cost collection amount, including the Colorado Commission on Higher Education’s share of the statewide assessment for FY 2013-14 (which is then allocated to the governing boards) is shown below in **Table 3**.

JBC Staff Figure Setting – FY 2013-14
Staff Working Document – Does Not Represent Committee Decision

Table 3 Department of Higher Education Statewide Indirect Cost Assessments	
University of CO	\$511,178
CSU System	\$306,310
Ft. Lewis	\$52,832
Adams State	\$43,008
Colorado Mesa	\$31,141
Western State	\$58,606
Metro State	\$76,175
Community Colleges	\$358,954
U. of Northern CO	\$102,216
School of Mines	\$86,379
Auraria Higher Ed Ctr	\$101,574
SUBTOTAL	\$1,728,373
CCHE (re-allocated to gov. boards)	\$68,906
HISTORICAL	\$131,904
Private Occupational Schools	\$3,665
Vet. Medicine	\$0
SUBTOTAL	\$1,932,848
CollegeInvest	\$20,721
CollegeAssist	\$60,491
TOTAL	\$2,014,060

JBC Staff Staff Figure Setting - FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

Appendix A: Number Pages

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	FY 2013-14 Recommendation
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<p>DEPARTMENT OF HIGHER EDUCATION Joseph Garcia, Executive Director/Lt. Governor</p>

(1) DEPARTMENT ADMINISTRATIVE OFFICE

Primary Functions: Centrally appropriated items for the Department of Administration, the Commission, the Division of Private Occupational Schools, and the Historical Society. Cash funds reflect the share of costs born by various cash programs within the Department. Reappropriated funds are from indirect cost recoveries.

Health, Life, and Dental	<u>939,048</u>	<u>1,028,168</u>	<u>1,123,166</u>	<u>1,277,856</u>	<u>1,247,031</u> *
Cash Funds	643,370	709,171	768,119	914,344	893,372
Reappropriated Funds	201,113	201,398	197,183	199,369	190,396
Federal Funds	94,565	117,599	157,864	164,143	163,263
Short-term Disability	<u>12,428</u>	<u>14,120</u>	<u>14,120</u>	<u>19,114</u>	<u>18,973</u> *
Cash Funds	8,611	9,810	9,810	12,934	12,997
Reappropriated Funds	2,471	2,507	2,507	3,574	3,357
Federal Funds	1,346	1,803	1,803	2,606	2,619
S.B. 04-257 Amortization Equalization					
Disbursement	<u>192,422</u>	<u>223,346</u>	<u>292,914</u>	<u>366,950</u>	<u>363,955</u> *
Cash Funds	133,322	155,179	189,165	245,922	247,115
Reappropriated Funds	38,255	39,652	60,046	70,574	66,142
Federal Funds	20,845	28,515	43,703	50,454	50,698
S.B. 06-235 Supplemental Amortization					
Equalization Disbursement	<u>140,309</u>	<u>179,475</u>	<u>251,723</u>	<u>331,274</u>	<u>328,570</u> *
Cash Funds	97,215	124,698	162,564	222,013	223,090
Reappropriated Funds	27,894	31,863	51,602	63,713	59,711
Federal Funds	15,200	22,914	37,557	45,548	45,769

* These line items contain decision items.

JBC Staff Staff Figure Setting - FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	FY 2013-14 Recommendation	
Salary Survey	<u>0</u>	<u>0</u>	<u>0</u>	<u>160,732</u>	<u>215,193</u>	
Cash Funds	0	0	0	108,279	145,257	
Reappropriated Funds	0	0	0	29,694	39,592	
Federal Funds	0	0	0	22,759	30,344	
Merit Pay	<u>0</u>	<u>0</u>	<u>0</u>	<u>174,977</u>	<u>174,977</u>	
Cash Funds	0	0	0	119,653	119,653	
Reappropriated Funds	0	0	0	31,161	31,161	
Federal Funds	0	0	0	24,163	24,163	
Workers' Compensation	<u>32,146</u>	<u>41,652</u>	<u>47,940</u>	<u>179,965</u>	<u>179,965</u>	P
Cash Funds	26,985	35,643	41,024	171,029	171,029	
Reappropriated Funds	5,161	6,009	6,916	8,936	8,936	
Legal Services	<u>32,870</u>	<u>33,918</u>	<u>34,608</u>	<u>34,608</u>	<u>34,608</u>	P
Cash Funds	9,071	9,360	9,550	9,550	9,550	
Reappropriated Funds	23,799	24,558	25,058	25,058	25,058	
Administrative Law Judge Services	<u>0</u>	<u>496</u>	<u>684</u>	<u>1,438</u>	<u>1,438</u>	P
Cash Funds	0	496	684	1,438	1,438	
Purchase of Services from Computer Center	<u>244,484</u>	<u>107,140</u>	<u>185,984</u>	<u>151,781</u>	<u>151,781</u>	* P
Cash Funds	232,991	102,158	170,775	146,612	146,612	
Reappropriated Funds	11,493	4,982	15,209	5,169	5,169	
Multiuse Network Payments	<u>59,378</u>	<u>74,792</u>	<u>0</u>	<u>0</u>	<u>0</u>	
Cash Funds	59,378	74,792	0	0	0	

* This line item contains a decision item.

P These line items are pending.

JBC Staff Staff Figure Setting - FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	FY 2013-14 Recommendation
Management and Administration of OIT	<u>100,074</u>	<u>98,276</u>	<u>65,636</u>	<u>0</u>	<u>0</u>
Cash Funds	100,074	98,276	65,636	0	0
COFRS Modernization	<u>0</u>	<u>0</u>	<u>39,319</u>	<u>39,319</u>	<u>39,319</u>
Cash Funds	0	0	19,614	19,614	19,614
Reappropriated Funds	0	0	16,847	16,847	16,847
Federal Funds	0	0	2,858	2,858	2,858
Payment to Risk Management and Property Funds	<u>11,248</u>	<u>29,085</u>	<u>30,818</u>	<u>139,296</u>	<u>141,711</u>
Cash Funds	10,795	27,803	29,561	136,309	138,724
Reappropriated Funds	453	1,282	1,257	2,987	2,987
Leased Space	<u>484,614</u>	<u>493,711</u>	<u>514,210</u>	<u>524,862</u>	<u>524,862</u>
Cash Funds	118,321	89,023	102,842	104,972	104,972
Reappropriated Funds	366,293	404,688	411,368	419,890	419,890
TOTAL - (1) Department Administrative Office	<u>2,249,021</u>	<u>2,324,179</u>	<u>2,601,122</u>	<u>3,402,172</u>	<u>3,422,383</u>
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Cash Funds	1,440,133	1,436,409	1,569,344	2,212,669	2,233,423
Reappropriated Funds	676,932	716,939	787,993	876,972	869,246
Federal Funds	131,956	170,831	243,785	312,531	319,714

P These line items are pending.

JBC Staff Staff Figure Setting - FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	FY 2013-14 Recommendation
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(2) COLORADO COMMISSION ON HIGHER EDUCATION

Primary Functions: Serves as the central policy and coordinating board for higher education. Cash fund sources include fees from proprietary schools deposited in the Private Occupational Schools Fund and payments from other states for veterinary medicine as a part of the exchange program organized by WICHE. Reappropriated funds are from indirect cost recoveries.

(A) Administration

Administration	<u>2,779,615</u>	<u>2,593,850</u>	<u>2,562,903</u>	<u>2,713,675</u>	<u>2,638,289</u> *
FTE	27.4	28.4	30.5	30.5	30.5
Cash Funds	190,745	199,075	265,086	265,086	211,837
Reappropriated Funds	2,125,117	1,971,012	1,913,231	2,064,003	2,041,866
Federal Funds	463,753	423,763	384,586	384,586	384,586

SUBTOTAL - (A) Administration	2,779,615	2,593,850	2,562,903	2,713,675	2,638,289
FTE	<u>27.4</u>	<u>28.4</u>	<u>30.5</u>	<u>30.5</u>	<u>30.5</u>
Cash Funds	190,745	199,075	265,086	265,086	211,837
Reappropriated Funds	2,125,117	1,971,012	1,913,231	2,064,003	2,041,866
Federal Funds	463,753	423,763	384,586	384,586	384,586

(B) Division of Private Occupational Schools

Division of Private Occupational Schools	<u>627,789</u>	<u>616,789</u>	<u>633,554</u>	<u>633,554</u>	<u>633,554</u>
FTE	6.9	7.7	7.8	7.8	7.8
Cash Funds	627,789	616,789	633,554	633,554	633,554

SUBTOTAL - (B) Division of Private Occupational Schools	627,789	616,789	633,554	633,554	633,554
FTE	<u>6.9</u>	<u>7.7</u>	<u>7.8</u>	<u>7.8</u>	<u>7.8</u>
Cash Funds	627,789	616,789	633,554	633,554	633,554

* This line item contains a decision item.

JBC Staff Staff Figure Setting - FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	FY 2013-14 Recommendation
(C) Special Purpose					
Western Interstate Commission for Higher Education (WICHE)	<u>125,000</u>	<u>125,000</u>	<u>125,000</u>	<u>131,000</u>	<u>131,000</u> *
Reappropriated Funds	125,000	125,000	125,000	131,000	131,000
WICHE - Optometry	<u>391,736</u>	<u>395,356</u>	<u>399,000</u>	<u>399,000</u>	<u>399,000</u>
General Fund	0	0	62,261	62,261	0
Reappropriated Funds	391,736	395,356	336,739	336,739	399,000
Distribution to Higher Education Competitive Research Authority	<u>2,330,000</u>	<u>2,139,494</u>	<u>3,381,000</u>	<u>3,381,000</u>	<u>2,800,000</u>
Cash Funds	2,330,000	2,139,494	3,381,000	3,381,000	2,800,000
Veterinary School Program Needs	<u>162,400</u>	<u>162,400</u>	<u>285,000</u>	<u>285,000</u>	<u>285,000</u>
Cash Funds	0	0	122,600	122,600	122,600
Reappropriated Funds	162,400	162,400	162,400	162,400	162,400
Colorado Geological Survey at the Colorado School of Mines	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,563,401</u>	<u>1,863,401</u> *
FTE	0.0	0.0	0.0	12.0	14.5
Cash Funds	0	0	0	1,459,401	1,759,401
Federal Funds	0	0	0	104,000	104,000
Enrollment/Tuition and Stipend Contingency	<u>20,000,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Funds	20,000,000	0	0	0	0

* These line items contain a decision items.

JBC Staff Staff Figure Setting - FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	FY 2013-14 Recommendation
SUBTOTAL - (C) Special Purpose	23,009,136	2,822,250	4,190,000	5,759,401	5,478,401
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>12.0</u>	<u>14.5</u>
General Fund	0	0	62,261	62,261	0
Cash Funds	22,330,000	2,139,494	3,503,600	4,963,001	4,682,001
Reappropriated Funds	679,136	682,756	624,139	630,139	692,400
Federal Funds	0	0	0	104,000	104,000
TOTAL - (2) Colorado Commission on Higher Education	26,416,540	6,032,889	7,386,457	9,106,630	8,750,244
<i>FTE</i>	<u>34.3</u>	<u>36.1</u>	<u>38.3</u>	<u>50.3</u>	<u>52.8</u>
General Fund	0	0	62,261	62,261	0
Cash Funds	23,148,534	2,955,358	4,402,240	5,861,641	5,527,392
Reappropriated Funds	2,804,253	2,653,768	2,537,370	2,694,142	2,734,266
Federal Funds	463,753	423,763	384,586	488,586	488,586

JBC Staff Staff Figure Setting - FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	FY 2013-14 Recommendation
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(3) COLORADO COMMISSION ON HIGHER EDUCATION FINANCIAL AID

Primary Function: Provides assistance to students in meeting the costs of higher education. The source of reappropriated moneys is funding transferred from the Department of Human Services for the Early Childhood Professional Loan Repayment program.

(A) Need Based Grants

Need Based Grants	<u>73,980,779</u>	<u>74,351,420</u>	<u>75,411,818</u>	<u>79,147,639</u>	<u>79,147,639</u> *
General Fund	0	74,259,868	75,411,818	79,147,639	79,147,639
Cash Funds	58,580,779	0	0	0	0
Reappropriated Funds	15,400,000	91,552	0	0	0
SUBTOTAL - (A) Need Based Grants	<u>73,980,779</u>	<u>74,351,420</u>	<u>75,411,818</u>	<u>79,147,639</u>	<u>79,147,639</u>
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	0	74,259,868	75,411,818	79,147,639	79,147,639
Cash Funds	58,580,779	0	0	0	0
Reappropriated Funds	15,400,000	91,552	0	0	0

(B) Work Study

Work Study	<u>16,396,507</u>	<u>16,255,513</u>	<u>16,432,328</u>	<u>16,432,328</u>	<u>16,432,328</u>
General Fund	16,396,507	16,255,513	16,432,328	16,432,328	16,432,328
SUBTOTAL - (B) Work Study	<u>16,396,507</u>	<u>16,255,513</u>	<u>16,432,328</u>	<u>16,432,328</u>	<u>16,432,328</u>
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	16,396,507	16,255,513	16,432,328	16,432,328	16,432,328

(C) Special Purpose

Veterans'/Law Enforcement/POW Tuition Assistance	<u>387,936</u>	<u>443,410</u>	<u>364,922</u>	<u>420,000</u>	<u>420,000</u> *
General Fund	387,936	443,410	364,922	420,000	420,000

* These line items contain decision items.

JBC Staff Staff Figure Setting - FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	FY 2013-14 Recommendation
National Guard Tuition Assistance Fund	<u>800,000</u>	<u>800,000</u>	<u>800,000</u>	<u>800,000</u>	<u>800,000</u>
General Fund	800,000	800,000	800,000	800,000	800,000
Native American Students/Fort Lewis College	<u>10,430,371</u>	<u>11,785,002</u>	<u>12,773,557</u>	<u>14,342,066</u>	<u>14,466,230</u> *
General Fund	10,139,220	11,347,562	12,773,557	14,342,066	14,466,230
Reappropriated Funds	291,151	437,440	0	0	0
GEAR - UP	<u>447,359</u>	<u>827,692</u>	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>
Federal Funds	447,359	827,692	600,000	600,000	600,000
Nursing Teacher Loan Forgiveness Pilot	<u>161,600</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	161,600	0	0	0	0
Required Federal Match	<u>2,598,828</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	1,674,962	0	0	0	0
Federal Funds	923,866	0	0	0	0
SUBTOTAL - (C) Special Purpose	14,826,094	13,856,104	14,538,479	16,162,066	16,286,230
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	13,163,718	12,590,972	13,938,479	15,562,066	15,686,230
Reappropriated Funds	291,151	437,440	0	0	0
Federal Funds	1,371,225	827,692	600,000	600,000	600,000
TOTAL - (3) Colorado Commission on Higher Education Financial Aid	105,203,380	104,463,037	106,382,625	111,742,033	111,866,197
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	29,560,225	103,106,353	105,782,625	111,142,033	111,266,197
Cash Funds	58,580,779	0	0	0	0
Reappropriated Funds	15,691,151	528,992	0	0	0
Federal Funds	1,371,225	827,692	600,000	600,000	600,000

* This line item contains a decision item.

JBC Staff Staff Figure Setting - FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	FY 2013-14 Recommendation
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(4) COLLEGE OPPORTUNITY FUND PROGRAM

Primary Function: Provides General Fund for student stipend payments and for fee-for-service contracts between the Colorado Commission on Higher Education and state higher education institutions.

(A) Stipends

Stipends for eligible full-time equivalent students attending state institutions

	<u>265,697,711</u>	<u>261,370,727</u>	<u>243,345,660</u>	<u>272,457,600</u>	<u>252,860,160</u> *
General Fund	265,697,711	159,708,490	200,650,090	229,762,030	210,164,590
General Fund Exempt	0	101,662,237	42,695,570	42,695,570	42,695,570

Stipends for eligible full-time equivalent students attending participating private institutions

	<u>1,236,667</u>	<u>1,280,906</u>	<u>1,078,800</u>	<u>1,299,840</u>	<u>1,299,840</u> *
General Fund	1,236,667	1,280,906	1,078,800	1,299,840	1,299,840

SUBTOTAL - (A) Stipends	266,934,378	262,651,633	244,424,460	273,757,440	254,160,000
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	266,934,378	160,989,396	201,728,890	231,061,870	211,464,430
General Fund Exempt	0	101,662,237	42,695,570	42,695,570	42,695,570

(B) Fee-for-service Contracts with State Institutions

Fee-for-service Contracts with State Institutions

	<u>327,199,670</u>	<u>238,095,145</u>	<u>258,982,663</u>	<u>249,730,846</u>	<u>269,328,319</u> *
General Fund	225,933,003	23,690,715	44,578,233	35,326,416	54,923,889
General Fund Exempt	101,266,667	214,404,430	214,404,430	214,404,430	214,404,430

SUBTOTAL - (B) Fee-for-service Contracts with State Institutions	327,199,670	238,095,145	258,982,663	249,730,846	269,328,319
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	225,933,003	23,690,715	44,578,233	35,326,416	54,923,889
General Fund Exempt	101,266,667	214,404,430	214,404,430	214,404,430	214,404,430

* These line items contain decision items.

JBC Staff Staff Figure Setting - FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	FY 2013-14 Recommendation
TOTAL - (4) College Opportunity Fund					
Program	594,134,048	500,746,778	503,407,123	523,488,286	523,488,319
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	492,867,381	184,680,111	246,307,123	266,388,286	266,388,319
General Fund Exempt	101,266,667	316,066,667	257,100,000	257,100,000	257,100,000

JBC Staff Staff Figure Setting - FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	FY 2013-14 Recommendation
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(5) GOVERNING BOARDS

Primary Functions: Provides spending authority for revenue earned by higher education institutions from student stipend payments, fee-for-service contracts, tuition, academic program and academic facility fees, and miscellaneous other sources.

(A) Trustees of Adams State College

Trustees of Adams State College	30,180,469	29,938,930	31,974,367	35,120,236	34,817,465 *
FTE	302.9	294.7	294.7	294.7	327.0
Cash Funds	16,732,524	18,748,515	20,901,816	23,562,885	23,260,104
Reappropriated Funds	13,023,280	11,190,415	11,072,551	11,557,351	11,557,361
Federal Funds	424,665	0	0	0	0

SUBTOTAL - (A) Trustees of Adams State College	30,180,469	29,938,930	31,974,367	35,120,236	34,817,465
FTE	302.9	294.7	294.7	294.7	327.0
Cash Funds	16,732,524	18,748,515	20,901,816	23,562,885	23,260,104
Reappropriated Funds	13,023,280	11,190,415	11,072,551	11,557,351	11,557,361
Federal Funds	424,665	0	0	0	0

(B) Trustees of Colorado Mesa University

Trustees of Colorado Mesa University	64,670,239	65,625,128	71,514,943	74,453,038	79,043,465 *
FTE	499.0	534.5	534.5	534.5	623.6
Cash Funds	42,583,187	47,124,553	52,576,087	54,634,548	59,225,014
Reappropriated Funds	21,368,065	18,500,575	18,938,856	19,818,490	19,818,451
Federal Funds	718,987	0	0	0	0

* These line items contain decision items.

JBC Staff Staff Figure Setting - FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	FY 2013-14 Recommendation
SUBTOTAL - (B) Trustees of Colorado Mesa					
University	64,670,239	65,625,128	71,514,943	74,453,038	79,043,465
<i>FTE</i>	<u>499.0</u>	<u>534.5</u>	<u>534.5</u>	<u>534.5</u>	<u>623.6</u>
Cash Funds	42,583,187	47,124,553	52,576,087	54,634,548	59,225,014
Reappropriated Funds	21,368,065	18,500,575	18,938,856	19,818,490	19,818,451
Federal Funds	718,987	0	0	0	0

(C) Trustees of Metropolitan State College of Denver

Trustees of Metropolitan State College of Denver	<u>127,116,233</u>	<u>131,304,673</u>	<u>141,191,102</u>	<u>130,954,904</u>	<u>150,890,822</u> *
FTE	1,233.7	1,299.0	1,299.0	1,299.0	1,350.7
Cash Funds	83,048,502	94,343,194	103,635,193	91,989,858	111,925,769
Reappropriated Funds	42,665,126	36,961,479	37,555,909	38,965,046	38,965,053
Federal Funds	1,402,605	0	0	0	0

SUBTOTAL - (C) Trustees of Metropolitan State College of Denver					
Trustees of Metropolitan State College of Denver	127,116,233	131,304,673	141,191,102	130,954,904	150,890,822
<i>FTE</i>	<u>1,233.7</u>	<u>1,299.0</u>	<u>1,299.0</u>	<u>1,299.0</u>	<u>1,350.7</u>
Cash Funds	83,048,502	94,343,194	103,635,193	91,989,858	111,925,769
Reappropriated Funds	42,665,126	36,961,479	37,555,909	38,965,046	38,965,053
Federal Funds	1,402,605	0	0	0	0

(D) Trustees of Western State College

Trustees of Western State College	<u>22,407,023</u>	<u>20,991,913</u>	<u>24,405,411</u>	<u>24,166,134</u>	<u>25,334,631</u> *
FTE	237.3	231.9	231.9	231.9	237.7
Cash Funds	11,198,142	11,647,666	15,160,467	14,637,004	15,805,562
Reappropriated Funds	10,778,294	9,344,247	9,244,944	9,529,130	9,529,069
Federal Funds	430,587	0	0	0	0

* These line items contain decision items.

JBC Staff Staff Figure Setting - FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	FY 2013-14 Recommendation
SUBTOTAL - (D) Trustees of Western State					
College	22,407,023	20,991,913	24,405,411	24,166,134	25,334,631
<i>FTE</i>	<u>237.3</u>	<u>231.9</u>	<u>231.9</u>	<u>231.9</u>	<u>237.7</u>
Cash Funds	11,198,142	11,647,666	15,160,467	14,637,004	15,805,562
Reappropriated Funds	10,778,294	9,344,247	9,244,944	9,529,130	9,529,069
Federal Funds	430,587	0	0	0	0

(E) Board of Governors of the Colorado State University System

Board of Governors of the Colorado State

University System	<u>400,717,689</u>	<u>411,193,879</u>	<u>434,569,061</u>	<u>427,381,325</u>	<u>464,088,154</u> *
FTE	4,257.8	4,037.8	4,002.4	4,002.4	4,204.6
Cash Funds	268,657,429	304,547,346	328,937,872	317,417,714	354,124,532
Reappropriated Funds	126,030,094	106,646,533	105,631,189	109,963,611	109,963,622
Federal Funds	6,030,166	0	0	0	0

SUBTOTAL - (E) Board of Governors of the Colorado State University System					
	<u>400,717,689</u>	<u>411,193,879</u>	<u>434,569,061</u>	<u>427,381,325</u>	<u>464,088,154</u>
<i>FTE</i>	<u>4,257.8</u>	<u>4,037.8</u>	<u>4,002.4</u>	<u>4,002.4</u>	<u>4,204.6</u>
Cash Funds	268,657,429	304,547,346	328,937,872	317,417,714	354,124,532
Reappropriated Funds	126,030,094	106,646,533	105,631,189	109,963,611	109,963,622
Federal Funds	6,030,166	0	0	0	0

(F) Trustees of Fort Lewis College

Trustees of Fort Lewis College	<u>42,125,037</u>	<u>43,113,153</u>	<u>45,375,653</u>	<u>45,520,719</u>	<u>48,523,978</u> *
FTE	372.0	417.8	417.8	417.8	401.9
Cash Funds	30,621,766	33,742,036	36,118,736	35,938,167	38,941,418
Reappropriated Funds	10,605,478	9,371,117	9,256,917	9,582,552	9,582,560
Federal Funds	897,793	0	0	0	0

*These line items contain decision items.

JBC Staff Staff Figure Setting - FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	FY 2013-14 Recommendation
SUBTOTAL - (F) Trustees of Fort Lewis					
College	42,125,037	43,113,153	45,375,653	45,520,719	48,523,978
<i>FTE</i>	<u>372.0</u>	<u>417.8</u>	<u>417.8</u>	<u>417.8</u>	<u>401.9</u>
Cash Funds	30,621,766	33,742,036	36,118,736	35,938,167	38,941,418
Reappropriated Funds	10,605,478	9,371,117	9,256,917	9,582,552	9,582,560
Federal Funds	897,793	0	0	0	0

(G) Regents of the University of Colorado

Regents of the University of Colorado	<u>897,718,548</u>	<u>895,971,250</u>	<u>935,782,914</u>	<u>955,587,061</u>	<u>996,845,325</u> *
FTE	6,805.0	6,797.7	6,797.7	6,797.7	6,998.0
Cash Funds	705,253,028	749,537,987	790,807,982	804,743,017	846,001,275
Reappropriated Funds	181,555,917	146,433,263	144,974,932	150,844,044	150,844,050
Federal Funds	10,909,603	0	0	0	0

SUBTOTAL - (G) Regents of the University of Colorado					
Colorado	897,718,548	895,971,250	935,782,914	955,587,061	996,845,325
<i>FTE</i>	<u>6,805.0</u>	<u>6,797.7</u>	<u>6,797.7</u>	<u>6,797.7</u>	<u>6,998.0</u>
Cash Funds	705,253,028	749,537,987	790,807,982	804,743,017	846,001,275
Reappropriated Funds	181,555,917	146,433,263	144,974,932	150,844,044	150,844,050
Federal Funds	10,909,603	0	0	0	0

(H) Trustees of the Colorado School of Mines

Trustees of the Colorado School of Mines	<u>102,760,302</u>	<u>109,394,186</u>	<u>116,151,719</u>	<u>114,259,701</u>	<u>124,640,788</u> *
FTE	749.6	766.6	766.6	766.6	815.3
General Fund	0	0	0	0	0
Cash Funds	81,304,057	93,139,944	100,012,136	97,451,983	107,833,001
Reappropriated Funds	20,585,538	16,254,242	16,139,583	16,807,718	16,807,787
Federal Funds	870,707	0	0	0	0

* These line items contain decision items.

JBC Staff Staff Figure Setting - FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	FY 2013-14 Recommendation
SUBTOTAL - (H) Trustees of the Colorado					
School of Mines	102,760,302	109,394,186	116,151,719	114,259,701	124,640,788
<i>FTE</i>	<u>749.6</u>	<u>766.6</u>	<u>766.6</u>	<u>766.6</u>	<u>815.3</u>
General Fund	0	0	0	0	0
Cash Funds	81,304,057	93,139,944	100,012,136	97,451,983	107,833,001
Reappropriated Funds	20,585,538	16,254,242	16,139,583	16,807,718	16,807,787
Federal Funds	870,707	0	0	0	0

(I) University of Northern Colorado

University of Northern Colorado	<u>115,007,420</u>	<u>114,107,716</u>	<u>115,846,365</u>	<u>126,166,901</u>	<u>123,622,902</u> *
FTE	1,050.4	1,003.1	1,003.1	1,003.1	1,049.9
Cash Funds	74,383,330	81,301,110	83,450,062	92,547,957	90,003,962
Reappropriated Funds	38,842,790	32,806,606	32,396,303	33,618,944	33,618,940
Federal Funds	1,781,300	0	0	0	0

SUBTOTAL - (I) University of Northern Colorado	115,007,420	114,107,716	115,846,365	126,166,901	123,622,902
<i>FTE</i>	<u>1,050.4</u>	<u>1,003.1</u>	<u>1,003.1</u>	<u>1,003.1</u>	<u>1,049.9</u>
Cash Funds	74,383,330	81,301,110	83,450,062	92,547,957	90,003,962
Reappropriated Funds	38,842,790	32,806,606	32,396,303	33,618,944	33,618,940
Federal Funds	1,781,300	0	0	0	0

*This line item contains a decision item.

JBC Staff Staff Figure Setting - FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	FY 2013-14 Recommendation
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(J) State Board for Community Colleges and Occupational Education State System Community Colleges

State Board for Community Colleges and
Occupational Education State System Community
Colleges

	<u>386,999,646</u>	<u>379,418,681</u>	<u>387,296,492</u>	<u>406,132,589</u>	<u>415,133,202</u> *
FTE	5,934.0	5,736.6	5,736.6	5,736.6	6,443.0
Cash Funds	255,033,689	265,085,753	267,803,822	282,255,498	291,256,085
Reappropriated Funds	127,442,799	114,332,928	119,492,670	123,877,091	123,877,117
Federal Funds	4,523,158	0	0	0	0

**SUBTOTAL - (J) State Board for Community
Colleges and Occupational Education State
System Community Colleges**

	386,999,646	379,418,681	387,296,492	406,132,589	415,133,202
FTE	5,934.0	5,736.6	5,736.6	5,736.6	6,443.0
Cash Funds	255,033,689	265,085,753	267,803,822	282,255,498	291,256,085
Reappropriated Funds	127,442,799	114,332,928	119,492,670	123,877,091	123,877,117
Federal Funds	4,523,158	0	0	0	0

TOTAL - (5) Governing Boards

	2,189,702,606	2,201,059,509	2,304,108,027	2,339,742,608	2,462,940,732
FTE	<u>21,441.7</u>	<u>21,119.7</u>	<u>21,084.3</u>	<u>21,084.3</u>	<u>22,451.7</u>
General Fund	0	0	0	0	0
Cash Funds	1,568,815,654	1,699,218,104	1,799,404,173	1,815,178,631	1,938,376,722
Reappropriated Funds	592,897,381	501,841,405	504,703,854	524,563,977	524,564,010
Federal Funds	27,989,571	0	0	0	0

* This line items contains a decision item.

JBC Staff Staff Figure Setting - FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	FY 2013-14 Recommendation
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(6) LOCAL DISTRICT JUNIOR COLLEGE GRANTS PURSUANT TO SECTION 23-71-301, C.R.S.

Primary Functions: Subsidizes the operations of the state's two local district junior colleges: Aims Community College and Colorado Mountain College. Institutions that are set up as local district junior colleges have special property tax districts that also support their operations and governing boards that are independent from the rest of the community college system. Students from the special property tax districts pay discounted tuition rates.

Local District Junior College Grants	<u>15,467,729</u>	<u>12,506,424</u>	<u>12,738,643</u>	<u>13,262,584</u>	<u>13,262,550</u> *
General Fund	12,601,934	11,909,951	12,126,418	12,650,359	12,650,325
Cash Funds	836,339	596,473	612,225	612,225	612,225
Federal Funds	2,029,456	0	0	0	0

TOTAL - (6) Local District Junior College Grants Pursuant to Section 23-71-301, C.R.S.	15,467,729	12,506,424	12,738,643	13,262,584	13,262,550
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	12,601,934	11,909,951	12,126,418	12,650,359	12,650,325
Cash Funds	836,339	596,473	612,225	612,225	612,225
Federal Funds	2,029,456	0	0	0	0

* This line item contains a decision item.

JBC Staff Staff Figure Setting - FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	FY 2013-14 Recommendation
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(7) DIVISION OF OCCUPATIONAL EDUCATION

Primary Functions: Administers and supervises vocational programs and distributes state and federal funds for this purpose. Also, coordinates resources for job development, job training, and job retraining. The reappropriated funds represent transfers from the Office of Economic Development and from the Department of Education for the Colorado Vocational Act.

(A) Administrative Costs

Administrative Costs	900,000	900,000	900,000	900,000	900,000
FTE	7.1	8.3	9.0	9.0	9.0
General Fund	0	0	0	0	236,132
Reappropriated Funds	900,000	900,000	900,000	900,000	663,868
SUBTOTAL - (A) Administrative Costs	900,000	900,000	900,000	900,000	900,000
FTE	7.1	8.3	9.0	9.0	9.0
General Fund	0	0	0	0	236,132
Reappropriated Funds	900,000	900,000	900,000	900,000	663,868

(B) Distribution of State Assistance for Career and Technical Education pursuant to Section 23-8-102, C.R.S.

Distributions of State Assistance for Career and Technical Education	23,296,124	22,764,221	24,218,018	24,566,338	24,566,338 * P
Reappropriated Funds	23,296,124	22,764,221	24,218,018	24,566,338	24,566,338
SUBTOTAL - (B) Distribution of State Assistance for Career and Technical Education pursuant to Section 23-8-102, C.R.S.	23,296,124	22,764,221	24,218,018	24,566,338	24,566,338
FTE	0.0	0.0	0.0	0.0	0.0
Reappropriated Funds	23,296,124	22,764,221	24,218,018	24,566,338	24,566,338

* This line item contains a decision item.

P This line item is pending.

JBC Staff Staff Figure Setting - FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	FY 2013-14 Recommendation
(C) Area Vocational School Support					
Area Vocational School Support	8,450,501	7,664,871	7,783,790	8,091,844	8,091,845 *
General Fund	7,392,154	7,664,871	7,783,790	8,091,844	8,091,845
Federal Funds	1,058,347	0	0	0	0
SUBTOTAL - (C) Area Vocational School					
Support	8,450,501	7,664,871	7,783,790	8,091,844	8,091,845
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	7,392,154	7,664,871	7,783,790	8,091,844	8,091,845
Federal Funds	1,058,347	0	0	0	0
(D) Sponsored Programs					
Administration	<u>2,072,186</u>	<u>2,220,227</u>	<u>2,220,227</u>	<u>2,220,227</u>	<u>2,220,227</u>
FTE	25.2	22.2	23.0	23.0	23.0
Federal Funds	2,072,186	2,220,227	2,220,227	2,220,227	2,220,227
Programs	<u>14,350,167</u>	<u>14,737,535</u>	<u>14,737,535</u>	<u>14,737,535</u>	<u>14,737,535</u>
Federal Funds	14,350,167	14,737,535	14,737,535	14,737,535	14,737,535
SUBTOTAL - (D) Sponsored Programs					
FTE	<u>25.2</u>	<u>22.2</u>	<u>23.0</u>	<u>23.0</u>	<u>23.0</u>
Federal Funds	16,422,353	16,957,762	16,957,762	16,957,762	16,957,762
(E) Colorado First Customized Job Training					
Colorado First Customized Job Training	<u>2,725,022</u>	<u>2,725,022</u>	<u>2,725,022</u>	<u>2,725,022</u>	<u>2,725,022</u>
Reappropriated Funds	2,725,022	2,725,022	2,725,022	2,725,022	2,725,022

* This line item contains a decision item.

JBC Staff Staff Figure Setting - FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	FY 2013-14 Recommendation
SUBTOTAL - (E) Colorado First Customized					
Job Training	2,725,022	2,725,022	2,725,022	2,725,022	2,725,022
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Reappropriated Funds	2,725,022	2,725,022	2,725,022	2,725,022	2,725,022
TOTAL - (7) Division of Occupational					
Education	51,794,000	51,011,876	52,584,592	53,240,966	53,240,967
<i>FTE</i>	<u>32.3</u>	<u>30.5</u>	<u>32.0</u>	<u>32.0</u>	<u>32.0</u>
General Fund	7,392,154	7,664,871	7,783,790	8,091,844	8,327,977
Reappropriated Funds	26,921,146	26,389,243	27,843,040	28,191,360	27,955,228
Federal Funds	17,480,700	16,957,762	16,957,762	16,957,762	16,957,762

JBC Staff Staff Figure Setting - FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	FY 2013-14 Recommendation
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(8) AURARIA HIGHER EDUCATION CENTER

Primary Functions: Established by statute in 1974, the Auraria Higher Education Center (AHEC) is governed by a Board of Directors who oversee the centralized operations of the campus located in Denver. AHEC houses and provides common services to the Community College of Denver, Metropolitan State College of Denver, and the University of Colorado at Denver and Health Sciences Center.

Administration	<u>17,670,252</u>	<u>17,670,252</u>	<u>17,670,252</u>	<u>17,670,252</u>	<u>17,670,252</u>
FTE	166.3	172.9	172.9	172.9	172.9
Reappropriated Funds	17,670,252	17,670,252	17,670,252	17,670,252	17,670,252
TOTAL - (8) Auraria Higher Education Center	17,670,252	17,670,252	17,670,252	17,670,252	17,670,252
FTE	<u>166.3</u>	<u>172.9</u>	<u>172.9</u>	<u>172.9</u>	<u>172.9</u>
Reappropriated Funds	17,670,252	17,670,252	17,670,252	17,670,252	17,670,252

JBC Staff Staff Figure Setting - FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	FY 2013-14 Recommendation
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(9) STATE HISTORICAL SOCIETY

Primary Functions: Collect, preserve, exhibit, and interpret artifacts and properties of historical significance to the State. Distribute gaming revenues earmarked for historic preservation. The cash funds come from gaming revenues deposited in the State Historic Fund, museum revenues, gifts, and grants.

(A) Cumbres and Toltec Railroad Commission

Cumbres and Toltec Railroad Commission	<u>180,000</u>	<u>202,500</u>	<u>1,870,500</u>	<u>2,145,000</u>	<u>1,955,000</u> *
General Fund	180,000	202,500	1,020,500	1,295,000	1,105,000
Cash Funds	0	0	850,000	850,000	850,000

SUBTOTAL - (A) Cumbres and Toltec Railroad Commission	180,000	202,500	1,870,500	2,145,000	1,955,000
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	180,000	202,500	1,020,500	1,295,000	1,105,000
Cash Funds	0	0	850,000	850,000	850,000

(B) Sponsored Programs

Sponsored Programs	<u>238,383</u>	<u>62,451</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>
FTE	3.0	1.2	3.5	3.5	3.5
Cash Funds	0	20,000	20,000	20,000	20,000
Federal Funds	238,383	42,451	230,000	230,000	230,000

SUBTOTAL - (B) Sponsored Programs	238,383	62,451	250,000	250,000	250,000
FTE	<u>3.0</u>	<u>1.2</u>	<u>3.5</u>	<u>3.5</u>	<u>3.5</u>
Cash Funds	0	20,000	20,000	20,000	20,000
Federal Funds	238,383	42,451	230,000	230,000	230,000

*This line item contains a decision item.

JBC Staff Staff Figure Setting - FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	FY 2013-14 Recommendation
(C) Auxiliary Programs					
Auxiliary Programs	<u>909,544</u>	<u>1,119,502</u>	<u>1,757,535</u>	<u>1,757,535</u>	<u>1,757,535</u>
FTE	8.7	11.8	14.5	14.5	14.5
Cash Funds	909,544	1,119,502	1,757,535	1,757,535	1,757,535
SUBTOTAL - (C) Auxiliary Programs	909,544	1,119,502	1,757,535	1,757,535	1,757,535
FTE	<u>8.7</u>	<u>11.8</u>	<u>14.5</u>	<u>14.5</u>	<u>14.5</u>
Cash Funds	909,544	1,119,502	1,757,535	1,757,535	1,757,535
(D) Gaming Revenue					
Gaming Cities Distribution	<u>4,973,472</u>	<u>4,839,002</u>	<u>4,260,000</u>	<u>4,940,000</u>	<u>4,940,000</u>
Cash Funds	4,973,472	4,839,002	4,260,000	4,940,000	4,940,000
Statewide Preservation Grant Program	<u>15,691,593</u>	<u>15,597,326</u>	<u>14,758,933</u>	<u>14,758,933</u>	<u>14,758,933</u>
FTE	17.3	17.3	18.0	18.0	18.0
Cash Funds	15,691,593	15,597,326	14,758,933	14,758,933	14,758,933
Society Museum and Preservation Operations	<u>6,166,906</u>	<u>6,826,049</u>	<u>8,336,577</u>	<u>8,336,577</u>	<u>8,336,577</u>
FTE	87.2	89.9	95.4	95.4	95.4
Cash Funds	5,293,216	6,186,346	7,639,481	7,639,481	7,639,481
Federal Funds	873,690	639,703	697,096	697,096	697,096
SUBTOTAL - (D) Gaming Revenue	26,831,971	27,262,377	27,355,510	28,035,510	28,035,510
FTE	<u>104.5</u>	<u>107.2</u>	<u>113.4</u>	<u>113.4</u>	<u>113.4</u>
Cash Funds	25,958,281	26,622,674	26,658,414	27,338,414	27,338,414
Federal Funds	873,690	639,703	697,096	697,096	697,096

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P This line item is pending.

JBC Staff Staff Figure Setting - FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Appropriation	FY 2013-14 Request	FY 2013-14 Recommendation
TOTAL - (9) State Historical Society	28,159,898	28,646,830	31,233,545	32,188,045	31,998,045
<i>FTE</i>	<u>116.2</u>	<u>120.2</u>	<u>131.4</u>	<u>131.4</u>	<u>131.4</u>
General Fund	180,000	202,500	1,020,500	1,295,000	1,105,000
Cash Funds	26,867,825	27,762,176	29,285,949	29,965,949	29,965,949
Federal Funds	1,112,073	682,154	927,096	927,096	927,096
TOTAL - Department of Higher Education	3,030,797,474	2,924,461,774	3,038,112,386	3,103,843,576	3,226,639,689
<i>FTE</i>	<u>21,790.8</u>	<u>21,479.4</u>	<u>21,458.9</u>	<u>21,470.9</u>	<u>22,840.8</u>
General Fund	542,601,694	307,563,786	373,082,717	399,629,783	399,737,818
General Fund Exempt	101,266,667	316,066,667	257,100,000	257,100,000	257,100,000
Cash Funds	1,679,689,264	1,731,968,520	1,835,273,931	1,853,831,115	1,976,715,711
Reappropriated Funds	656,661,115	549,800,599	553,542,509	573,996,703	573,793,002
Federal Funds	50,578,734	19,062,202	19,113,229	19,285,975	19,293,158

APPENDIX B: INSTITUTION DETAIL

	Rate	Gov. Boards	Adams	Mesa	Metro	Western	CSU Sys	Ft. Lewis	CU	Mines	UNC	CCs
FY 2012-13 LB SUPPLEMENTAL												
FY 2012-13 TOTAL with Recommended Long Bill Supplemental												
Stipend-eligible SFTE		130,831.0	1,518.0	6,592.0	16,168.0	1,240.0	20,691.0	2,131.0	20,664.0	2,682.0	7,892.0	51,253.0
State-operated Stipends @	\$1,860	\$ 243,345,660	\$ 2,823,480	\$ 12,261,120	\$ 30,072,480	\$ 2,306,400	\$ 38,485,260	\$ 3,963,660	\$ 38,435,040	\$ 4,988,520	\$ 14,679,120	\$ 95,330,580
Fee-for-service Contracts		\$ 258,982,663	\$ 8,249,071	\$ 6,677,736	\$ 7,483,429	\$ 6,938,544	\$ 66,975,929	\$ 5,245,257	\$ 105,882,361	\$ 11,151,063	\$ 17,717,183	\$ 22,662,090
SUBTOTAL State Funds		\$ 502,328,323	\$ 11,072,551	\$ 18,938,856	\$ 37,555,909	\$ 9,244,944	\$ 105,461,189	\$ 9,208,917	\$ 144,317,401	\$ 16,139,583	\$ 32,396,303	\$ 117,992,670
Resident		\$ 1,022,539,168	\$ 10,661,876	\$ 43,055,386	\$ 85,059,319	\$ 6,744,265	\$ 180,276,821	\$ 10,837,164	\$ 368,914,853	\$ 45,971,945	\$ 58,832,938	\$ 212,184,601
Nonresident		\$ 652,881,630	\$ 7,646,096	\$ 8,826,806	\$ 7,851,340	\$ 6,557,264	\$ 129,312,753	\$ 24,203,598	\$ 358,155,633	\$ 49,814,903	\$ 19,397,124	\$ 41,116,114
Tuition		\$ 1,675,420,798	\$ 18,307,972	\$ 51,882,192	\$ 92,910,660	\$ 13,301,529	\$ 309,589,574	\$ 35,040,761	\$ 727,070,487	\$ 95,786,847	\$ 78,230,062	\$ 253,300,715
State/Tuition		\$ 2,177,749,121	\$ 29,380,523	\$ 70,821,048	\$ 130,466,569	\$ 22,546,473	\$ 415,050,763	\$ 44,249,678	\$ 871,387,888	\$ 111,926,430	\$ 110,626,365	\$ 371,293,385
Tobacco		\$ 13,923,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,923,200	\$ -	\$ -	\$ -
Gaming		\$ 5,538,875	\$ 21,704	\$ 243,895	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,273,276
Academic Fees		\$ 104,521,299	\$ 2,572,140	\$ 450,000	\$ 10,724,533	\$ 1,858,938	\$ 19,348,298	\$ 1,077,975	\$ 49,814,295	\$ 4,225,289	\$ 5,220,000	\$ 9,229,831
Appropriated Grants		\$ 2,375,531	\$ -	\$ -	\$ -	\$ -	\$ 170,000	\$ 48,000	\$ 657,531	\$ -	\$ -	\$ 1,500,000
TOTAL		\$ 2,304,108,026	\$ 31,974,367	\$ 71,514,943	\$ 141,191,102	\$ 24,405,411	\$ 434,569,061	\$ 45,375,653	\$ 935,782,914	\$ 116,151,719	\$ 115,846,365	\$ 387,296,492
FY 2012-13 Current Enacted												
	30											
Stipend-eligible SFTE		\$ 141,905	\$ 1,557	\$ 6,507	\$ 16,785	\$ 1,278	\$ 21,221	\$ 2,238	\$ 27,315	\$ 2,640	\$ 8,049	\$ 54,315
State-operated Stipends @	\$1,860	\$ 263,943,300	\$ 2,896,020	\$ 12,103,020	\$ 31,220,100	\$ 2,377,080	\$ 39,471,060	\$ 4,162,680	\$ 50,805,900	\$ 4,910,400	\$ 14,971,140	\$ 101,025,900
Fee-for-service Contracts		\$ 238,385,023	\$ 8,176,531	\$ 6,835,836	\$ 6,335,809	\$ 6,867,864	\$ 65,990,129	\$ 5,046,237	\$ 93,511,501	\$ 11,229,183	\$ 17,425,163	\$ 16,966,770
SUBTOTAL State Funds		\$ 502,328,323	\$ 11,072,551	\$ 18,938,856	\$ 37,555,909	\$ 9,244,944	\$ 105,461,189	\$ 9,208,917	\$ 144,317,401	\$ 16,139,583	\$ 32,396,303	\$ 117,992,670
Resident		\$ 1,040,147,872	\$ 11,989,568	\$ 43,496,024	\$ 73,224,080	\$ 6,530,235	\$ 170,591,888	\$ 10,255,647	\$ 390,570,780	\$ 45,456,927	\$ 63,517,037	\$ 224,515,686
Nonresident		\$ 662,690,384	\$ 8,228,223	\$ 10,392,902	\$ 7,441,227	\$ 6,557,264	\$ 129,570,037	\$ 24,530,864	\$ 361,325,440	\$ 47,791,642	\$ 23,507,030	\$ 43,345,755
Tuition		\$ 1,702,838,256	\$ 20,217,791	\$ 53,888,926	\$ 80,665,307	\$ 13,087,499	\$ 300,161,925	\$ 34,786,511	\$ 751,896,220	\$ 93,248,569	\$ 87,024,067	\$ 267,861,441
State/Tuition		\$ 2,205,166,579	\$ 31,290,342	\$ 72,827,782	\$ 118,221,216	\$ 22,332,443	\$ 405,623,114	\$ 43,995,428	\$ 896,213,621	\$ 109,388,152	\$ 119,420,370	\$ 385,854,111
Tobacco		\$ 13,923,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,923,200	\$ -	\$ -	\$ -
Gaming		\$ 5,538,875	\$ 21,704	\$ 243,895	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,273,276
Academic Fees		\$ 92,878,300	\$ 3,323,390	\$ 501,727	\$ 11,324,551	\$ 1,549,505	\$ 17,255,789	\$ 1,151,656	\$ 38,923,597	\$ 4,203,414	\$ 5,523,890	\$ 9,120,781
Appropriated Grants		\$ 2,375,531	\$ -	\$ -	\$ -	\$ -	\$ 170,000	\$ 48,000	\$ 657,531	\$ -	\$ -	\$ 1,500,000
TOTAL		\$ 2,319,882,485	\$ 34,635,436	\$ 73,573,404	\$ 129,545,767	\$ 23,881,948	\$ 423,048,903	\$ 45,195,084	\$ 949,717,949	\$ 113,591,566	\$ 124,944,260	\$ 401,748,168

	Rate	Gov. Boards	Adams	Mesa	Metro	Western	CSU Sys	Ft. Lewis	CU	Mines	UNC	CCs
FY 2012-13 LB SUPPLEMENTAL												
Change from Enacted - Recommended Supplemental Adjustments												
FY 2012-13 TOTAL												
Stipend-eligible SFTE	\$	(11,074)	\$ (39)	\$ 85	\$ (617)	\$ (38)	\$ (530)	\$ (107)	\$ (6,651)	\$ 42	\$ (157)	\$ (3,062)
State-operated Stipends @	\$	(20,597,640)	\$ (72,540)	\$ 158,100	\$ (1,147,620)	\$ (70,680)	\$ (985,800)	\$ (199,020)	\$ (12,370,860)	\$ 78,120	\$ (292,020)	\$ (5,695,320)
Fee-for-service Contracts	\$	20,597,640	\$ 72,540	\$ (158,100)	\$ 1,147,620	\$ 70,680	\$ 985,800	\$ 199,020	\$ 12,370,860	\$ (78,120)	\$ 292,020	\$ 5,695,320
SUBTOTAL State Funds	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Resident	\$	(17,608,704)	\$ (1,327,692)	\$ (440,638)	\$ 11,835,239	\$ 214,030	\$ 9,684,933	\$ 581,517	\$ (21,655,927)	\$ 515,018	\$ (4,684,099)	\$ (12,331,085)
Nonresident	\$	(9,808,754)	\$ (582,127)	\$ (1,566,096)	\$ 410,113	\$ -	\$ (257,284)	\$ (327,266)	\$ (3,169,807)	\$ 2,023,261	\$ (4,109,906)	\$ (2,229,641)
Tuition	\$	(27,417,458)	\$ (1,909,819)	\$ (2,006,734)	\$ 12,245,353	\$ 214,030	\$ 9,427,649	\$ 254,250	\$ (24,825,733)	\$ 2,538,278	\$ (8,794,005)	\$ (14,560,726)
State/Tuition												
Tobacco	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gaming	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Academic Fees	\$	11,642,999	\$ (751,250)	\$ (51,727)	\$ (600,018)	\$ 309,433	\$ 2,092,509	\$ (73,681)	\$ 10,890,698	\$ 21,875	\$ (303,890)	\$ 109,050
Appropriated Grants	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$	(15,774,458)	\$ (2,661,069)	\$ (2,058,461)	\$ 11,645,335	\$ 523,463	\$ 11,520,158	\$ 180,570	\$ (13,935,035)	\$ 2,560,153	\$ (9,097,895)	\$ (14,451,676)

	Rate	Gov. Boards	Adams	Mesa	Metro	Western	CSU Sys	Ft. Lewis	CU
FY 2013-14 RECOMMENDATION									
FY 2012-13 Appropriation WITHOUT Supplemental Adjustments in S.B. 090 but WITH all other COF, tuition and fee updates									
Stipend-eligible SFTE		130,831.0	1,518.0	6,592.0	16,168.0	1,240.0	20,691.0	2,131.0	20,664.0
State-operated Stipends @ \$1,860	\$	243,345,660	\$ 2,823,480	\$ 12,261,120	\$ 30,072,480	\$ 2,306,400	\$ 38,485,260	\$ 3,963,660	\$ 38,435,040
Fee-for-service Contracts	\$	250,010,167	\$ 8,085,631	\$ 6,369,730	\$ 6,909,525	\$ 6,808,042	\$ 65,184,292	\$ 5,095,179	\$ 102,736,304
SUBTOTAL State Funds	\$	493,355,827	\$ 10,909,111	\$ 18,630,850	\$ 36,982,005	\$ 9,114,442	\$ 103,669,552	\$ 9,058,839	\$ 141,171,344
Resident	\$	1,022,539,168	\$ 10,661,876	\$ 43,055,386	\$ 85,059,319	\$ 6,744,265	\$ 180,276,821	\$ 10,837,163	\$ 368,914,854
Nonresident	\$	652,881,631	\$ 7,646,096	\$ 8,826,806	\$ 7,851,340	\$ 6,557,264	\$ 129,312,753	\$ 24,203,598	\$ 358,155,633
Tuition	\$	1,675,420,799	\$ 18,307,972	\$ 51,882,192	\$ 92,910,659	\$ 13,301,529	\$ 309,589,574	\$ 35,040,761	\$ 727,070,487
State/Tuition	\$	2,168,776,626	\$ 29,217,083	\$ 70,513,042	\$ 129,892,664	\$ 22,415,971	\$ 413,259,126	\$ 44,099,600	\$ 868,241,831
Tobacco	\$	13,923,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,923,200
Gaming	\$	5,538,875	\$ 21,704	\$ 243,895	\$ -	\$ -	\$ -	\$ -	\$ -
Academic Fees	\$	104,521,299	\$ 2,572,140	\$ 450,000	\$ 10,724,533	\$ 1,858,938	\$ 19,348,298	\$ 1,077,975	\$ 49,814,295
Appropriated Grants	\$	2,375,531	\$ -	\$ -	\$ -	\$ -	\$ 170,000	\$ 48,000	\$ 657,531
TOTAL	\$	2,295,135,531	\$ 31,810,927	\$ 71,206,937	\$ 140,617,197	\$ 24,274,909	\$ 432,777,424	\$ 45,225,575	\$ 932,636,857

Requested changes - FY 2013-14

<i>Percent of FY 2012-13 State Funding</i>	96.2%	2.1%	3.6%	7.2%	1.8%	20.2%	1.8%	27.5%
<i>Share of GF reduction since FY 2008-09</i>	96.10%	1.92%	2.79%	6.61%	1.59%	22.27%	1.91%	35.25%
<i>Restore per student FTE funding levels</i>	96.04%	2.44%	5.45%	6.01%	0.78%	18.76%	1.08%	27.38%

Share of FY 2012-13 State Funding	\$ 10,000,000	\$ 212,682	\$ 363,224	\$ 720,994	\$ 177,693	\$ 2,021,122	\$ 176,609	\$ 2,752,250
Share of GF reduction since FY 2008-09	\$ 10,000,000	\$ 191,950	\$ 278,883	\$ 660,602	\$ 158,702	\$ 2,226,595	\$ 190,816	\$ 3,524,625
Restore per student FTE funding levels	\$ 10,000,000	\$ 243,618	\$ 545,494	\$ 601,452	\$ 78,232	\$ 1,876,353	\$ 108,296	\$ 2,738,300
Total Targeted State Change	\$ 28,832,652	\$ 648,250	\$ 1,187,601	\$ 1,983,048	\$ 414,627	\$ 6,124,070	\$ 475,721	\$ 9,015,175
<i>Percent State Change</i>	5.8%	5.9%	6.4%	5.4%	4.5%	5.9%	5.3%	6.4%
Stipend-eligible SFTE	867.0	12.0	293.0	27.0	2.0	204.0	16.0	27.0
Stipends	\$ 9,514,500	\$ 114,120	\$ 958,080	\$ 1,021,920	\$ 78,240	\$ 1,633,140	\$ 158,580	\$ 1,291,680
Fee-for-service Contracts	\$ 19,318,152	\$ 534,130	\$ 229,521	\$ 961,128	\$ 336,387	\$ 4,490,930	\$ 317,141	\$ 7,723,495
Resident	\$ 98,077,457	\$ 1,051,234	\$ 5,953,643	\$ 7,814,612	\$ 620,673	\$ 18,064,256	\$ 1,063,612	\$ 33,647,194

	Rate	Gov. Boards	Adams	Mesa	Metro	Western	CSU Sys	Ft. Lewis	CU
FY 2013-14 RECOMMENDATION									
Nonresident	\$	39,407,919	\$ 884,314	\$ 685,284	\$ 475,965	\$ 1	\$ 6,937,405	\$ 1,739,567	\$ 20,849,104
Tuition	\$	137,485,375	\$ 1,935,548	\$ 6,638,927	\$ 8,290,577	\$ 620,674	\$ 25,001,661	\$ 2,803,179	\$ 54,496,298
State/Tuition	\$	166,318,027	\$ 2,583,798	\$ 7,826,528	\$ 10,273,625	\$ 1,035,301	\$ 31,125,731	\$ 3,278,900	\$ 63,511,473
<i>Percent State/Federal/Tuition Change</i>		<i>7.7%</i>	<i>8.8%</i>	<i>11.1%</i>	<i>7.9%</i>	<i>4.6%</i>	<i>7.5%</i>	<i>7.4%</i>	<i>7.3%</i>
Tobacco	\$	(299,210)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (299,210)
Gaming	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Academic Fees	\$	1,786,384	\$ 422,740	\$ 10,000	\$ -	\$ 24,421	\$ 184,999	\$ 19,503	\$ 996,205
	\$	64							
FY 2013-14 TOTAL									
Stipend-eligible SFTE		131,698.0	1,530.0	6,885.0	16,195.0	1,242.0	20,895.0	2,147.0	20,691.0
State-operated Stipends @ \$1,920	\$	252,860,160	\$ 2,937,600	\$ 13,219,200	\$ 31,094,400	\$ 2,384,640	\$ 40,118,400	\$ 4,122,240	\$ 39,726,720
Fee-for-service Contracts	\$	269,328,319	\$ 8,619,761	\$ 6,599,251	\$ 7,870,653	\$ 7,144,429	\$ 69,675,222	\$ 5,412,320	\$ 110,459,799
SUBTOTAL State Funds	\$	522,188,479	\$ 11,557,361	\$ 19,818,451	\$ 38,965,053	\$ 9,529,069	\$ 109,793,622	\$ 9,534,560	\$ 150,186,519
Resident	\$	1,120,616,625	\$ 11,713,110	\$ 49,009,029	\$ 92,873,931	\$ 7,364,938	\$ 198,341,077	\$ 11,900,775	\$ 402,562,048
Nonresident	\$	692,289,549	\$ 8,530,410	\$ 9,512,090	\$ 8,327,305	\$ 6,557,265	\$ 136,250,158	\$ 25,943,165	\$ 379,004,737
Tuition	\$	1,812,906,174	\$20,243,520	\$58,521,119	\$101,201,236	\$13,922,203	\$334,591,235	\$37,843,940	\$781,566,785
State/Tuition	\$	2,335,094,653	\$ 31,800,881	\$ 78,339,570	\$ 140,166,289	\$ 23,451,272	\$ 444,384,857	\$ 47,378,500	\$ 931,753,304
Tobacco	\$	13,623,990	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,623,990
Gaming	\$	5,538,875	\$ 21,704	\$ 243,895	\$ -	\$ -	\$ -	\$ -	\$ -
Academic Fees	\$	106,307,683	\$ 2,994,880	\$ 460,000	\$ 10,724,533	\$ 1,883,359	\$ 19,533,297	\$ 1,097,478	\$ 50,810,500
Appropriated Grants	\$	2,375,531	\$ -	\$ -	\$ -	\$ -	\$ 170,000	\$ 48,000	\$ 657,531
TOTAL	\$	2,462,940,732	\$ 34,817,465	\$ 79,043,465	\$ 150,890,822	\$ 25,334,631	\$ 464,088,154	\$ 48,523,978	\$ 996,845,325

	Mines	UNC	CCs	LDJC	AVS	Institutions
FY 2013-14 RECOMMENDATION						
FY 2012-13 Appropriation WITHOUT						
Stipend-eligible SFTE	2,682.0	7,892.0	51,253.0			130,831.0
State-operated Stipends @ \$	4,988,520	\$ 14,679,120	\$ 95,330,580	\$ -	\$ -	\$ 243,345,660
Fee-for-service Contracts \$	10,784,062	\$ 17,177,975	\$ 20,859,427	\$ 11,909,951	\$ 7,664,871	\$ 269,584,989
SUBTOTAL State Funds \$	15,772,582	\$ 31,857,095	\$ 116,190,007	# \$ 11,909,951	\$ 7,664,871	# \$ 512,930,649
Resident \$	45,971,945	\$ 58,832,938	\$ 212,184,601			
Nonresident \$	49,814,903	\$ 19,397,124	\$ 41,116,114			
Tuition \$	95,786,848	\$ 78,230,062	\$ 253,300,715			
State/Tuition \$	111,559,430	\$ 110,087,157	\$ 369,490,722	\$ 11,909,951	\$ 7,664,871	\$ 2,188,351,448
Tobacco \$	-	\$ -	\$ -			
Gaming \$	-	\$ -	\$ 5,273,276	\$ 596,473	\$ -	\$ 6,135,348
Academic Fees \$	4,225,289	\$ 5,220,000	\$ 9,229,831			
Appropriated Grants \$	-	\$ -	\$ 1,500,000			
TOTAL \$	115,784,719	\$ 115,307,157	\$ 385,493,829			

Requested changes - FY 2013-14

<i>Percent of FY 2012-13 State Funding</i>	3.1%	6.2%	22.7%	2.3%	1.5%	100.00%
<i>Share of GF reduction since FY 2008-09</i>	3.87%	6.35%	13.56%	2.07%	1.84%	100.00%
<i>Restore per student FTE funding levels</i>	3.40%	5.06%	25.66%	3.02%	0.94%	100.00%

Share of FY 2012-13 State Funding \$	307,499	\$ 621,080	\$ 2,265,220	\$ 232,194	\$ 149,433	\$ 10,000,000
Share of GF reduction since FY 2008-09 \$	387,331	\$ 634,544	\$ 1,355,863	\$ 206,528	\$ 183,561	\$ 10,000,000
Restore per student FTE funding levels \$	340,375	\$ 506,221	\$ 2,566,027	\$ 301,652	\$ 93,980	\$ 10,000,000
Total Targeted State Change \$	1,035,205	\$ 1,761,845	\$ 6,187,110	\$ 740,374	\$ 426,974	\$ 30,000,000
<i>Percent State Change</i>	6.6%	5.5%	5.3%	6.2%	5.6%	5.8%
Stipend-eligible SFTE	0.0	3.0	283.0			
Stipends \$	160,920	\$ 479,280	\$ 3,618,540	\$ -	\$ -	\$ 9,514,500
Fee-for-service Contracts \$	874,285	\$ 1,282,565	\$ 2,568,570	\$ 740,374	\$ 426,974	\$ 20,485,500
Resident \$	4,160,876	\$ 5,330,267	\$ 20,371,090			

	Mines	UNC	CCs	LDJC	AVS	Institutions
FY 2013-14 RECOMMENDATION						
Nonresident	\$ 3,659,988	\$ 1,014,833	\$ 3,161,457			
Tuition	\$ 7,820,864	\$ 6,345,100	\$ 23,532,547			
State/Tuition	\$ 8,856,069	\$ 8,106,945	\$ 29,719,657			
<i>Percent State/Federal/Tuition Change</i>	<i>7.9%</i>	<i>7.4%</i>	<i>8.0%</i>			
Tobacco	\$ -	\$ -	\$ -			
Gaming	\$ -	\$ -	\$ -	\$ 15,752	\$ -	\$ 15,752
Academic Fees	\$ -	\$ 208,800	\$ (80,284)			

FY 2013-14 TOTAL

Stipend-eligible SFTE	2,682.0	7,895.0	51,536.0			131,698.0
State-operated Stipends @	\$ 5,149,440	\$ 15,158,400	\$ 98,949,120	\$ -	\$ -	\$ 252,860,160
Fee-for-service Contracts	\$ 11,658,347	\$ 18,460,540	\$ 23,427,997	\$ 12,650,325	\$ 8,091,845	\$ 290,070,489
SUBTOTAL State Funds	\$ 16,807,787	\$ 33,618,940	\$ 122,377,117	\$ 12,650,325	\$ 8,091,845	\$ 542,930,649
Resident	\$ 50,132,821	\$ 64,163,205	\$ 232,555,691			
Nonresident	\$ 53,474,891	\$ 20,411,957	\$ 44,277,571			
Tuition	\$103,607,712	\$84,575,162	\$276,833,262			
State/Tuition	\$ 120,415,499	\$ 118,194,102	\$ 399,210,379			
Tobacco	\$ -	\$ -	\$ -			
Gaming	\$ -	\$ -	\$ 5,273,276	\$ 612,225	\$ -	\$ 6,151,100
Academic Fees	\$ 4,225,289	\$ 5,428,800	\$ 9,149,547			
Appropriated Grants	\$ -	\$ -	\$ 1,500,000			
TOTAL	\$ 124,640,788	\$ 123,622,902	\$ 415,133,202	\$ 13,262,550	\$ 8,091,845	\$ 549,081,749