

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



**FY 2011-12 STAFF FIGURE SETTING
DEPARTMENT OF HIGHER EDUCATION**

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

**Prepared By:
Eric Kurtz, JBC Staff
March 10, 2011**

For Further Information Contact:

Joint Budget Committee Staff
200 E. 14th Avenue, 3rd Floor
Denver, Colorado 80203
Telephone: (303) 866-2061
TDD: (303) 866-3472

FY 2011-12 Joint Budget Committee Staff Figure Setting Recommendations
Department of Higher Education

	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp	FY 2011-12		Staff Rec.	Notes	
				Governor Request	CCHE Request		Governor	CCHE
DEPARTMENT OF HIGHER EDUCATION								
Executive Director: Lt. Gov. Joseph Garcia								
(1) Department Administrative Office								
<i>(Primary Functions: Centrally appropriated items for the Department 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.)</i>								
Health, Life, and Dental	<u>882,911</u>	<u>827,863</u>	<u>939,048</u>	<u>1,028,168</u>	<u>1,028,168</u>	<u>1,028,168</u>		
General Fund	0	0	0	0	0	0		
Cash Funds	667,459	625,844	643,370	709,171	709,171	709,171		
RF/CFE - Indirect	186,410	174,788	201,113	201,398	201,398	201,398		
Federal Funds	29,042	27,231	94,565	117,599	117,599	117,599		
Short-term Disability	<u>10,878</u>	<u>10,821</u>	<u>12,428</u>	<u>15,306</u>	<u>15,306</u>	<u>15,306</u>		
General Fund	0	0	0	0	0	0		
Cash Funds	7,626	7,711	8,611	10,403	10,403	10,403		
RF/CFE - Indirect	2,185	2,470	2,471	3,187	3,187	3,187		
Federal Funds	1,067	640	1,346	1,716	1,716	1,716		
S.B. 04-257 Amortization Equalization								
Disbursement	<u>134,611</u>	<u>147,974</u>	<u>192,422</u>	<u>242,133</u>	<u>242,133</u>	<u>242,133</u>		
General Fund	0	0	0	0	0	0		
Cash Funds	94,577	105,283	133,322	164,566	164,566	164,566		
RF/CFE - Indirect	26,894	33,325	38,255	50,423	50,423	50,423		
Federal Funds	13,140	9,366	20,845	27,144	27,144	27,144		
S.B. 06-235 Supplemental Amortization								
Equalization Disbursement	<u>63,042</u>	<u>92,121</u>	<u>140,309</u>	<u>194,571</u>	<u>194,571</u>	<u>194,571</u>		
General Fund	0	0	0	0	0	0		
Cash Funds	44,277	65,802	97,215	132,240	132,240	132,240		
RF/CFE - Indirect	12,606	20,465	27,894	40,519	40,519	40,519		
Federal Funds	6,159	5,854	15,200	21,812	21,812	21,812		
Salary Suvey and Senior Executive Service	<u>387,536</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>		
General Fund	0	0	0	0	0	0		
Cash Funds	253,197	0	0	0	0	0		

FY 2011-12 Joint Budget Committee Staff Figure Setting Recommendations
Department of Higher Education

	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp	FY 2011-12		Staff Rec.	Notes	
				Governor Request	CCHE Request		Governor	CCHE
RF/CFE - Indirect	86,694	0	0	0	0			
Federal Funds	47,645	0	0	0	0			
Performance-based Pay Awards	<u>122,241</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>		
General Fund	0	0	0	0	0			
Cash Funds	83,177	0	0	0	0			
RF/CFE - Indirect	25,182	0	0	0	0			
Federal Funds	13,882	0	0	0	0			
Worker's Compensation	<u>22,492</u>	<u>31,450</u>	<u>32,146</u>	<u>26,965</u>	<u>26,965</u>		<i>Pending</i>	
General Fund	0	0	0	0	0			
Cash Funds	16,596	26,400	26,985	22,636	22,636			
RF/CFE - Indirect	5,896	5,050	5,161	4,329	4,329			
Legal Services	<u>33,644</u>	<u>17,681</u>	<u>32,870</u>	<u>32,870</u>	<u>32,870</u>		<i>Pending</i>	
# of Hours (non-add)	448	448	448	448	448			
General Fund	0	0	0	0	0			
Cash Funds	9,284	9,319	9,071	9,071	9,071			
RF/CFE - Indirect	24,360	8,362	23,799	23,799	23,799			
Administrative Law Judge Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>537</u>	<u>537</u>		<i>Pending</i>	
# of Hours (non-add)			0	0	0			
General Fund			0	0	0			
Cash Funds			0	537	537			
RF/CFE - Indirect			0	0	0			
Purchase of Services from Computer Center	<u>94,110</u>	<u>89,561</u>	<u>244,484</u>	<u>135,465</u>	<u>135,465</u>		<i>Pending</i>	
General Fund	0	0	0	0	0			
Cash Funds	14,101	13,480	232,991	129,097	129,097			
RF/CFE - Indirect	80,009	76,081	11,493	6,368	6,368			
Multiuise Network Payments	<u>0</u>	<u>0</u>	<u>59,378</u>	<u>74,078</u>	<u>74,078</u>		<i>Pending</i>	
General Fund		0	0	0	0			
Cash Funds		0	59,378	74,078	74,078			
RF/CFE - Indirect		0	0	0	0			

FY 2011-12 Joint Budget Committee Staff Figure Setting Recommendations
Department of Higher Education

	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp	FY 2011-12		Staff Rec.	Notes	
				Governor Request	CCHE Request		Governor	CCHE
Management and Administration of OIT	<u>0</u>	<u>0</u>	<u>100,074</u>	<u>102,176</u>	<u>102,176</u>	<u>Pending</u>		
General Fund		0	0	0	0			
Cash Funds		0	100,074	102,176	102,176			
RF/CFE - Indirect		0	0	0	0			
Payment to Risk Management/								
Property Funds	<u>46,140</u>	<u>37,322</u>	<u>11,248</u>	<u>27,605</u>	<u>27,605</u>	<u>Pending</u>		
General Fund	0	0	0	0	0			
Cash Funds	44,346	35,866	10,795	26,493	26,493			
RF/CFE - Indirect	1,794	1,456	453	1,112	1,112			
Leased Space	<u>507,150</u>	<u>467,503</u>	<u>514,210</u>	<u>514,210</u>	<u>514,210</u>	<u>514,210</u>		
General Fund	0	0	0	0	0	0		
Cash Funds	96,149	87,363	102,842	102,842	102,842	102,842		
RF/CFE - Indirect	411,001	380,140	411,368	411,368	411,368	411,368		
TOTAL - (1) Administrative Office	<u>2,304,755</u>	<u>1,722,296</u>	<u>2,278,617</u>	<u>2,394,084</u>	<u>2,394,084</u>	<u>1,994,388</u>		
General Fund	0	0	0	0	0	0		
Cash Funds	1,330,789	977,068	1,424,654	1,483,310	1,483,310	1,119,222		
RF/CFE - Indirect	863,031	702,137	722,007	742,503	742,503	706,895		
Federal Funds	110,935	43,091	131,956	168,271	168,271	168,271		

(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	2,357,969	2,594,922	2,826,113	2,840,647	2,840,647	2,812,901	NP-PERA, NP-Printing
FTE	<u>31.1</u>	<u>31.1</u>	<u>31.5</u>	<u>31.5</u>	<u>31.5</u>	<u>31.5</u>	
General Fund	0	0	0	0	0	0	
FTE	0.0	0.0	0.0	0.0	0.0	0.0	
Cash Funds	147,502	152,235	244,065	244,065	244,065	244,065	
FTE	0.0	0.0	0.4	0.4	0.4	0.4	
RF/CFE	1,895,016	1,989,461	2,205,990	2,220,739	2,220,739	2,192,993	
FTE	27.5	27.5	27.5	27.5	27.5	27.5	

FY 2011-12 Joint Budget Committee Staff Figure Setting Recommendations
Department of Higher Education

	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp	FY 2011-12		Staff Rec.	Notes	
				Governor Request	CCHE Request		Governor	CCHE
Federal Funds	315,451	453,226	376,058	375,843	375,843	375,843		
FTE	3.6	3.6	3.6	3.6	3.6	3.6		
(B) Div. of Private Occupational Schools								
Cash Funds	514,776	618,225	631,465	630,502	630,502	623,501	NP-PERA	
FTE	7.8	7.8	7.8	7.8	7.8	7.8		
(C) Special Purpose								
WICHE (Annual Dues)	<u>120,000</u>	<u>120,000</u>	<u>125,000</u>	<u>125,000</u>	<u>125,000</u>	<u>125,000</u>		
General Fund	0	0	0	0	0	0		
RF/CFE	120,000	120,000	125,000	125,000	125,000	125,000		
WICHE Optometry	<u>381,516</u>	<u>349,862</u>	<u>399,000</u>	<u>399,000</u>	<u>399,000</u>	<u>399,000</u>		
General Fund	0	0	0	0	0	0		
RF/CFE	381,516	349,862	399,000	399,000	399,000	399,000		
Distribution to the Higher Education								
Competitive Research Authority	<u>330,000</u>	<u>1,330,000</u>	<u>2,330,000</u>	<u>1,330,000</u>	<u>1,330,000</u>	<u>1,330,000</u>		
Cash Funds	330,000	1,330,000	2,330,000	1,330,000	1,330,000	1,330,000		
RF/CFE	0	0	0	0	0	0		
Veterinary School Program Needs	<u>285,000</u>	<u>285,000</u>	<u>285,000</u>	<u>285,000</u>	<u>285,000</u>	<u>285,000</u>		
General Fund	0	0	0	0	0	0		
Cash Funds	122,600	122,600	122,600	122,600	122,600	122,600		
RF/CFE	162,400	162,400	162,400	162,400	162,400	162,400		
Enrollment/Tuition and Stipend Contingency	<u>11,038,000</u>	<u>5,879,167</u>	<u>20,000,000</u>	<u>20,000,000</u>	<u>20,000,000</u>	<u>0</u>		
Cash Funds	11,038,000	5,879,167	20,000,000	20,000,000	20,000,000			
RF/CFE	0	0	0	0	0			
Subtotal - (C) Special Purpose	12,154,516	7,964,029	23,139,000	22,139,000	22,139,000	2,139,000		
TOTAL - (2) CCHE								
FTE	<u>38.9</u>	<u>38.9</u>	<u>39.3</u>	<u>39.3</u>	<u>39.3</u>	<u>39.3</u>		
General Fund	0	0	0	0	0	0		
Cash Funds	12,152,878	8,102,227	23,328,130	22,327,167	22,327,167	2,320,166		

FY 2011-12 Joint Budget Committee Staff Figure Setting Recommendations
Department of Higher Education

	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp	FY 2011-12		Staff Rec.	Notes	
				Governor Request	CCHE Request		Governor	CCHE
RF/CFE	2,558,932	2,621,723	2,892,390	2,907,139	2,907,139	2,879,393		
Federal Funds	315,451	453,226	376,058	375,843	375,843	375,843		

(3) Financial Aid

(Primary Functions: Provides assistance to students in meeting the costs of higher education. The source of cash funds exempt is money transferred from the Department of Human Services for the Early Childhood Professional Loan Repayment program.)

(A) Need Based Grants	<u>74,193,958</u>	<u>73,986,138</u>	<u>74,144,146</u>	<u>74,515,865</u>	<u>74,515,865</u>	<u>74,515,865</u>	
General Fund	74,193,958	73,960,726	58,744,146	74,515,865	74,515,865	74,515,865	#2 Native American Tuition
Cash Funds	0	0	15,400,000	0	0	0	
Reappropriated Funds	0	25,412	0	0	0	0	
(B) Merit Based Grants - GF	1,499,975	0	0	0	0	0	
(C) Work Study - GF	16,572,778	16,555,219	16,612,357	16,612,357	16,612,357	16,612,357	
(D) Special Purpose							
Precollegiate Programs - GF	1,541,722	0	0	0	0	0	
Required Federal Match	<u>2,411,952</u>	<u>2,444,438</u>	<u>3,026,350</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	1,539,413	1,549,530	1,726,350				
Federal Funds	872,539	894,908	1,300,000				
Veterans'/Law Enforcement/POW Tuition Assistance							
General Fund	427,331	379,625	364,922	364,922	364,922	364,922	
National Guard Tuition Assistance - GF	650,000	800,000	800,000	800,000	800,000	800,000	
Native American Students/Fort Lewis College	<u>8,359,421</u>	<u>9,622,969</u>	<u>10,430,371</u>	<u>11,785,002</u>	<u>11,785,002</u>	<u>11,785,002</u>	#2 Native American Tuition
General Fund	8,359,421	9,622,969	10,139,220	11,785,002	11,785,002	11,785,002	
Reappropriated Funds	0	0	291,151	0	0	0	
Nursing Teacher Loan Forgiveness Pilot							
General Fund	161,600	161,600	161,600	161,600	161,600	161,600	

FY 2011-12 Joint Budget Committee Staff Figure Setting Recommendations
Department of Higher Education

	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp	FY 2011-12		Staff Rec.	Notes	
				Governor Request	CCHE Request		Governor	CCHE
GEAR - UP - FF	472,797	373,460	600,000	600,000	600,000	600,000		
Teach Colorado Grant (SB 08-133) - GF	482,995	490,866	0	0	0	0		
FTE	0.0	0.0	0.0	0.0	0.0	0.0		
Subtotal - (D) Special Purpose	14,507,818	14,272,958	15,383,243	13,711,524	13,711,524	13,711,524		
TOTAL - (3) Financial Aid	106,774,529	104,814,315	106,139,746	104,839,746	104,839,746	104,839,746		
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>		
General Fund	105,429,193	103,520,535	88,548,595	104,239,746	104,239,746	104,239,746		
Cash Funds	0	0	15,400,000	0	0	0		
RF/CFE	0	25,412	291,151	0	0	0		
Federal Funds	1,345,336	1,268,368	1,900,000	600,000	600,000	600,000		
(4) College Opportunity Fund Program								
<i>(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)</i>								
Stipends - State	<u>261,617,888</u>	<u>184,911,363</u>	<u>269,316,840</u>	<u>267,879,308</u>	<u>267,879,308</u>	<u>274,041,240</u>		
General Fund	261,617,888	184,911,363	269,316,840	267,879,308	267,879,308	274,041,240		
Cash Funds Exempt	0	0	0	0	0	0		
Eligible Students (non-add)	128,244.1	140,084.4	144,794.0	144,021.1	144,021.1	147,334.0		
Rate per 30 Credit Hours (non-add)	\$2,040	\$1,320	\$1,860	\$1,860	\$1,860	\$1,860		
Stipends - Private								
General Fund	832,401	746,334	1,078,800	1,078,800	1,078,800	1,078,800	#1 Institution Allocations	
Eligible Students (non-add)	1,261.2	1,130.8	1,160.0	1,160.0	1,160.0	1,160.0		
Rate per 30 Credit Hours (non-add)	\$660	\$660	\$930	\$930	\$930	\$930		
Supplement to Private Stipends - FF	0	80,370	0	0	0	0		
Subtotal - Stipends	262,450,289	185,738,067	270,395,640	268,958,108	268,958,108	275,120,040		
Fee-for-service Contracts - GF	272,563,654	127,382,834	323,580,541	220,659,362	220,659,362	196,771,574	#1 Institution Allocations	

FY 2011-12 Joint Budget Committee Staff Figure Setting Recommendations
Department of Higher Education

	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp	FY 2011-12		Staff Rec.	Notes	
				Governor Request	CCHE Request		Governor	CCHE
TOTAL - (4) College Opportunity Fund								
Program	<u>535,013,943</u>	<u>313,120,901</u>	<u>593,976,181</u>	<u>489,617,470</u>	<u>489,617,470</u>	<u>471,891,614</u>		
General Fund	535,013,943	313,040,531	593,976,181	489,617,470	489,617,470	471,891,614		
Cash Funds Exempt	0	0	0	0	0	0		
Federal Funds	0	80,370	0	0	0	0		
†General Fund Exempt	294,300,000	800,000	101,266,667	101,266,667	101,266,667	Pending		

(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	23,827,138	28,281,766	29,780,469	26,759,210	26,759,210	29,762,413	#1 Institution Allocations
FTE	<u>281.2</u>	<u>285.3</u>	<u>274.4</u>	<u>274.4</u>	<u>274.4</u>	<u>294.7</u>	
College Opportunity Fund	<u>12,149,322</u>	<u>7,276,999</u>	<u>13,023,280</u>	<u>11,190,415</u>	<u>11,190,415</u>	<u>10,874,513</u>	
Student Stipend Payments	2,760,206	1,944,835	2,894,160	2,871,592	2,871,592	2,944,380	
Fee-for-service Contracts	9,389,116	5,332,164	10,129,120	8,318,823	8,318,823	7,930,133	
Federal Stimulus	2,459,127	7,331,450	424,665	0	0	0	
Limited Gaming		0	31,844	31,844	31,844	31,844	
Tuition	<u>7,826,753</u>	<u>11,873,163</u>	<u>14,090,680</u>	<u>13,326,951</u>	<u>13,326,951</u>	<u>15,904,891</u>	#3 Tuition Placeholder
Resident	4,933,031	7,613,713	8,745,017	8,630,864	8,630,864	9,769,973	
Nonresident	2,893,722	4,259,450	5,345,663	4,696,087	4,696,087	6,134,918	
Academic Fees	1,391,936	1,800,154	2,210,000	2,210,000	2,210,000	2,951,165	
(B) Trustees of Mesa State College	49,318,613	56,526,190	64,670,239	57,557,116	57,557,116	65,425,577	
FTE	<u>465.8</u>	<u>464.4</u>	<u>519.2</u>	<u>519.2</u>	<u>519.2</u>	<u>534.5</u>	
College Opportunity Fund	<u>19,888,392</u>	<u>12,099,298</u>	<u>21,368,065</u>	<u>18,500,575</u>	<u>18,500,575</u>	<u>17,914,344</u>	#1 Institution Allocations
Student Stipend Payments	9,183,975	6,900,238	11,130,240	9,963,834	9,963,834	11,437,140	
Fee-for-service Contracts	10,704,417	5,199,060	10,237,825	8,536,741	8,536,741	6,477,204	
Federal Stimulus	4,117,215	11,906,309	718,987	0	0	0	

FY 2011-12 Joint Budget Committee Staff Figure Setting Recommendations
Department of Higher Education

	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp	FY 2011-12		Staff Rec.	Notes	
				Governor Request	CCHE Request		Governor	CCHE
Limited Gaming	0	0	231,957	231,957	231,957	231,957		
Tuition	<u>24,890,256</u>	<u>31,979,772</u>	<u>41,740,399</u>	<u>38,213,753</u>	<u>38,213,753</u>	<u>46,647,066</u>	#3 Tuition Placeholder	
Resident	20,801,315	26,867,114	34,070,286	32,290,325	32,290,325	38,331,141		
Nonresident	4,088,941	5,112,658	7,670,113	5,923,428	5,923,428	8,315,925		
Academic Fees	422,750	540,811	610,831	610,831	610,831	632,210		
(C) Trustees of Metropolitan State College								
FTE	<u>1,160.3</u>	<u>1,180.8</u>	<u>1,266.1</u>	<u>1,266.1</u>	<u>1,266.1</u>	<u>1,299.0</u>	#1 Institution Allocations	
College Opportunity Fund	<u>39,778,568</u>	<u>24,531,075</u>	<u>42,665,126</u>	<u>36,961,479</u>	<u>36,961,479</u>	<u>35,799,236</u>		
Student Stipend Payments	32,764,054	22,864,020	32,949,900	33,395,742	33,395,742	33,515,340		
Fee-for-service Contracts	7,014,514	1,667,055	9,715,226	3,565,737	3,565,737	2,283,896		
Federal Stimulus	9,934,844	25,182,337	1,402,605	0	0	0		
Tuition	<u>53,360,025</u>	<u>61,757,726</u>	<u>69,381,161</u>	<u>74,641,260</u>	<u>74,641,260</u>	<u>76,625,526</u>	#3 Tuition Placeholder	
Resident	47,764,600	55,712,877	62,492,415	67,590,798	67,590,798	69,284,415		
Nonresident	5,595,425	6,044,849	6,888,746	7,050,462	7,050,462	7,341,111		
Academic Fees	1,023,611	8,121,448	13,082,847	13,082,847	13,082,847	17,511,694		
(D) Trustees of Western State College								
FTE	<u>242.7</u>	<u>243.2</u>	<u>243.2</u>	<u>243.2</u>	<u>243.2</u>	<u>231.9</u>	#1 Institution Allocations	
College Opportunity Fund	<u>9,892,147</u>	<u>5,876,752</u>	<u>10,778,294</u>	<u>9,344,247</u>	<u>9,344,247</u>	<u>9,083,323</u>		
Student Stipend Payments	2,914,486	1,827,900	2,414,280	2,568,660	2,568,660	2,497,980		
Fee-for-service Contracts	6,977,661	4,048,852	8,364,014	6,775,587	6,775,587	6,585,343		
Federal Stimulus	2,280,870	6,296,265	430,587	0	0	0		
Tuition	<u>8,724,598</u>	<u>9,104,032</u>	<u>9,929,989</u>	<u>10,502,236</u>	<u>10,502,236</u>	<u>10,652,217</u>	#3 Tuition Placeholder	
Resident	4,607,258	4,861,398	5,197,878	5,767,974	5,767,974	5,640,106		
Nonresident	4,117,340	4,242,634	4,732,111	4,734,262	4,734,262	5,012,111		

FY 2011-12 Joint Budget Committee Staff Figure Setting Recommendations
Department of Higher Education

	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp	FY 2011-12		Staff Rec.	Notes	
				Governor Request	CCHE Request		Governor	CCHE
Academic Fees	26,000	1,820	1,268,153	1,268,153	1,268,153	1,231,492		
(E) Colorado State University System	369,958,763	383,707,110	396,526,288	385,703,376	385,703,376	387,098,459	#1 Institution Allocations	
FTE	<u>4,257.6</u>	<u>4,113.2</u>	<u>4,136.9</u>	<u>4,136.9</u>	<u>4,136.9</u>	<u>4,037.8</u>		
College Opportunity Fund	<u>113,620,029</u>	<u>65,683,284</u>	<u>126,030,094</u>	<u>106,476,533</u>	<u>106,476,533</u>	<u>102,818,274</u>		
Student Stipend Payments	40,387,109	26,885,068	38,634,060	39,164,656	39,164,656	39,089,760		
Fee-for-service Contracts	73,232,920	38,798,216	87,396,034	67,311,877	67,311,877	63,728,514		
Federal Stimulus	33,271,484	81,203,658	6,030,166	0	0	0		
Tuition	<u>206,363,756</u>	<u>224,013,890</u>	<u>247,683,295</u>	<u>262,444,110</u>	<u>262,444,110</u>	<u>267,356,992</u>	#3 Tuition Placeholder	
Resident	108,463,588	123,291,999	137,930,829	148,701,419	148,701,419	151,953,253		
Nonresident	97,900,168	100,721,891	109,752,466	113,742,691	113,742,691	115,403,739		
Academic Fees	11,953,494	12,636,278	16,612,733	16,612,733	16,612,733	16,753,193		
Appropriated Grants - CF	4,750,000	0	0	0	0	0		
Appropriated Grants - RF/CFE	0	170,000	170,000	170,000	170,000	170,000		
(F) Trustees of Fort Lewis College	38,239,706	41,377,089	42,125,037	40,982,541	40,982,541	40,945,421	#1 Institution Allocations	
FTE	<u>379.7</u>	<u>385.9</u>	<u>418.2</u>	<u>418.2</u>	<u>418.2</u>	<u>417.8</u>		
College Opportunity Fund	<u>8,757,822</u>	<u>4,901,156</u>	<u>10,605,478</u>	<u>9,323,117</u>	<u>9,323,117</u>	<u>9,018,042</u>		
Student Stipend Payments	4,790,249	3,045,240	4,274,280	4,243,404	4,243,404	4,283,580		
Fee-for-service Contracts	3,967,573	1,855,916	6,331,198	5,079,713	5,079,713	4,734,462		
Federal Stimulus	3,978,508	7,836,102	897,793	0	0	0		
Tuition	<u>24,649,839</u>	<u>27,662,062</u>	<u>29,487,811</u>	<u>30,525,469</u>	<u>30,525,469</u>	<u>30,782,564</u>	#3 Tuition Placeholder	
Resident	7,402,523	7,632,628	8,325,202	9,396,228	9,396,228	9,096,583		
Nonresident	17,247,316	20,029,434	21,162,609	21,129,241	21,129,241	21,685,981		
Academic Fees	853,537	929,769	1,085,955	1,085,955	1,085,955	1,096,815		
Appropriated Grants - RF/CFE	0	48,000	48,000	48,000	48,000	48,000		
(G) Regents of the University of Colorado	808,840,078	860,553,756	889,419,347	909,233,863	909,233,863	877,490,048	#1 Institution Allocations	

FY 2011-12 Joint Budget Committee Staff Figure Setting Recommendations
Department of Higher Education

	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp	FY 2011-12		Staff Rec.	Notes	
				Governor Request	CCHE Request		Governor	CCHE
FTE	<u>6,883.5</u>	<u>6,826.0</u>	<u>6,920.9</u>	<u>6,920.9</u>	<u>6,920.9</u>	<u>6,797.7</u>		
College Opportunity Fund	<u>159,103,983</u>	<u>88,211,092</u>	<u>181,555,917</u>	<u>145,775,732</u>	<u>145,775,732</u>	<u>139,044,889</u>		
Student Stipend Payments	57,163,715	38,072,993	51,549,900	55,346,160	55,346,160	53,164,380		
Fee-for-service Contracts	101,940,268	50,138,099	130,006,017	90,429,572	90,429,572	85,880,509		
Federal Stimulus	49,995,467	120,888,358	10,909,603	0	0	0		
Tobacco Settlement Distribution	17,997,300	17,150,000	16,004,485	16,004,485	16,004,485	14,546,727		
Tuition	<u>550,777,678</u>	<u>600,947,700</u>	<u>635,490,952</u>	<u>701,995,256</u>	<u>701,995,256</u>	<u>678,240,901</u>	#3 Tuition Placeholder	
Resident	278,471,993	311,068,550	330,300,958	383,532,316	383,532,316	358,962,537		
Nonresident	272,305,685	289,879,150	305,189,994	318,462,940	318,462,940	319,278,364		
Academic Fees	30,308,119	32,699,075	44,800,859	44,800,859	44,800,859	45,000,000		
Appropriated Grants - RF/CFE	657,531	657,531	657,531	657,531	657,531	657,531		
(H) Colorado School of Mines	82,841,518	93,386,959	101,132,797	101,290,289	101,290,289	102,223,786	#1 Institution Allocations	
FTE	<u>669.0</u>	<u>742.7</u>	<u>684.2</u>	<u>684.2</u>	<u>684.2</u>	<u>766.6</u>		
College Opportunity Fund	<u>18,793,625</u>	<u>10,594,313</u>	<u>20,585,538</u>	<u>16,254,242</u>	<u>16,254,242</u>	<u>15,496,986</u>		
Student Stipend Payments	5,525,943	3,746,454	5,254,500	5,327,040	5,327,040	5,234,040		
Fee-for-service Contracts	13,267,682	6,847,859	15,331,038	0	0	0		
Direct General Fund Grant	0	0	0	10,927,202	10,927,202	10,262,946		
Federal Stimulus	4,443,761	12,643,073	870,707	0	0	0		
Tuition	<u>58,536,372</u>	<u>67,488,862</u>	<u>75,801,539</u>	<u>81,161,034</u>	<u>81,161,034</u>	<u>82,523,386</u>	#3 Tuition Placeholder	
Resident	30,463,174	34,441,793	38,204,356	42,331,147	42,331,147	41,619,353		
Nonresident	28,073,198	33,047,069	37,597,183	38,829,887	38,829,887	40,904,033		
Academic Fees	1,067,760	2,660,711	3,875,013	3,875,013	3,875,013	4,203,414		
Appropriated Grants - CF	0	0	0	0	0	0		
Appropriated Grants - RF/CFE	0	0	0	0	0	0		
(I) University of Northern Colorado	99,408,134	110,596,183	114,110,021	111,662,974	111,662,974	110,363,828	#1 Institution Allocations	
FTE	<u>983.4</u>	<u>986.9</u>	<u>986.9</u>	<u>986.9</u>	<u>986.9</u>	<u>1,003.1</u>		

FY 2011-12 Joint Budget Committee Staff Figure Setting Recommendations
Department of Higher Education

	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp	FY 2011-12		Staff Rec.	Notes	
				Governor Request	CCHE Request		Governor	CCHE
College Opportunity Fund	<u>35,176,878</u>	<u>20,515,779</u>	<u>38,842,790</u>	<u>32,806,606</u>	<u>32,806,606</u>	<u>31,712,683</u>		
Student Stipend Payments	16,007,646	10,561,318	14,987,880	15,646,320	15,646,320	14,935,800		
Fee-for-service Contracts	19,169,232	9,954,461	23,854,910	17,160,286	17,160,286	16,776,883		
Federal Stimulus	8,909,433	23,570,532	1,781,300	0	0	0		
Tuition	<u>54,432,163</u>	<u>62,121,465</u>	<u>68,411,531</u>	<u>73,781,968</u>	<u>73,781,968</u>	<u>73,534,005</u>	#3 Tuition Placeholder	
Resident	39,134,502	45,821,514	50,470,185	55,339,140	55,339,140	54,825,152		
Nonresident	15,297,661	16,299,951	17,941,346	18,442,828	18,442,828	18,708,853		
Academic Fees	889,660	4,388,407	5,074,400	5,074,400	5,074,400	5,117,140		
(J) State Board for the Community Colleges and Occupational Education								
State System Community Colleges	299,735,038	348,998,854	382,999,646	364,612,777	364,612,777	385,111,106	#1 Institution Allocations	
FTE	<u>5,192.1</u>	<u>5,529.2</u>	<u>5,584.0</u>	<u>5,584.0</u>	<u>5,584.0</u>	<u>5,736.6</u>		
College Opportunity Fund	<u>117,020,778</u>	<u>72,600,807</u>	<u>127,442,799</u>	<u>112,832,926</u>	<u>112,832,926</u>	<u>109,313,470</u>		
Student Stipend Payments	90,120,506	69,059,655	105,227,640	99,351,900	99,351,900	106,938,840		
Fee-for-service Contracts	26,900,272	3,541,152	22,215,159	13,481,026	13,481,026	2,374,630		
Federal Stimulus	25,300,005	71,186,393	4,523,158	0	0	0		
Limited Gaming	0	0	7,260,991	7,260,991	7,260,991	7,260,991		
Tuition	<u>149,056,274</u>	<u>194,956,762</u>	<u>231,530,059</u>	<u>232,276,221</u>	<u>232,276,221</u>	<u>255,384,239</u>	#3 Tuition Placeholder	
Resident	123,747,433	162,377,008	191,651,306	194,080,050	194,080,050	212,295,791		
Nonresident	25,308,841	32,579,754	39,878,753	38,196,171	38,196,171	43,088,448		
Academic Fees	6,857,981	8,754,892	10,742,639	10,742,639	10,742,639	11,652,406		
Appropriated Grants - RF/CFE	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000		
TOTAL - (5) Governing Boards	1,897,189,651	2,064,299,362	2,169,702,606	2,143,602,368	2,143,602,368	2,149,324,126		
FTE	<u>20,515.3</u>	<u>20,757.6</u>	<u>21,034.0</u>	<u>21,034.0</u>	<u>21,034.0</u>	<u>21,119.7</u>		
College Opportunity Fund	<u>534,181,544</u>	<u>312,290,555</u>	<u>592,897,381</u>	<u>499,465,872</u>	<u>499,465,872</u>	<u>481,075,760</u>		
Student Stipend Payments	261,617,889	184,907,721	269,316,840	267,879,308	267,879,308	274,041,240		

FY 2011-12 Joint Budget Committee Staff Figure Setting Recommendations
Department of Higher Education

	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp	FY 2011-12		Staff Rec.	Notes	
				Governor Request	CCHE Request		Governor	CCHE
Fee-for-service Contracts	272,563,655	127,382,834	323,580,541	220,659,362	220,659,362	196,771,574		
Direct General Fund Grant	0	0	0	10,927,202	10,927,202	10,262,946		
Federal Stimulus	144,690,714	368,044,477	27,989,571	0	0	0		
Tobacco Settlement Distribution	17,997,300	17,150,000	16,004,485	16,004,485	16,004,485	14,546,727		
Limited Gaming	0	0	7,524,792	7,524,792	7,524,792	7,524,792		
Tuition	<u>1,138,617,714</u>	<u>1,291,905,434</u>	<u>1,423,547,416</u>	<u>1,518,868,258</u>	<u>1,518,868,258</u>	<u>1,537,651,787</u>		
Resident	665,789,417	779,688,594	867,388,432	947,660,261	947,660,261	951,778,304		
Nonresident	472,828,297	512,216,840	556,158,984	571,207,997	571,207,997	585,873,483		
Academic Fees	54,794,848	72,533,365	99,363,430	99,363,430	99,363,430	106,149,529		
Appropriated Grants - CF	4,750,000	0	0	0	0	0		
Appropriated Grants - RF/CFE	2,157,531	2,375,531	2,375,531	2,375,531	2,375,531	2,375,531		
TOTAL - (6) Local District Junior								
College Grants	<u>15,890,257</u>	<u>15,890,257</u>	<u>15,467,729</u>	<u>12,746,290</u>	<u>12,746,290</u>	<u>12,334,655</u>		
General Fund	12,601,934	7,350,751	13,967,735	11,909,951	11,909,951	11,498,316		
Cash Funds	0	0	836,339	836,339	836,339	836,339		
Federal Funds	3,288,323	8,539,506	663,655	0	0	0		

(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	857,406	900,000	900,000	900,000	900,000	900,000
FTE	<u>7.1</u>	<u>8.3</u>	<u>9.0</u>	<u>9.0</u>	<u>9.0</u>	<u>9.0</u>
General Fund	0	105,405	0	0	0	0
Cash Funds	0	0	0	0	0	0
RF/CFE	857,406	794,595	900,000	900,000	900,000	900,000

(B) Distribution of State Assistance for
Career and Technical Education pursuant to

FY 2011-12 Joint Budget Committee Staff Figure Setting Recommendations
Department of Higher Education

	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp	FY 2011-12		Staff Rec.	Notes	
				Governor Request	CCHE Request		Governor	CCHE
Section 23-8-102. C.R.S. RF/CFE	21,672,472	23,189,191	23,296,124	23,436,274	23,436,274	<i>Pending</i>	NP-K-12 Categorical Program	
(C) Area Vocational School Support	<u>11,202,546</u>	<u>9,736,132</u>	<u>8,964,761</u>	<u>7,664,871</u>	<u>7,664,871</u>	<u>7,425,924</u>	#1 Institution Allocations	
General Fund	8,505,528	4,311,868	8,450,501	7,664,871	7,664,871	7,425,924		
Federal Funds	2,697,018	5,424,264	514,260	0	0	0		
(D) Sponsored Programs								
(1) Administration								
Federal Funds	1,902,038	1,960,168	2,220,227	2,220,227	2,220,227	2,220,227		
FTE	22.6	22.9	23.0	23.0	23.0	23.0		
(2) Sponsored Programs								
Federal Funds	14,292,642	14,446,764	14,737,535	14,737,535	14,737,535	14,737,535		
Subtotal - (D) Sponsored Programs	16,194,680	16,406,932	16,957,762	16,957,762	16,957,762	16,957,762		
(E) Colorado First Customized Job Training RF/CFE	2,725,022	2,725,022	2,725,022	2,725,022	2,725,022	<i>Pending</i>		
TOTAL - (7) Occupational Education	52,652,126	52,957,277	52,843,669	51,683,929	51,683,929	25,283,686		
FTE	<u>29.7</u>	<u>31.2</u>	<u>32.0</u>	<u>32.0</u>	<u>32.0</u>	<u>32.0</u>		
General Fund	8,505,528	4,417,273	8,450,501	7,664,871	7,664,871	7,425,924		
Cash Funds	0	0	0	0	0	0		
RF/CFE	25,254,900	26,708,808	26,921,146	27,061,296	27,061,296	900,000		
Federal Funds	18,891,698	21,831,196	17,472,022	16,957,762	16,957,762	16,957,762		
TOTAL - (8) Auraria Higher Education Center	16,625,772	17,670,252	17,670,252	17,670,252	17,670,252	17,670,252		
FTE	<u>195.2</u>	<u>191.3</u>	<u>166.3</u>	<u>166.3</u>	<u>166.3</u>	<u>172.9</u>		
Cash Funds	0	0	0	0	0	0		
RF/CFE	16,625,772	17,670,252	17,670,252	17,670,252	17,670,252	17,670,252		

FY 2011-12 Joint Budget Committee Staff Figure Setting Recommendations
Department of Higher Education

	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp	FY 2011-12		Staff Rec.	Notes	
				Governor Request	CCHE Request		Governor	CCHE
(9) State Historical Society								
<i>(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.)</i>								
(A) Cumbres and Toltec Railroad Commission								
General Fund	100,000	225,000	202,500	202,500	202,500	202,500		
(B) Sponsored Programs								
FTE	<u>1.5</u>	<u>2.7</u>	<u>3.5</u>	<u>3.5</u>	<u>3.5</u>	<u>3.5</u>		
Cash Funds	0		20,000	20,000	20,000	20,000		
Federal Funds	221,127	294,448	230,000	230,000	230,000	230,000		
(C) Auxiliary Programs								
FTE	<u>8.6</u>	<u>8.9</u>	<u>14.5</u>	<u>14.5</u>	<u>14.5</u>	<u>14.5</u>		
Cash Funds	942,675	955,549	1,551,313	1,549,489	1,549,489	1,540,920		NP-PERA, NP-Printing
(D) Gaming Revenue								
Gaming Cities Distribution	<u>5,633,135</u>	<u>4,775,741</u>	<u>5,272,879</u>	<u>5,272,879</u>	<u>5,272,879</u>			
Cash Funds	5,633,135	4,775,741	5,272,879	5,272,879	5,272,879			
Statewide Preservation Grant Program								
FTE	<u>15.7</u>	<u>16.8</u>	<u>18.0</u>	<u>18.0</u>	<u>18.0</u>	<u>0.0</u>		
Cash Funds	17,758,341	15,120,150	14,387,302	14,366,378	14,366,378			NP-PERA, NP-Printing
Society Museum and Preservation								
Operations	6,391,478	6,565,247	6,762,023	7,481,415	7,481,415	7,398,378		CHS #1 Facilities
FTE	<u>86.6</u>	<u>86.8</u>	<u>89.9</u>	<u>91.9</u>	<u>91.9</u>	<u>91.9</u>		NP-PERA, NP-Printing
Cash Funds	5,720,539	5,574,735	6,069,627	6,788,754	6,788,754	6,714,202		
Federal Funds	670,939	990,512	692,396	692,661	692,661	684,176		
Subtotal - (D) Gaming Revenue								
	29,782,954	26,461,138	26,422,204	27,120,672	27,120,672	7,398,378		
TOTAL - (9) Historical Society								
FTE	<u>112.4</u>	<u>115.2</u>	<u>125.9</u>	<u>127.9</u>	<u>127.9</u>	<u>109.9</u>		
General Fund	100,000	225,000	202,500	202,500	202,500	202,500		

FY 2011-12 Joint Budget Committee Staff Figure Setting Recommendations
Department of Higher Education

	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp	FY 2011-12		Staff Rec.	Notes	
				Governor Request	CCHE Request		Governor	CCHE
Cash Funds	30,054,690	26,426,175	27,301,121	27,997,500	27,997,500	8,275,122		
Federal Funds	892,066	1,284,960	922,396	922,661	922,661	914,176		
TOTAL - Dept. of Higher Education	2,672,525,050	2,609,587,971	3,013,101,395	2,877,286,949	2,877,286,949	2,798,305,667		
FTE	<u>20,891.5</u>	<u>21,134.2</u>	<u>21,397.5</u>	<u>21,399.5</u>	<u>21,399.5</u>	<u>21,473.8</u>		
General Fund	661,650,598	428,554,090	705,145,512	624,561,740	624,561,740	605,521,046		
Cash Funds	1,259,698,219	1,417,094,269	1,614,730,367	1,694,405,281	1,694,405,281	1,678,423,684		
CFE/RF	581,641,710	362,394,418	643,769,858	539,295,391	539,295,391	495,344,885		
Federal Funds	169,534,523	401,545,194	49,455,658	19,024,537	19,024,537	19,016,052		
† <i>General Fund Exempt</i>	<i>294,300,000</i>	<i>800,000</i>	<i>101,266,667</i>	<i>101,266,667</i>	<i>101,266,667</i>	<i>0</i>		

Key:
ITALICS = non-add figure, included for informational purposes
A = impacted by a budget amendment submitted after the November 1 request
S = impacted by a supplemental appropriation approved by the Joint Budget Committee

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 requested funding pursuant to OSPB's budget instructions.

Recommendation: **The staff recommendation is to follow the JBC's common policy.**

Short-term Disability

Description: Provides for short-term disability premiums.

Request: The Department requested funding pursuant to OSPB's budget instructions.

Recommendation: **The staff recommendation is 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 requested funding pursuant to OSPB's budget instructions.

Recommendation: **The staff recommendation is 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 requested funding pursuant to OSPB's budget instructions.

Recommendation: **The staff recommendation is based on the JBC's common policy.**

Salary Survey and Senior Executive Service

Description: Provides for salary survey and senior executive service pay increases.

Request: The Department requested funding pursuant to OSPB's budget instructions.

Recommendation: **The staff recommendation is based on the JBC's common policy.**

Performance-based Pay Awards

Description: Provides for performance-based pay increases.

Request: The Department requested funding pursuant to OSPB's budget instructions.

Recommendation: **The staff recommendation is based on the JBC's common policy.**

Worker's Compensation

Description: Provides for workers' compensation premiums.

Request: The Department requested funding 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 continuation level funding according to OSPB's budget instructions.

Recommendation: **Staff recommends funding for 448 legal services hours. The amount 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.

Purchase of Services from Computer Center

Description: Provides for purchase of services from GGCC.

Request: The Department requests continuation level funding according 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.

Multiuse Network Payments

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

Request: The Department requests continuation level funding according 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.

Management and Administration of OIT

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

Request: This line item is part of the Department's OIT consolidation request.

Recommendation: **The staff recommendation is 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 continuation level funding according 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 continuation funding based on the terms of the lease.

Recommendation: **Staff recommends the Department request 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]

Request: The Department requests continuation level funding according to OSPB's budget instructions. This line is impacted by the statewide requests for PERA and printing of warrants and mainframe documents.

Recommendation: **Staff recommends continuation funding according to the JBC's common policies.** There are over 250 statutory references to the Commission on Higher Education. To perform the myriad functions assigned in statute to CCHE, the Department Administration needs resources. There are some duties that the legislature could consider eliminating. For example, the legislature might decide that the governing boards can define their own role and mission, and/or that CCHE isn't very effective at enforcing the roles and missions anyway, and so the function can be eliminated outright. But, staff would recommend making a change like that through a bill.

The calculations are detailed in the table below. 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 2011-12 indirect cost assessment plan.

Department Administration							
Item	TOTAL	Private Fees	Indirect College Invest, College Assist	Indirect All Other	Transfer from Education	Federal Funds	FTE
FY 2010-11 Appropriation	\$2,826,113	\$68,320	\$175,745	\$2,100,810	\$105,180	\$376,058	31.5
Restore PERA contribution	48,377	0	0	39,849	0	8,528	0.0
1.5 % vacancy savings	(27,599)	0	0	(27,599)	0	0	0.0
FY 11-12 PERA contribution	(33,990)	0	0	(25,247)	0	(8,743)	0.0
Total	\$2,812,901	\$68,320	\$175,745	\$2,087,813	\$105,180	\$375,843	31.5

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 continuation level funding according to the OSPB budget instructions. This line is impacted by the statewide PERA request.

Recommendation: **Staff recommends continuation level funding pursuant to the JBC's common policies.** Having an agency to ensure that private occupational schools meet minimum standards provides protection to consumers who make a considerable sacrifice of time and money to obtain their education. These consumers often justify the expense based on an expected improvement in their economic status, which may never materialize if the educational standards of the teaching institution are not adequate. The Division of Private Occupational Schools also benefits legitimate schools by preventing "fly by night" operations from competing.

The components of the staff recommendation for continuation level funding are summarized in the table below.

Division of Private Occupational Schools		
Item	Dollars	FTE
FY 2009-10 Appropriation	\$631,465	7.8
Restore PERA contribution	9,090	
1.5 % vacancy savings	(7,001)	
FY 11-12 PERA contribution	(10,053)	
Total	\$623,501	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 requested continuation level funding.

Recommendation: **Staff recommends the requested funding.** Colorado's participation in WICHE benefits both the state and neighboring region. Failure to pay the dues would mean Colorado could not join in the veterinary medicine professional exchange program, among other things.

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.

Request: The Department requests continuation level funding.

Recommendation: **Staff recommends continuation funding.** The exact number of participants is not known until they enroll. The last few years about 25 students have enrolled per year.

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 requested funding based on anticipated waste tire revenues.

Recommendation: **Staff recommends the request.** The Joint Budget Committee sponsored S.B. 11-159 that appropriates another \$2,051,000 from limited gaming funds for the Higher Education Research Authority in FY 2011-12, in addition to the appropriation that will appear in the Long Bill.

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 2010-11 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 request is for a continuing level of funds.

Recommendation: **Staff recommends continuation level funding.** The JBC has a common policy for no inflationary increase for standard capital outlay and operating expenses.

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 is accompanied by a footnote indicating that the spending authority may not be used to support tuition or fee increases.

Request: The Department requests continuation level funding.

Recommendation: **Staff recommends eliminating the line item.** With the passage of S.B. 10-003 last year, higher education governing boards are not bound 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 Commission and then allocated to the institutions, including approximately \$8 million per year 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 2009-10 the average adjusted gross income of the families of dependent students receiving the full Pell award was \$18,352, compared to \$14,118 in FY 2008-09, and the average of students receiving any Pell award was \$37,881, compared to \$25,720 in FY 2008-09.

The federal government also provides low-interest guaranteed loans and tax credits and deductions for tuition. Sixty-five percent of students completing a bachelor's degree in FY 2009-10 from public institutions graduated with the support of federal student loans, and the average amount of federal loans for people graduating with debt was \$22,084.

Another source of funding for financial aid is money set aside by the institutions. Some of the money comes from fund raising, 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 fund raising.

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 2009-10 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 that fiscal year.

Policies and capacity regarding institutional aid vary widely, but generally institutional aid is a much more significant factor at 4-year institutions than 2-year institutions. At two year institutions an average of 4.6 percent of grant aid for resident students attending at least part time comes from institutional sources (there are a few outliers, mostly those with local district revenue sources, where institutional aid is much more significant). State aid represents 27.5 percent and federal aid 64.8 percent of total aid at 2-year institutions.

Among 4-year schools, there are four institutions where institutional aid is less than 25 percent of total aid, and the total allocated to institutional aid is less than \$600 per resident student FTE: Metro, Mesa, Adams, and CSU-Pueblo. At CU Boulder and Colorado School of Mines institutional aid approaches 45 percent of total grant aid. According to the Department, most institutional aid is awarded on the basis of need, but approximately 67 percent is targeted to students above the Pell eligibility threshold. Institutional aid has grown significantly faster than other sources of grant aid. One of the provisions of the legislation implementing the College Opportunity Fund (COF) requires that institutions set aside 20 percent of any increase in undergraduate resident tuition revenue above inflation for need-based financial aid. This may have contributed to an increase in institutional aid. However, Colorado institutions are also mimicking national pricing trends, and some of the increase in institutional aid is to compensate for the lack of increases in federal and state grants.

The table below shows the number of students served and the average award for the three major state aid programs over time.

Year	Need Based Aid		Merit Aid		Work-study	
	Students	Ave. Award	Students	Ave. Award	Students	Ave. Award
2000	38,603	\$1,051	10,364	\$1,125	8,027	\$1,806
2001	30,617	\$1,439	11,653	\$1,228	8,439	\$1,743
2002	30,040	\$1,659	12,306	\$1,205	8,468	\$1,903

	Need Based Aid		Merit Aid		Work-study	
2003	30,842	\$1,756	10,552	\$1,410	8,887	\$1,974
2004	26,811	\$1,491	5,415	\$1,273	8,278	\$1,992
2005	25,508	\$1,476	5,363	\$1,205	7,875	\$1,995
2006	28,832	\$1,536	1,383	\$1,083	8,247	\$1,832
2007	32,504	\$1,605	1,211	\$1,188	7,629	\$2,071
2008	47,985	\$1,393	1,158	\$1,294	7,433	\$2,170
2009	51,768	\$1,354	1,127	\$1,325	8,360	\$2,160

In addition to grants, federally guaranteed loans are a significant form of financial aid to students, but their value is: a) providing access to loans that might not otherwise be available to young people with no income or credit history; and b) providing repayment terms that are in some cases below prevailing market conditions (this is especially true for loans where interest payments are subsidized while the student is in school). Measuring the value of federal loans to students requires analysis of the other available options and is a complicated process. In FY 2008-09 \$972.4 million in federal loans were provided in Colorado.

The Department provided data on the average debt load on federal student loans carried by students graduating with federal student loans:

Average Student Debt Loan at Graduation-Associates Degree				
Institution	2005	2010	Percent Change	Percent 2010 Graduates with Loans
Adams State College	6,244	11,782	88.7%	70%
Aims Community College	8,305	9,918	19.4%	65%
Arapahoe Community College	9,149	13,159	43.8%	75%
Colorado Mountain College	8,613	11,087	28.7%	67%
Colorado Northwestern Community College	9,950	16,404	64.9%	66%
Community College of Aurora	9,194	12,496	35.9%	61%
Community College of Denver	9,385	13,847	47.5%	68%
Front Range Community College	9,863	12,148	23.2%	71%
Lamar Community College	6,194	13,423	116.7%	59%
Mesa State College	8,651	14,112	63.1%	73%
Morgan Community College	7,873	12,129	54.1%	58%
Northeastern Junior College	5,135	9,660	88.1%	53%
Otero Junior College	7,805	12,621	61.7%	46%
Pikes Peak Community College	8,241	11,450	38.9%	61%
Pueblo Community College	10,538	13,814	31.1%	70%
Red Rocks Community College	8,591	11,734	36.6%	61%
Trinidad State Junior College	6,387	11,984	87.6%	47%

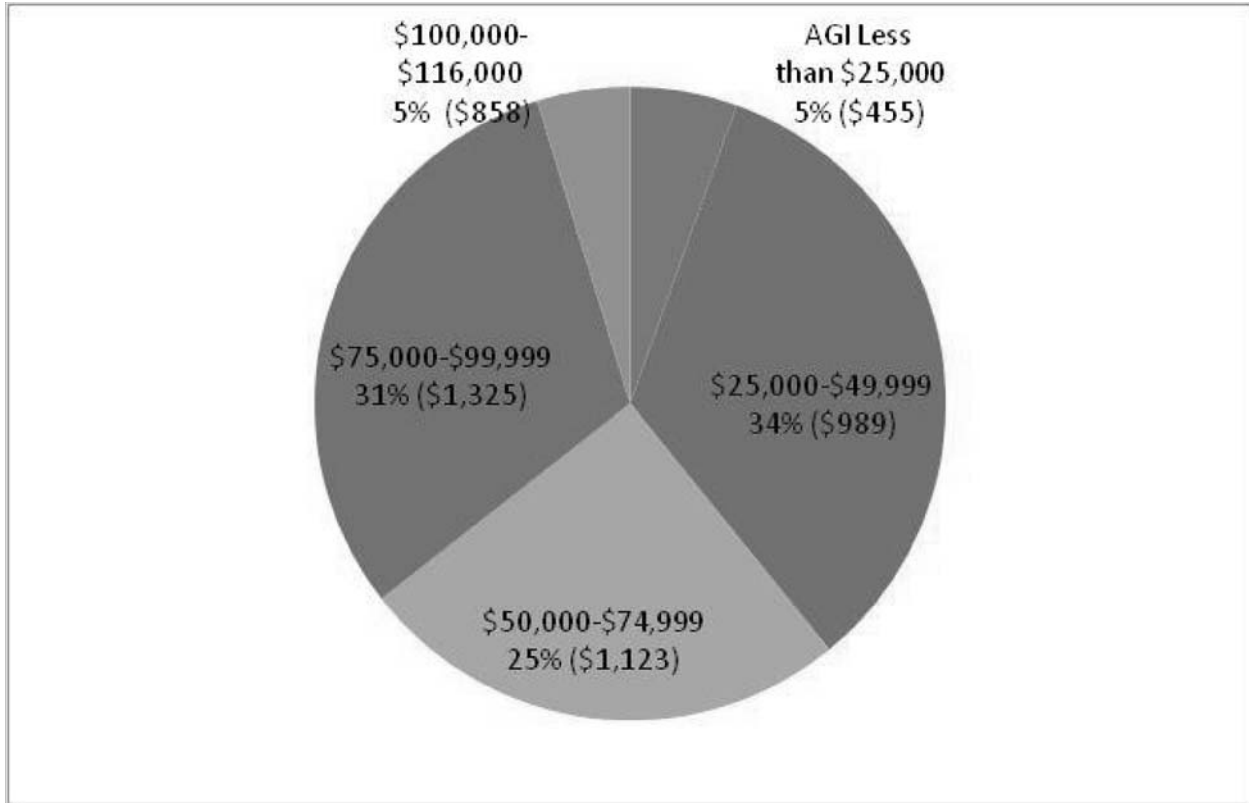
LOANS INCLUDED: Federal Stafford Loans Unsubsidized; Federal Perkins Loan; Federal Stafford Loans Subsidized; Federal Health Profession Loans; Other Loans

Average Student Debt Loan at Graduation-Baccalaureate Degree				
Institution	2005	2010	Percent Change	Percent 2010 Graduates with Loans
Adams State College	15,646	20,804	33.0%	74%
Colorado School of Mines	15,591	26,013	66.8%	66%
Colorado State University	16,570	21,370	29.0%	66%
Colorado State University - Pueblo	18,746	21,955	17.1%	69%
Fort Lewis College	15,963	17,081	7.0%	64%
Mesa State College	17,047	20,751	21.7%	72%
Metropolitan State College of Denver	19,502	23,858	22.3%	77%
University of Colorado - Boulder	19,607	20,662	5.4%	50%
University of Colorado - Colorado Springs	17,793	21,900	23.1%	70%
University of Colorado at Denver	21,719	25,974	19.6%	73%
University of Northern Colorado	15,905	20,714	30.2%	69%
Western State College	18,872	20,915	10.8%	68%

LOANS INCLUDED: Federal Stafford Loans Unsubsidized; Federal Perkins Loan; Federal Stafford Loans Subsidized; Federal Health Profession Loans; Other Loans

These tables do not include information on private loans used to finance higher education, such as 2nd mortgages, 401k borrowing, and credit cards. The College Board estimates that nationally private loans account for 22 percent of higher education loan volume.

Another significant source of financial aid is federal tax credits and tuition and fee deductions. Recent changes to the tax credits made them partially refundable, which will increase the benefit to people with little or no income tax liability, and changed caps on who can claim the credits. The Department did not report Colorado-specific data, and the most recent data is from 2008, but the table below shows the distribution of people who benefit from the tax credits by various ranges of adjusted gross income (AGI), and the average benefit in different AGI ranges.



Per statute, the annual percentage increase in appropriations for financial assistance must be at least as great as the aggregate annual percentage increase in General Fund appropriations for the institutions of higher education.

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. In FY 2010-11 the total includes a one-time refinance of \$15.4 million with cash funds from the CollegeInvest Scholarship Trust Fund pursuant to H.B. 10-1383.

Request: As part of a March 2 budget amendment the Governor requested increasing Need Based Grants. The budget amendment reallocates General Fund among financial aid programs to reflect the proposed discontinuation of the federal Leveraging Educational Assistance Partnership Program and increased costs for Native American Tuition Assistance. The request also assumes a General Fund increase to backfill the loss of one-time cash funds from the CollegeInvest Scholarship Trust Fund pursuant to H.B. 10-1383.

Recommendation: **Staff recommends the Governor's request.** The likely discontinuation of the Leveraging Educational Assistance Partnership Program reduces General Fund obligations for matching the federal funds. After accounting for the increased cost of the Native American Tuition

Assistance program, there is a small remainder of General Fund that can be applied to increase the total for Need Based Grants. The staff recommendation includes the requested refinancing of one-time cash funds from the CollegeInvest Scholarship Trust Fund with General Fund. The Joint Budget Committee sponsored H.B. 10-1383 and staff believes the Committee viewed it as a one-time General Fund savings, rather than an on-going General Fund reduction.

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 did not request funding.

Recommendation: **Staff recommends no funding.** 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 continuation funding.

Staff Recommendation: **Staff recommends continuation funding.** 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. Based on the performance reported by the Department and the broad population served by the program, staff recommends that the JBC attempt to maintain at least current funding levels.

D) Special Purpose

Precollegiate Programs

Description: Prior to FY 2009-10 this program provided supplemental grants of up to \$1,000 for low-income students who also qualified for a federal Academic Competitiveness Grant, with priority given to students who participated in a CCHE-approved precollegiate program. Funding was eliminated in FY 2009-10 to address the budget shortfall.

Request: The Department did not request funding.

Recommendation: **Staff recommends no funding.**

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 Governor submitted a March 2 budget amendment to reallocate General Fund among financial aid programs to reflect the discontinuation of the federal Leveraging Educational Assistance Partnership Program and increased costs for Native American Tuition Assistance. The Department will continue to match the Perkins Student Loan Program, but using appropriations contained in other line items.

Recommendation: **Staff recommends the Governor's request.** The Department indicates that Congress will likely eliminate the federal Leveraging Educational Assistance Partnership Program as proposed in the President's budget.

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 requested continuation level funding.

Recommendation: **Staff recommends continuation level funding.**

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 requested continuation funding.

Recommendation: **Staff recommends the requested continuation level funding.** Demand for the program currently exceeds the \$800,000 cap. 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. The JBC could appropriate General Fund directly to the Department of Military Affairs for this purpose without a change in statute.

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.

In FY 2009-10 119 Colorado residents received \$416,234 in tuition waivers and 579 nonresidents received \$10,115,22 in tuition waivers.

Request: The Governor 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 March 2 budget amendment is the elimination of General Fund for the Required Federal Match line item, an increase in Native American tuition assistance, and a small increase in Need Based Grants.

Recommendation: **Staff recommends the Governor's request.** 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 significantly higher nonresident enrollment in FY 2010-11. There were no increases in nonresident tuition rates at Fort Lewis.

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. Senators Benett and Udall recently introduced S.484 that would provide federal funds to Colorado based on the cost of the tuition waivers for nonresidents in FY 2010-11. 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.

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 requested continuation level funding.

Recommendation: **Staff recommends continuation funding.**

GEAR-UP

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

Request: The Department requested continuation level funding based on anticipated federal funds.

Recommendation: **Staff recommends continuation level funding based on anticipated federal funds.**

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 requested continuation level funding.

Recommendation: **Staff recommends eliminating funding.** It is not clear to staff that students would make the decision to teach based on the availability of this grant. Funding for other grant programs, such as Work Study, also reduce financial barriers to the teaching profession. Similarly, funding for the State's Share of Per Pupil Funding in the Department of Education impacts the financial barriers to the teaching profession. Staff believes these broader based programs should have a higher priority than this narrowly targeted grant program. Eliminating this program is consistent with the General Assembly's decision to eliminate other merit based funding last year. Institutions apply for a grant from the Department to award these scholarships and could choose to continue awarding the scholarships with institutional aid if the institutions find the scholarships are effective.

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:

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.

Request: The Department requests \$1,078,800, based on an estimated 1,160 eligible student FTE at a rate of \$930 for a full-time student.

Recommendation: **Staff recommends the requested amount.** Legislative Council Staff does not forecast the eligible student FTE at private institutions, and so the only source for a population projection is the Department's request. The requested rate is consistent with the rate recommended by staff below for students attending state-operated institutions.

(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.

The last few years this section has also included federal funds from the State Fiscal Stabilization Fund created by the American Recovery and Reinvestment Act of 2009 (ARRA) that were intended to offset reductions in General Fund support for the higher education institutions. These are commonly referenced as federal ARRA funds throughout this document, but it should be noted that the money from the State Fiscal Stabilization Fund may not be the only federal funds made available to the higher education institutions as a result of ARRA. The federal act also authorized increases in research funds that are not appropriated.

~~~~~

### **FY 2010-11 Enrollment Adjustment:**

*Request:* The Department sent a letter February 25, 2011 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 2010-11 and FY 2011-12. The letter indicated that the Department would not submit a formal request for adjustments to stipends, but the Department did submit a formal request to adjust tuition and fee spending authority based on enrollment.

The Department's formal request for fees included technical errors, but according to Department staff the intent was to match revenue estimates submitted by the institutions as part of the annual revenue forecasting process.

*Recommendation:* **Staff recommends a net increase in the FY 2010-11 stipend appropriation based on Legislative Council Staff's February 2011 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 increase in the stipend-eligible population for FY 2010-11 of 772.9 student FTE over the appropriated level, or a 0.5 percent correction to the forecast. At the FY 2010-11 stipend rate of \$1,860 per SFTE, funding the net increase in stipend-eligible students costs \$1,437,532 General Fund.

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 2010-11 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 2010-11 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. This is beneficial this year, because the mid-year projection calls for an increase in stipends and the state doesn't have General Fund to pay for that increase unless it takes the money out of the fee-for-service contracts. If the General Assembly changed the way it deals with stipends, there could be years where the mid-year projection would show 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 tuition footnote last year indicated that spending authority for increases in graduate and nonresident rates would be provided through a supplemental appropriation. The increases in the projected tuition revenue are primarily attributable to enrollment adjustments and increases in graduate and nonresident rates. There is a \$20 million contingency line in the Department Administration division, discussed earlier, that is intended to address variations in actual tuition revenue, but the Legislative Council Staff forecast suggests that eight governing boards will earn a total of \$29.8 million more than the appropriation. These higher than expected revenues are offset by lower than expected revenues at the University of Colorado, for a net \$1.1 million reduction in total projected tuition revenue. Also, adjusting the FY 2010-11 base tuition appropriation to match the projection will make it easier for the JBC to explain proposed changes in tuition assumptions for FY 2011-12.

The staff recommendation differs from the Department request because it is based on the Legislative Council Staff February 2011 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.

While most of the changes in tuition are attributable to enrollment, a small portion of the recommended change includes an adjustment for higher than expected resident tuition rates at Mesa State College. For students taking 15 credit hours in a semester Mesa used to charge for the first 14 credit hours and provide the 15th credit hour for free, but incoming freshmen starting in FY 2010-11 are being charged for 15 credit hours. The rate per credit hour at Mesa increased 9.0 percent in FY 2010-11, but the rate for full-time, incoming freshmen is 16.8 percent higher than the rate charged in FY 2009-10. Mesa indicates that most students take less than 15 credit hours per semester and the school estimates that the additional revenue generated by charging incoming students for the 15th credit hour is \$213,530. Mesa believes the increase complies with the footnote governing tuition increases included in last year's Long Bill, because only new students are impacted by the change. The footnote from last year's Long Bill reads:

- 16 *Department of Higher Education, Governing Boards, Trustees of Adams State College; Trustees of Mesa State College; Trustees of Metropolitan State College of Denver; Trustees of Western State College; Board of Governors of the Colorado State University System; Trustees of Fort Lewis College; Regents of the University of Colorado; Trustees of the Colorado School of Mines; University of Northern Colorado; State Board for Community Colleges and Occupational Education State System Community Colleges -- It is the intent of the General Assembly that no resident undergraduate student shall pay more tuition in FY 2010-11 than 9.0 percent over what they would have paid in FY 2009-10 for the same credit hours and course of study. It is the intent of the General Assembly that*

*the institutions may increase all graduate and nonresident tuition rates to reflect market conditions and that any additional spending authority necessary to cover graduate and nonresident tuition rate increases will be addressed through a supplemental appropriation during the 2011 session.*

Staff concurs that Mesa complied with the letter of the footnote, and also takes into consideration that S.B. 10-003 delegated tuition setting authority to higher education governing boards beginning in FY 2011-12.

Finally, staff recommends the following adjustments to FY 2010-11 fee spending authority:

| Academic Fee Supplemental |                     |                     |                     |              |
|---------------------------|---------------------|---------------------|---------------------|--------------|
| FY 2010-11                |                     |                     |                     |              |
|                           | Academic Fee        | FY 2010-11          | Recommended         |              |
|                           | Appropriation       | Revenue Estimate    | Change              | Percent      |
| Adams                     | \$2,120,308         | \$2,210,000         | \$89,692            | 4.2%         |
| Mesa                      | 538,354             | 610,831             | 72,477              | 13.5%        |
| Metro                     | 12,665,327          | 13,082,847          | 417,520             | 3.3%         |
| Western                   | 1,268,153           | 1,268,153           | 0                   | 0.0%         |
| CSU System                | 19,582,601          | 16,612,733          | (2,969,868)         | -15.2%       |
| Fort Lewis                | 995,955             | 1,085,955           | 90,000              | 9.0%         |
| CU Regents                | 32,387,627          | 44,800,859          | 12,413,232          | 38.3%        |
| Mines                     | 3,500,000           | 3,875,013           | 375,013             | 10.7%        |
| UNC                       | 4,929,515           | 5,074,400           | 144,885             | 2.9%         |
| Community Colleges        | 9,810,907           | 10,742,639          | 931,732             | 9.5%         |
| <b>TOTAL</b>              | <b>\$87,798,747</b> | <b>\$99,363,430</b> | <b>\$11,564,683</b> | <b>13.2%</b> |

Except at the University of Colorado these adjustments in fee spending authority are for unexpected enrollment growth. The University of Colorado has a capital fee that began in FY 2006-07 with automatic annual escalators each year for the first four years. The University requested initial spending authority for the fee, but failed to include the additional revenue from the automatic escalators in projections of academic fees until this year. The facility fee is fully implemented now and CU projects revenue to remain stable in the future except for enrollment adjustments.

All of the staff recommended changes to FY 2010-11 appropriations are summarized in Appendix A at the end of this document.

**FY 2010-11:**

*Request:* For FY 2010-11 the Governor proposes:

- ▶ **General Fund and Federal ARRA:** In the February 15, 2011 budget submission the Governor proposed a net reduction of \$125.4 million in General Fund and Federal ARRA funds from the FY 2010-11 funding level, allocated among the higher education governing

boards according to CCHE's distribution formula. This is a reduction of \$36.0 million more General Fund than the original request submitted November 1, 2011.

The Commission endorsed the Governor's request, but in doing so adopted a resolution that concluded:

*That the state faces significant fiscal challenges and must balance the budget to available revenues, however, Colorado's public colleges and universities are at a breaking point,*

*That any further reductions in the state investment in Colorado's public colleges and universities will jeopardize the state's economic competitiveness and long-term success,*

*That Colorado leaders across the state must come together and defend funding public colleges and universities as a top priority for the state and our economic well being,*

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 \$65.7 million is allocated according to each governing board's share of General Fund and federal ARRA funds. 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 \$65.7 million according to each governing board's total funds for education, which CCHE defines as General Fund, federal ARRA funds, 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 \$10.0 million to the higher education institutions based on enrollment increases that occurred between FY 2005-06 and FY 2009-10. 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 request for the Colorado School of Mines would provide a direct General Fund appropriation, rather than reappropriated funds for a fee-for-service contract, to comply with Section 23-41-104.7, C.R.S. This statute, added by S.B. 10-003, exempts the Colorado School of Mines from fee-for-service contracts and requires the General Assembly to appropriate funds directly to the Colorado School of Mines in lieu of a fee-for-service contract. It also requires that the Colorado School of Mines increase institutional financial aid over time such that no later than FY 2020-21 all of the state funding is used for financial aid.

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 combined General Fund and federal ARRA funds. 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 combined General Fund and federal ARRA funds 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.

Both the Governor and CCHE recommend continuing the current stipend rate of \$1,860 annually per full-time student, or \$62 per credit hour. Once the expiring federal ARRA funds are removed from the total for each governing board, 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 25, 2011 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 included a letter with the request signed by seven of the ten governing boards supporting the CCHE allocation formula. The governing boards that did not sign the letter were Mesa, Metro, and the Community Colleges. After the hearing the Joint Budget Committee asked for a minority report summarizing the views of the three dissenting governing boards. In response, the Commission wrote:

*To date, CCHE has not been presented with a separate letter or alternative allocation methodology representing the views of the governing boards that did not sign the September 1<sup>st</sup> letter.*

*The institutions were directed to submit allocation formulas that met the principles adopted by the Commission in June 2010. One of the principles adopted by the Commission was the requirement that the models under consideration apply the same allocation formula across the system. The methodology could not single out particular governing boards or institution tiers.*

*Because the Commission represents and advocates for the higher education system as a whole it is not in a position to initiate or solicit a position paper or allocation formula from a particular institution or set of institutions but has stated that they would consider alternatives initiated and developed by the institutions.*

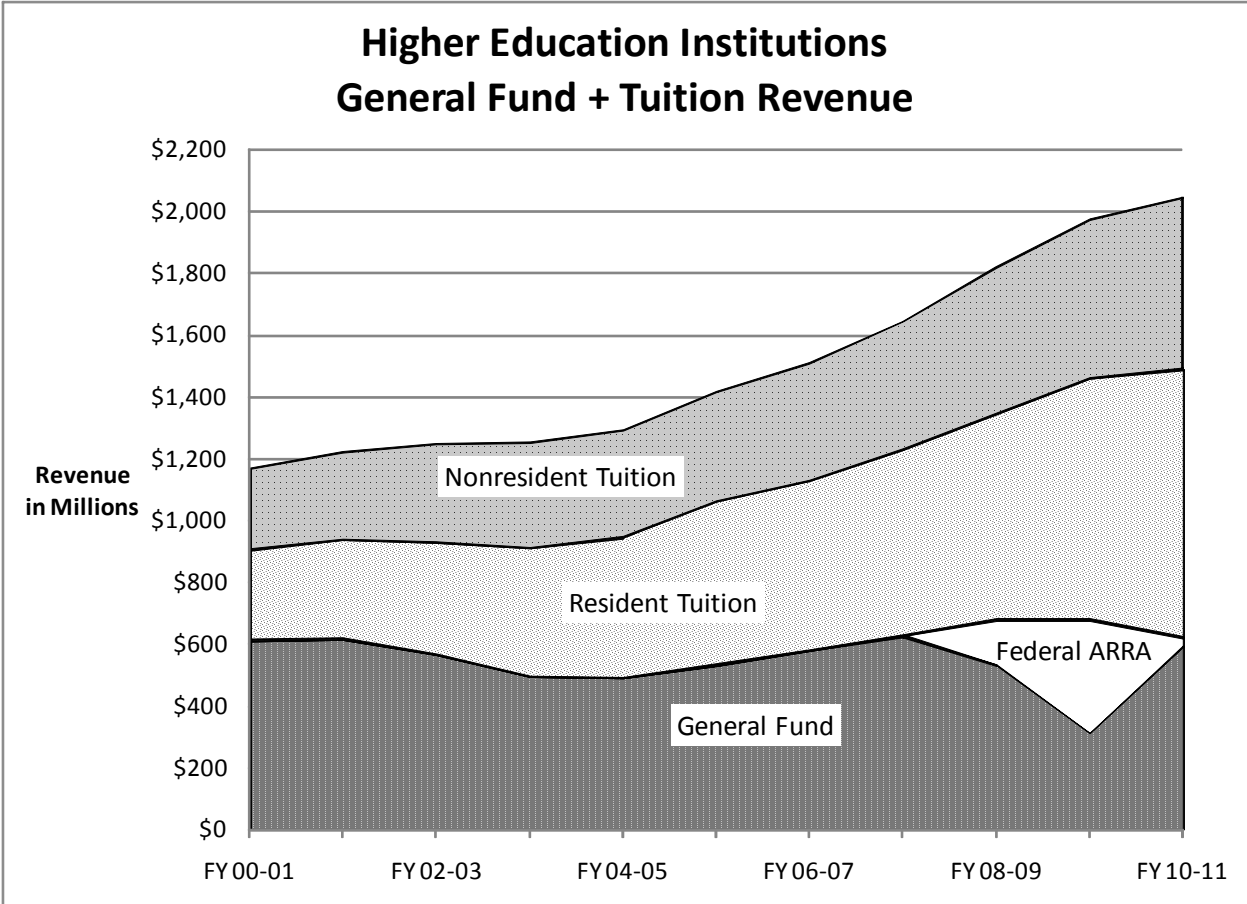
- ▶ **Tuition:** The Governor and CCHE included a placeholder in the request for tuition assuming a 9.0 percent increase in rates for in-state students and a 5.0 percent increase in rates for out-of-state students. For five years beginning in FY 2011-12, pursuant to S.B. 10-003, governing boards may 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. All the higher education institutions submitted plans to CCHE to increase resident undergraduate rate by more than 9.0 percent in FY 2011-12, but many indicated that the plans cover contingencies in case the General Assembly reduces funding, and it is unclear how many of the increases in excess of 9.0 percent would be implemented if the Governor's request gets approved.

*Recommendation:* **Staff recommends a total of \$500.0 million General Fund for the higher education institutions, including the Local District Junior Colleges and Area Vocational Schools, distributed according to the CCHE formula.** The staff recommendation includes conversion of the appropriation for the Colorado School of Mines from a fee-for-service contract to a direct appropriation to comply with Section 23-41-104.7, C.R.S. The total staff recommended General Fund is \$19.0 million less than the Governor's February 15, 2011 requested budget.

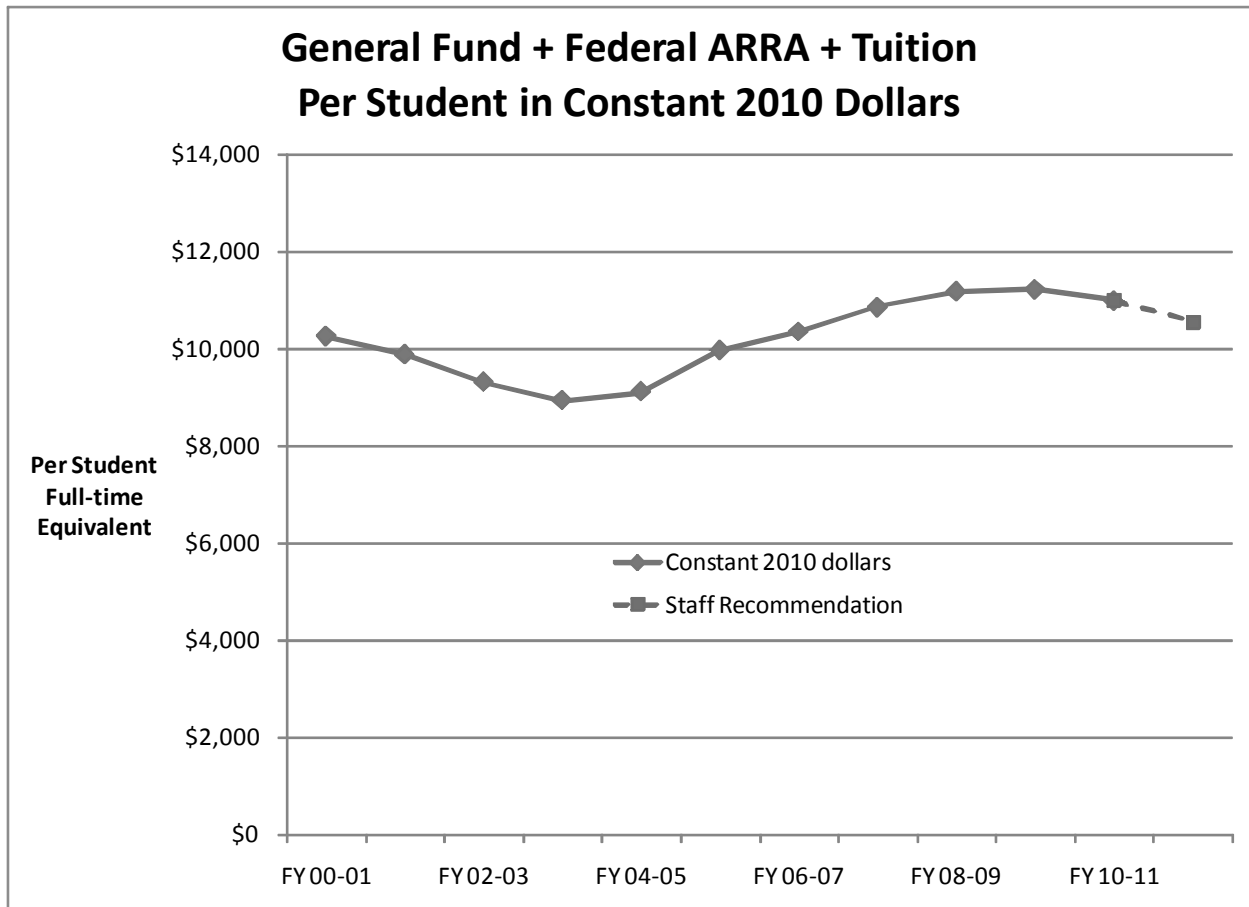
The Joint Budget Committee has expressed a preference for reductions that are sustainable on a long-term basis, and staff believes there are options for reducing the higher education budget below the Governor's request that meet the Committee's criteria, but at a cost to students and families. Some of that cost may manifest in the form of higher tuition and fees and some of it may appear in larger class sizes, fewer course offerings, or similar economizing measures implemented by the higher education institutions. The institutions argue that they are already among the most efficient public institutions nationally, implying that the options for reducing costs without impacting the level of service are limited.

Staff believes the Committee could implement sustainable reductions in excess of the staff recommendation, but at some threshold CCHE would likely want to revisit the distribution formula. Staff is not sure how deeply the General Assembly could reduce higher education funding before CCHE would want to revisit the distribution formula, but the Commission specifically looked at how the distribution formula proposed in the request would work in a scenario where General Fund was reduced to \$500.0 million. Seeing a distribution formula at a given funding level is not the same as endorsing the use of the distribution formula at that funding level, but Commission members at least had an opportunity to consider the consequences of using the distribution formula at a funding level of \$500.0 million before adopting the model. Staff hopes that in recommending \$500.0 million distributed according to the CCHE distribution formula the totals by governing board are at least close to what the Commission would recommend at that overall funding level, so that the Committee can consider the impact by governing board.

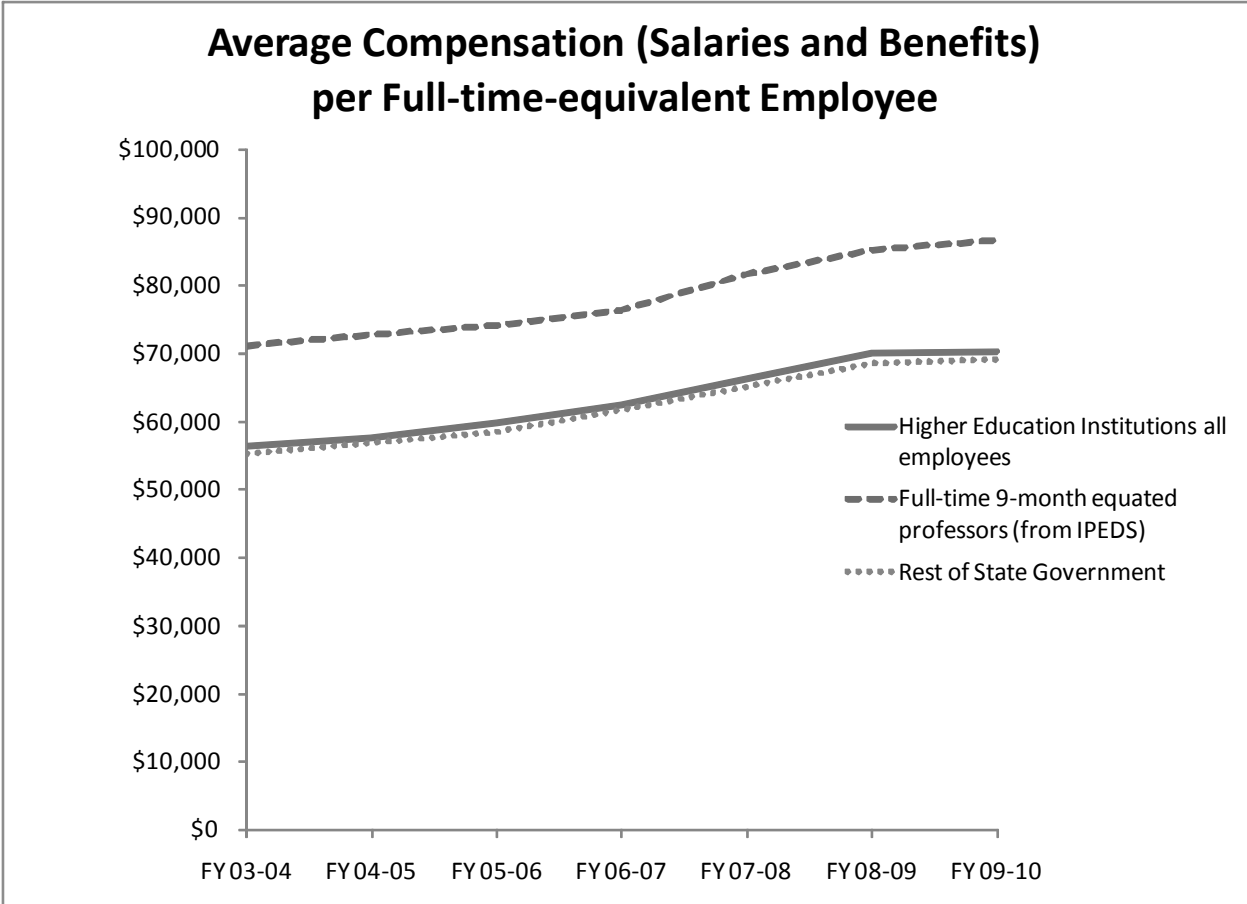
Since the recession began the total funds available for the higher education institutions have increased dramatically, primarily due to federal ARRA funds and tuition rate increases.



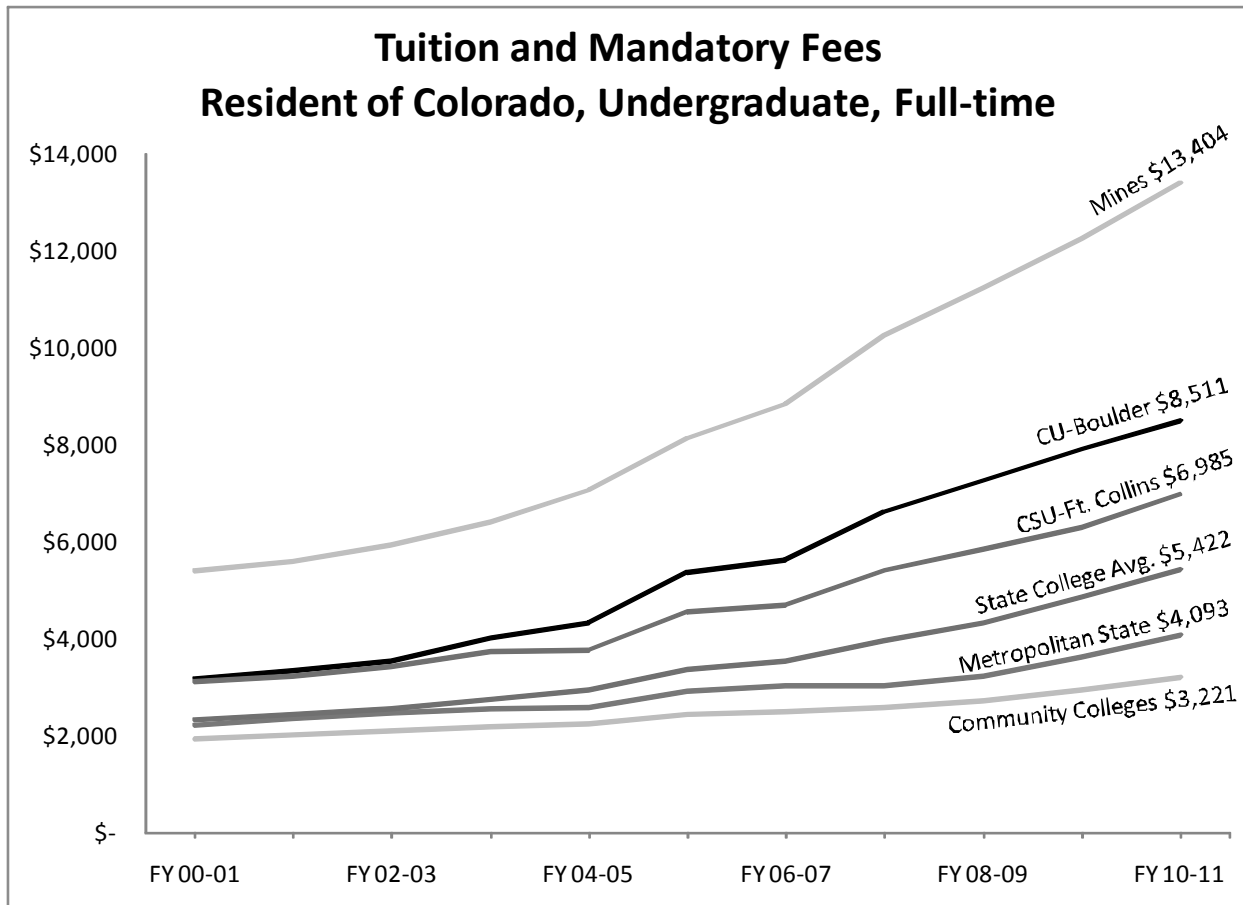
On a per student FTE basis, adjusted for inflation, higher education funding is higher than it was 10 years ago. This would remain true if the Committee adopts the staff recommendation, assuming institutions implement resident tuition rate increases of 9.0 percent and nonresident tuition rate increases of 5.0 percent. The Committee should consider, though, that some higher education professionals argue that the Denver/Boulder/Greeley consumer price index does not reflect the specific basket of goods purchased by colleges and understates the actual inflation experienced by higher education institutions. Changing inflation assumptions would change the slope of the line in the graph below.



The average higher education compensation per FTE, including benefits, has kept pace with other state agencies. Compensation may or may not be keeping pace with peer institutions, depending on the peers selected for an institution. The chart below shows only 7 years, rather than the 10 years in the charts above, because the data for earlier years was not as readily accessible (paper reports rather than electronic files). The chart includes increases for benefits such as health, life, and dental and retirement benefits that may not result in more take home pay for the employee, but represent cost avoidance for the employee. The chart also reflects the impact of promotions and other changes in the mix of employees (e.g. more professors and fewer administrative staff).



The charts above make the case that higher education institutions have not disproportionately suffered in the current recession relative to other state agencies. This is due to the availability of federal ARRA funds and tuition. On an individual governing board level there may be variations from the trend for the institutions in total, but those variations are related to the distribution of funding rather than the adequacy of the total funding. While institution funding has remained healthy, there has been a shift in who pays for higher education from the state to students and families that can be seen in the chart labeled Higher Education Institutions General Fund + Tuition Revenue. The chart below provides a sense of the impact for a full-time student.



Staff believes higher education institutions are capable of absorbing additional General Fund reductions, but with the likely consequence of higher tuition rates than would otherwise be implemented. Senate Bill 10-003 delegated tuition setting authority to the governing boards, and so institutions have flexibility to raise tuition revenue to compensate for reductions in state funding. Although, approving the Governor's request does not guarantee lower tuition rates. With the flexibility granted by S.B. 10-003 institutions could still increase tuition rates to address inflation or quality issues such as staff compensation, student to faculty ratios, or technology infrastructure. It is unknown what schools would do with tuition rates with General Fund support at a higher level than the staff recommendation.

While staff finds several elements of the CCHE distribution formula puzzling, the fact that the model includes confounding elements is not entirely surprising, considering that it is the result of multiple compromises of competing agendas. Despite some of the questionable individual elements of the CCHE distribution formula, staff recommends the formula because the product of all the parts has majority support from the Commission and from the higher education institutions. According to staff for the Department, the Commission considered over 20 different allocation models before

deciding that the requested distribution formula best balanced the competing policy objectives of the Commission and interested parties.

One of the elements staff finds confusing about the distribution formula is the adjustment to Fort Lewis' total funds for the Native American tuition assistance. Staff disagrees with the Commission that the Native American tuition assistance is a supplement to the base funds for the institution, similar to the tobacco money for the University of Colorado Anschutz Medical Campus or the limited gaming funds for the 2-year institutions. The tuition assistance is a benefit to students authorized in financial aid sections of the statutes. Fort Lewis may receive an indirect benefit in attracting more students to the campus, but the money was never intended to boost Fort Lewis' base funds so that the institution could provide a better quality education than similarly situated institutions. The adjustment in CCHE's distribution formula to Fort Lewis' total funds for the Native American tuition assistance results in a smaller reduction for Fort Lewis.

Another element of CCHE's formula that seems arbitrary to staff is the treatment of the Local District Junior Colleges and Area Vocational Schools. Staff understands that the Commission wanted to account for local property taxes that support the Local District Junior Colleges, and that the data for the Area Vocational Schools is not exactly comparable to the data for the other higher education institutions. However, staff believes the way the Commission decided to calculate the reductions for these institutions overstates the amount of revenue available from sources other than the General Fund, resulting in deeper reductions than if the institutions had been treated the same as the other higher education institutions.

Staff doesn't know how the Commission decided that \$10.0 million was the right amount to distribute to the higher education institutions based on enrollment. Nor does staff understand why the Commission believes that increases in enrollment require more funds while decreases in enrollment don't translate to savings.

**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 2011 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 2012-13 budget request the Governor and the Colorado Commission on Higher Education include the assumed tuition rate increases with the level of General Fund support requested.



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 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 \$1,457,758.**

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 4.4% for next year. This plus the automatic growth of the Nurse Home Visitor program translates into a 4.4% reduction for most Tier 1 programs and a 7.5% reduction for most Tier 2 programs.

**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 \$6.0 million limited gaming funds would flow to the institutions with a 2-year mission. This was about \$1.5 million below the estimate used for the FY 2010-11 Long Bill, and slightly below the actual FY 2010-11 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 2011-12, 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 2010-11          | FY 2011-12           | Recommended        | Percent     |
|                    | Academic Fee        | Academic Fee         |                    |             |
| Estimate           | Estimate            | Change               | Percent            |             |
| Adams              | \$2,210,000         | \$2,951,165          | \$741,165          | 33.5%       |
| Mesa               | 610,831             | 632,210              | 21,379             | 3.5%        |
| Metro              | 13,082,847          | 17,511,694           | 4,428,847          | 33.9%       |
| Western            | 1,268,153           | 1,231,492            | (36,661)           | -2.9%       |
| CSU System         | 16,612,733          | 16,753,193           | 140,460            | 0.8%        |
| Fort Lewis         | 1,085,955           | 1,096,815            | 10,860             | 1.0%        |
| CU Regents         | 44,800,859          | 45,000,000           | 199,141            | 0.4%        |
| Mines              | 3,875,013           | 4,203,414            | 328,401            | 8.5%        |
| UNC                | 5,074,400           | 5,117,140            | 42,740             | 0.8%        |
| Community Colleges | 10,742,639          | 11,652,406           | 909,767            | 8.5%        |
| <b>TOTAL</b>       | <b>\$99,363,430</b> | <b>\$106,149,529</b> | <b>\$6,786,099</b> | <b>6.8%</b> |

The fee projections for Adams and Metro reflect scheduled escalators on facility bond fees implemented in prior years. Both Mines and the Community Colleges expect strong enrollment to increase fee revenue. The Community College estimate also includes an escalator in the facility fee at the Community College of Denver.

**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 2010-11 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           |            |             |         |
|---------|---------------|------------|-------------|---------|
|         | FY 2010-11    | FY 2011-12 | Recommended | Percent |
|         | Appropriation | Estimate   |             |         |
| Adams   | 274.0         | 294.7      | 20.7        | 7.6%    |
| Mesa    | 519.2         | 534.5      | 15.3        | 2.9%    |
| Metro   | 1,266.1       | 1,299.0    | 32.9        | 2.6%    |
| Western | 243.2         | 231.9      | (11.3)      | -4.6%   |

|                    | FTE      |          |         |       |
|--------------------|----------|----------|---------|-------|
| CSU System         | 4,136.9  | 4,037.8  | (99.1)  | -2.4% |
| Fort Lewis         | 418.2    | 417.8    | (0.4)   | -0.1% |
| CU Regents         | 6,920.9  | 6,797.7  | (123.2) | -1.8% |
| Mines              | 684.2    | 766.6    | 82.4    | 12.0% |
| UNC                | 986.9    | 1,003.1  | 16.2    | 1.6%  |
| Community Colleges | 5,584.0  | 5,736.6  | 152.6   | 2.7%  |
| TOTAL              | 21,033.6 | 21,119.7 | 86.1    | 0.4%  |

---

## 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 Governor and CCHE request a net reduction in state and federal funds equal to the average of the average percent reduction for the governing boards, as discussed above. At the total General Fund level proposed by the Governor for the higher education institutions, this amounts to a \$2.7 million, or 18.6 percent, reduction.

*Recommendation:* **Staff recommends a \$3.1 million, or 21.4 percent, reduction in state and federal funds.** The staff recommendation is based on funding the higher education institutions at the total \$500.0 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 requested continuation level funding.

*Recommendation:* **Staff recommends continuation level funding.** The administrative responsibilities of the Division are not changing. 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 Administration. Staff requests permission to adjust the fund sources in this line item to reflect the available indirect cost recoveries.

**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.

*Request:* The Department requested an increase of \$140,150 in coordination with 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 Governor and CCHE request a net reduction in state and federal funds equal to the average for the Community Colleges, as discussed above. At the total General Fund level proposed by the Governor for the higher education institutions, this amounts to a \$1.3 million, or 14.5 percent, reduction.

*Recommendation:* **Staff recommends a \$1.5 million, or 17.2 percent, reduction in state and federal funds.** The staff recommendation is based on funding the higher education institutions at the total \$500.0 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 requested continuation level funding based on expected revenues.

*Recommendation:* **Staff recommends the Department's request.**

##### 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 requested continuation level funding based on expected revenues.

*Recommendation:* **Staff recommends the Department's request.**

#### **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's request is for continuation level funding.

*Recommendation:* **The staff recommendation is pending figure setting for the Governor's Office.** The appropriation for this line item will be discussed during figure setting for the Governor's Office and staff will reflect 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 continuation funding.

*Recommendation:* **Staff recommends the requested continuation funding.** For the tenant institutions staff recommends decreases in the combined state and federal funds, but staff expects these decreases will be largely offset by increases in tuition. Much of AHEC's expenses are for fixed costs related to maintaining the buildings, and so staff expects the tenant institutions will continue to contribute about the same level of funding and any reductions in operating expenses based on the staff recommendations will occur at the tenant institutions themselves, rather than at AHEC.

The staff recommendation on FTE, similar to the recommendation for the governing boards, is to reflect the FY 2010-11 estimated staffing level provided in the budget data book for informational purposes.

---

---

## 9) STATE HISTORICAL SOCIETY OF COLORADO

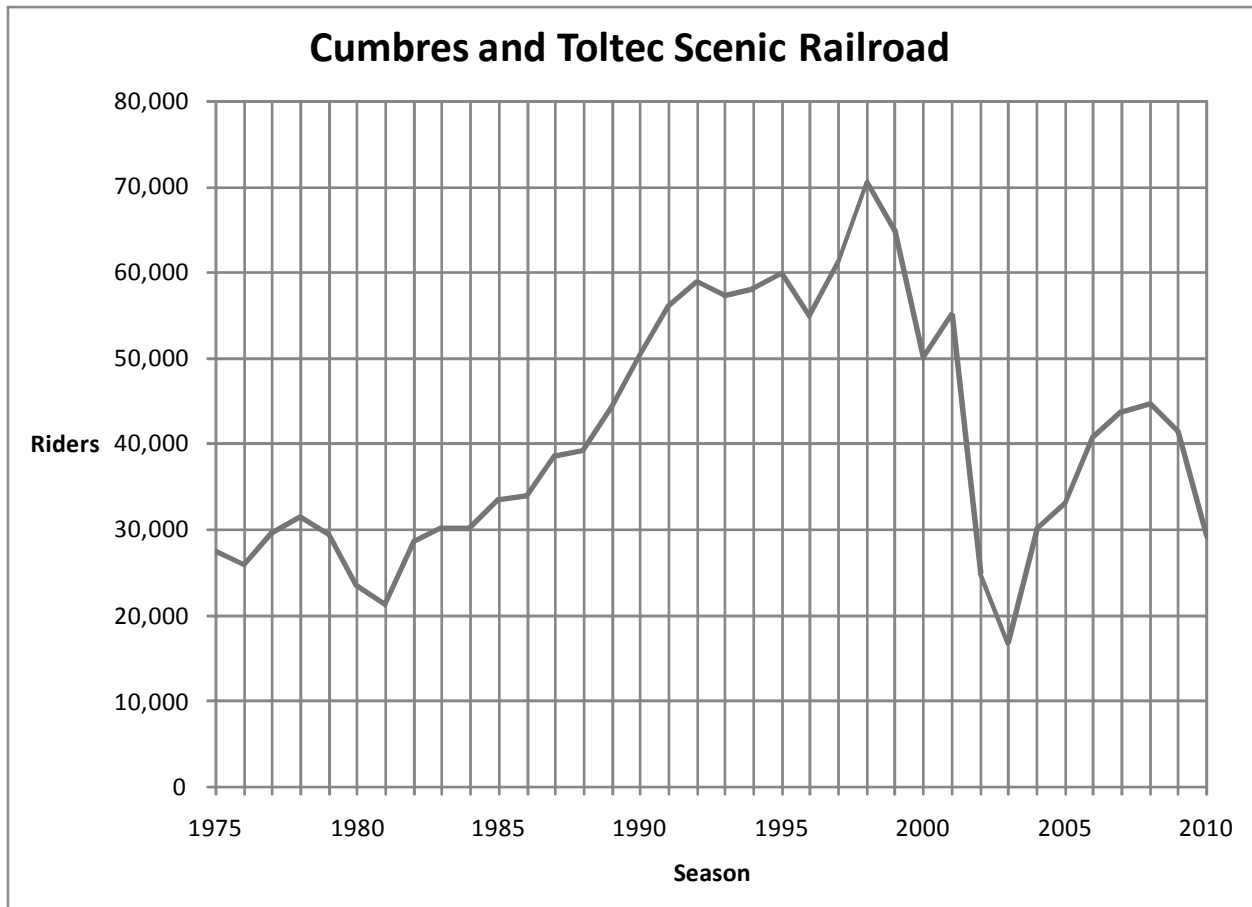
The State Historical Society collects, preserves, exhibits and interprets properties and artifacts of historical significance. In addition to operating museums and historical sites throughout the state, the Society distributes gaming funds for preservation projects.

### (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 I, 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 Lobato trestle, disrupting travel between Chama and Osier. The railroad is in 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   |
| NW Department of Transportation                         | \$825,000   |

*Request:* The Department requests continuation funding.

*Recommendation:* **Staff recommends the requested funding.** The railroad is chronically underfunded for maintenance, but increasing capital outlay expenditures is not a priority in the current budget environment. The legislature has rejected staff recommendations in prior years to eliminate funding for the railroad altogether.

(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:* The Department requested continuation level funding based on projected revenues.

*Recommendation:* **Staff recommends the requested amount, based on expected revenues.**

(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.

*Request:* The Department requests continuation level funding according to OSPB's budget instructions. This line is impacted by the statewide requests for PERA and printing warrants and mainframe documents.

*Recommendation:* **Staff recommends continuation funding according to the JBC's common policies.** The components of the staff recommendation are summarized in the table below.

| Auxiliary Programs         |                    |             |
|----------------------------|--------------------|-------------|
| Item                       | Cash Funds         | FTE         |
| FY 2010-11 Appropriation   | \$1,551,313        | 14.5        |
| Restore PERA contribution  | 10,866             | 0.0         |
| 1.5 % vacancy savings      | (8,507)            | 0.0         |
| FY 11-12 PERA contribution | (12,752)           | 0.0         |
| <b>Total</b>               | <b>\$1,540,920</b> | <b>14.5</b> |

**(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:* The Department requested continuation level funding.



*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:* The Department requested continuation funding according to OSPB's budget instructions. This line is impacted by the statewide requests for PERA and printing warrants and mainframe documents.

*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 and the JBC's actions on the Historical Society's administrative costs to update the figure for this line item for the Long Bill. Anything not spent on the Society Museum and Preservation Operations get granted out through this line item. If the JBC approves the Historical Society's request for maintenance funds for the new museum it will reduce the amount available in this line item for statewide historic preservation grants.

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.

*Request:* The Historical Society requests an increase of \$850,816 cash funds spending authority for maintenance, security, and utilities associated with the new History Colorado Center being constructed at 1200 Broadway in Denver that is projected to open in October 2011. The request includes 2.0 new state employees to act as building manager and plant mechanic. All other maintenance services included in the decision item will be contracted. Of the total, \$134,308 will come from limited gaming revenue deposited in the State Historical Fund, reducing the amount available for historic preservation grants. The remaining \$582,245 represents 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.

This line is impacted by the statewide requests for PERA and printing warrants and mainframe documents.

*Recommendation:* **Staff recommends the Department's request for 2.0 new FTE and maintenance funds for the new museum.** In the new facility the Historical Society will need to

maintain more square feet of space, and the Historical Society is no longer sharing maintenance costs with the Judicial Department. In addition to keeping the building safe for the public, adequate security and maintenance funding is necessary to preserve the historic artifacts. For the base appropriation staff recommends continuation funding calculated according to the JBC's common policies.

| Department Administrative Office |                    |                                                            |                             |                  |             |
|----------------------------------|--------------------|------------------------------------------------------------|-----------------------------|------------------|-------------|
| Item                             | TOTAL              | Admission fees,<br>user charges, and<br>other cash revenue | State<br>Historical<br>Fund | Federal<br>Funds | FTE         |
| FY 2010-11 Appropriation         | \$6,762,023        | \$796,748                                                  | \$5,272,879                 | \$692,396        | 89.9        |
| Restore PERA contribution        | 117,238            | 0                                                          | 104,053                     | 13,185           | 0.0         |
| 1.5 % vacancy savings            | (82,696)           | 0                                                          | (74,211)                    | (8,485)          | 0.0         |
| FY 11-12 PERA contribution       | (114,740)          | 0                                                          | (101,820)                   | (12,920)         | 0.0         |
| New Museum Maintenance           | 716,553            | 582,245                                                    | 134,308                     | 0                | 2.0         |
| <b>Total</b>                     | <b>\$7,398,378</b> | <b>\$1,378,993</b>                                         | <b>\$5,335,209</b>          | <b>\$684,176</b> | <b>91.9</b> |

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.

|                     | <u>FY 2010-11</u> | <u>FY 2011-12</u> | <u>Difference</u> |
|---------------------|-------------------|-------------------|-------------------|
| Adams               | 72,549            | 76,351            | 3,802             |
| Mesa                | 153,474           | 167,220           | 13,746            |
| Western             | 69,397            | 66,462            | (2,935)           |
| Metro               | 342,397           | 367,634           | 25,237            |
| CSU System          | 777,012           | 789,401           | 12,389            |
| Fort Lewis          | 116,753           | 119,911           | 3,158             |
| University of CO    | 1,282,829         | 943,446           | (339,383)         |
| Mines               | 141,607           | 183,960           | 42,353            |
| Northern CO         | 285,268           | 294,941           | 9,673             |
| Community Colleges  | 1,316,302         | 1,547,316         | 231,014           |
| AHEC                | 23,198            | 25,488            | 2,290             |
| Private Oc. Schools | 5,926             | 5,075             | (851)             |
| CollegeInvest       | 60,580            | 61,631            | 1,051             |
| College Assist      | 115,165           | 126,123           | 10,958            |
| Historical          | 106,339           | 143,071           | 36,732            |
| Other               | <u>334</u>        | <u>0</u>          | <u>(334)</u>      |
| TOTAL               | 4,869,130         | 4,918,030         | 48,900            |

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 the following **new** footnotes:

**N** **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 2012-13 budget request the Governor and the Colorado Commission on Higher Education include the assumed tuition rate increases with the level of General Fund support requested.

Staff recommends **continuation** of the following footnotes:

**13** **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.

**14** **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.

- 15 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.

- 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.

Staff recommends **discontinuing** the following footnotes:

- 12 Department of Higher Education, Colorado Commission on Higher Education, Special Purpose, Enrollment/Tuition and Stipend Contingency --** The Colorado Commission on Higher Education may transfer spending authority from this line item to the Governing Boards in the event that tuition or stipend revenues increase beyond appropriated levels. The spending authority for this line item shall be in addition to the funds appropriated directly to the Governing Boards. The Colorado Commission on Higher Education shall not authorize transfers of spending authority from this line item to support tuition or fee increases.

Comment: The line item is no longer relevant with the passage of S.B. 10-003 delegating tuition setting authority to the governing boards.

- 16 Department of Higher Education, Governing Boards, Trustees of Adams State College; Trustees of Mesa State College; Trustees of Metropolitan State College of Denver; Trustees of Western State College; Board of Governors of the Colorado State University System; Trustees of Fort Lewis College; Regents of the University of Colorado; Trustees of the Colorado School of Mines; University of Northern Colorado;**

**State Board for Community Colleges and Occupational Education State System Community Colleges** -- It is the intent of the General Assembly that no resident undergraduate student shall pay more tuition in FY 2010-11 than 9.0 percent over what they would have paid in FY 2009-10 for the same credit hours and course of study. It is the intent of the General Assembly that the institutions may increase all graduate and nonresident tuition rates to reflect market conditions and that any additional spending authority necessary to cover graduate and nonresident tuition rate increases will be addressed through a supplemental appropriation during the 2011 session.

Comment: The footnote is no longer relevant with the passage of S.B. 10-003 delegating tuition setting authority to the governing boards.

---

---

**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.

Staff recommends **discontinuing** the following information requests:

- 21 **Department of Higher Education, Colorado Commission on Higher Education, Administration** -- The Department is requested to submit a report to the Joint Budget Committee by January 1 each year documenting the base level of institutional financial aid at each institution and demonstrating that at least 20 percent of any increase in undergraduate resident tuition revenues in excess of inflation is being devoted to need-based financial assistance pursuant to Section 23-18-202 (3) (c), C.R.S.

Comment: Senate Bill 10-003 eliminated the requirement that higher education institutions devote at least 20 percent of any increase in undergraduate resident tuition revenues in excess of inflation to need-based financial assistance.

**First FY 2010-11 Supplemental**

|                                 | Rate     | Gov. Boards      | Adams         | Mesa          | Metro          | Western       | CSU Sys        | Ft. Lewis     | CU             | Mines          | UNC            | CCs            | LDJC          | AVS          | Institutions   |
|---------------------------------|----------|------------------|---------------|---------------|----------------|---------------|----------------|---------------|----------------|----------------|----------------|----------------|---------------|--------------|----------------|
| <b>FY 2010-11 Appropriation</b> |          |                  |               |               |                |               |                |               |                |                |                |                |               |              |                |
| 1                               |          |                  | 144,021.1     | 1,543.9       | 5,356.9        | 17,954.7      | 1,381.0        | 21,056.3      | 2,281.4        | 29,756.0       | 2,864.0        | 8,412.0        | 53,415.0      |              |                |
| 2                               | \$ 1,860 | \$ 267,879,308   | \$ 2,871,592  | \$ 9,963,834  | \$ 33,395,742  | \$ 2,568,660  | \$ 39,164,656  | \$ 4,243,404  | \$ 55,346,160  | \$ 5,327,040   | \$ 15,646,320  | \$ 99,351,900  | \$ -          | \$ -         | \$ 267,879,308 |
| 3                               |          | \$ 267,415,608   | \$ 9,277,730  | \$ 9,924,558  | \$ 6,382,826   | \$ 7,323,487  | \$ 74,455,372  | \$ 4,514,418  | \$ 103,757,822 | \$ 13,466,585  | \$ 19,530,558  | \$ 18,782,252  | \$ 12,601,934 | \$ 7,392,154 | \$ 287,409,696 |
| 4                               |          | \$ 535,294,916   | \$ 12,149,322 | \$ 19,888,392 | \$ 39,778,568  | \$ 9,892,147  | \$ 113,620,028 | \$ 8,757,822  | \$ 159,103,982 | \$ 18,793,625  | \$ 35,176,878  | \$ 118,134,152 | \$ 12,601,934 | \$ 7,392,154 | \$ 555,289,004 |
| 5                               |          | \$ 85,592,036    | \$ 1,298,623  | \$ 2,198,660  | \$ 4,289,163   | \$ 1,316,734  | \$ 18,440,232  | \$ 2,745,449  | \$ 33,361,538  | \$ 2,662,620   | \$ 5,447,212   | \$ 13,831,805  | \$ 2,029,456  | \$ 1,572,607 | \$ 89,194,099  |
| 6                               |          | \$ 620,886,952   | \$ 13,447,945 | \$ 22,087,052 | \$ 44,067,731  | \$ 11,208,881 | \$ 132,060,260 | \$ 11,503,271 | \$ 192,465,520 | \$ 21,456,245  | \$ 40,624,090  | \$ 131,965,957 | \$ 14,631,390 | \$ 8,964,761 | \$ 644,483,103 |
| 7                               |          | \$ 869,413,083   | \$ 7,918,224  | \$ 29,624,151 | \$ 62,009,906  | \$ 5,291,719  | \$ 136,423,320 | \$ 8,620,393  | \$ 351,864,510 | \$ 38,835,915  | \$ 50,769,853  | \$ 178,055,092 |               |              |                |
| 8                               |          | \$ 555,240,878   | \$ 4,472,464  | \$ 5,641,360  | \$ 6,714,726   | \$ 4,508,821  | \$ 108,326,372 | \$ 20,123,087 | \$ 314,531,299 | \$ 36,980,845  | \$ 17,564,598  | \$ 36,377,306  |               |              |                |
| 9                               |          | \$ 1,424,653,961 | \$ 12,390,688 | \$ 35,265,511 | \$ 68,724,632  | \$ 9,800,540  | \$ 244,749,692 | \$ 28,743,480 | \$ 666,395,809 | \$ 75,816,760  | \$ 68,334,451  | \$ 214,432,398 |               |              |                |
| 10                              |          | \$ 2,045,540,913 | \$ 25,838,633 | \$ 57,352,563 | \$ 112,792,363 | \$ 21,009,421 | \$ 376,809,952 | \$ 40,246,751 | \$ 858,861,329 | \$ 97,273,005  | \$ 108,958,541 | \$ 346,398,355 |               |              |                |
| 11                              |          | \$ 16,004,485    | \$ -          | \$ -          | \$ -           | \$ -          | \$ -           | \$ -          | \$ 16,004,485  | \$ -           | \$ -           | \$ -           |               |              |                |
| 12                              |          | \$ 7,524,792     | \$ 31,844     | \$ 231,957    | \$ -           | \$ -          | \$ -           | \$ -          | \$ -           | \$ -           | \$ -           | \$ 7,260,991   | \$ 836,339    | \$ -         | \$ 8,361,131   |
| 13                              |          | \$ 85,205,407    | \$ 2,120,308  | \$ 538,354    | \$ 12,665,327  | \$ 110,760    | \$ 19,582,601  | \$ 995,955    | \$ 32,387,627  | \$ 3,500,000   | \$ 4,605,826   | \$ 8,698,649   |               |              |                |
| 14                              |          | \$ 2,375,531     | \$ -          | \$ -          | \$ -           | \$ -          | \$ 170,000     | \$ 48,000     | \$ 657,531     | \$ -           | \$ -           | \$ 1,500,000   |               |              |                |
| 15                              |          | \$ 2,156,651,128 | \$ 27,990,785 | \$ 58,122,874 | \$ 125,457,690 | \$ 21,120,181 | \$ 396,562,553 | \$ 41,290,706 | \$ 907,910,972 | \$ 100,773,005 | \$ 113,564,367 | \$ 363,857,995 |               |              |                |

**First Supplemental Changes:**

|    |  |                 |              |                |                |              |                 |                |                 |                |                |                |                |                |                 |
|----|--|-----------------|--------------|----------------|----------------|--------------|-----------------|----------------|-----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
| 16 |  | 96.0%           | 1.5%         | 2.5%           | 4.8%           | 1.5%         | 20.7%           | 3.1%           | 37.4%           | 3.0%           | 6.1%           | 15.5%          | 2.3%           | 1.8%           | 100.0%          |
| 17 |  | \$ 57,602,465   | \$ 873,958   | \$ 1,479,673   | \$ 2,886,558   | \$ 886,147   | \$ 12,410,066   | \$ 1,847,656   | \$ 22,451,935   | \$ 1,791,913   | \$ 3,665,912   | \$ 9,308,647   | \$ 1,365,801   | \$ 1,058,347   | \$ 60,026,613   |
| 18 |  | \$ (57,602,465) | \$ (873,958) | \$ (1,479,673) | \$ (2,886,558) | \$ (886,147) | \$ (12,410,066) | \$ (1,847,656) | \$ (22,451,935) | \$ (1,791,913) | \$ (3,665,912) | \$ (9,308,647) | \$ (1,365,801) | \$ (1,058,347) | \$ (60,026,613) |
| 19 |  | \$ 2,593,340    | \$ -         | \$ -           | \$ -           | \$ 1,157,393 | \$ -            | \$ -           | \$ -            | \$ -           | \$ 323,689     | \$ 1,112,258   | \$ -           | \$ -           | \$ 2,593,340    |

**FY 2010-11 Appropriation with First Supplemental**

|    |          |                  |               |               |                |               |                |               |                |                |                |                |               |              |                |
|----|----------|------------------|---------------|---------------|----------------|---------------|----------------|---------------|----------------|----------------|----------------|----------------|---------------|--------------|----------------|
| 20 |          |                  | 144,021.1     | 1,543.9       | 5,356.9        | 17,954.7      | 1,381.0        | 21,056.3      | 2,281.4        | 29,756.0       | 2,864.0        | 8,412.0        | 53,415.0      |              |                |
| 21 | \$ 1,860 | \$ 267,879,308   | \$ 2,871,592  | \$ 9,963,834  | \$ 33,395,742  | \$ 2,568,660  | \$ 39,164,656  | \$ 4,243,404  | \$ 55,346,160  | \$ 5,327,040   | \$ 15,646,320  | \$ 99,351,900  | \$ -          | \$ -         | \$ 267,879,308 |
| 22 |          | \$ 325,018,073   | \$ 10,151,688 | \$ 11,404,231 | \$ 9,269,384   | \$ 8,209,634  | \$ 86,865,438  | \$ 6,362,074  | \$ 126,209,757 | \$ 15,258,498  | \$ 23,196,470  | \$ 28,090,899  | \$ 13,967,735 | \$ 8,450,501 | \$ 347,436,309 |
| 23 |          | \$ 592,897,381   | \$ 13,023,280 | \$ 21,368,065 | \$ 42,665,126  | \$ 10,778,294 | \$ 126,030,094 | \$ 10,605,478 | \$ 181,555,917 | \$ 20,585,538  | \$ 38,842,790  | \$ 127,442,799 | \$ 13,967,735 | \$ 8,450,501 | \$ 615,315,617 |
| 24 |          | \$ 27,989,571    | \$ 424,665    | \$ 718,987    | \$ 1,402,605   | \$ 430,587    | \$ 6,030,166   | \$ 897,793    | \$ 10,909,603  | \$ 870,707     | \$ 1,781,300   | \$ 4,523,158   | \$ 663,655    | \$ 514,260   | \$ 29,167,486  |
| 25 |          | \$ 620,886,952   | \$ 13,447,945 | \$ 22,087,052 | \$ 44,067,731  | \$ 11,208,881 | \$ 132,060,260 | \$ 11,503,271 | \$ 192,465,520 | \$ 21,456,245  | \$ 40,624,090  | \$ 131,965,957 | \$ 14,631,390 | \$ 8,964,761 | \$ 644,483,103 |
| 26 |          | \$ 869,413,083   | \$ 7,918,224  | \$ 29,624,151 | \$ 62,009,906  | \$ 5,291,719  | \$ 136,423,320 | \$ 8,620,393  | \$ 351,864,510 | \$ 38,835,915  | \$ 50,769,853  | \$ 178,055,092 |               |              |                |
| 27 |          | \$ 555,240,878   | \$ 4,472,464  | \$ 5,641,360  | \$ 6,714,726   | \$ 4,508,821  | \$ 108,326,372 | \$ 20,123,087 | \$ 314,531,299 | \$ 36,980,845  | \$ 17,564,598  | \$ 36,377,306  |               |              |                |
| 28 |          | \$ 1,424,653,961 | \$ 12,390,688 | \$ 35,265,511 | \$ 68,724,632  | \$ 9,800,540  | \$ 244,749,692 | \$ 28,743,480 | \$ 666,395,809 | \$ 75,816,760  | \$ 68,334,451  | \$ 214,432,398 |               |              |                |
| 29 |          | \$ 2,045,540,913 | \$ 25,838,633 | \$ 57,352,563 | \$ 112,792,363 | \$ 21,009,421 | \$ 376,809,952 | \$ 40,246,751 | \$ 858,861,329 | \$ 97,273,005  | \$ 108,958,541 | \$ 346,398,355 |               |              |                |
| 30 |          | \$ 16,004,485    | \$ -          | \$ -          | \$ -           | \$ -          | \$ -           | \$ -          | \$ 16,004,485  | \$ -           | \$ -           | \$ -           |               |              |                |
| 31 |          | \$ 7,524,792     | \$ 31,844     | \$ 231,957    | \$ -           | \$ -          | \$ -           | \$ -          | \$ -           | \$ -           | \$ -           | \$ 7,260,991   | \$ 836,339    | \$ -         | \$ 8,361,131   |
| 32 |          | \$ 87,798,747    | \$ 2,120,308  | \$ 538,354    | \$ 12,665,327  | \$ 1,268,153  | \$ 19,582,601  | \$ 995,955    | \$ 32,387,627  | \$ 3,500,000   | \$ 4,929,515   | \$ 9,810,907   |               |              |                |
| 33 |          | \$ 2,375,531     | \$ -          | \$ -          | \$ -           | \$ -          | \$ 170,000     | \$ 48,000     | \$ 657,531     | \$ -           | \$ -           | \$ 1,500,000   |               |              |                |
| 34 |          | \$ 2,159,244,468 | \$ 27,990,785 | \$ 58,122,874 | \$ 125,457,690 | \$ 22,277,574 | \$ 396,562,553 | \$ 41,290,706 | \$ 907,910,972 | \$ 100,773,005 | \$ 113,888,056 | \$ 364,970,253 |               |              |                |



**Staff Recommendation for Second FY 2010-11 Supplemental**

|                                                         | Rate | Gov. Boards                       | Adams         | Mesa       | Metro      | Western     | CSU Sys    | Ft. Lewis   | CU         | Mines       | UNC         | CCs         | LDJC        | AVS | Institutions |    |           |    |             |
|---------------------------------------------------------|------|-----------------------------------|---------------|------------|------------|-------------|------------|-------------|------------|-------------|-------------|-------------|-------------|-----|--------------|----|-----------|----|-------------|
| <b>FY 2010-11 Appropriation with First Supplemental</b> |      |                                   |               |            |            |             |            |             |            |             |             |             |             |     |              |    |           |    |             |
| 1                                                       |      | Stipend-eligible SFTE             | 144,021.1     | 1,543.9    | 5,356.9    | 17,954.7    | 1,381.0    | 21,056.3    | 2,281.4    | 29,756.0    | 2,864.0     | 8,412.0     | 53,415.0    |     |              |    |           |    |             |
| 2                                                       | \$   | State-operated stipends @ \$1,860 | 267,879,308   | 2,871,592  | 9,963,834  | 33,395,742  | 2,568,660  | 39,164,656  | 4,243,404  | 55,346,160  | 5,327,040   | 15,646,320  | 99,351,900  | \$  | -            | \$ | -         | \$ | 267,879,308 |
| 3                                                       | \$   | Fee-for-service contracts         | 325,018,073   | 10,151,688 | 11,404,231 | 9,269,384   | 8,209,634  | 86,865,438  | 6,362,074  | 126,209,757 | 15,258,498  | 23,196,470  | 28,090,899  | \$  | 13,967,735   | \$ | 8,450,501 | \$ | 347,436,309 |
| 4                                                       | \$   | SUBTOTAL State Funds              | 592,897,381   | 13,023,280 | 21,368,065 | 42,665,126  | 10,778,294 | 126,030,094 | 10,605,478 | 181,555,917 | 20,585,538  | 38,842,790  | 127,442,799 | \$  | 13,967,735   | \$ | 8,450,501 | \$ | 615,315,617 |
| 5                                                       | \$   | Federal stimulus                  | 27,989,571    | 424,665    | 718,987    | 1,402,605   | 430,587    | 6,030,166   | 897,793    | 10,909,603  | 870,707     | 1,781,300   | 4,523,158   | \$  | 663,655      | \$ | 514,260   | \$ | 29,167,486  |
| 6                                                       | \$   | SUBTOTAL State/Federal            | 620,886,952   | 13,447,945 | 22,087,052 | 44,067,731  | 11,208,881 | 132,060,260 | 11,503,271 | 192,465,520 | 21,456,245  | 40,624,090  | 131,965,957 | \$  | 14,631,390   | \$ | 8,964,761 | \$ | 644,483,103 |
| 7                                                       | \$   | Resident                          | 869,413,083   | 7,918,224  | 29,624,151 | 62,009,906  | 5,291,719  | 136,423,320 | 8,620,393  | 351,864,510 | 38,835,915  | 50,769,853  | 178,055,092 |     |              |    |           |    |             |
| 8                                                       | \$   | Nonresident                       | 555,240,878   | 4,472,464  | 5,641,360  | 6,714,726   | 4,508,821  | 108,326,372 | 20,123,087 | 314,531,299 | 36,980,845  | 17,564,598  | 36,377,306  |     |              |    |           |    |             |
| 9                                                       | \$   | Tuition                           | 1,424,653,961 | 12,390,688 | 35,265,511 | 68,724,632  | 9,800,540  | 244,749,692 | 28,743,480 | 666,395,809 | 75,816,760  | 68,334,451  | 214,432,398 |     |              |    |           |    |             |
| 10                                                      | \$   | State/federal/tuition             | 2,045,540,913 | 25,838,633 | 57,352,563 | 112,792,363 | 21,009,421 | 376,809,952 | 40,246,751 | 858,861,329 | 97,273,005  | 108,958,541 | 346,398,355 |     |              |    |           |    |             |
| 11                                                      | \$   | Tobacco                           | 16,004,485    | -          | -          | -           | -          | -           | -          | 16,004,485  | -           | -           | -           |     |              |    |           |    |             |
| 12                                                      | \$   | Gaming                            | 7,524,792     | 31,844     | 231,957    | -           | -          | -           | -          | -           | -           | -           | 7,260,991   | \$  | 836,339      | \$ | -         | \$ | 8,361,131   |
| 13                                                      | \$   | Academic Fees                     | 87,798,747    | 2,120,308  | 538,354    | 12,665,327  | 1,268,153  | 19,582,601  | 995,955    | 32,387,627  | 3,500,000   | 4,929,515   | 9,810,907   |     |              |    |           |    |             |
| 14                                                      | \$   | Appropriated Grants               | 2,375,531     | -          | -          | -           | -          | 170,000     | 48,000     | 657,531     | -           | -           | 1,500,000   |     |              |    |           |    |             |
| 15                                                      | \$   | TOTAL                             | 2,159,244,468 | 27,990,785 | 58,122,874 | 125,457,690 | 22,277,574 | 396,562,553 | 41,290,706 | 907,910,972 | 100,773,005 | 113,888,056 | 364,970,253 |     |              |    |           |    |             |

**Staff Recommended Changes for Second FY 2010-11 Supplemental:**

|    |    |                                   |             |           |             |           |           |             |           |              |           |           |             |    |   |    |   |    |             |
|----|----|-----------------------------------|-------------|-----------|-------------|-----------|-----------|-------------|-----------|--------------|-----------|-----------|-------------|----|---|----|---|----|-------------|
| 16 |    | Stipend-eligible SFTE             | 772.9       | 12.1      | 627.1       | (239.7)   | (83.0)    | (285.3)     | 16.6      | (2,041.0)    | (39.0)    | (354.0)   | 3,159.0     |    |   |    |   |    |             |
| 17 | \$ | State-operated stipends @ \$1,860 | 1,437,532   | 22,568    | 1,166,406   | (445,842) | (154,380) | (530,596)   | 30,876    | (3,796,260)  | (72,540)  | (658,440) | 5,875,740   |    |   |    |   |    |             |
| 18 | \$ | Fee-for-service contracts         | (1,437,532) | (22,568)  | (1,166,406) | 445,842   | 154,380   | 530,596     | (30,876)  | 3,796,260    | 72,540    | 658,440   | (5,875,740) | \$ | - | \$ | - | \$ | (1,437,532) |
| 19 | \$ | Resident                          | (2,024,651) | 826,793   | 4,446,135   | 482,509   | (93,841)  | 1,507,509   | (295,191) | (21,563,552) | (631,559) | (299,668) | 13,596,214  |    |   |    |   |    |             |
| 20 | \$ | Nonresident                       | 918,106     | 873,199   | 2,028,753   | 174,020   | 223,290   | 1,426,094   | 1,039,522 | (9,341,305)  | 616,338   | 376,748   | 3,501,447   |    |   |    |   |    |             |
| 21 | \$ | Tuition                           | (1,106,545) | 1,699,992 | 6,474,888   | 656,529   | 129,449   | 2,933,603   | 744,331   | (30,904,857) | (15,221)  | 77,080    | 17,097,661  |    |   |    |   |    |             |
| 22 |    |                                   |             |           |             |           |           |             |           |              |           |           |             |    |   |    |   |    |             |
| 23 | \$ | Academic Fees                     | 11,564,683  | 89,692    | 72,477      | 417,520   | -         | (2,969,868) | 90,000    | 12,413,232   | 375,013   | 144,885   | 931,732     |    |   |    |   |    |             |
| 24 | \$ | TOTAL                             | 10,458,138  | 1,789,684 | 6,547,365   | 1,074,049 | 129,449   | (36,265)    | 834,331   | (18,491,625) | 359,792   | 221,965   | 18,029,393  |    |   |    |   |    |             |

**Staff Recommendation for Second FY 2010-11 Supplemental**

|                                                          | Rate     | Gov. Boards               | Adams            | Mesa          | Metro         | Western        | CSU Sys       | Ft. Lewis      | CU            | Mines          | UNC            | CCs            | LDJC           | AVS           | Institutions |                |
|----------------------------------------------------------|----------|---------------------------|------------------|---------------|---------------|----------------|---------------|----------------|---------------|----------------|----------------|----------------|----------------|---------------|--------------|----------------|
| <b>FY 2010-11 Appropriation with Second Supplemental</b> |          |                           |                  |               |               |                |               |                |               |                |                |                |                |               |              |                |
| 25                                                       |          | Stipend-eligible SFTE     | 144,794.0        | 1,556.0       | 5,984.0       | 17,715.0       | 1,298.0       | 20,771.0       | 2,298.0       | 27,715.0       | 2,825.0        | 8,058.0        | 56,574.0       |               |              |                |
| 26                                                       | \$ 1,860 | State-operated stipends @ | \$ 269,316,840   | \$ 2,894,160  | \$ 11,130,240 | \$ 32,949,900  | \$ 2,414,280  | \$ 38,634,060  | \$ 4,274,280  | \$ 51,549,900  | \$ 5,254,500   | \$ 14,987,880  | \$ 105,227,640 | \$ -          | \$ -         | \$ 269,316,840 |
| 27                                                       |          | Fee-for-service contracts | \$ 323,580,541   | \$ 10,129,120 | \$ 10,237,825 | \$ 9,715,226   | \$ 8,364,014  | \$ 87,396,034  | \$ 6,331,198  | \$ 130,006,017 | \$ 15,331,038  | \$ 23,854,910  | \$ 22,215,159  | \$ 13,967,735 | \$ 8,450,501 | \$ 345,998,777 |
| 28                                                       |          | SUBTOTAL State Funds      | \$ 592,897,381   | \$ 13,023,280 | \$ 21,368,065 | \$ 42,665,126  | \$ 10,778,294 | \$ 126,030,094 | \$ 10,605,478 | \$ 181,555,917 | \$ 20,585,538  | \$ 38,842,790  | \$ 127,442,799 | \$ 13,967,735 | \$ 8,450,501 | \$ 615,315,617 |
| 29                                                       |          | Federal Stimulus          | \$ 27,989,571    | \$ 424,665    | \$ 718,987    | \$ 1,402,605   | \$ 430,587    | \$ 6,030,166   | \$ 897,793    | \$ 10,909,603  | \$ 870,707     | \$ 1,781,300   | \$ 4,523,158   | \$ 663,655    | \$ 514,260   | \$ 29,167,486  |
| 30                                                       |          | SUBTOTAL State/federal    | \$ 620,886,952   | \$ 13,447,945 | \$ 22,087,052 | \$ 44,067,731  | \$ 11,208,881 | \$ 132,060,260 | \$ 11,503,271 | \$ 192,465,520 | \$ 21,456,245  | \$ 40,624,090  | \$ 131,965,957 | \$ 14,631,390 | \$ 8,964,761 | \$ 644,483,103 |
| 31                                                       |          | Resident                  | \$ 867,388,432   | \$ 8,745,017  | \$ 34,070,286 | \$ 62,492,415  | \$ 5,197,878  | \$ 137,930,829 | \$ 8,325,202  | \$ 330,300,958 | \$ 38,204,356  | \$ 50,470,185  | \$ 191,651,306 |               |              |                |
| 32                                                       |          | Nonresident               | \$ 556,158,984   | \$ 5,345,663  | \$ 7,670,113  | \$ 6,888,746   | \$ 4,732,111  | \$ 109,752,466 | \$ 21,162,609 | \$ 305,189,994 | \$ 37,597,183  | \$ 17,941,346  | \$ 39,878,753  |               |              |                |
| 33                                                       |          | Tuition                   | \$ 1,423,547,416 | \$ 14,090,680 | \$ 41,740,399 | \$ 69,381,161  | \$ 9,929,989  | \$ 247,683,295 | \$ 29,487,811 | \$ 635,490,952 | \$ 75,801,539  | \$ 68,411,531  | \$ 231,530,059 |               |              |                |
| 34                                                       |          | State/federal/tuition     | \$ 2,044,434,368 | \$ 27,538,625 | \$ 63,827,451 | \$ 113,448,892 | \$ 21,138,870 | \$ 379,743,555 | \$ 40,991,082 | \$ 827,956,472 | \$ 97,257,784  | \$ 109,035,621 | \$ 363,496,016 |               |              |                |
| 35                                                       |          | Tobacco                   | \$ 16,004,485    | \$ -          | \$ -          | \$ -           | \$ -          | \$ -           | \$ -          | \$ 16,004,485  | \$ -           | \$ -           | \$ -           |               |              |                |
| 36                                                       |          | Gaming                    | \$ 7,524,792     | \$ 31,844     | \$ 231,957    | \$ -           | \$ -          | \$ -           | \$ -          | \$ -           | \$ -           | \$ -           | \$ 7,260,991   | \$ 836,339    | \$ -         | \$ 8,361,131   |
| 37                                                       |          | Academic Fees             | \$ 99,363,430    | \$ 2,210,000  | \$ 610,831    | \$ 13,082,847  | \$ 1,268,153  | \$ 16,612,733  | \$ 1,085,955  | \$ 44,800,859  | \$ 3,875,013   | \$ 5,074,400   | \$ 10,742,639  |               |              |                |
| 38                                                       |          | Appropriated Grants       | \$ 2,375,531     | \$ -          | \$ -          | \$ -           | \$ -          | \$ 170,000     | \$ 48,000     | \$ 657,531     | \$ -           | \$ -           | \$ 1,500,000   |               |              |                |
| 39                                                       |          | TOTAL                     | \$ 2,169,702,606 | \$ 29,780,469 | \$ 64,670,239 | \$ 126,531,739 | \$ 22,407,023 | \$ 396,526,288 | \$ 42,125,037 | \$ 889,419,347 | \$ 101,132,797 | \$ 114,110,021 | \$ 382,999,646 |               |              |                |

**Governor's General Fund Request for FY 2011-12, with Staff Recommendation for All Other Fund Sources**

|                                                          | Rate     | Gov. Boards               | Adams            | Mesa          | Metro         | Western        | CSU Sys       | Ft. Lewis      | CU            | Mines          | UNC            | CCs            | LDJC           | AVS           | Institutions |                |
|----------------------------------------------------------|----------|---------------------------|------------------|---------------|---------------|----------------|---------------|----------------|---------------|----------------|----------------|----------------|----------------|---------------|--------------|----------------|
| <b>FY 2010-11 Appropriation with Second Supplemental</b> |          |                           |                  |               |               |                |               |                |               |                |                |                |                |               |              |                |
| 1                                                        |          | Stipend-eligible SFTE     | 144,794.0        | 1,556.0       | 5,984.0       | 17,715.0       | 1,298.0       | 20,771.0       | 2,298.0       | 27,715.0       | 2,825.0        | 8,058.0        | 56,574.0       |               |              |                |
| 2                                                        | \$ 1,860 | State-operated stipends @ | \$ 269,316,840   | \$ 2,894,160  | \$ 11,130,240 | \$ 32,949,900  | \$ 2,414,280  | \$ 38,634,060  | \$ 4,274,280  | \$ 51,549,900  | \$ 5,254,500   | \$ 14,987,880  | \$ 105,227,640 | \$ -          | \$ -         | \$ 269,316,840 |
| 3                                                        |          | Fee-for-service contracts | \$ 323,580,541   | \$ 10,129,120 | \$ 10,237,825 | \$ 9,715,226   | \$ 8,364,014  | \$ 87,396,034  | \$ 6,331,198  | \$ 130,006,017 | \$ 15,331,038  | \$ 23,854,910  | \$ 22,215,159  | \$ 13,967,735 | \$ 8,450,501 | \$ 345,998,777 |
| 4                                                        |          | SUBTOTAL State Funds      | \$ 592,897,381   | \$ 13,023,280 | \$ 21,368,065 | \$ 42,665,126  | \$ 10,778,294 | \$ 126,030,094 | \$ 10,605,478 | \$ 181,555,917 | \$ 20,585,538  | \$ 38,842,790  | \$ 127,442,799 | \$ 13,967,735 | \$ 8,450,501 | \$ 615,315,617 |
| 5                                                        |          | Federal stimulus          | \$ 27,989,571    | \$ 424,665    | \$ 718,987    | \$ 1,402,605   | \$ 430,587    | \$ 6,030,166   | \$ 897,793    | \$ 10,909,603  | \$ 870,707     | \$ 1,781,300   | \$ 4,523,158   | \$ 663,655    | \$ 514,260   | \$ 29,167,486  |
| 6                                                        |          | SUBTOTAL State/Federal    | \$ 620,886,952   | \$ 13,447,945 | \$ 22,087,052 | \$ 44,067,731  | \$ 11,208,881 | \$ 132,060,260 | \$ 11,503,271 | \$ 192,465,520 | \$ 21,456,245  | \$ 40,624,090  | \$ 131,965,957 | \$ 14,631,390 | \$ 8,964,761 | \$ 644,483,103 |
| 7                                                        |          | Resident                  | \$ 867,388,432   | \$ 8,745,017  | \$ 34,070,286 | \$ 62,492,415  | \$ 5,197,878  | \$ 137,930,829 | \$ 8,325,202  | \$ 330,300,958 | \$ 38,204,356  | \$ 50,470,185  | \$ 191,651,306 |               |              |                |
| 8                                                        |          | Nonresident               | \$ 556,158,984   | \$ 5,345,663  | \$ 7,670,113  | \$ 6,888,746   | \$ 4,732,111  | \$ 109,752,466 | \$ 21,162,609 | \$ 305,189,994 | \$ 37,597,183  | \$ 17,941,346  | \$ 39,878,753  |               |              |                |
| 9                                                        |          | Tuition                   | \$ 1,423,547,416 | \$ 14,090,680 | \$ 41,740,399 | \$ 69,381,161  | \$ 9,929,989  | \$ 247,683,295 | \$ 29,487,811 | \$ 635,490,952 | \$ 75,801,539  | \$ 68,411,531  | \$ 231,530,059 |               |              |                |
| 10                                                       |          | State/federal/tuition     | \$ 2,044,434,368 | \$ 27,538,625 | \$ 63,827,451 | \$ 113,448,892 | \$ 21,138,870 | \$ 379,743,555 | \$ 40,991,082 | \$ 827,956,472 | \$ 97,257,784  | \$ 109,035,621 | \$ 363,496,016 |               |              |                |
| 11                                                       |          | Tobacco                   | \$ 16,004,485    | \$ -          | \$ -          | \$ -           | \$ -          | \$ -           | \$ -          | \$ 16,004,485  | \$ -           | \$ -           | \$ -           |               |              |                |
| 12                                                       |          | Gaming                    | \$ 7,524,792     | \$ 31,844     | \$ 231,957    | \$ -           | \$ -          | \$ -           | \$ -          | \$ -           | \$ -           | \$ -           | \$ 7,260,991   | \$ 836,339    | \$ -         | \$ 8,361,131   |
| 13                                                       |          | Academic Fees             | \$ 99,363,430    | \$ 2,210,000  | \$ 610,831    | \$ 13,082,847  | \$ 1,268,153  | \$ 16,612,733  | \$ 1,085,955  | \$ 44,800,859  | \$ 3,875,013   | \$ 5,074,400   | \$ 10,742,639  |               |              |                |
| 14                                                       |          | Appropriated Grants       | \$ 2,375,531     | \$ -          | \$ -          | \$ -           | \$ -          | \$ 170,000     | \$ 48,000     | \$ 657,531     | \$ -           | \$ -           | \$ 1,500,000   |               |              |                |
| 15                                                       |          | TOTAL                     | \$ 2,169,702,606 | \$ 29,780,469 | \$ 64,670,239 | \$ 126,531,739 | \$ 22,407,023 | \$ 396,526,288 | \$ 42,125,037 | \$ 889,419,347 | \$ 101,132,797 | \$ 114,110,021 | \$ 382,999,646 |               |              |                |

**Governor Recommended General Fund Changes and Staff Recommended Changes for All Other Fund Sources:**

|    |                                      |                  |                |                |                |                |                 |                |                 |                |                |                 |                                                                 |                |                  |
|----|--------------------------------------|------------------|----------------|----------------|----------------|----------------|-----------------|----------------|-----------------|----------------|----------------|-----------------|-----------------------------------------------------------------|----------------|------------------|
| 16 | State/Federal percent                | 100.0%           | 2.2%           | 3.6%           | 7.1%           | 1.8%           | 21.3%           | 1.9%           | 31.0%           | 3.5%           | 6.5%           | 21.3%           | <i>Note: Based on the original FY 10-11 appropriations less</i> |                |                  |
| 17 | State/Federal/Tuition percent        | 100.0%           | 1.3%           | 2.8%           | 5.5%           | 1.0%           | 18.5%           | 1.5%           | 42.2%           | 4.8%           | 5.4%           | 17.0%           | <i>\$10,430,371 tuition for Ft. Lewis Native American Aid</i>   |                |                  |
| 18 | Res. SFTE Inc. FY05-06 to FY 09-10   | 17,416.0         |                | 1,050.0        | 2,089.0        |                | 974.0           |                | 2,457.0         | 365.0          |                | 10,481.0        |                                                                 |                |                  |
| 19 | State/federal proportional reduction | \$ (65,710,540)  | \$ (1,423,241) | \$ (2,337,546) | \$ (4,663,835) | \$ (1,186,273) | \$ (13,976,378) | \$ (1,217,430) | \$ (20,369,269) | \$ (2,270,787) | \$ (4,299,383) | \$ (13,966,398) | \$ -                                                            | \$ -           | \$ (65,710,540)  |
| 20 | Total funds proportional reduction   | \$ (65,710,540)  | \$ (834,289)   | \$ (1,851,825) | \$ (3,641,889) | \$ (678,361)   | \$ (12,166,605) | \$ (962,724)   | \$ (27,731,291) | \$ (3,140,793) | \$ (3,518,101) | \$ (11,184,662) | \$ -                                                            | \$ -           | \$ (65,710,540)  |
| 21 | Enrollment adjustment                | \$ 10,000,000    | \$ -           | \$ 602,894     | \$ 1,199,472   | \$ -           | \$ 559,256      | \$ -           | \$ 1,410,772    | \$ 209,577     | \$ -           | \$ 6,018,029    | \$ -                                                            | \$ -           | \$ 10,000,000    |
| 22 | Local District JCs and AVS           | \$ -             | \$ -           | \$ -           | \$ -           | \$ -           | \$ -            | \$ -           | \$ -            | \$ -           | \$ -           | \$ -            | \$ (2,721,439)                                                  | \$ (1,299,890) | \$ (4,021,329)   |
| 23 | Total Targeted State/Federal Change  | \$ (121,421,080) | \$ (2,257,530) | \$ (3,586,477) | \$ (7,106,252) | \$ (1,864,634) | \$ (25,583,727) | \$ (2,180,154) | \$ (46,689,788) | \$ (5,202,003) | \$ (7,817,484) | \$ (19,133,031) | \$ (2,721,439)                                                  | \$ (1,299,890) | \$ (125,442,409) |
| 24 | Percent State/Federal Change         | -19.6%           | -16.8%         | -16.2%         | -16.1%         | -16.6%         | -19.4%          | -19.0%         | -24.3%          | -24.2%         | -19.2%         | -14.5%          | -18.6%                                                          | -14.5%         | -19.5%           |
| 25 | Stipend-eligible SFTE                | 2,540.0          | 27.0           | 165.0          | 304.0          | 45.0           | 245.0           | 5.0            | 868.0           | (11.0)         | (28.0)         | 920.0           |                                                                 |                |                  |
| 26 | Stipends                             | \$ 4,724,400     | \$ 50,220      | \$ 306,900     | \$ 565,440     | \$ 83,700      | \$ 455,700      | \$ 9,300       | \$ 1,614,480    | \$ (20,460)    | \$ (52,080)    | \$ 1,711,200    | \$ -                                                            | \$ -           | \$ 4,724,400     |
| 27 | Fee-for-service contracts            | \$ (98,155,909)  | \$ (1,883,085) | \$ (3,174,390) | \$ (6,269,087) | \$ (1,517,747) | \$ (20,009,261) | \$ (1,291,661) | \$ (37,394,665) | \$ (4,310,836) | \$ (5,984,104) | \$ (16,321,073) | \$ (2,057,784)                                                  | \$ (785,630)   | \$ (100,999,323) |
| 28 | Federal Stimulus                     | \$ (27,989,571)  | \$ (424,665)   | \$ (718,987)   | \$ (1,402,605) | \$ (430,587)   | \$ (6,030,166)  | \$ (897,793)   | \$ (10,909,603) | \$ (870,707)   | \$ (1,781,300) | \$ (4,523,158)  | \$ (663,655)                                                    | \$ (514,260)   | \$ (29,167,486)  |
| 29 | Resident                             | \$ 84,389,872    | \$ 1,024,956   | \$ 4,260,855   | \$ 6,792,000   | \$ 442,228     | \$ 14,022,424   | \$ 771,381     | \$ 28,661,579   | \$ 3,414,997   | \$ 4,354,967   | \$ 20,644,485   |                                                                 |                |                  |
| 30 | Nonresident                          | \$ 29,714,499    | \$ 789,255     | \$ 645,812     | \$ 452,365     | \$ 280,000     | \$ 5,651,273    | \$ 523,372     | \$ 14,088,370   | \$ 3,306,850   | \$ 767,507     | \$ 3,209,695    |                                                                 |                |                  |
| 31 | Tuition                              | \$ 114,104,371   | \$ 1,814,211   | \$ 4,906,667   | \$ 7,244,365   | \$ 722,228     | \$ 19,673,697   | \$ 1,294,753   | \$ 42,749,949   | \$ 6,721,847   | \$ 5,122,474   | \$ 23,854,180   |                                                                 |                |                  |
| 32 | State/Federal/Tuition                | \$ (7,316,709)   | \$ (443,319)   | \$ 1,320,190   | \$ 138,113     | \$ (1,142,406) | \$ (5,910,030)  | \$ (885,401)   | \$ (3,939,839)  | \$ 1,519,844   | \$ (2,695,010) | \$ 4,721,149    |                                                                 |                |                  |
| 33 | Percent State/Federal/Tuition Change | -0.4%            | -1.6%          | 2.1%           | 0.1%           | -5.4%          | -1.6%           | -2.2%          | -0.5%           | 1.6%           | -2.5%          | 1.3%            |                                                                 |                |                  |

**Governor's General Fund Request for FY 2011-12, with Staff Recommendation for All Other Fund Sources**

|                         | Rate                              | Gov. Boards      | Adams         | Mesa          | Metro          | Western       | CSU Sys        | Ft. Lewis     | CU             | Mines          | UNC            | CCs            | LDJC          | AVS          | Institutions   |
|-------------------------|-----------------------------------|------------------|---------------|---------------|----------------|---------------|----------------|---------------|----------------|----------------|----------------|----------------|---------------|--------------|----------------|
| 34                      | Tobacco                           | \$ (1,457,758)   | \$ -          | \$ -          | \$ -           | \$ -          | \$ -           | \$ -          | \$ (1,457,758) | \$ -           | \$ -           | \$ -           |               |              |                |
| 35                      | Gaming                            | \$ -             | \$ -          | \$ -          | \$ -           | \$ -          | \$ -           | \$ -          | \$ -           | \$ -           | \$ -           | Pending        | \$ -          | \$ -         | \$ -           |
| 36                      | Academic Fees                     | \$ 6,786,099     | \$ 741,165    | \$ 21,379     | \$ 4,428,847   | \$ (36,661)   | \$ 140,460     | \$ 10,860     | \$ 199,141     | \$ 328,401     | \$ 42,740      | \$ 909,767     |               |              |                |
| <b>FY 2011-12 TOTAL</b> |                                   |                  |               |               |                |               |                |               |                |                |                |                |               |              |                |
| 37                      | Stipend-eligible SFTE             | 147,334.0        | 1,583.0       | 6,149.0       | 18,019.0       | 1,343.0       | 21,016.0       | 2,303.0       | 28,583.0       | 2,814.0        | 8,030.0        | 57,494.0       |               |              |                |
| 38                      | State-operated stipends @ \$1,860 | \$ 274,041,240   | \$ 2,944,380  | \$ 11,437,140 | \$ 33,515,340  | \$ 2,497,980  | \$ 39,089,760  | \$ 4,283,580  | \$ 53,164,380  | \$ 5,234,040   | \$ 14,935,800  | \$ 106,938,840 | \$ -          | \$ -         | \$ 274,041,240 |
| 39                      | Fee-for-service contracts         | \$ 225,424,632   | \$ 8,246,035  | \$ 7,063,435  | \$ 3,446,139   | \$ 6,846,267  | \$ 67,386,773  | \$ 5,039,537  | \$ 92,611,352  | \$ 11,020,202  | \$ 17,870,806  | \$ 5,894,086   | \$ 11,909,951 | \$ 7,664,871 | \$ 244,999,454 |
| 40                      | 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 |
| 41                      | Resident                          | \$ 951,778,304   | \$ 9,769,973  | \$ 38,331,141 | \$ 69,284,415  | \$ 5,640,106  | \$ 151,953,253 | \$ 9,096,583  | \$ 358,962,537 | \$ 41,619,353  | \$ 54,825,152  | \$ 212,295,791 |               |              |                |
| 42                      | Nonresident                       | \$ 585,873,483   | \$ 6,134,918  | \$ 8,315,925  | \$ 7,341,111   | \$ 5,012,111  | \$ 115,403,739 | \$ 21,685,981 | \$ 319,278,364 | \$ 40,904,033  | \$ 18,708,853  | \$ 43,088,448  |               |              |                |
| 43                      | Tuition                           | \$ 1,537,651,787 | \$ 15,904,891 | \$ 46,647,066 | \$ 76,625,526  | \$ 10,652,217 | \$ 267,356,992 | \$ 30,782,564 | \$ 678,240,901 | \$ 82,523,386  | \$ 73,534,005  | \$ 255,384,239 |               |              |                |
| 44                      | State/federal/tuition             | \$ 2,037,117,659 | \$ 27,095,306 | \$ 65,147,641 | \$ 113,587,005 | \$ 19,996,464 | \$ 373,833,525 | \$ 40,105,681 | \$ 824,016,633 | \$ 98,777,628  | \$ 106,340,611 | \$ 368,217,165 |               |              |                |
| 45                      | Tobacco                           | \$ 14,546,727    | \$ -          | \$ -          | \$ -           | \$ -          | \$ -           | \$ -          | \$ 14,546,727  | \$ -           | \$ -           | \$ -           |               |              |                |
| 46                      | Gaming                            | \$ 7,524,792     | \$ 31,844     | \$ 231,957    | \$ -           | \$ -          | \$ -           | \$ -          | \$ -           | \$ -           | \$ -           | \$ 7,260,991   | \$ 836,339    | \$ -         | \$ 8,361,131   |
| 47                      | Academic Fees                     | \$ 106,149,529   | \$ 2,951,165  | \$ 632,210    | \$ 17,511,694  | \$ 1,231,492  | \$ 16,753,193  | \$ 1,096,815  | \$ 45,000,000  | \$ 4,203,414   | \$ 5,117,140   | \$ 11,652,406  |               |              |                |
| 48                      | Appropriated Grants               | \$ 2,375,531     | \$ -          | \$ -          | \$ -           | \$ -          | \$ 170,000     | \$ 48,000     | \$ 657,531     | \$ -           | \$ -           | \$ 1,500,000   |               |              |                |
| 49                      | TOTAL                             | \$ 2,167,714,238 | \$ 30,078,315 | \$ 66,011,808 | \$ 131,098,699 | \$ 21,227,956 | \$ 390,756,718 | \$ 41,250,496 | \$ 884,220,891 | \$ 102,981,042 | \$ 111,457,751 | \$ 388,630,562 |               |              |                |

**Staff Recommendation for FY 2011-12**

|                                                          | Rate                              | Gov. Boards      | Adams         | Mesa          | Metro          | Western       | CSU Sys        | Ft. Lewis     | CU             | Mines          | UNC            | CCs            | LDJC          | AVS          | Institutions   |
|----------------------------------------------------------|-----------------------------------|------------------|---------------|---------------|----------------|---------------|----------------|---------------|----------------|----------------|----------------|----------------|---------------|--------------|----------------|
| <b>FY 2010-11 Appropriation with Second Supplemental</b> |                                   |                  |               |               |                |               |                |               |                |                |                |                |               |              |                |
| 1                                                        | Stipend-eligible SFTE             |                  | 144,794.0     | 1,556.0       | 5,984.0        | 17,715.0      | 1,298.0        | 20,771.0      | 2,298.0        | 27,715.0       | 2,825.0        | 8,058.0        | 56,574.0      |              |                |
| 2                                                        | State-operated stipends @ \$1,860 | \$ 269,316,840   | \$ 2,894,160  | \$ 11,130,240 | \$ 32,949,900  | \$ 2,414,280  | \$ 38,634,060  | \$ 4,274,280  | \$ 51,549,900  | \$ 5,254,500   | \$ 14,987,880  | \$ 105,227,640 | \$ -          | \$ -         | \$ 269,316,840 |
| 3                                                        | Fee-for-service contracts         | \$ 323,580,541   | \$ 10,129,120 | \$ 10,237,825 | \$ 9,715,226   | \$ 8,364,014  | \$ 87,396,034  | \$ 6,331,198  | \$ 130,006,017 | \$ 15,331,038  | \$ 23,854,910  | \$ 22,215,159  | \$ 13,967,735 | \$ 8,450,501 | \$ 345,998,777 |
| 4                                                        | SUBTOTAL State Funds              | \$ 592,897,381   | \$ 13,023,280 | \$ 21,368,065 | \$ 42,665,126  | \$ 10,778,294 | \$ 126,030,094 | \$ 10,605,478 | \$ 181,555,917 | \$ 20,585,538  | \$ 38,842,790  | \$ 127,442,799 | \$ 13,967,735 | \$ 8,450,501 | \$ 615,315,617 |
| 5                                                        | Federal stimulus                  | \$ 27,989,571    | \$ 424,665    | \$ 718,987    | \$ 1,402,605   | \$ 430,587    | \$ 6,030,166   | \$ 897,793    | \$ 10,909,603  | \$ 870,707     | \$ 1,781,300   | \$ 4,523,158   | \$ 663,655    | \$ 514,260   | \$ 29,167,486  |
| 6                                                        | SUBTOTAL State/Federal            | \$ 620,886,952   | \$ 13,447,945 | \$ 22,087,052 | \$ 44,067,731  | \$ 11,208,881 | \$ 132,060,260 | \$ 11,503,271 | \$ 192,465,520 | \$ 21,456,245  | \$ 40,624,090  | \$ 131,965,957 | \$ 14,631,390 | \$ 8,964,761 | \$ 644,483,103 |
| 7                                                        | Resident                          | \$ 867,388,432   | \$ 8,745,017  | \$ 34,070,286 | \$ 62,492,415  | \$ 5,197,878  | \$ 137,930,829 | \$ 8,325,202  | \$ 330,300,958 | \$ 38,204,356  | \$ 50,470,185  | \$ 191,651,306 |               |              |                |
| 8                                                        | Nonresident                       | \$ 556,158,984   | \$ 5,345,663  | \$ 7,670,113  | \$ 6,888,746   | \$ 4,732,111  | \$ 109,752,466 | \$ 21,162,609 | \$ 305,189,994 | \$ 37,597,183  | \$ 17,941,346  | \$ 39,878,753  |               |              |                |
| 9                                                        | Tuition                           | \$ 1,423,547,416 | \$ 14,090,680 | \$ 41,740,399 | \$ 69,381,161  | \$ 9,929,989  | \$ 247,683,295 | \$ 29,487,811 | \$ 635,490,952 | \$ 75,801,539  | \$ 68,411,531  | \$ 231,530,059 |               |              |                |
| 10                                                       | State/federal/tuition             | \$ 2,044,434,368 | \$ 27,538,625 | \$ 63,827,451 | \$ 113,448,892 | \$ 21,138,870 | \$ 379,743,555 | \$ 40,991,082 | \$ 827,956,472 | \$ 97,257,784  | \$ 109,035,621 | \$ 363,496,016 |               |              |                |
| 11                                                       | Tobacco                           | \$ 16,004,485    | \$ -          | \$ -          | \$ -           | \$ -          | \$ -           | \$ -          | \$ 16,004,485  | \$ -           | \$ -           | \$ -           |               |              |                |
| 12                                                       | Gaming                            | \$ 7,524,792     | \$ 31,844     | \$ 231,957    | \$ -           | \$ -          | \$ -           | \$ -          | \$ -           | \$ -           | \$ -           | \$ 7,260,991   | \$ 836,339    | \$ -         | \$ 8,361,131   |
| 13                                                       | Academic Fees                     | \$ 99,363,430    | \$ 2,210,000  | \$ 610,831    | \$ 13,082,847  | \$ 1,268,153  | \$ 16,612,733  | \$ 1,085,955  | \$ 44,800,859  | \$ 3,875,013   | \$ 5,074,400   | \$ 10,742,639  |               |              |                |
| 14                                                       | Appropriated Grants               | \$ 2,375,531     | \$ -          | \$ -          | \$ -           | \$ -          | \$ 170,000     | \$ 48,000     | \$ 657,531     | \$ -           | \$ -           | \$ 1,500,000   |               |              |                |
| 15                                                       | TOTAL                             | \$ 2,169,702,606 | \$ 29,780,469 | \$ 64,670,239 | \$ 126,531,739 | \$ 22,407,023 | \$ 396,526,288 | \$ 42,125,037 | \$ 889,419,347 | \$ 101,132,797 | \$ 114,110,021 | \$ 382,999,646 |               |              |                |

**Staff Recommended Changes:**

|    |                                      |                  |                |                |                |                |                 |                |                 |                |                |                 |                                                                 |                |                  |
|----|--------------------------------------|------------------|----------------|----------------|----------------|----------------|-----------------|----------------|-----------------|----------------|----------------|-----------------|-----------------------------------------------------------------|----------------|------------------|
| 16 | State/Federal percent                | 100.0%           | 2.2%           | 3.6%           | 7.1%           | 1.8%           | 21.3%           | 1.9%           | 31.0%           | 3.5%           | 6.5%           | 21.3%           | <i>Note: Based on the original FY 10-11 appropriations less</i> |                |                  |
| 17 | State/Federal/Tuition percent        | 100.0%           | 1.3%           | 2.8%           | 5.5%           | 1.0%           | 18.5%           | 1.5%           | 42.2%           | 4.8%           | 5.4%           | 17.0%           | <i>\$10,430,371 tuition for Ft. Lewis Native American Aid</i>   |                |                  |
| 18 | Res. SFTE Inc. FY05-06 to FY 09-10   | 17,416.0         |                | 1,050.0        | 2,089.0        |                | 974.0           |                | 2,457.0         | 365.0          |                | 10,481.0        |                                                                 |                |                  |
| 19 | State/federal proportional reduction | \$ (74,905,596)  | \$ (1,622,399) | \$ (2,664,646) | \$ (5,316,458) | \$ (1,352,272) | \$ (15,932,131) | \$ (1,387,788) | \$ (23,219,597) | \$ (2,588,543) | \$ (4,901,008) | \$ (15,920,754) | \$ -                                                            | \$ -           | \$ (74,905,596)  |
| 20 | Total funds proportional reduction   | \$ (74,905,596)  | \$ (951,033)   | \$ (2,110,956) | \$ (4,151,509) | \$ (773,286)   | \$ (13,869,111) | \$ (1,097,441) | \$ (31,611,806) | \$ (3,580,293) | \$ (4,010,399) | \$ (12,749,762) | \$ -                                                            | \$ -           | \$ (74,905,596)  |
| 21 | Enrollment adjustment                | \$ 10,000,000    | \$ -           | \$ 602,894     | \$ 1,199,472   | \$ -           | \$ 559,256      | \$ -           | \$ 1,410,772    | \$ 209,577     | \$ -           | \$ 6,018,029    | \$ -                                                            | \$ -           | \$ 10,000,000    |
| 22 | Local District JCs and AVS           | \$ -             | \$ -           | \$ -           | \$ -           | \$ -           | \$ -            | \$ -           | \$ -            | \$ -           | \$ -           | \$ -            | \$ (3,133,074)                                                  | \$ (1,538,837) | \$ (4,671,911)   |
| 23 | Total Targeted State/Federal Change  | \$ (139,811,192) | \$ (2,573,432) | \$ (4,172,708) | \$ (8,268,495) | \$ (2,125,558) | \$ (29,241,986) | \$ (2,485,229) | \$ (53,420,631) | \$ (5,959,259) | \$ (8,911,407) | \$ (22,652,487) | \$ (3,133,074)                                                  | \$ (1,538,837) | \$ (144,483,103) |
| 24 | Percent State/Federal Change         | -22.5%           | -19.1%         | -18.9%         | -18.8%         | -19.0%         | -22.1%          | -21.6%         | -27.8%          | -27.8%         | -21.9%         | -17.2%          | -21.4%                                                          | -17.2%         | -22.4%           |
| 25 | Stipend-eligible SFTE                | 2,540.0          | 27.0           | 165.0          | 304.0          | 45.0           | 245.0           | 5.0            | 868.0           | (11.0)         | (28.0)         | 920.0           |                                                                 |                |                  |
| 26 | Stipends                             | \$ 4,724,400     | \$ 50,220      | \$ 306,900     | \$ 565,440     | \$ 83,700      | \$ 455,700      | \$ 9,300       | \$ 1,614,480    | \$ (20,460)    | \$ (52,080)    | \$ 1,711,200    | \$ -                                                            | \$ -           | \$ 4,724,400     |
| 27 | Fee-for-service contracts            | \$ (116,546,021) | \$ (2,198,987) | \$ (3,760,621) | \$ (7,431,330) | \$ (1,778,671) | \$ (23,667,520) | \$ (1,596,736) | \$ (44,125,508) | \$ (5,068,092) | \$ (7,078,027) | \$ (19,840,529) | \$ (2,469,419)                                                  | \$ (1,024,577) | \$ (120,040,017) |
| 28 | Federal Stimulus                     | \$ (27,989,571)  | \$ (424,665)   | \$ (718,987)   | \$ (1,402,605) | \$ (430,587)   | \$ (6,030,166)  | \$ (897,793)   | \$ (10,909,603) | \$ (870,707)   | \$ (1,781,300) | \$ (4,523,158)  | \$ (663,655)                                                    | \$ (514,260)   | \$ (29,167,486)  |
| 29 | Resident                             | \$ 84,389,872    | \$ 1,024,956   | \$ 4,260,855   | \$ 6,792,000   | \$ 442,228     | \$ 14,022,424   | \$ 771,381     | \$ 28,661,579   | \$ 3,414,997   | \$ 4,354,967   | \$ 20,644,485   |                                                                 |                |                  |
| 30 | Nonresident                          | \$ 29,714,499    | \$ 789,255     | \$ 645,812     | \$ 452,365     | \$ 280,000     | \$ 5,651,273    | \$ 523,372     | \$ 14,088,370   | \$ 3,306,850   | \$ 767,507     | \$ 3,209,695    |                                                                 |                |                  |
| 31 | Tuition                              | \$ 114,104,371   | \$ 1,814,211   | \$ 4,906,667   | \$ 7,244,365   | \$ 722,228     | \$ 19,673,697   | \$ 1,294,753   | \$ 42,749,949   | \$ 6,721,847   | \$ 5,122,474   | \$ 23,854,180   |                                                                 |                |                  |
| 32 | State/Federal/Tuition                | \$ (25,706,821)  | \$ (759,221)   | \$ 733,959     | \$ (1,024,130) | \$ (1,403,330) | \$ (9,568,289)  | \$ (1,190,476) | \$ (10,670,682) | \$ 762,588     | \$ (3,788,933) | \$ 1,201,693    |                                                                 |                |                  |
| 33 | Percent State/Federal/Tuition Change | -1.3%            | -2.8%          | 1.1%           | -0.9%          | -6.6%          | -2.5%           | -2.9%          | -1.3%           | 0.8%           | -3.5%          | 0.3%            |                                                                 |                |                  |

**Staff Recommendation for FY 2011-12**

|                         | Rate                               | Gov. Boards      | Adams         | Mesa          | Metro          | Western       | CSU Sys        | Ft. Lewis     | CU             | Mines          | UNC            | CCs            | LDJC          | AVS          | Institutions    |
|-------------------------|------------------------------------|------------------|---------------|---------------|----------------|---------------|----------------|---------------|----------------|----------------|----------------|----------------|---------------|--------------|-----------------|
| 34                      | Tobacco                            | \$ (1,457,758)   | \$ -          | \$ -          | \$ -           | \$ -          | \$ -           | \$ -          | \$ (1,457,758) | \$ -           | \$ -           | \$ -           |               |              |                 |
| 35                      | Gaming                             | \$ -             | \$ -          | \$ -          | \$ -           | \$ -          | \$ -           | \$ -          | \$ -           | \$ -           | \$ -           | Pending        | \$ -          | \$ -         | \$ -            |
| 36                      | Academic Fees                      | \$ 6,786,099     | \$ 741,165    | \$ 21,379     | \$ 4,428,847   | \$ (36,661)   | \$ 140,460     | \$ 10,860     | \$ 199,141     | \$ 328,401     | \$ 42,740      | \$ 909,767     |               |              |                 |
| <b>FY 2011-12 TOTAL</b> |                                    |                  |               |               |                |               |                |               |                |                |                |                |               |              |                 |
| 37                      | Stipend-eligible SFTE              |                  | 147,334.0     | 1,583.0       | 6,149.0        | 18,019.0      | 1,343.0        | 21,016.0      | 2,303.0        | 28,583.0       | 2,814.0        | 8,030.0        | 57,494.0      |              |                 |
| 38                      | State-operated stipends @ \$1,860  | \$ 274,041,240   | \$ 2,944,380  | \$ 11,437,140 | \$ 33,515,340  | \$ 2,497,980  | \$ 39,089,760  | \$ 4,283,580  | \$ 53,164,380  | \$ 5,234,040   | \$ 14,935,800  | \$ 106,938,840 | \$ -          | \$ -         | \$ 274,041,240  |
| 39                      | Fee-for-service contracts          | \$ 207,034,520   | \$ 7,930,133  | \$ 6,477,204  | \$ 2,283,896   | \$ 6,585,343  | \$ 63,728,514  | \$ 4,734,462  | \$ 85,880,509  | \$ 10,262,946  | \$ 16,776,883  | \$ 2,374,630   | \$ 11,498,316 | \$ 7,425,924 | \$ 225,958,760  |
| 40                      | SUBTOTAL State Funds               | \$ 481,075,760   | \$ 10,874,513 | \$ 17,914,344 | \$ 35,799,236  | \$ 9,083,323  | \$ 102,818,274 | \$ 9,018,042  | \$ 139,044,889 | \$ 15,496,986  | \$ 31,712,683  | \$ 109,313,470 | \$ 11,498,316 | \$ 7,425,924 | \$ 500,000,000  |
| 41                      | Resident                           | \$ 951,778,304   | \$ 9,769,973  | \$ 38,331,141 | \$ 69,284,415  | \$ 5,640,106  | \$ 151,953,253 | \$ 9,096,583  | \$ 358,962,537 | \$ 41,619,353  | \$ 54,825,152  | \$ 212,295,791 |               |              |                 |
| 42                      | Nonresident                        | \$ 585,873,483   | \$ 6,134,918  | \$ 8,315,925  | \$ 7,341,111   | \$ 5,012,111  | \$ 115,403,739 | \$ 21,685,981 | \$ 319,278,364 | \$ 40,904,033  | \$ 18,708,853  | \$ 43,088,448  |               |              |                 |
| 43                      | Tuition                            | \$ 1,537,651,787 | \$ 15,904,891 | \$ 46,647,066 | \$ 76,625,526  | \$ 10,652,217 | \$ 267,356,992 | \$ 30,782,564 | \$ 678,240,901 | \$ 82,523,386  | \$ 73,534,005  | \$ 255,384,239 |               |              |                 |
| 44                      | State/federal/tuition              | \$ 2,018,727,547 | \$ 26,779,404 | \$ 64,561,410 | \$ 112,424,762 | \$ 19,735,540 | \$ 370,175,266 | \$ 39,800,606 | \$ 817,285,790 | \$ 98,020,372  | \$ 105,246,688 | \$ 364,697,709 |               |              |                 |
| 45                      | Tobacco                            | \$ 14,546,727    | \$ -          | \$ -          | \$ -           | \$ -          | \$ -           | \$ -          | \$ 14,546,727  | \$ -           | \$ -           | \$ -           |               |              |                 |
| 46                      | Gaming                             | \$ 7,524,792     | \$ 31,844     | \$ 231,957    | \$ -           | \$ -          | \$ -           | \$ -          | \$ -           | \$ -           | \$ -           | \$ 7,260,991   | \$ 836,339    | \$ -         | \$ 8,361,131    |
| 47                      | Academic Fees                      | \$ 106,149,529   | \$ 2,951,165  | \$ 632,210    | \$ 17,511,694  | \$ 1,231,492  | \$ 16,753,193  | \$ 1,096,815  | \$ 45,000,000  | \$ 4,203,414   | \$ 5,117,140   | \$ 11,652,406  |               |              |                 |
| 48                      | Appropriated Grants                | \$ 2,375,531     | \$ -          | \$ -          | \$ -           | \$ -          | \$ 170,000     | \$ 48,000     | \$ 657,531     | \$ -           | \$ -           | \$ 1,500,000   |               |              |                 |
| 49                      | TOTAL                              | \$ 2,149,324,126 | \$ 29,762,413 | \$ 65,425,577 | \$ 129,936,456 | \$ 20,967,032 | \$ 387,098,459 | \$ 40,945,421 | \$ 877,490,048 | \$ 102,223,786 | \$ 110,363,828 | \$ 385,111,106 |               |              |                 |
| 50                      | Difference from Governor's Request | \$ (18,390,112)  | \$ (315,902)  | \$ (586,231)  | \$ (1,162,243) | \$ (260,924)  | \$ (3,658,259) | \$ (305,075)  | \$ (6,730,843) | \$ (757,256)   | \$ (1,093,923) | \$ (3,519,456) | \$ (411,635)  | \$ (238,947) | \$ (19,040,694) |