

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



**FY 2012-13 STAFF FIGURE SETTING
DEPARTMENT OF HIGHER EDUCATION**

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

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**DEPARTMENT OF HIGHER EDUCATION
 FY 2012-13 FIGURE SETTING RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

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DEPARTMENT OF HIGHER EDUCATION Joseph Garcia, Executive Director

(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>827,863</u>	<u>939,048</u>	<u>1,028,168</u>	<u>1,182,298</u>	<u>1,123,166</u>
Cash Funds	625,844	643,370	709,171	822,589	768,119
Reappropriated Funds	174,788	201,113	201,398	195,865	197,183
Federal Funds	27,231	94,565	117,599	163,844	157,864
Short-term Disability	<u>10,821</u>	<u>12,428</u>	<u>14,120</u>	<u>15,902</u>	<u>13,838</u>
Cash Funds	7,711	8,611	9,810	10,163	9,614
Reappropriated Funds	2,470	2,471	2,507	3,321	2,457
Federal Funds	640	1,346	1,803	2,418	1,767
S.B. 04-257 Amortization Equalization Disbursement	<u>147,974</u>	<u>192,422</u>	<u>223,346</u>	<u>292,915</u>	<u>287,056</u>
Cash Funds	105,283	133,322	155,179	189,165	185,382
Reappropriated Funds	33,325	38,255	39,652	60,046	58,845
Federal Funds	9,366	20,845	28,515	43,704	42,829
S.B. 06-235 Supplemental Amortization Equalization Disbursement	<u>92,121</u>	<u>140,309</u>	<u>179,475</u>	<u>251,723</u>	<u>246,688</u>
Cash Funds	65,802	97,215	124,698	162,564	159,312
Reappropriated Funds	20,465	27,894	31,863	51,602	50,570
Federal Funds	5,854	15,200	22,914	37,557	36,806

*This line item includes a decision item.

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Workers' Compensation	<u>31,450</u>	<u>32,146</u>	<u>41,652</u>	<u>52,198</u>	<u>Pending</u>
Cash Funds	26,400	26,985	35,643	45,483	
Reappropriated Funds	5,050	5,161	6,009	6,715	
Legal Services	<u>17,681</u>	<u>32,870</u>	<u>33,918</u>	<u>33,918</u>	<u>Pending</u>
Cash Funds	9,319	9,071	9,360	9,360	
Reappropriated Funds	8,362	23,799	24,558	24,558	
Administrative Law Judge Services	<u>0</u>	<u>0</u>	<u>496</u>	<u>663</u>	<u>Pending</u>
Cash Funds	0	0	496	663	
Purchase of Services from Computer Center	<u>89,561</u>	<u>244,484</u>	<u>107,140</u>	<u>189,662</u>	<u>184,694</u>
Cash Funds	13,480	232,991	102,158	173,798	169,485
Reappropriated Funds	76,081	11,493	4,982	15,864	15,209
Multiuse Network Payments	<u>0</u>	<u>59,378</u>	<u>74,792</u>	<u>0</u>	<u>0</u>
Cash Funds	0	59,378	74,792	0	0
Management and Administration of OIT	<u>0</u>	<u>100,074</u>	<u>98,276</u>	<u>63,334</u>	<u>64,269</u>
Cash Funds	0	100,074	98,276	63,334	64,269
Payment to Risk Management and Property Funds	<u>37,322</u>	<u>11,248</u>	<u>29,090</u>	<u>27,960</u>	<u>Pending</u>
Cash Funds	35,866	10,795	27,803	26,670	
Reappropriated Funds	1,456	453	1,287	1,290	
Leased Space	<u>467,503</u>	<u>484,614</u>	<u>514,210</u>	<u>514,210</u>	<u>514,210</u>
Cash Funds	87,363	118,321	102,842	102,842	102,842
Reappropriated Funds	380,140	366,293	411,368	411,368	411,368

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Total Funds - (1) Department Administrative Office	1,722,296	2,249,021	2,344,683	2,624,783	2,433,921
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Cash Funds	977,068	1,440,133	1,450,228	1,606,631	1,459,023
Reappropriated Funds	702,137	676,932	723,624	770,629	735,632
Federal Funds	43,091	131,956	170,831	247,523	239,266

(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>2,594,922</u>	<u>2,779,615</u>	<u>2,624,869</u>	<u>2,487,403</u>	<u>2,487,403</u> *
<i>FTE</i>	24.5	27.4	30.5	30.5	30.5
Cash Funds	152,235	190,745	256,074	256,074	256,074
Reappropriated Funds	1,989,461	2,125,117	1,996,749	1,846,743	1,846,743
Federal Funds	453,226	463,753	372,046	384,586	384,586

Total Funds - (A) Administration	2,594,922	2,779,615	2,624,869	2,487,403	2,487,403
<i>FTE</i>	<u>24.5</u>	<u>27.4</u>	<u>30.5</u>	<u>30.5</u>	<u>30.5</u>
Cash Funds	152,235	190,745	256,074	256,074	256,074
Reappropriated Funds	1,989,461	2,125,117	1,996,749	1,846,743	1,846,743
Federal Funds	453,226	463,753	372,046	384,586	384,586

*This line item includes a decision item.

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(B) Division of Private Occupational Schools

Division of Private Occupational Schools	<u>618,225</u>	<u>627,789</u>	<u>623,498</u>	<u>633,554</u>	<u>622,255</u>
<i>FTE</i>	6.0	6.9	7.8	7.8	7.8
Cash Funds	618,225	627,789	623,498	633,554	622,255

Total Funds - (B) Division of Private Occupational Schools	<u>618,225</u>	<u>627,789</u>	<u>623,498</u>	<u>633,554</u>	<u>622,255</u>
<i>FTE</i>	<u>6.0</u>	<u>6.9</u>	<u>7.8</u>	<u>7.8</u>	<u>7.8</u>
Cash Funds	618,225	627,789	623,498	633,554	622,255

(C) Special Purpose

Western Interstate Commission for Higher Education (WICHE)	<u>120,000</u>	<u>125,000</u>	<u>125,000</u>	<u>125,000</u>	<u>125,000</u>
Reappropriated Funds	120,000	125,000	125,000	125,000	125,000
WICHE - Optometry	<u>349,862</u>	<u>391,736</u>	<u>399,000</u>	<u>354,200</u>	<u>354,200</u> *
Reappropriated Funds	349,862	391,736	399,000	354,200	354,200
Distribution to Higher Education Competitive Research Authority	<u>1,330,000</u>	<u>2,330,000</u>	<u>3,381,000</u>	<u>3,381,000</u>	<u>3,381,000</u>
Cash Funds	1,330,000	2,330,000	3,381,000	3,381,000	3,381,000

*This line item includes a decision item.

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Veterinary School Program Needs	<u>285,000</u>	<u>162,400</u>	<u>285,000</u>	<u>285,000</u>	<u>285,000</u>
Cash Funds	122,600	0	122,600	122,600	122,600
Reappropriated Funds	162,400	162,400	162,400	162,400	162,400
Enrollment/Tuition and Stipend Contingency	<u>5,879,167</u>	<u>20,000,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Funds	5,879,167	20,000,000	0	0	0
Total Funds - (C) Special Purpose	7,964,029	23,009,136	4,190,000	4,145,200	4,145,200
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Cash Funds	7,331,767	22,330,000	3,503,600	3,503,600	3,503,600
Reappropriated Funds	632,262	679,136	686,400	641,600	641,600
Total Funds - (2) Colorado Commission on Higher Education	11,177,176	26,416,540	7,438,367	7,266,157	7,254,858
FTE	<u>30.5</u>	<u>34.3</u>	<u>38.3</u>	<u>38.3</u>	<u>38.3</u>
Cash Funds	8,102,227	23,148,534	4,383,172	4,393,228	4,381,929
Reappropriated Funds	2,621,723	2,804,253	2,683,149	2,488,343	2,488,343
Federal Funds	453,226	463,753	372,046	384,586	384,586

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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>73,986,138</u>	<u>73,817,412</u>	<u>74,607,417</u>	<u>73,798,891</u>	<u>73,798,891</u> *
General Fund	73,960,726	0	74,515,865	73,471,049	73,471,049
Cash Funds	0	58,417,412	0	0	0
Reappropriated Funds	25,412	15,400,000	91,552	327,842	327,842

Total Funds - (A) Need Based Grants	73,986,138	73,817,412	74,607,417	73,798,891	73,798,891
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	73,960,726	0	74,515,865	73,471,049	73,471,049
Cash Funds	0	58,417,412	0	0	0
Reappropriated Funds	25,412	15,400,000	91,552	327,842	327,842

(B) Work Study

Work Study	<u>16,555,219</u>	<u>16,396,507</u>	<u>16,612,357</u>	<u>16,432,328</u>	<u>16,432,328</u> *
General Fund	16,555,219	16,396,507	16,612,357	16,432,328	16,432,328

Total Funds - (B) Work Study	16,555,219	16,396,507	16,612,357	16,432,328	16,432,328
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	16,555,219	16,396,507	16,612,357	16,432,328	16,432,328

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(C) Special Purpose					
Veterans'/Law Enforcement/POW Tuition Assistance	<u>379,625</u>	<u>387,936</u>	<u>364,922</u>	<u>364,922</u>	<u>364,922</u>
General Fund	379,625	387,936	364,922	364,922	364,922
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>9,622,969</u>	<u>10,430,371</u>	<u>11,785,002</u>	<u>12,773,557</u>	<u>12,773,557</u> *
General Fund	9,622,969	10,139,220	11,347,562	12,377,601	12,377,601
Reappropriated Funds	0	291,151	437,440	395,956	395,956
GEAR - UP	<u>373,460</u>	<u>447,359</u>	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>
Federal Funds	373,460	447,359	600,000	600,000	600,000
Nursing Teacher Loan Forgiveness Pilot	<u>161,600</u>	<u>161,600</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	161,600	161,600	0	0	0
Required Federal Match	<u>2,444,438</u>	<u>2,598,828</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	1,549,530	1,674,962	0	0	0
Federal Funds	894,908	923,866	0	0	0
Teach Colorado Grant	<u>490,866</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	490,866	0	0	0	0

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Total Funds - (C) Special Purpose	14,272,958	14,826,094	13,549,924	14,538,479	14,538,479
<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	13,004,590	13,163,718	12,512,484	13,542,523	13,542,523
Reappropriated Funds	0	291,151	437,440	395,956	395,956
Federal Funds	1,268,368	1,371,225	600,000	600,000	600,000

Total Funds - (3) Colorado Commission on Higher Education Financial Aid	104,814,315	105,040,013	104,769,698	104,769,698	104,769,698
<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	103,520,535	29,560,225	103,640,706	103,445,900	103,445,900
Cash Funds	0	58,417,412	0	0	0
Reappropriated Funds	25,412	15,691,151	528,992	723,798	723,798
Federal Funds	1,268,368	1,371,225	600,000	600,000	600,000

(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>184,911,363</u>	<u>265,697,711</u>	<u>264,694,740</u>	<u>221,001,000</u>	<u>212,857,500</u> *
General Fund	184,911,363	265,697,711	252,365,837	208,672,097	200,528,597
General Fund Exempt	0	0	12,328,903	12,328,903	12,328,903

*This line item includes a decision item.

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Stipends for eligible full-time equivalent students attending participating private institutions	<u>746,334</u>	<u>1,236,667</u>	<u>1,078,800</u>	<u>435,000</u>	<u>870,000</u> *
General Fund	746,334	1,236,667	1,078,800	435,000	870,000
Supplement to Private Stipends	<u>80,370</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Federal Funds	80,370	0	0	0	0
Total Funds - (A) Stipends	185,738,067	266,934,378	265,773,540	221,436,000	213,727,500
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	185,657,697	266,934,378	253,444,637	209,107,097	201,398,597
General Fund Exempt	0	0	12,328,903	12,328,903	12,328,903
Federal Funds	80,370	0	0	0	0

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

Fee-for-service Contracts with State Institutions	<u>127,382,834</u>	<u>327,199,670</u>	<u>245,791,334</u>	<u>249,979,837</u>	<u>258,441,052</u> *
General Fund	126,582,834	225,933,003	11,020,202	35,575,407	34,690,122
General Fund Exempt	800,000	101,266,667	234,771,132	214,404,430	223,750,930
Total Funds - (B) Fee-for-service Contracts with State Institutions	127,382,834	327,199,670	245,791,334	249,979,837	258,441,052
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	126,582,834	225,933,003	11,020,202	35,575,407	34,690,122
General Fund Exempt	800,000	101,266,667	234,771,132	214,404,430	223,750,930

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Total Funds - (4) College Opportunity Fund Program	313,120,901	594,134,048	511,564,874	471,415,837	472,168,552
<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	312,240,531	492,867,381	264,464,839	244,682,504	236,088,719
General Fund Exempt	800,000	101,266,667	247,100,035	226,733,333	236,079,833
Federal Funds	80,370	0	0	0	0

(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	<u>28,281,766</u>	<u>30,180,469</u>	<u>31,906,647</u>	<u>29,431,414</u>	<u>34,110,662</u> *
<i>FTE</i>	285.3	302.9	294.7	294.7	294.7
Cash Funds	13,673,317	16,732,524	20,716,232	18,879,948	23,565,073
Reappropriated Funds	7,276,999	13,023,280	11,190,415	10,551,466	10,545,589
Federal Funds	7,331,450	424,665	0	0	0
Total Funds - (A) Trustees of Adams State College	28,281,766	30,180,469	31,906,647	29,431,414	34,110,662
<i>FTE</i>	<u>285.3</u>	<u>302.9</u>	<u>294.7</u>	<u>294.7</u>	<u>294.7</u>
Cash Funds	13,673,317	16,732,524	20,716,232	18,879,948	23,565,073
Reappropriated Funds	7,276,999	13,023,280	11,190,415	10,551,466	10,545,589
Federal Funds	7,331,450	424,665	0	0	0

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(B) Trustees of Colorado Mesa University

Trustees of Colorado Mesa University	<u>56,526,190</u>	<u>64,670,239</u>	<u>65,908,110</u>	<u>65,249,923</u>	<u>72,382,128</u> *
<i>FTE</i>	464.4	499.0	534.5	534.5	534.5
Cash Funds	32,520,583	42,583,187	47,407,535	47,490,067	54,601,444
Reappropriated Funds	12,099,298	21,368,065	18,500,575	17,759,856	17,780,684
Federal Funds	11,906,309	718,987	0	0	0

Total Funds - (B) Trustees of Colorado Mesa University	<u>56,526,190</u>	<u>64,670,239</u>	<u>65,908,110</u>	<u>65,249,923</u>	<u>72,382,128</u>
<i>FTE</i>	<u>464.4</u>	<u>499.0</u>	<u>534.5</u>	<u>534.5</u>	<u>534.5</u>
Cash Funds	32,520,583	42,583,187	47,407,535	47,490,067	54,601,444
Reappropriated Funds	12,099,298	21,368,065	18,500,575	17,759,856	17,780,684
Federal Funds	11,906,309	718,987	0	0	0

(C) Trustees of Metropolitan State College of Denver

Trustees of Metropolitan State College of Denver	<u>119,592,586</u>	<u>127,116,233</u>	<u>122,715,155</u>	<u>129,531,490</u>	<u>127,443,317</u> *
<i>FTE</i>	1,180.8	1,233.7	1,299.0	1,299.0	1,299.0
Cash Funds	69,879,174	83,048,502	85,753,676	94,137,220	91,989,858
Reappropriated Funds	24,531,075	42,665,126	36,961,479	35,394,270	35,453,459
Federal Funds	25,182,337	1,402,605	0	0	0

*This line item includes a decision item.

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Total Funds - (C) Trustees of Metropolitan State College of Denver	119,592,586	127,116,233	122,715,155	129,531,490	127,443,317
<i>FTE</i>	<u>1,180.8</u>	<u>1,233.7</u>	<u>1,299.0</u>	<u>1,299.0</u>	<u>1,299.0</u>
Cash Funds	69,879,174	83,048,502	85,753,676	94,137,220	91,989,858
Reappropriated Funds	24,531,075	42,665,126	36,961,479	35,394,270	35,453,459
Federal Funds	25,182,337	1,402,605	0	0	0

(D) Trustees of Western State College

Trustees of Western State College	<u>21,278,869</u>	<u>22,407,023</u>	<u>21,415,417</u>	<u>20,713,700</u>	<u>21,941,978</u> *
<i>FTE</i>	243.2	237.3	231.9	231.9	231.9
Cash Funds	9,105,852	11,198,142	12,071,170	11,883,709	13,116,499
Reappropriated Funds	5,876,752	10,778,294	9,344,247	8,829,991	8,825,479
Federal Funds	6,296,265	430,587	0	0	0

Total Funds - (D) Trustees of Western State College	21,278,869	22,407,023	21,415,417	20,713,700	21,941,978
<i>FTE</i>	<u>243.2</u>	<u>237.3</u>	<u>231.9</u>	<u>231.9</u>	<u>231.9</u>
Cash Funds	9,105,852	11,198,142	12,071,170	11,883,709	13,116,499
Reappropriated Funds	5,876,752	10,778,294	9,344,247	8,829,991	8,825,479
Federal Funds	6,296,265	430,587	0	0	0

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

Board of Governors of the Colorado State University System	<u>383,707,110</u>	<u>400,717,689</u>	<u>400,947,522</u>	<u>384,093,538</u>	<u>417,435,678</u> *
<i>FTE</i>	4,113.2	4,257.8	4,037.8	4,037.8	4,037.8
Cash Funds	236,650,168	268,657,429	294,300,989	284,110,185	317,417,714
Reappropriated Funds	65,853,284	126,030,094	106,646,533	99,983,353	100,017,964
Federal Funds	81,203,658	6,030,166	0	0	0

Total Funds - (E) Board of Governors of the Colorado State University System	<u>383,707,110</u>	<u>400,717,689</u>	<u>400,947,522</u>	<u>384,093,538</u>	<u>417,435,678</u>
<i>FTE</i>	<u>4,113.2</u>	<u>4,257.8</u>	<u>4,037.8</u>	<u>4,037.8</u>	<u>4,037.8</u>
Cash Funds	236,650,168	268,657,429	294,300,989	284,110,185	317,417,714
Reappropriated Funds	65,853,284	126,030,094	106,646,533	99,983,353	100,017,964
Federal Funds	81,203,658	6,030,166	0	0	0

(F) Trustees of Fort Lewis College

Trustees of Fort Lewis College	<u>41,377,089</u>	<u>42,125,037</u>	<u>43,429,497</u>	<u>40,663,052</u>	<u>44,712,696</u> *
<i>FTE</i>	385.9	372.0	417.8	417.8	417.8
Cash Funds	28,591,831	30,621,766	34,058,380	31,879,379	35,938,167
Reappropriated Funds	4,949,156	10,605,478	9,371,117	8,783,673	8,774,529
Federal Funds	7,836,102	897,793	0	0	0

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Total Funds - (F) Trustees of Fort Lewis College	41,377,089	42,125,037	43,429,497	40,663,052	44,712,696
<i>FTE</i>	<u>385.9</u>	<u>372.0</u>	<u>417.8</u>	<u>417.8</u>	<u>417.8</u>
Cash Funds	28,591,831	30,621,766	34,058,380	31,879,379	35,938,167
Reappropriated Funds	4,949,156	10,605,478	9,371,117	8,783,673	8,774,529
Federal Funds	7,836,102	897,793	0	0	0

(G) Regents of the University of Colorado

Regents of the University of Colorado	<u>860,553,756</u>	<u>897,718,548</u>	<u>896,725,389</u>	<u>872,350,906</u>	<u>939,371,843</u> *
<i>FTE</i>	6,826.0	6,805.0	6,797.7	6,797.7	6,797.7
Cash Funds	650,796,775	705,253,028	750,292,126	737,787,628	804,743,017
Reappropriated Funds	88,868,623	181,555,917	146,433,263	134,563,278	134,628,826
Federal Funds	120,888,358	10,909,603	0	0	0

Total Funds - (G) Regents of the University of Colorado	860,553,756	897,718,548	896,725,389	872,350,906	939,371,843
<i>FTE</i>	<u>6,826.0</u>	<u>6,805.0</u>	<u>6,797.7</u>	<u>6,797.7</u>	<u>6,797.7</u>
Cash Funds	650,796,775	705,253,028	750,292,126	737,787,628	804,743,017
Reappropriated Funds	88,868,623	181,555,917	146,433,263	134,563,278	134,628,826
Federal Funds	120,888,358	10,909,603	0	0	0

*This line item includes a decision item.

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(H) Trustees of the Colorado School of Mines

Trustees of the Colorado School of Mines	<u>93,386,959</u>	<u>102,760,302</u>	<u>105,814,478</u>	<u>101,641,449</u>	<u>112,370,782</u> *
<i>FTE</i>	742.7	749.6	766.6	766.6	766.6
General Fund	0	0	0	0	0
Cash Funds	70,149,573	81,304,057	89,560,236	86,726,800	97,451,983
Reappropriated Funds	10,594,313	20,585,538	16,254,242	14,914,649	14,914,649
Federal Funds	12,643,073	870,707	0	0	0

Total Funds - (H) Trustees of the Colorado School of Mines	<u>93,386,959</u>	<u>102,760,302</u>	<u>105,814,478</u>	<u>101,641,449</u>	<u>112,370,782</u>
<i>FTE</i>	<u>742.7</u>	<u>749.6</u>	<u>766.6</u>	<u>766.6</u>	<u>766.6</u>
General Fund	0	0	0	0	0
Cash Funds	70,149,573	81,304,057	89,560,236	86,726,800	97,451,983
Reappropriated Funds	10,594,313	20,585,538	16,254,242	14,914,649	14,914,649
Federal Funds	12,643,073	870,707	0	0	0

(I) University of Northern Colorado

University of Northern Colorado	<u>110,596,183</u>	<u>115,007,420</u>	<u>117,793,034</u>	<u>109,331,240</u>	<u>123,211,113</u> *
<i>FTE</i>	986.9	1,050.4	1,003.1	1,003.1	1,003.1
Cash Funds	66,509,872	74,383,330	84,986,428	78,651,145	92,547,957
Reappropriated Funds	20,515,779	38,842,790	32,806,606	30,680,095	30,663,156
Federal Funds	23,570,532	1,781,300	0	0	0

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Total Funds - (I) University of Northern Colorado	110,596,183	115,007,420	117,793,034	109,331,240	123,211,113
<i>FTE</i>	<u>986.9</u>	<u>1,050.4</u>	<u>1,003.1</u>	<u>1,003.1</u>	<u>1,003.1</u>
Cash Funds	66,509,872	74,383,330	84,986,428	78,651,145	92,547,957
Reappropriated Funds	20,515,779	38,842,790	32,806,606	30,680,095	30,663,156
Federal Funds	23,570,532	1,781,300	0	0	0

(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>348,998,854</u>	<u>386,999,646</u>	<u>379,273,574</u>	<u>384,635,512</u>	<u>394,750,950</u>	*
<i>FTE</i>	5,529.2	5,934.0	5,736.6	5,736.6	5,736.6	
Cash Funds	203,711,654	255,033,689	264,940,648	272,739,775	282,685,352	
Reappropriated Funds	74,100,807	127,442,799	114,332,926	111,895,737	112,065,598	
Federal Funds	71,186,393	4,523,158	0	0	0	

Total Funds - (J) State Board for Community Colleges and Occupational Education State System Community Colleges	<u>348,998,854</u>	<u>386,999,646</u>	<u>379,273,574</u>	<u>384,635,512</u>	<u>394,750,950</u>
<i>FTE</i>	<u>5,529.2</u>	<u>5,934.0</u>	<u>5,736.6</u>	<u>5,736.6</u>	<u>5,736.6</u>
Cash Funds	203,711,654	255,033,689	264,940,648	272,739,775	282,685,352
Reappropriated Funds	74,100,807	127,442,799	114,332,926	111,895,737	112,065,598
Federal Funds	71,186,393	4,523,158	0	0	0

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Total Funds - (5) Governing Boards	2,064,299,362	2,189,702,606	2,185,928,823	2,137,642,224	2,287,731,147
<i>FTE</i>	<u>20,757.6</u>	<u>21,441.7</u>	<u>21,119.7</u>	<u>21,119.7</u>	<u>21,119.7</u>
General Fund	0	0	0	0	0
Cash Funds	1,381,588,799	1,568,815,654	1,684,087,420	1,664,285,856	1,814,057,064
Reappropriated Funds	314,666,086	592,897,381	501,841,403	473,356,368	473,674,083
Federal Funds	368,044,477	27,989,571	0	0	0

(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>15,890,257</u>	<u>15,467,729</u>	<u>12,506,424</u>	<u>11,827,056</u>	<u>11,827,042</u> *
General Fund	7,350,751	12,601,934	11,909,951	11,230,583	11,230,569
Cash Funds	0	836,339	596,473	596,473	596,473
Federal Funds	8,539,506	2,029,456	0	0	0

Total Funds - (6) Local District Junior College Grants Pursuant to Section 23-71-301, C.R.S.	15,890,257	15,467,729	12,506,424	11,827,056	11,827,042
<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	7,350,751	12,601,934	11,909,951	11,230,583	11,230,569
Cash Funds	0	836,339	596,473	596,473	596,473
Federal Funds	8,539,506	2,029,456	0	0	0

*This line item includes a decision item.

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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	<u>900,000</u>	<u>900,000</u>	<u>900,000</u>	<u>900,000</u>	<u>900,000</u>
<i>FTE</i>	8.3	7.1	9.0	9.0	9.0
General Fund	105,405	0	0	0	0
Reappropriated Funds	794,595	900,000	900,000	900,000	900,000

Total Funds - (A) Administrative Costs	900,000	900,000	900,000	900,000	900,000
<i>FTE</i>	<u>8.3</u>	<u>7.1</u>	<u>9.0</u>	<u>9.0</u>	<u>9.0</u>
General Fund	105,405	0	0	0	0
Reappropriated Funds	794,595	900,000	900,000	900,000	900,000

(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	<u>23,189,191</u>	<u>23,296,124</u>	<u>23,584,498</u>	<u>24,146,598</u>	<u>Pending</u>
Reappropriated Funds	23,189,191	23,296,124	23,584,498	24,146,598	

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Total Funds - (B) Distribution of State Assistance for Career and Technical Education pursuant to Section 23-8-102, C.R.S.	23,189,191	23,296,124	23,584,498	24,146,598	Pending
<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	23,189,191	23,296,124	23,584,498	24,146,598	

(C) Area Vocational School Support

Area Vocational School Support	<u>9,736,132</u>	<u>8,450,501</u>	<u>7,664,871</u>	<u>7,499,310</u>	<u>7,511,574</u> *
General Fund	4,311,868	7,392,154	7,664,871	7,499,310	7,511,574
Federal Funds	5,424,264	1,058,347	0	0	0
Total Funds - (C) Area Vocational School Support	<u>9,736,132</u>	<u>8,450,501</u>	<u>7,664,871</u>	<u>7,499,310</u>	<u>7,511,574</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	4,311,868	7,392,154	7,664,871	7,499,310	7,511,574
Federal Funds	5,424,264	1,058,347	0	0	0

(D) Sponsored Programs

Administration	<u>1,960,168</u>	<u>2,072,186</u>	<u>2,220,227</u>	<u>2,220,227</u>	<u>2,220,227</u>
<i>FTE</i>	22.9	25.2	23.0	23.0	23.0
Federal Funds	1,960,168	2,072,186	2,220,227	2,220,227	2,220,227
Programs	<u>14,446,764</u>	<u>14,350,167</u>	<u>14,737,535</u>	<u>14,737,535</u>	<u>14,737,535</u>
Federal Funds	14,446,764	14,350,167	14,737,535	14,737,535	14,737,535

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Total Funds - (D) Sponsored Programs	16,406,932	16,422,353	16,957,762	16,957,762	16,957,762
<i>FTE</i>	<u>22.9</u>	<u>25.2</u>	<u>23.0</u>	<u>23.0</u>	<u>23.0</u>
Federal Funds	16,406,932	16,422,353	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

Total Funds - (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 Funds - (7) Division of Occupational Education	52,957,277	51,794,000	51,832,153	52,228,692	28,094,358
<i>FTE</i>	<u>31.2</u>	<u>32.3</u>	<u>32.0</u>	<u>32.0</u>	<u>32.0</u>
General Fund	4,417,273	7,392,154	7,664,871	7,499,310	7,511,574
Reappropriated Funds	26,708,808	26,921,146	27,209,520	27,771,620	3,625,022
Federal Funds	21,831,196	17,480,700	16,957,762	16,957,762	16,957,762

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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>
<i>FTE</i>	191.3	166.3	172.9	172.9	172.9
Reappropriated Funds	17,670,252	17,670,252	17,670,252	17,670,252	17,670,252

Total Funds - (8) Auraria Higher Education Center	<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>
<i>FTE</i>	<u>191.3</u>	<u>166.3</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

(9) HISTORY COLORADO

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>225,000</u>	<u>180,000</u>	<u>202,500</u>	<u>202,500</u>	<u>202,500</u>
General Fund	225,000	180,000	202,500	202,500	202,500

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Total Funds - (A) Cumbres and Toltec Railroad					
Commission	225,000	180,000	202,500	202,500	202,500
<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	225,000	180,000	202,500	202,500	202,500

(B) Sponsored Programs

Sponsored Programs	<u>294,447</u>	<u>238,383</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>
<i>FTE</i>	2.9	3.0	3.5	3.5	3.5
Cash Funds	0	0	20,000	20,000	20,000
Federal Funds	294,447	238,383	230,000	230,000	230,000

Total Funds - (B) Sponsored Programs	294,447	238,383	250,000	250,000	250,000
<i>FTE</i>	<u>2.9</u>	<u>3.0</u>	<u>3.5</u>	<u>3.5</u>	<u>3.5</u>
Cash Funds	0	0	20,000	20,000	20,000
Federal Funds	294,447	238,383	230,000	230,000	230,000

(C) Auxiliary Programs

Auxiliary Programs	<u>955,549</u>	<u>909,544</u>	<u>1,553,672</u>	<u>1,757,535</u>	<u>1,741,355</u> *
<i>FTE</i>	9.1	8.7	14.5	14.5	14.5
Cash Funds	955,549	909,544	1,553,672	1,757,535	1,741,355

*This line item includes a decision item.

**FY 2012-13 Joint Budget Committee Staff Figure Setting
Department of Higher Education
Numbers Pages**

	FY 2009-10 Actual	FY 2010-11 Actual	FY 2011-12 Appropriation	FY 2012-13 Request	FY 2012-13 Staff Recommendation
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Total Funds - (C) Auxiliary Programs	955,549	909,544	1,553,672	1,757,535	1,741,355
<i>FTE</i>	<u>9.1</u>	<u>8.7</u>	<u>14.5</u>	<u>14.5</u>	<u>14.5</u>
Cash Funds	955,549	909,544	1,553,672	1,757,535	1,741,355

(D) Gaming Revenue

Gaming Cities Distribution	<u>4,775,741</u>	<u>4,973,472</u>	<u>5,417,211</u>	<u>4,260,000</u>	<u>Pending</u>
Cash Funds	4,775,741	4,973,472	5,417,211	4,260,000	
Statewide Preservation Grant Program	<u>15,120,151</u>	<u>15,691,593</u>	<u>14,737,942</u>	<u>14,758,933</u>	<u>14,738,628</u>
<i>FTE</i>	17.1	17.3	18.0	18.0	18.0
Cash Funds	15,120,151	15,691,593	14,737,942	14,758,933	14,738,628
Society Museum and Preservation Operations	<u>6,565,248</u>	<u>6,166,906</u>	<u>7,398,378</u>	<u>8,389,329</u>	<u>8,282,473</u> *
<i>FTE</i>	88.5	87.2	91.9	95.4	95.4
Cash Funds	5,574,736	5,293,216	6,714,202	7,692,233	7,585,377
Federal Funds	990,512	873,690	684,176	697,096	697,096

Total Funds - (D) Gaming Revenue	26,461,140	26,831,971	27,553,531	27,408,262	23,021,101
<i>FTE</i>	<u>105.6</u>	<u>104.5</u>	<u>109.9</u>	<u>113.4</u>	<u>113.4</u>
Cash Funds	25,470,628	25,958,281	26,869,355	26,711,166	22,324,005
Federal Funds	990,512	873,690	684,176	697,096	697,096

*This line item includes a decision item.

**FY 2012-13 Joint Budget Committee Staff Figure Setting
Department of Higher Education
Numbers Pages**

	FY 2009-10 Actual	FY 2010-11 Actual	FY 2011-12 Appropriation	FY 2012-13 Request	FY 2012-13 Staff Recommendation
Total Funds - (9) State Historical Society	27,936,136	28,159,898	29,559,703	29,618,297	25,214,956
<i>FTE</i>	<u>117.6</u>	<u>116.2</u>	<u>127.9</u>	<u>131.4</u>	<u>131.4</u>
General Fund	225,000	180,000	202,500	202,500	202,500
Cash Funds	26,426,177	26,867,825	28,443,027	28,488,701	24,085,360
Federal Funds	1,284,959	1,112,073	914,176	927,096	927,096
Total Funds - Department of Higher Education	2,609,587,972	3,030,634,107	2,923,614,977	2,835,062,996	2,957,164,784
<i>FTE</i>	<u>21,128.2</u>	<u>21,790.8</u>	<u>21,490.8</u>	<u>21,494.3</u>	<u>21,494.3</u>
General Fund	427,754,090	542,601,694	387,882,867	367,060,797	358,479,262
General Fund Exempt	800,000	101,266,667	247,100,035	226,733,333	236,079,833
Cash Funds	1,417,094,271	1,679,525,897	1,718,960,320	1,699,370,889	1,844,579,849
Reappropriated Funds	362,394,418	656,661,115	550,656,940	522,781,010	498,917,130
Federal Funds	401,545,193	50,578,734	19,014,815	19,116,967	19,108,710

*This line item includes a decision item.

Committee of Reference SMART Act Recommendation Letter for the Department

House Education Committee

Received January 31, 2012

Recommendations

The House Education Committee did not provide a recommendation on the Department of Higher Education's FY 2012-13 budget.

Senate Education Committee

Received January 31, 2012

Recommendations

The Senate Education Committee recommended the Joint Budget Committee approve History Colorado's request for \$1,087,130 cash funds spending authority and 3.5 FTE for business operations needs associated with the new History Colorado Center.

1) DEPARTMENT ADMINISTRATIVE OFFICE

The Department Administrative Office includes funding for the centrally appropriated costs for the Colorado Commission on Higher Education (CCHE); the Division of Private Occupational Schools; and the State Historical Society. Funding for the governing boards is contained in the governing board line items.

Health, Life, and Dental

Description: Provides for health, life, and dental premiums.

Request: The Department requests an appropriation of \$1,182,298 total funds for this line item pursuant to OSPB's budget instructions.

Recommendation: **Staff recommends an appropriation of \$1,123,166 total funds based on the JBC's common policy.**

Short-term Disability

Description: Provides for short-term disability premiums.

Request: The Department requests an appropriation of \$15,902 total funds for this line item pursuant to OSPB's budget instructions.

Recommendation: **Staff recommends an appropriation of \$13,838 total funds based on the JBC's common policy.**

Amortization Equalization Disbursements

Description: Pays for increasing the effective PERA rate pursuant to S.B. 04-257.

Request: The Department requests an appropriation of \$292,915 total funds for this line item pursuant to OSPB's budget instructions.

Recommendation: **Staff recommends an appropriation of \$287,056 total funds based on the JBC's common policy.**

Supplemental Amortization Equalization Disbursements

Description: Pays for increasing the effective PERA rate pursuant to S.B. 06-235.

Request: The Department requests an appropriation of \$251,723 total funds for this line item pursuant to OSPB's budget instructions.

Recommendation: **Staff recommends an appropriation of \$246,688 total funds based on the JBC's common policy.**

Worker's Compensation

Description: Provides for workers' compensation premiums.

Request: The Department requests \$52,198 total funds for this line item pursuant to OSPB's budget instructions.

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

Description: Provides for legal services needs.

Request: The Department requests a continuation level of funding of \$33,918 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

Description: Provides for the purchase of administrative law judge services.

Request: The Department requests an appropriation of \$663 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

Description: Provides for the purchase of services from GGCC.

Request: The Department requests an appropriation of \$189,662 total funds for this line item pursuant to OSPB's budget instructions.

Recommendation: **Staff recommends an appropriation of \$184,694 total funds based on the JBC's common policy.**

Multiuse Network Payments

Description: Provides for the Department's contribution to the Multiuse Network

Request: The Department does not request an appropriation for this line item.

Recommendation: **Staff does not recommend funding for this line item based on the JBC's common policy.**

Management and Administration of OIT

Description: Pays for the management and administration costs of OIT.

Request: The Department requests an appropriation of \$63,334 total funds for this line item pursuant to OSPB's budget instructions.

Recommendation: **Staff recommends an appropriation of \$64,269 total funds based on the JBC's common policy.**

Payment to Risk Management and Property Funds

Description: Provides for risk management and property premiums

Request: The Department requests an appropriation of \$27,960 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.

Leased Space

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

Request: The Department requests a continuation level of funding of \$514,210 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.

A) Administration

Administration

Description: 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 later 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]
 - 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]

BRI #4 - 10 Percent Personal Services Reduction to DHE and CCHE Administration - The Department requests a reduction of \$191,490 General Fund, which represents a 10 percent reduction in personal services for DHE and CCHE administration. The requested decrease is realized through a reduction of \$191,490 reappropriated funds in the CCHE Administration line item and a corresponding refinancing of General Fund in the Need Based Grants line item. The Department intends to seek legislation in the 2012 Session that will shift the financing of duties associated with the oversight of private, proprietary (for-profit) institutions offering four-year degrees to a cash funds basis rather than being funded through statewide indirect cost recoveries. This legislation has not yet been introduced.

Staff recommends the Department's request for a reduction of \$191,490 General Fund, which represents a 10 percent reduction in personal services for DHE and CCHE administration.

Request: The Department requests an appropriation of \$2,487,403 total funds and 30.5 FTE for this line item. The line item is impacted by the annualization of S.B. 11-076 (PERA 2.5 percent shift) and a request for a 10 percent personal services reduction to DHE and CCHE administration.

Recommendation: **Staff recommends the Department's request of \$2,487,403 total funds and 30.5 FTE.** The components of the staff recommendation for this line item are summarized in the table below. Staff did not apply the 2.0 percent personal services base reduction to this line item because the line item is already impacted by a 10 percent reduction associated with BRI #4. There is a small amount of indirect cost recoveries from CollegeInvest and College Assist that are not appropriated elsewhere in the budget that are categorized as cash funds. The fund source adjustment reflects the portion of indirect cost recoveries from CollegeInvest and College Assist relative to indirect cost recoveries from other agencies in the Department's 2012-13 indirect cost assessment plan.

Department Administration							
Item	TOTAL	Private Fees	Indirect CollegeInvest, College Assist	Indirect All Other	Transfer from Education	Federal Funds	FTE
FY 2011-12 Appropriation	\$2,624,869	\$68,320	\$187,754	\$1,891,569	\$105,180	\$372,046	30.5
Restore PERA Contribution	54,024	0	0	41,484	0	12,540	0.0
2.0 Percent Base Personal Services Adjustment	0	0	0	0	0	0	0.0
BRI-04 - 10 Percent Personal Services Reduction	(191,490)	0	0	(191,490)	0	0	0.0
Total	\$2,487,403	\$68,320	\$187,754	\$1,741,563	\$105,180	\$384,586	30.5

B) Division of Private Occupational Schools

Description: This program is responsible for reviewing the curriculum and establishing standards for private occupational schools in Colorado. The source of cash funds is fee revenue from the individual schools and the students. Pursuant to statute, the Division reports to the executive director of the Department, rather than to the Division of Occupational Education within the Community College System.

Request: The Department requests an appropriation of \$633,554 cash funds and 7.8 FTE for this line item. The line item is impacted by the annualization of S.B. 11-076 (PERA 2.5 percent shift).

Recommendation: **Staff recommends an appropriation of \$622,255 cash funds and 7.8 FTE.** The components of the staff recommendation for this line item are summarized in the table below.

Division of Private Occupational Schools		
Item	Dollars	FTE
FY 2011-12 Appropriation	\$623,498	7.8
Restore PERA Contribution	10,056	0.0
2.0 Percent Base Personal Services Adjustment	(11,299)	0.0
Total	\$622,255	7.8

C) Special Purpose

Western Interstate Commission on Higher Education (WICHE)

Description: The line provides funding for Colorado's dues to support WICHE. This coalition of Western States works to benefit each other through sharing 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. 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/>

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 source of reappropriated funds is indirect cost recoveries.

Request: The Department requests a continuation level of funding of \$125,000 reappropriated funds for this line item.

Recommendation: Staff recommends the Department's request for a continuation level of funding of \$125,000 reappropriated funds.

WICHE - Optometry

Description: 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.

BRI #7 - Phase Out WICHE Optometry Program - The Governor and CCHE request a decrease of \$44,800 General Fund from the WICHE Optometry Program as the first step in phasing out the program. This reduction is realized through a reduction of \$44,800 reappropriated funds from the WICHE Optometry Program and a corresponding refinancing of General Fund in the Need Based Grants Program line item. The request indicates that any Colorado students that are not currently participating in the program will have to pay the traditional, unsubsidized tuition rate at out-of-state optometry schools. However, it would maintain the four-year funding for current FY 2011-12 student participants. Participation in the program on an annual basis has been relatively small (eight students maximum per annual cohort), and the Department does not believe there will be a shortage of optometrists in Colorado as a result of this request.

Staff recommends the Department's request for a reduction of \$44,800 General Fund from the WICHE Optometry Program as the first step in phasing out the program.

Request: The Department requests an appropriation of \$354,200 reappropriated funds for this line item. The line item is impacted by BRI #7 (Phase Out WICHE Optometry Program).

Recommendation: Staff recommends the Department's request of \$354,200 reappropriated funds.

Distribution to the Higher Education Competitive Research Authority

Description: Pursuant to Section 25-17-202 (3) (a) (I), C.R.S. a portion of the fees collected for the disposal of waste tires get 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 to provide matching funds for federal research grants. In addition, H.B. 10-1339 allocated \$1.0 million from limited gaming funds that would otherwise be transferred to the General Fund to the Innovative Higher Education Research Fund in FY 2010-11.

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

Recommendation: Staff recommends the Department's request for a continuation level of funding of \$3,381,000 cash funds.

Veterinary School Program Needs

Description: 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 are offsetting the need for General Fund.

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

Recommendation: Staff recommends the Department's request for a continuation level of funding of \$285,000 total funds.

Enrollment/Tuition and Stipend Contingency

Description: This line provides spending authority that CCHE can 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.

This line item represents spending authority only. There is no revenue behind it to support expenditures. If CCHE transfers the spending authority to a governing board, it increases the cap on how much revenue that school can raise, but the school has to be earning the revenue to take advantage of the increased spending authority.

The line item has historically been accompanied by a footnote indicating that the spending authority may not be used to support tuition or fee increases.

Request: The Department does not request funding for this line item. The line item was eliminated during the FY 2011-12 budget cycle.

Recommendation: Staff does not recommend funding for this line item. With the passage of S.B. 10-003, higher education governing boards are not bound by tuition appropriations in the Long Bill, and so this appropriation is no longer necessary. The S.B. 10-003 exemption from legislative oversight of tuition lasts for five years starting in FY 2011-12.

3) COLORADO COMMISSION ON HIGHER EDUCATION FINANCIAL AID

This section funds the CCHE-operated financial aid programs. 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 \$6.5 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.

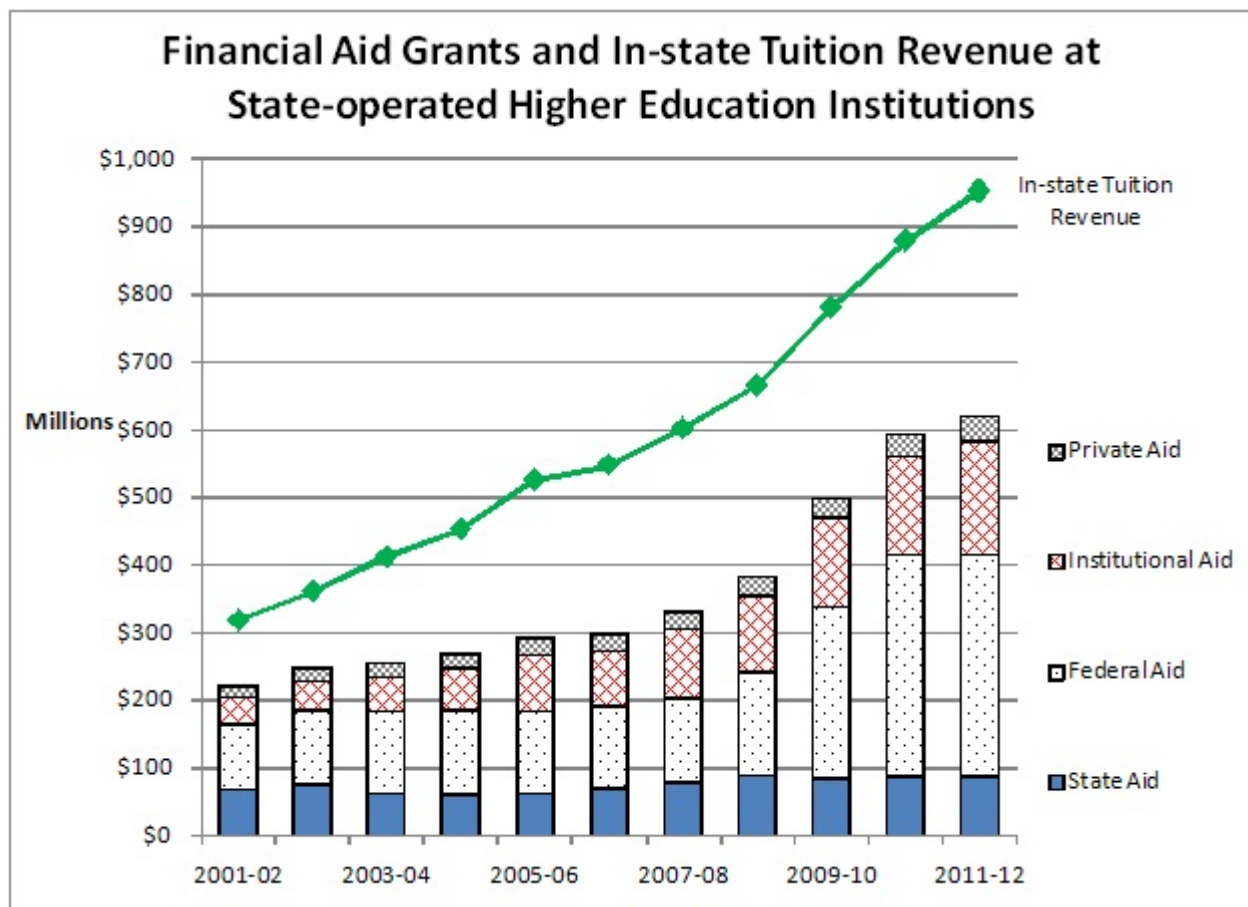
The federal government also provides a significant amount of financial aid for students. The majority of federal grants come through the Pell program for the neediest students. Federal legislation recently increased the maximum Pell grant for a full-time student to \$5,550 in FY 2010-11, from \$4,731 in FY 2008-09. The legislation also expanded eligibility. In FY 2010-11, the average adjusted gross income of the families of dependent students receiving the full Pell award was \$19,501, compared to \$18,352 in FY 2009-10, and the average of students receiving any Pell award was \$31,187, compared to \$37,881 in FY 2009-10.

The federal government also provides low-interest guaranteed loans and tax credits and deductions for tuition. Sixty-seven percent of students completing a bachelor's degree in FY 2010-11 from public institutions graduated with the support of federal student loans, and the average amount of federal loans for people graduating with debt was \$23,268.

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.



A) Need Based Grants

Description: This line 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.

DI #1 - Fort Lewis College Native American Tuition Waiver - The Department requests transferring \$808,526 General Fund from the Need Based Grants line item and \$180,029 General Fund from the Work Study line item to the Native American Students/Fort Lewis College line item to reimburse the college for tuition waivers to qualifying Native American students pursuant to the grant from the federal government that provided the land for the institution.

Staff recommends the Department's request to transfer \$808,526 General Fund from the Need Based Grants line item and \$180,029 General Fund from the Work Study line item to the Native American Students/Fort Lewis College line item.

Request: The Department requests an appropriation of \$73,798,891 total funds for this line item. The request includes the impact of DI #1 (Fort Lewis College Native American Tuition Waiver), BRI

#4 (10 Percent Personal Services Reduction to DHE and CCHE Administration), and BRI #7 (Phase Out WICHE Optometry Program). In addition, the Department's November 1 budget submission included BRI #2, which requested reducing this line item by one third. However, that request was rescinded through a subsequent budget amendment.

Recommendation: **Staff recommends the Department's request of \$73,798,891 total funds.** The components of the staff recommendation for this line item are summarized in the table below.

Need Based Grants			
Item	Total	General Fund	Reappropriated Funds
FY 2011-12 Appropriation	\$74,607,417	\$74,515,865	\$91,552
DI #1 - Fort Lewis College Native American Tuition Waiver	(808,526)	(808,526)	0
BRI #4 - 10 Percent Personal Services Reduction to DHE and CCHE Administration	0	(191,490)	191,490
BRI #7 - Phase Out WICHE Optometry Program	0	(44,800)	44,800
Total	\$73,798,891	\$73,471,049	\$327,842

B) Merit Based Grants

Description: 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.

Request: The Department does not request funding for this line item. The line item was eliminated during the FY 2009-10 budget cycle.

Recommendation: **Staff does not recommend funding for this line item.** The program was eliminated in FY 2009-10.

C) Work Study

Description: 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 an appropriation of \$16,432,328 General Fund for this line item. The request includes the impact of DI #1 (Fort Lewis College Native American Tuition Waiver). In addition, the Department's November 1 budget submission included BRI #3, which requested reducing this line item by one third. However, that request was rescinded through a subsequent budget amendment.

Staff Recommendation: **Staff recommends the Department's request of \$16,432,328 General Fund.** The components of the staff recommendation for this line item are summarized in the table below. A minimum of 75 percent of work study funds must be used for need based students. 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, but the regulated hours and locations ensure that employment doesn't interfere with study.

Work Study	
Item	General Fund
FY 2011-12 Appropriation	\$16,612,357
DI #1 - Fort Lewis College Native American Tuition Waiver	(180,029)
Total	\$16,432,328

D) Special Purpose

Veterans'/Law Enforcement/POW Tuition Assistance

Description: 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. By statute 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.

Request: The Department requests a continuation level of funding of \$364,922 General Fund for this line item.

Recommendation: **Staff recommends the Department's request for a continuation level of funding of \$364,922 General Fund.**

National Guard Tuition Assistance

Description: House Bill 04-1347 required that the first priority of any funds appropriated for financial aid in the Department of Higher Education be providing tuition assistance to national guard members, up to \$650,000. This put the National Guard Tuition Assistance on the same footing with the Veterans'/Law Enforcement/POW Tuition Assistance. H.B. 09-1290 increased the cap to \$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

Description: 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 \$12,773,557 total funds for this line item. The request proposes reallocating General Fund among financial aid programs to address increased costs for Native American tuition waivers. The net impact of the November request and a February 9, 2012, budget amendment is an increase in Native American tuition assistance, and a decrease in Need Based Grants and Work Study.

Recommendation: Staff recommends the Department's request of \$12,773,557 General Fund. The components of the staff recommendation for this line item are summarized in the table below. The state's obligation to waive tuition for Native Americans has been challenged and upheld in court. The increase in costs is primarily attributable to higher nonresident enrollment in FY 2011-12. There were no increases in nonresident tuition rates at Fort Lewis.

Native American Students/Fort Lewis College			
Item	Total	General Fund	Reappropriated Funds
FY 2011-12 Appropriation	\$11,785,002	\$11,347,562	\$437,440
Restore PERA Contribution	0	41,484	(41,484)
DI #1 - Fort Lewis College Native American Tuition Waiver	988,555	988,555	0
Total	\$12,773,557	\$12,377,601	\$395,956

Fort Lewis is working 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. Colorado would still be responsible for appropriating General Fund to cover the cost of tuition waivers for Colorado residents, and for any increases in costs for either resident or nonresident students in future years.

GEAR-UP

Description: The federal GEAR-UP scholarships are a type of precollegiate program.

Request: The Department requests a continuation level of funding of \$600,000 federal funds for this line item.

Recommendation: Staff recommends the Department's request for a continuation level of funding of \$600,000 federal funds.

Nursing Teacher Loan Forgiveness Pilot Program

Description: This program, created by S.B. 06-136 (Tapia/Butcher), 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.

Request: The Department does not request funding for this line item.

Recommendation: Staff does not recommend funding for this line item.

Required Federal Match

Description: 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.

Request: The Department does not request funding for this line item.

Recommendation: Staff does not recommend funding for this line item.

Teach Colorado Grant

Description: This program, authorized by S.B. 08-133 (Schaffer, Kerr A.), provides scholarships to reduce financial barriers to the teaching profession for students in state institution teacher preparation programs who excel academically in high-need content areas.

Request: The Department does not request funding for this line item.

Recommendation: Staff does not recommend funding for this line item.

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. Following are some key statutes related to the College Opportunity Fund Program:

BRI #1 - Operational Funding Reduction to Public Colleges and Universities - The Department requests a reallocation of College Opportunity Fund (COF) stipends and fee-for-service contract dollars among the governing boards that results in a net loss of \$29.0 million General Fund for the public higher education institutions, or 5.7 percent of their FY 2011-12 General Fund appropriation. The distribution formula for the net reduction has three components: \$18.0 million reduced in proportion to the FY 2011-12 General Fund appropriation for each institution; \$18.0 million reduced in proportion to the FY 2011-12 total funds appropriation, including General Fund and tuition, for each institution; and \$7.5 million added back in proportion to increases in enrollment since FY 2005-06. The distribution formula is illustrated in the following table.

	<u>FY 2011-12</u> <u>GF</u>	<u>Proportional</u> <u>Reductions</u>	<u>Enrollment</u> <u>Adjustment</u>	<u>Net</u> <u>Reduction</u>	<u>Percent</u>
Adams State College	\$11,190,415	(\$638,141)	\$4,877	(\$633,264)	(5.7)%
Colorado Mesa University	18,500,575	(1,234,216)	504,491	(729,725)	(3.9)%
Metro State College	36,961,479	(2,319,894)	773,350	(1,546,544)	(4.2)%
Western State College	9,344,247	(509,716)	0	(509,716)	(5.5)%
CSU System	106,476,533	(7,093,510)	493,517	(6,599,993)	(6.2)%
Fort Lewis College	9,323,117	(582,258)	0	(582,258)	(6.2)%
CU System	145,775,732	(12,460,702)	701,715	(11,758,987)	(8.1)%
Colorado School of Mines	16,254,242	(1,450,131)	123,456	(1,326,675)	(8.2)%
U. of Northern Colorado	32,806,606	(2,107,736)	0	(2,107,736)	(6.4)%
Community College System	<u>112,832,926</u>	<u>(7,271,013)</u>	<u>4,898,594</u>	<u>(2,372,419)</u>	<u>(2.1)%</u>
Subtotal - Governing Boards	\$499,465,872	(\$35,667,317)	\$7,500,000	(\$28,167,317)	(5.6)%
Local District Junior Colleges	11,909,951	n/a	n/a	(671,721)	(5.6)%
Area Vocational Schools	7,664,871	n/a	n/a	(160,962)	(2.1)%
TOTAL - Public	\$519,040,694	(\$35,667,317)	\$7,500,000	(\$29,000,000)	(5.6)%

The request includes a reduction to the COF stipend to public institutions from \$1,860 (for 30 credit hours) to \$1,500 (for 30 credit hours), or from \$62 per credit hour to \$50 per credit hour. In addition to the changes for the public institutions, the request also results in a decrease of \$104,400 General Fund to the COF stipend for private institutions. However, the requested reduction to the COF stipend for private institutions assumes the approval of BRI #5 (below), which requests a statutory change to reduce the private stipend rate from 50 percent to 25 percent of the public stipend rate. If BRI #5 is not approved, the reduction in this request related to the COF stipend for private institutions increases to \$208,800 General Fund.

Staff recommends the Department's request for a reduction of \$29,000,000 General fund associated with BRI #1.

BRI #6 - Reduction in COF Lifetime Credit Hour Limit - The Department requests a decrease of \$329,964 General Fund to the COF stipends for public institutions. Current statute provides a COF lifetime credit hour limit of 145 credit hours. This requested decrease would be achieved by

reducing the lifetime credit hour limit to 140 credit hours. This change would require separate legislation. House Bill 12-1155 includes the statutory change necessary to change the lifetime credit hour limit from 145 to 140 credit hours. However, the bill does not currently include an appropriation clause to reduce the COF stipends for public institutions by \$329,964 General Fund.

Staff does not recommend the Department's request for a reduction of \$329,964 General Fund. Instead, staff recommends that the reduction be included in an appropriation clause to H.B. 12-1155 if that bill passes with the adjustment to the COF lifetime credit hour limit.

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 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.

The staff recommendations for stipends for students attending state-operated institutions, and for fee-for-service contracts, are discussed in the Governing Boards section.

Stipends for students attending participating private institutions

Description: As noted above, 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.

BRI #5 - Reduction of COF to Private Institutions - The Department requests a reduction of \$539,400 General Fund to the College Opportunity Fund for private stipends. Current statute requires that the private stipend be set at 50 percent of the public stipend rate for Pell eligible undergraduate students attending participating non-profit private institutions (University of Denver, Regis University, and Colorado Christian University). This requested decrease would be achieved by reducing the current private stipend rate to 25 percent of the public stipend rate. This change would require separate legislation. However, the Department has indicated that it does not intend to seek this legislation. Therefore, the JBC or an individual member would need to carry legislation effecting this change in order to realize the savings requested.

Staff does not recommend the Department's request for a reduction of \$539,400 General Fund. If the JBC or an individual member carries legislation to reduce the COF stipend to private institutions, staff recommends including this reduction in an appropriation clause to the bill.

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.

Recommendation: **Staff recommends an appropriation of \$870,000 General Fund.** The staff recommendation does not include the reduction associated with BRI #5. However, it does include a reduction of \$208,800 General Fund associated with BRI #1. The request is based on an estimated 1,160 eligible student FTE at a rate of \$750 per full-time student.

(5) GOVERNING BOARDS

Description: 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.

FY 2011-12 Enrollment Adjustment:

Request: The Department sent a letter February 17, 2012 requesting that in adjusting appropriations for new enrollment estimates the Joint Budget Committee maintain the same net funds from stipends and fee-for-service contracts for each governing board as in the Governor's request for both FY 2011-12 and FY 2012-13. The letter indicated that the Department would not submit a formal request for adjustments to stipends and fee-for-service contracts, and the Department did not submit a formal request to adjust tuition and fee spending authority based on enrollment.

Recommendation: **Staff recommends a net decrease in the FY 2011-12 stipend appropriation based on Legislative Council Staff's February 2012 forecast, and corresponding adjustments in fee-for-service contracts with each governing board for no net change in total funds.** The Legislative Council Staff enrollment projection indicates a net decrease in the stipend-eligible population for FY 2011-12 of 5,025.0 student FTE over the appropriated level, or a 3.4 percent correction to the forecast.

Last year a report prepared by the Western Interstate Commission on Higher Education to comply with the five-year statutory evaluation of the College Opportunity Fund program found that the General Assembly's practice of adjusting stipends and fee-for-service contracts to maintain the same level of funding for each governing board undermines some of the stated purposes of the College Opportunity Fund program, including the purpose of increasing market incentives for enrollment.

However, staff would note that the FY 2011-12 appropriation was based on a targeted combined amount from stipends and fee-for-service contracts for each governing board, rather than an independent analysis of the amounts needed for stipends and fee-for-service contracts. Had the forecast used for the appropriation been more accurate in predicting the stipend-eligible population, the General Assembly would have adjusted the stipends and fee-for-service contracts in the appropriation. To provide increases and decreases in stipends now without adjusting the fee-for-service contracts could be arbitrary based on how close the forecast was to the actual mark, rather than rewarding the initiative of institutions that brought in more students and penalizing those that didn't. To make the stipends work as an incentive for enrollment, the General Assembly would need to determine a basis for the fee-for-service contracts that is independent of the stipends.

Also, the General Assembly would need to state this policy at the beginning of a fiscal year, so that governing boards could react to the policy. For FY 2011-12 governing boards are operating under the assumption that stipends and fee-for-service contracts will be adjusted for enrollment to net to the same amount. Staff suspects that institutions still pursue enrollment because of the tuition benefits, and because it is part of their mission, but it is possible that some institutions don't pursue it as vigorously because they assume the stipend revenue increases will be offset by fee-for-service decreases. At the other end of the spectrum, there may be institutions that aren't cutting expenses as deeply as they should with declining enrollment, because they assume that fee-for-service contract dollars will increase to compensate for the loss in stipends. To change the General Assembly's historic practice mid-fiscal-year could be unfair to institutions operating under different assumptions.

From a pragmatic perspective, setting fee-for-service contract amounts independent of stipends would be a challenging task at best, because the stipends pay for a varying amount of the actual cost of undergraduate education at each institution. For some institutions, the stipend more than covers the cost of undergraduate education, and the remainder can be used to subsidize graduate education, or rural education, or any of the other fee-for-service purposes. At other institutions, the stipend covers only a fraction of the cost of undergraduate education. Accounting for tuition complicates the formula even further.

For these reasons, the staff recommendation is to continue the General Assembly's prior practice of adjusting stipends for enrollment and then adjusting fee-for-service contracts to net to the same total appropriation. If the General Assembly changed the way it deals with stipends, this would be a beneficial year because the mid-year projection calls for a net decrease in stipend expenditures that would benefit the General Fund.

In addition to adjusting stipends to match the projection and adjusting fee-for-service contracts to net to the same total funds for each governing board, staff recommends updating the tuition appropriations to match the 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 suggests that the governing boards will earn a total of \$35.9 million more than the appropriation. Also, adjusting the FY 2011-12 base tuition appropriation to match the projection will make it easier for the JBC to explain proposed changes in tuition assumptions for FY 2012-13.

The staff recommendation differs from the Department request because it is based on the Legislative Council Staff February 2012 forecast, while the Department's request is based on revenue projections submitted by the higher education institutions. Legislative Council Staff discussed the projections with the schools and the differences are primarily attributable to different enrollment assumptions. Institution forecasts are based primarily on enrollment to date, while the Legislative Council Staff forecast also considers statewide factors such as the economy and high school graduation rates.

Finally, **staff recommends the following adjustments to FY 2011-12 fee spending authority:**

Academic Fee Supplemental				
FY 2011-12				
	Academic Fee	FY 2011-12	Recommended	
	Appropriation	Revenue Estimate	Change	Percent
Adams	\$2,951,165	\$2,951,165	\$0	0.0%
Mesa	632,210	487,114	(145,096)	(23.0)%
Metro	17,511,694	11,491,744	(6,019,950)	(34.4)%
Western	1,231,492	3,620	(1,227,872)	(99.7)%
CSU System	16,753,193	16,753,193	0	0.0%
Fort Lewis	1,096,815	1,096,815	0	0.0%
CU Regents	45,000,000	37,070,092	(7,929,908)	(17.6)%
Mines	4,203,414	4,203,414	0	0.0%
UNC	5,117,140	5,363,000	245,860	4.8%
Community Colleges	11,652,406	9,225,964	(2,426,442)	(20.8)%
TOTAL	\$106,149,529	\$88,646,121	(\$17,503,408)	(16.5)%

These adjustments in fee spending authority represent reductions in enrollment. All of the staff recommended changes to FY 2011-12 appropriations are summarized in Appendix A at the end of this document.

FY 2012-13:

Request: For FY 2012-13, the Department requests:

- ▶ **General Fund:** The Department requests a reallocation of College Opportunity Fund (COF) stipends and fee-for-service contract dollars among the governing boards that results in a net loss of \$29.0 million General Fund for the public higher education institutions, or 5.7 percent of their FY 2011-12 General Fund appropriation. In addition, the Department requests a decrease of \$329,964 General Fund to the COF stipends for public institutions associated with reducing the COF lifetime credit hour limit from 145 to 140 credit hours.

The CCHE distribution formula has three main parts to balance differing and somewhat competing policy objectives. The Department describes the principals behind CCHE's allocation formula, not necessarily in order, as providing funding for high cost programs, keeping all institutions open, and addressing the significant enrollment growth at some institutions during the current economic downturn.

In the first step of CCHE's distribution formula a reduction of \$18.0 million is allocated according to each governing board's share of General Fund. Proponents of this approach argue that the current state funding per student at each institution is the result of a long history of decisions about the needs of the institutions, based on factors such as types of courses, size, location, alternative sources of revenue, socioeconomic status of the students, competition from peers for faculty, etc. Any reduction in funding should consider the accumulated wisdom of these decisions and reduce state funding proportionally to ensure that institutions continue to be compensated relative to the cost of their programs. Opponents of

this approach argue that a proportional reduction in state funding is much easier to absorb for institutions with large amounts of tuition revenue than for institutions that rely primarily on General Fund support.

The second part of CCHE's distribution formula allocates a reduction \$18.0 million according to each governing board's total funds for education, which CCHE defines as General Fund and tuition. This ignores smaller sources of revenue that may also pay for instruction such as fees, interest earnings, and indirect cost recoveries, but it captures the largest sources of education funding. Proponents of this approach argue that it spreads the pain of reductions equally among the higher education institutions, allowing them all to remain operational. Although, even in this approach, some institutions are more able to respond to the loss in state funding by increasing revenues through tuition rate increases than other institutions. Opponents argue that this distribution compounds existing disparities in the proportion of costs borne by students at different institutions. Also, it can penalize institutions for entrepreneurial efforts to raise revenue from sources other than state funds, particularly institutions that attract a lot of out-of-state tuition.

The third part of CCHE's formula adds \$7.5 million to the higher education institutions based on enrollment increases that occurred between FY 2005-06 and FY 2010-11. Proponents argue that the College Opportunity Fund stipend, which was first implemented in FY 2005-06, promised incentives for institutions that successfully increased enrollment. Historic enrollment growth during this recession has strained the capacity of some institutions to continue providing services without additional state funding. Opponents argue that the incremental costs of funding increases in enrollment are small, and that the current surge in enrollment is ephemeral and enrollment rates will return to pre-recession patterns when the economy improves. CCHE's formula only adds money for enrollment and does not take money away from schools that lost enrollment.

When calculating the total funds reduction for Fort Lewis College, CCHE excluded tuition revenue paid from the Native American tuition assistance. According to Department staff, the Commission wanted to treat Native American tuition assistance as above and beyond the base support for the institution, like the appropriations from tobacco settlement funds for the University of Colorado's Anschutz Medical Campus or the Limited Gaming funds distributed to institutions with a two-year mission.

The CCHE distribution formula also applies to the Local District Junior Colleges and Area Vocational Schools, although the funding for those entities appears in different sections of the Long Bill than the funding for the governing boards. For the Local District Junior Colleges the Commission recommends the average of the average percentage reduction for the governing boards in General Fund. According to Department staff, the Commission considered the availability of local property tax revenue in recommending a larger reduction for the Local District Junior Colleges than for the Community Colleges. For the Area Vocational Schools the Commission recommends the same percentage change in General

Fund as for the Community Colleges. According to Department staff, the Commission considers the Area Vocational Schools most like Community Colleges in the students served and types of courses offered.

The Department requests reducing the current stipend rate from \$1,860 annually per full-time student, or \$62 per credit hour, to \$1,500 annually per full-time student, or \$50 per credit hour. The fee-for-service contracts are adjusted to get to the total state support level targeted in the Commission's formula. The Department sent a letter February 17, 2012 requesting that in adjusting stipend appropriations for new enrollment estimates the Joint Budget Committee maintain the same net funds from stipends and fee-for-service contracts for each governing board as in the Governor's request. The Department also included a letter with the request signed by all ten governing boards supporting the CCHE allocation formula.

- ▶ **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.

Recommendation: Staff recommends a total of \$471.3 million General Fund for the higher education institutions, including the Local District Junior Colleges and Area Vocational Schools, distributed according to the CCHE formula.

For tuition staff recommends assuming the same 9.0 percent increase in resident tuition rates and 5.0 percent increase in nonresident tuition rates as the request. The staff recommendation uses the Legislative Council Staff February 2012 forecast to estimate the revenue generated with these tuition rate increases. Staff also recommends adding the following footnote:

N 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.

Staff assumes that tuition will always be a consideration and point of discussion for the General Assembly in setting General Fund support levels, and staff assumes the General Assembly would like to see the Governor and the Colorado Commission on Higher Education continue to state their

expectations regarding tuition rate increases with the annual budget request. Neither the footnote, nor asking the Governor and CCHE to describe tuition rate assumptions with the budget request, would bind governing boards to any specific tuition rate increases.

The JBC could choose to remove tuition appropriations from the Long Bill altogether, but the statutory authority for governing boards to set tuition rates without legislative oversight expires at the end of FY 2015-16, unless the General Assembly decides to reauthorize the statute. Removing tuition appropriations and then adding them back would create inconsistencies in appropriation histories. Also, an informational appropriation for tuition provides a convenient way to track and account for actual tuition revenue. Finally, an informational tuition appropriation could provide an opportunity for the Governor, CCHE, or the General Assembly to communicate tuition expectations to the governing boards, should any of those bodies choose to use the appropriation that way (for example, if the General Assembly provided a General Fund appropriation to "buy down" tuition). There are certainly other ways to track tuition and have an annual discussion about tuition if the JBC would prefer not to include any projection of tuition in the Long Bill, but the staff recommendation is to continue to appropriate tuition with a footnote explaining that the appropriation is for informational purposes and not binding.

Staff recommends a decrease in tobacco funding for the University of Colorado of \$623,527.

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. Settlement revenue is expected to decline 3.8 percent for next year.

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 \$6.1 million limited gaming funds would flow to the institutions with a 2-year mission in FY 2011-12. This is about \$0.2 million above the estimate used for the FY 2011-12 Long Bill, and \$0.9 million below the actual FY 2011-12 distribution.

For Academic and Academic Facility Fees, staff recommends an appropriation equal to the revenue projected by the higher education institutions. The footnote proposed above describes the appropriation for Academic and Academic Facility Fees as informational, just like the recommended informational appropriation for tuition. Since the General Assembly will not control tuition in FY 2012-13, staff sees no reason for the General Assembly to control fees. However, for the same reasons staff recommends an informational appropriation for tuition, staff also recommends an informational appropriation for Academic and Academic Facility Fees.

Academic Fees				
	FY 2011-12	FY 2012-13		
	Academic Fee	Academic Fee	Recommended	
	Estimate	Estimate	Change	Percent
Adams	\$2,951,165	\$3,323,390	\$372,225	12.6%
Mesa	487,114	501,727	14,613	3.0%
Metro	11,491,744	11,324,551	(167,193)	-1.5%
Western	3,620	29,000	25,380	701.1%
CSU System	16,753,193	17,255,789	502,596	3.0%
Fort Lewis	1,096,815	1,151,656	54,841	5.0%
CU Regents	37,070,092	38,923,597	1,853,505	5.0%
Mines	4,203,414	4,203,414	0	0.0%
UNC	5,363,000	5,523,890	160,890	3.0%
Community Colleges	9,225,964	9,120,781	(105,183)	-1.1%
TOTAL	\$88,646,121	\$91,357,795	\$2,711,674	3.1%

Except for CU and UNC, the fee projections represent projected enrollment growth. The fee projections for CU and UNC reflect scheduled escalators on facility bond fees implemented in prior years.

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.

The staff recommendation on FTE in the Long Bill is based on FY 2011-12 estimated FTE in the budget request. 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		Recommended	
	FY 2011-12	FY 2012-13	Change	Percent
	Appropriation	Estimate		
Adams	294.7	294.7	0.0	0.0%
Mesa	534.5	534.5	0.0	0.0%
Metro	1,299.0	1,299.0	0.0	0.0%
Western	231.9	231.9	0.0	0.0%
CSU System	4,037.8	4,037.8	0.0	0.0%
Fort Lewis	417.8	417.8	0.0	0.0%
CU Regents	6,797.7	6,797.7	0.0	0.0%
Mines	766.6	766.6	0.0	0.0%
UNC	1,003.1	1,003.1	0.0	0.0%
Community Colleges	5,736.6	5,736.6	0.0	0.0%
TOTAL	21,119.7	21,119.7	0.0	0.0%

6) LOCAL DISTRICT JUNIOR COLLEGES

Description: This 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 \$11,827,056 total funds for this line item. The request includes a reduction associated with BRI #1 of \$679,368 General Fund, which equals the average of the average percent reduction for the governing boards (5.7 percent), as discussed above.

Recommendation: **Staff recommends an appropriation of \$11,827,042 total funds.** The staff recommendation is based on funding the higher education institutions at the total \$471.3 million General Fund level discussed above and allocating the reductions to the higher education institutions according to the CCHE distribution formula. 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.

A) Administrative Costs

Description: 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: **Staff recommends the Department's request for a continuation level of funding of \$900,000 reappropriated funds and 9.0 FTE.** The components of the staff recommendation for this line item are summarized in the table below. Staff did not apply the 2.0 percent personal services base reduction to this line item because the FTE are administratively located within the State Board for the Community Colleges and Occupational Education State System Community Colleges. When the JBC approves all the common policies, a fund source adjustment may be necessary to reflect changes in the total available indirect cost recoveries and the amount of indirect cost recoveries left over after allocations to the Department Administrative Office. Staff requests permission to adjust the fund source in this line item to reflect the available indirect cost recoveries.

Division of Occupational Schools		
Item	Dollars	FTE
FY 2011-12 Appropriation	\$900,000	9.0
2.0 Percent Base Personal Services Adjustment	0	0.0
Total	\$900,000	9.0

B) Colorado Vocational Act Distributions pursuant to Section 23-8-102, C.R.S.

Description: 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.

NP #1 - Increase for K-12 Categorical Programs - The Department requests an increase of \$562,100 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.

The staff recommendation for this request is pending figure setting for the Department of Education.

Request: The Department requests an appropriation of \$24,146,598 reappropriated funds for this line item in coordination with the Department of Education. The request includes an increase of

\$562,100 reappropriated funds related to the constitutionally required increase for categorical programs in the Department of Education.

Recommendation: **The staff recommendation is pending figure setting for the Department of Education.** Funding for this program will be discussed as part of the allocation of funds for categorical programs.

C) Area Vocational School Support

Description: This line provides state support for the three area vocational schools to provide post-secondary vocational training. In addition to the General Fund shown in the Long Bill, the AVS charge minimal 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 \$7,499,310 General Fund for this line item. The request includes a reduction associated with BRI #1 and BRI #6 of \$165,561 General Fund, which is equal to the average reduction for the Community Colleges, as discussed above..

Recommendation: **Staff recommends an appropriation of \$7,511,574 General Fund.** The staff recommendation is based on funding the higher education institutions at the total \$471.3 million General Fund level discussed above and allocating the reductions to the higher education institutions according to the CCHE distribution formula.

D) Sponsored Programs

These are federally funded occupational education programs.

Administration

Description: The 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

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

Request: 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

Description: These are 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

Description: 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 2011-12 estimated staffing level provided in the budget data book for informational purposes.

9) HISTORY COLORADO

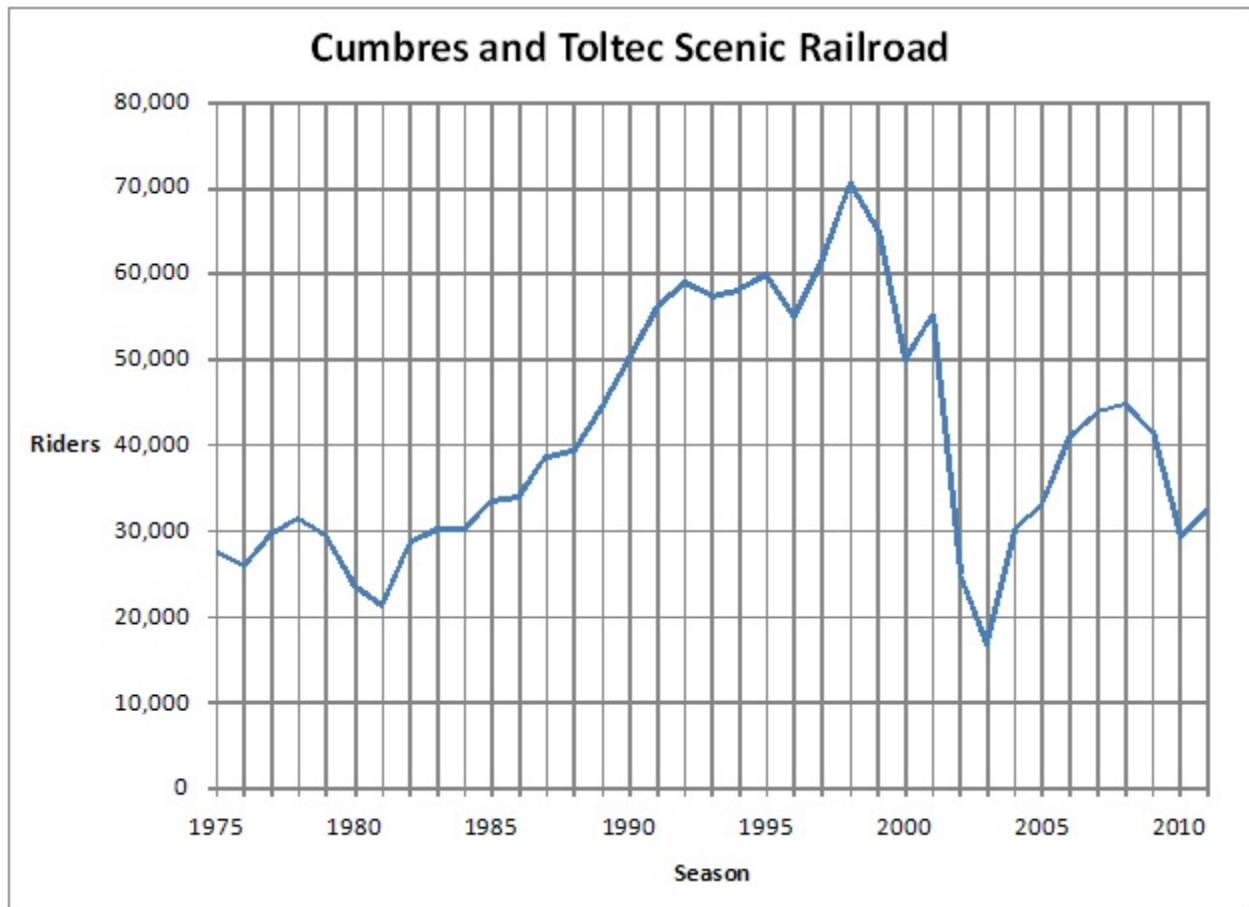
History Colorado collects, preserves, exhibits and interprets properties and artifacts of historical significance. In addition to operating museums and historical sites throughout the state, the Society distributes gaming funds for preservation projects.

(A) Cumbres-Toltec Railroad Commission

Description: 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 subsidize maintenance with an ongoing operating appropriation and provide periodic capital appropriations for larger projects.

The railroad offers trips between Antonito and Chama, including lunch and a round trip connection by bus, for \$91 coach class. The trip takes approximately seven and a half hours including a 1 hour stop for lunch. It also offers round trips entirely by train to the approximate mid-point of the railroad in Osier, Colorado for \$75 coach class, including lunch. This trip takes between 6 and 7 hours, depending on the starting terminus, including a 1 hour stop for lunch.



The railroad attributes 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 Labato trestle, disrupting travel between Chama and Osier. The railroad finished the process of repairing the trestle for the 2011 season and expects ridership to rebound.

Estimated cost of repairing the Lobato Trestle	\$1,990,500
Insurance	\$360,500
NM and CO ARRA funds originally dedicated to track work	\$553,000
Colorado ARRA funds	\$135,000
Donations	\$117,000
NM Department of Transportation	\$825,000

Request: History Colorado requests a continuation level of funding of \$202,500 General Fund for this line item.

Recommendation: **Staff recommends the Department's request for a continuation level of funding of \$202,500 General Fund.**

(B) Sponsored Programs

Description: 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: History Colorado requests a continuation level of funding of \$250,000 total funds and 3.5 FTE for this line item.

Recommendation: **Staff recommends the Department's request for an appropriation of \$250,000 total funds and 3.5 FTE.** The components of the staff recommendation are summarized in the table below. Staff did not apply the 2.0 percent personal services base reduction to this line item because the line item is comprised of dedicated federal funds and restricted donations.

Sponsored Programs		
Item	Dollars	FTE
FY 2011-12 Appropriation	\$250,000	3.5
2.0 Percent Base Personal Services Adjustment	0	0.0
Total	\$250,000	3.5

(C) Auxiliary Programs

Description: 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.

HCC #1 - History Colorado Center Museum Operations - History Colorado requests an increase of \$1,087,130 cash funds spending authority and 3.5 FTE for business operations needs associated with the new History Colorado Center being constructed at 1200 Broadway in Denver that is projected to open to the public beginning in spring 2012. The request includes \$195,776 in personal services funding for an exhibits technician (1.0 FTE), a webmaster (1.0 FTE), a marketing coordinator (1.0 FTE), and a volunteer manager (0.5 FTE). In addition, the request includes \$203,863 to fund vacant FTE that were made available when the gift store business was contracted to a third party. The positions include a membership coordinator (1.0 FTE), a group sales manager (1.0 FTE), a systems administrator (1.0 FTE), a rentals coordinator (0.5 FTE), and an education manager (1.0 FTE). The remaining \$687,491 would fund operational costs including the creation of digital content development, on-site interpretive programming, marketing support, and operational support. The requested funding comes from an increase in cash funds from admission fees and event leases. Admission for the new museum will be \$12/adult, \$10/senior, and \$8/child.

Request: History Colorado requests an appropriation of \$1,757,535 cash funds and 14.5 FTE for this line item. The request includes an increase of \$203,863 cash funds associated with HCC-1 (History Colorado Center Museum Operations) to fund vacant FTE that were made available when the gift store business was contracted to a third party.

Recommendation: Staff recommends an appropriation of \$1,741,355 cash funds and 14.5 FTE. The components of the staff recommendation are summarized in the table below.

Auxiliary Programs		
Item	Cash Funds	FTE
FY 2011-12 Appropriation	\$1,540,920	14.5
Restore PERA Contribution	12,752	0.0
HCC #1 - History Colorado Center Museum Operations	203,863	0.0
2.0 Percent Base Personal Services Adjustment	(16,180)	0.0
Total	\$1,741,355	14.5

(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 the amount allocated for statewide grants and society operations, the General Assembly can influence how much is allocated for grants versus operations.

Gaming Cities Distribution

Description: A portion of the revenue generated from gaming is returned to the gaming cities as defined in Section 12-47.1-701, C.R.S.

Request: History Colorado requests an appropriation of \$4,260,000 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

Description: The majority of the revenue generated from gaming is 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 used for grants through this line item.

Request: History Colorado requests an appropriation of \$14,758,933 cash funds and 18.0 FTE for this line item. The line item is impacted by the annualization of S.B. 11-076 (PERA 2.5 percent shift).

Recommendation: Staff recommends an appropriation of \$14,738,628 cash funds and 18.0 FTE. The components of the staff recommendation are summarized in the table below.

Statewide Preservation Grant Program		
Item	Cash Funds	FTE
FY 2011-12 Appropriation	\$14,737,942	18.0
Restore PERA Contribution	20,991	0.0
2.0 Percent Base Personal Services Adjustment	(20,305)	0.0
Total	\$14,738,628	18.0

Society Museum and Preservation Operations

Description: 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.

NP #2 - Fleet Vehicle Replacement - History Colorado requests an increase of \$1,352 cash funds for the replacement of one vehicle (a 1/2 ton 4x4 pickup truck).

Staff recommends the Department's request for the replacement of one vehicle. The dollar amount of the recommendation is pending approval of the JBC common policy on vehicles.

Request: History Colorado requests an appropriation of \$8,389,329 total funds and 95.4 FTE for this line item. The line item is impacted by a number of requests detailed below.

Recommendation: Staff recommends an appropriation of \$8,282,473 total funds and 95.4 FTE. The components of the staff recommendation are summarized in the table below. Staff asks permission to include the JBC-approved amount for vehicle replacements once that common policy decision has been made.

Society Museum and Preservation Operations					
Item	TOTAL	Admission fees, user charges, and other cash revenue	State Historical Fund	Federal Funds	FTE
FY 2011-12 Appropriation	\$7,398,378	\$1,177,013	\$5,537,189	\$684,176	91.9
Restore PERA Contribution	114,740		101,820	12,920	0.0
Annualize Prior Year Decision Item	(8,408)	0	(8,408)	0	0.0
2.0 Percent Base Personal Services Adjustment	(105,504)	0	(105,504)	0	0.0
HCC #1 - History Colorado Center Museum Operations	883,267	883,267	0	0	3.5
NP #2 - Fleet Vehicle Replacement	PENDING				
Total	\$8,282,473	\$2,060,280	\$5,525,097	\$697,096	95.4

Indirect Cost Recoveries

Description: 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.

Request: The table below shows how the Department will assess indirect costs.

	FY 2011-12	FY 2012-13	Difference
Adams	76,351	69,427	(6,924)
Mesa	167,220	148,709	(18,511)
Western	66,462	59,655	(6,807)
Metro	367,634	334,759	(32,875)
CSU System	789,401	701,826	(87,575)
Fort Lewis	119,911	99,096	(20,815)
University of CO	943,446	698,039	(245,407)
Mines	183,960	168,382	(15,578)
Northern CO	294,941	251,362	(43,579)
Community Colleges	1,547,316	1,437,563	(109,753)
AHEC	25,488	14,950	(10,538)
Private Oc. Schools	5,075	4,537	(538)
CollegeInvest	61,631	15,646	(45,985)
College Assist	126,123	105,620	(20,503)
Historical	143,071	131,568	(11,503)
Other	309	309	0
TOTAL	4,918,339	4,241,448	(676,891)

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, and so it is necessary and appropriate that 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. The allocation of indirect cost recoveries to offset General Fund is pending JBC decisions on several centrally appropriated pots. 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 and in the Financial Aid, Native American Tuition Assistance line item to fit the available indirect collections. If 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.

Footnotes:

Staff recommends continuation of the following footnotes:

- 15 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: The footnote provides flexibility for the Department to roll forward work study funds, since employment by some students in the summer of the academic year may occur in the next state fiscal year.

- 16 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: 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 2009-10 the Department transferred only the minimum funds necessary, but this was all of the appropriation.

- 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; and Auraria Higher Education Center -- Notwithstanding the limitations set forth in subsection (3) of section 1 of this act, 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: This footnote expresses legislative intent with regard to FTE.

- 18 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; and 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 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.

Comment: This footnote expresses legislative intent with regard to tuition.

- 19 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 for the Local District Junior Colleges.

Requests for Information:

Staff recommends continuation the following requests for information:

20 **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: This is an on-going annual report that provides baseline data on financial aid programs.

**APPENDIX A: JBC STAFF RECOMMENDATIONS
FOR INSTITUTIONS**

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	Rate	Gov. Boards	Adams	Mesa	Metro	Western	CSU Sys	Ft. Lewis	CU	Mines	UNC	CCs	LDJC	AVS	Institutions	
FY 2011-12 Appropriation with Supplemental Adjustments																
1	Stipend-eligible SFTE		142,309.0	1,515.0	6,187.0	16,803.0	1,240.0	21,096.0	2,298.0	27,306.0	2,689.0	8,067.0	55,108.0			
2	State-operated Stipends @ \$1,860	\$ 264,694,740	\$ 2,817,900	\$ 11,507,820	\$ 31,253,580	\$ 2,306,400	\$ 39,238,560	\$ 4,274,280	\$ 50,789,160	\$ 5,001,540	\$ 15,004,620	\$ 102,500,880	\$ -	\$ -	\$ 264,694,740	
3	Fee-for-service Contracts	\$ 234,771,132	\$ 8,372,515	\$ 6,992,755	\$ 5,707,899	\$ 7,037,847	\$ 67,237,973	\$ 5,048,837	\$ 94,986,572	\$ 11,252,702	\$ 17,801,986	\$ 10,332,046	\$ 11,909,951	\$ 7,664,871	\$ 244,999,454	
4	SUBTOTAL State Funds	\$ 499,465,872	\$ 11,190,415	\$ 18,500,575	\$ 36,961,479	\$ 9,344,247	\$ 106,476,533	\$ 9,323,117	\$ 145,775,732	\$ 16,254,242	\$ 32,806,606	\$ 112,832,926	\$ 11,909,951	\$ 7,664,871	\$ 519,040,694	
7	Resident	\$ 955,431,092	\$ 10,679,657	\$ 37,982,874	\$ 67,248,770	\$ 5,812,808	\$ 155,611,218	\$ 9,663,278	\$ 358,717,300	\$ 42,241,973	\$ 58,485,781	\$ 208,987,433				
8	Nonresident	\$ 619,525,667	\$ 7,061,518	\$ 8,726,756	\$ 7,013,162	\$ 6,254,742	\$ 121,936,578	\$ 23,298,287	\$ 339,958,007	\$ 43,114,849	\$ 21,137,647	\$ 41,024,121				
9	Tuition	\$ 1,574,956,759	\$ 17,741,175	\$ 46,709,630	\$ 74,261,932	\$ 12,067,550	\$ 277,547,796	\$ 32,961,565	\$ 698,675,307	\$ 85,356,822	\$ 79,623,428	\$ 250,011,554				
10	State/Tuition	\$ 2,074,422,631	\$ 28,931,590	\$ 65,210,205	\$ 111,223,411	\$ 21,411,797	\$ 384,024,329	\$ 42,284,682	\$ 844,451,039	\$ 101,611,064	\$ 112,430,034	\$ 362,844,480				
11	Tobacco	\$ 14,546,727	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,546,727	\$ -	\$ -	\$ -				
12	Gaming	\$ 5,937,813	\$ 23,892	\$ 210,791	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,703,130	\$ 596,473	\$ -	\$ 6,534,286	
13	Academic Fees	\$ 88,646,121	\$ 2,951,165	\$ 487,114	\$ 11,491,744	\$ 3,620	\$ 16,753,193	\$ 1,096,815	\$ 37,070,092	\$ 4,203,414	\$ 5,363,000	\$ 9,225,964				
14	Appropriated Grants	\$ 2,375,531	\$ -	\$ -	\$ -	\$ -	\$ 170,000	\$ 48,000	\$ 657,531	\$ -	\$ -	\$ 1,500,000				
15	TOTAL	\$ 2,185,928,823	\$ 31,906,647	\$ 65,908,110	\$ 122,715,155	\$ 21,415,417	\$ 400,947,522	\$ 43,429,497	\$ 896,725,389	\$ 105,814,478	\$ 117,793,034	\$ 379,273,574				
Governor Recommended General Fund Changes and Staff Recommended Changes for All Other Fund Sources:																
16	State Percent	100.0%	2.2%	3.7%	7.4%	1.9%	21.3%	1.9%	29.2%	3.3%	6.6%	22.6%	<i>Note: Based on the original FY 11-12 appropriations less</i>			
17	State/Tuition Percent	100.0%	1.4%	3.2%	5.4%	1.0%	18.6%	1.5%	40.9%	4.9%	5.5%	17.6%	<i>\$11,785,002 tuition for Ft. Lewis Native American Aid</i>			
18	Res. SFTE Inc. FY05-06 to FY 10-11	24,604.0	16.0	1,655.0	2,537.0		1,619.0		2,302.0	405.0		16,070.0				
19	State Proportional Reduction	\$ (17,833,659)	\$ (399,559)	\$ (660,572)	\$ (1,319,727)	\$ (333,641)	\$ (3,801,794)	\$ (332,886)	\$ (5,204,990)	\$ (580,365)	\$ (1,171,375)	\$ (4,028,752)	\$ -	\$ -	\$ (17,833,661)	
20	Total Funds Proportional Reduction	\$ (17,833,659)	\$ (250,144)	\$ (563,810)	\$ (961,643)	\$ (185,127)	\$ (3,320,292)	\$ (263,702)	\$ (7,301,162)	\$ (878,534)	\$ (972,075)	\$ (3,137,170)	\$ -	\$ -	\$ (17,833,659)	
21	Enrollment Adjustment	\$ 7,500,000	\$ 4,877	\$ 504,491	\$ 773,350	\$ -	\$ 493,517	\$ -	\$ 701,715	\$ 123,456	\$ -	\$ 4,898,594	\$ -	\$ -	\$ 7,500,000	
22	Local District JCs and AVS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (679,382)	\$ (153,297)	\$ (832,679)	
23	Total Targeted State Change	\$ (28,167,320)	\$ (644,826)	\$ (719,891)	\$ (1,508,020)	\$ (518,768)	\$ (6,628,569)	\$ (596,588)	\$ (11,804,437)	\$ (1,335,443)	\$ (2,143,450)	\$ (2,267,328)	\$ (679,382)	\$ (153,297)	\$ (28,999,999)	
24	Percent State Change	-5.6%	-5.8%	-3.9%	-4.1%	-5.6%	-6.2%	-6.4%	-8.1%	-8.2%	-6.5%	-2.0%	-5.7%	-2.0%	-5.6%	
25	Stipend-eligible SFTE	(404.0)	42.0	320.0	(18.0)	38.0	125.0	(60.0)	9.0	(49.0)	(18.0)	(793.0)				
26	Stipends	\$ (51,837,240)	\$ (482,400)	\$ (1,747,320)	\$ (6,076,080)	\$ (389,400)	\$ (7,407,060)	\$ (917,280)	\$ (9,816,660)	\$ (1,041,540)	\$ (2,931,120)	\$ (21,028,380)	\$ -	\$ -	\$ (51,837,240)	
27	Fee-for-service Contracts	\$ 23,669,920	\$ (162,426)	\$ 1,027,429	\$ 4,568,060	\$ (129,368)	\$ 778,491	\$ 320,692	\$ (1,987,777)	\$ (293,903)	\$ 787,670	\$ 18,761,052	\$ (679,382)	\$ (153,297)	\$ 22,837,241	
29	Resident	\$ 84,716,780	\$ 1,309,911	\$ 5,513,150	\$ 5,975,310	\$ 717,427	\$ 14,980,670	\$ 592,369	\$ 31,853,480	\$ 3,214,954	\$ 5,031,256	\$ 15,528,253				
30	Nonresident	\$ 43,164,717	\$ 1,166,705	\$ 1,666,146	\$ 428,065	\$ 302,522	\$ 7,633,459	\$ 1,232,577	\$ 21,367,433	\$ 4,676,793	\$ 2,369,383	\$ 2,321,634				
31	Tuition	\$ 127,881,497	\$ 2,476,616	\$ 7,179,296	\$ 6,403,375	\$ 1,019,949	\$ 22,614,129	\$ 1,824,946	\$ 53,220,913	\$ 7,891,747	\$ 7,400,639	\$ 17,849,887				
32	State/Tuition	\$ 99,714,177	\$ 1,831,790	\$ 6,459,405	\$ 4,895,355	\$ 501,181	\$ 15,985,560	\$ 1,228,358	\$ 41,416,476	\$ 6,556,304	\$ 5,257,189	\$ 15,582,559				
33	Percent State/Federal/Tuition Change	4.8%	6.3%	9.9%	4.4%	2.3%	4.2%	2.9%	4.9%	6.5%	4.7%	4.3%				
34	Tobacco	\$ (623,527)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (623,527)	\$ -	\$ -	\$ -				
35	Gaming	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
36	Academic Fees	\$ 2,711,674	\$ 372,225	\$ 14,613	\$ (167,193)	\$ 25,380	\$ 502,596	\$ 54,841	\$ 1,853,505	\$ -	\$ 160,890	\$ (105,183)				

APPENDIX A: JBC STAFF RECOMMENDATIONS FOR INSTITUTIONS

	Rate	Gov. Boards	Adams	Mesa	Metro	Western	CSU Sys	Ft. Lewis	CU	Mines	UNC	CCs	LDJC	AVS	Institutions
FY 2012-13 TOTAL															
37	Stipend-eligible SFTE		141,905.0	1,557.0	6,507.0	16,785.0	1,278.0	21,221.0	2,238.0	27,315.0	2,640.0	8,049.0	54,315.0		
38	State-operated Stipends @ \$1,500	\$ 212,857,500	\$ 2,335,500	\$ 9,760,500	\$ 25,177,500	\$ 1,917,000	\$ 31,831,500	\$ 3,357,000	\$ 40,972,500	\$ 3,960,000	\$ 12,073,500	\$ 81,472,500	\$ -	\$ -	\$ 212,857,500
39	Fee-for-service Contracts	\$ 258,441,052	\$ 8,210,089	\$ 8,020,184	\$ 10,275,959	\$ 6,908,479	\$ 68,016,464	\$ 5,369,529	\$ 92,998,795	\$ 10,958,799	\$ 18,589,656	\$ 29,093,098	\$ 11,230,569	\$ 7,511,574	\$ 277,183,195
40	SUBTOTAL State Funds	\$ 471,298,552	\$ 10,545,589	\$ 17,780,684	\$ 35,453,459	\$ 8,825,479	\$ 99,847,964	\$ 8,726,529	\$ 133,971,295	\$ 14,918,799	\$ 30,663,156	\$ 110,565,598	\$ 11,230,569	\$ 7,511,574	\$ 490,040,695
41	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			
42	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			
43	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			
44	State/Tuition	\$ 2,174,136,808	\$ 30,763,380	\$ 71,669,610	\$ 116,118,766	\$ 21,912,978	\$ 400,009,889	\$ 43,513,040	\$ 885,867,515	\$ 108,167,368	\$ 117,687,223	\$ 378,427,039			
45	Tobacco	\$ 13,923,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,923,200	\$ -	\$ -	\$ -			
46	Gaming	\$ 5,937,813	\$ 23,892	\$ 210,791	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,703,130	\$ 596,473	\$ -	\$ 6,534,286
47	Academic Fees	\$ 91,357,795	\$ 3,323,390	\$ 501,727	\$ 11,324,551	\$ 29,000	\$ 17,255,789	\$ 1,151,656	\$ 38,923,597	\$ 4,203,414	\$ 5,523,890	\$ 9,120,781			
48	Appropriated Grants	\$ 2,375,531	\$ -	\$ -	\$ -	\$ -	\$ 170,000	\$ 48,000	\$ 657,531	\$ -	\$ -	\$ 1,500,000			
49	TOTAL	\$ 2,287,731,147	\$ 34,110,662	\$ 72,382,128	\$ 127,443,317	\$ 21,941,978	\$ 417,435,678	\$ 44,712,696	\$ 939,371,843	\$ 112,370,782	\$ 123,211,113	\$ 394,750,950			

**APPENDIX B: COMMITTEES OF REFERENCE SMART ACT RECOMMENDATION
LETTERS FOR THE DEPARTMENT**

State Representative
TOM MASSEY
605 Pinyon Drive, P.O. Box 213
Poncha Springs, Colorado 81242
Capitol: 303-866-2747
Home: 719-539-7192
Business: 972-672-2534
Business Fax: 719-539-4512
E-mail: tom.massey.house@state.co.us



Chairman:
Education Committee
House Services Committee
Member:
Health and Environment
Committee

COLORADO
HOUSE OF REPRESENTATIVES
STATE CAPITOL
DENVER
80203

January 31, 2012

Representative Cheri Gerou
Chair, Joint Budget Committee
200 East 14th Avenue, Third Floor
Denver, Colorado 80203

Dear Representative Gerou:

The SMART Act allows a committee of reference to make formal recommendations to the Joint Budget Committee (JBC) regarding state departments' budgets, based on the committee's hearings with their assigned departments. The House Education Committee met on January 30, 2012, to discuss recommendations to the JBC per the SMART Act. At its meeting, the committee made no recommendations regarding the Colorado Department of Education, the Department of Higher Education, or History Colorado.

Sincerely,

Representative Tom Massey, Chair
House Education Committee

- c: Joint Budget Committee Members
House Education Committee Members
Robert Hammond, Commissioner of Education, Department of Education
Anne Barkis, Legislative Liaison, Department of Education
Lieutenant Governor Joe Garcia, Executive Director, Department of Higher Education
Chad Marturano, Director of Legislative Affairs, Department of Higher Education
Ed Nichols, President and CEO, History Colorado
John Ziegler, Staff Director, Joint Budget Committee
Kristen Johnson, Legislative Council Staff



Senate
State of Colorado
Denver

BOB BACON
State Senator

200 E. Colfax Avenue
Denver, Colorado 80203
Capitol: (303) 866-4841
Home: (970) 221-4552
E-Mail: bob.bacon.senate@state.co.us

COMMITTEES

Chair of:
Capitol Development
Chair of:
Education
Vice Chair of:
State Affairs
Member of:
Appropriations

January 31, 2012

Representative Cheri Gerou
Chair, Joint Budget Committee
200 East 14th Avenue, Third Floor
Denver, Colorado 80203

Dear Representative Gerou:

The SMART Act allows a committee of reference to make formal recommendations to the Joint Budget Committee (JBC) regarding state departments' budgets, based on the committee's hearings with their assigned departments. The Senate Education Committee met on January 25 and January 26, 2012, to discuss recommendations to the JBC per the SMART Act. At its meetings, the committee made one recommendation regarding the Department of Education and one recommendation regarding History Colorado.

With regard to the Department of Education, the Senate Education Committee recommends that the \$25.9 million requested for funding for new state assessments in the State Board of Education's budget request instead be allocated as follows:

- up to \$1 million to fund optional administration of ACCUPLACER assessments for high school students;
- the necessary amount to fund development of an assessment for financial literacy;
- up to \$2 million to investigate whether multi-state consortia are developing science and social studies assessments, and if it is found that multi-state consortia are not developing those assessments, to fund their development; and
- the remainder of the \$25.9 million to the School Finance Act.

With regard to History Colorado, the Senate Education Committee recommends that the request for cash funds spending authority and 3.5 FTE be approved as requested.



Sincerely,

A handwritten signature in cursive script that reads "Bob Bacon". The signature is written in black ink and is positioned above the printed name and title.

Senator Bob Bacon, Chair
Senate Education Committee

- c: Joint Budget Committee Members
- Senate Education Committee Members
- Robert Hammond, Commissioner of Education
- Anne Barkis, Legislative Liaison, Department of Education
- Lieutenant Governor Joe Garcia, Executive Director, Department of Higher Education
- Chad Marturano, Director of Legislative Affairs, Department of Higher Education
- Ed Nichols, President and CEO, History Colorado
- John Ziegler, Staff Director, Joint Budget Committee
- Jennifer Thomsen, Legislative Council Staff