

JOINT BUDGET COMMITTEE



STAFF FIGURE SETTING FY 2023-24

DEPARTMENT OF HIGHER EDUCATION

JBC WORKING DOCUMENT - SUBJECT TO CHANGE
STAFF RECOMMENDATION DOES NOT REPRESENT COMMITTEE DECISION

PREPARED BY:
AMANDA BICKEL, JBC STAFF
MARCH 9, 2023

JOINT BUDGET COMMITTEE STAFF
200 E. 14TH AVENUE, 3RD FLOOR • DENVER • COLORADO • 80203
TELEPHONE: (303) 866-2061 • TDD: (303) 866-3472
<https://leg.colorado.gov/agencies/joint-budget-committee>

CONTENTS

Department Overview	1
Summary of Staff Recommendations.....	2
Description of Incremental Changes.....	3
Major Differences from the Request.....	7
Decision Items Affecting Multiple Divisions	8
➔ Request R1 Increase Operating Support for Public Institutions of Higher Education and Financial Aid.....	8
➔ R2 Tuition Spending Authority Increase.....	30
➔ BA2 Strategic Staffing Support for Department of Higher Education	34
➔ SI College Affordability Convening and Messaging [Legislation Recommended/RFI Option]	40
➔ SI Indirect Cost Collection Adjustments.....	43
(1) Department Administrative Office	49
Decision Items - Department Administrative Office	50
➔ Common Policy Items, Non-prioritized Requests for Centrally-appropriated Item, and Funding Splits.....	50
➔ SI Funding Source Change for History Colorado IT Accessibility	50
Line Item Detail — Department Administrative Office.....	52
(2) Colorado Commission on Higher Education and Higher Education Special Purpose Programs 65	
Decision Items - Colorado Commission on Higher Education and Higher Education Special Purpose Programs	68
➔ R4 Colorado Cannabis Research Funding for Institute of Cannabis Research.....	68
➔ SI WICHE Professional Student Exchange Program [JBC Bill Draft Authorized]	70
➔ T1 WICHE dues	72
➔ T3 Depreciation Lease Equivalent	73
➔ T4 Colorado Geological Survey Inflationary Adjustment	74
➔ BA1/ T5 University of Colorado, Lease Purchase of Academic Facilities at Fitzsimons.....	76
➔ T6 Higher Education Federal Mineral Lease COP Payments.....	77
➔ Annualize Appropriation from S.B. 21-185 (Supporting Educator Workforce in Colorado) 80	
➔ Add RFI for Colorado State University Forest Service Programs	81
① National Western Certificates of Participation Payment.....	82
Line Item Detail – Colorado Commission on Higher Education.....	83

Line Items Included in Numbers Pages Due to Prior Year Appropriations.....	109
(3) Colorado Commission on Higher Education Financial Aid	118
Decision Items – Colorado Commission on Higher Education Financial Aid	123
➔ R3 Fort Lewis Native American Tuition Waiver	123
Line Item Detail – Colorado Commission on Higher Education Financial Aid	127
Line Items Included in Numbers Pages Due to Prior Year Appropriations.....	136
(4) College Opportunity Fund Program.....	138
Decision Items – College Opportunity Fund Program.....	139
➔ COF Stipend and Fee-for-Service Adjustments incorporated R1 Requests	139
➔ Colorado State University System Request for Legislation Related to Specialty Education 140	
① Food Systems Advisory Council Sunset Review	141
➔ Annualization for FMAP Adjustment and Footnote Related to School of Medicine Upper Payment Limit.....	141
Line Item Detail – College Opportunity Fund Program.....	144
(5) Governing Boards.....	150
Decision Items – Governing Boards.....	150
FY 2022-23 Decision Items.....	150
➔ FY 2022-23 Tuition Adjustment.....	151
➔ FY 2022-23 Fee Adjustment	152
➔ IHE Request for Roll-forward Authority for FY 2022-23 Appropriations in S.B. 22-172 (Rural Healthcare).....	152
FY 2023-24 Decision Items.....	152
➔ Estimated Fee Revenue - Mandatory Fees.....	153
➔ Amendments 50 and 77 Gaming Revenue Adjustment.....	154
➔ Full-time Equivalent Faculty and Staff FTE adjustment	154
➔ Tobacco Revenue Adjustment.....	155
➔ Annualize AgNext and BeefSticks FY 2022-23 Floor Amendments.....	155
Line Item Detail – Governing Boards	157
(6) Local District College Grants Pursuant to Section 23-71-301, C.R.S.	165
Decision Items – Local District College Grants.....	165
Line Item Detail – Local District College Grants	166
(7) Division of Occupational Education	168
Decision Items – Division of Occupational Education	168
➔ Line Items for Colorado First/Existing Industry Job Training and Distribution of State Assistance for Career and Technical Education pursuant to Section 23-8-102, C.R.S.	168

Line Item Detail – Division of Occupational Education.....	169
(8) Auraria Higher Education Center.....	174
Decision Items – Auraria Higher Education Center.....	175
➔ RFI Concerning TABOR Implications of AHEC Revenue.....	175
➔ Staff and Faculty FTE Adjustment	177
➔ T2 Auraria Higher Education Center Spending Authority.....	177
Line Item Detail – Auraria Higher Education Center	179
Line Items Included in Numbers Pages Due to Prior Year Appropriations.....	179
(9) History Colorado	180
Decision items – History Colorado	188
➔ HC1 History Colorado Strategic Initiatives	188
➔ Additional Spending Authority for Cash Funds.....	189
➔ History Colorado Informational Funds Adjustments	190
➔ Cumbres and Toltec Railroad Informational Funds Adjustment.....	190
Line Item Detail – History Colorado	191
Line Items Included in Numbers Pages Due to Prior Year Appropriations.....	203
Long Bill Footnotes and Requests for Information	204
Long Bill Footnotes	204
Requests for Information.....	209
Numbers Pages [Online Only].....	215

Additional Appendices:

- Higher Education Funding Model
- FY 2022-23 and FY 2023-24 Adjustments to Governing Boards
- Tuition and Enrollment Forecast February 2023
- Letter from CSU System on Specialty Education Bill, February 24, 2023
- Letter from CU System on S.B. 22-172 Rural Healthcare, March 2, 2023
- Letter from Western Colorado University on Engineering Tuition, February 20, 2023
- Letter from University of Northern Colorado on Tuition Flexibility, March 7, 2023
- Bill Draft LLS 23-630.01 - Postgraduate Student Exchange Program (WICHE)

HOW TO USE THIS DOCUMENT

The Department Overview contains a table summarizing the staff recommended incremental changes followed by brief explanations of each incremental change. A similar overview table is provided for each division, but the description of incremental changes is not repeated, since it is available under the

Department Overview. More details about the incremental changes are provided in the sections following the Department Overview and the division summary tables.

Decision items, both department-requested items and staff-initiated items, are discussed either in the Decision Items Affecting Multiple Divisions or at the beginning of the most relevant division. Within a section, decision items are listed in the requested priority order, if applicable.

In some of the analysis of decision items in this document, you may see language denoting certain 'levels of evidence', e.g. theory-informed, evidence-informed, or proven. For a detailed explanation of what is meant by 'levels of evidence', and how those levels of evidence are categorized, please refer to Section 2-3-210 (2), C.R.S.

DEPARTMENT OVERVIEW

The public higher education system served 182,162 full-time equivalent students (FTE) in FY 2021-22, including 143,177 Colorado residents.¹ Of the total, 170,704 students attended one of the 27 institutions overseen by 10 state governing boards. The remaining 11,458 student FTE attended local district colleges, which receive regional property tax revenues in addition to state funding, or area technical colleges, which offer occupational certificates and serve both secondary and post-secondary students. Of the total, 28.3 percent of SFTE attended institutions in the community college system, area technical colleges, and local district colleges, which have historically focused on two-year and certificate programs.² Students attending institutions that offer baccalaureate and higher degrees are concentrated at the University of Colorado, Colorado State University, and Metropolitan State University of Denver. Enrollment declined 4.4 percent in FY 2020-21, following the onset of the COVID-19 pandemic. In FY 2021-22, total enrollment fell by a further 2.4 percent.

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

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

The Department includes the following divisions and programs:

- **Colorado Commission on Higher Education**, including staff, operating expenses, and special purpose programs. The executive director of CCHE is also the executive director of the Department. The **Department Administrative Office** includes centrally-appropriated amounts for CCHE and History Colorado.
- **Financial aid** programs, which fall under the purview of CCHE. The director of CCHE also appoints the directors of College Assist and CollegeInvest, which are both statutorily authorized state enterprises with responsibilities related to student loans and college savings programs. Both of these programs are off budget.
- The **College Opportunity Fund** Program, which provides stipend for undergraduate resident students to attend public colleges and participating private colleges in Colorado. The section also includes appropriations for fee-for-service contracts with public higher education institutions for graduate education and other educational services not covered by the stipends.

¹ About 40 percent of Colorado high school graduates attend Colorado postsecondary public institutions the fall after they graduate from high school. About 15 percent attend institutions out of state.

² Many institutions in the community college system, as well as one of the local district colleges (Colorado Mountain College) now offer 4-year degrees, often focused on applied areas.

- Appropriations for each of the higher education **Governing Boards**. Tuition, stipend, and fee-for-service spending authority for public higher education institutions is provided in the Governing Boards section.
- The **Division of Occupational Education** oversees Colorado Vocational Act programs, the Area Vocational Schools, federal Perkins technical training programs, and resources for the promotion of job development, job training, and job retraining.
- State subsidies for **Local District Junior Colleges; History Colorado;** and the **Auraria Higher Education Center**, which maintains the single shared campus of the Community College of Denver, Metropolitan State College of Denver, and the University of Colorado at Denver and Health Sciences Center.

SUMMARY OF STAFF RECOMMENDATIONS

DEPARTMENT OF HIGHER EDUCATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$5,501,896,712	\$1,362,586,612	\$3,043,010,760	\$1,070,449,520	\$25,849,820	26,489.2
Long Bill supplemental	10,996,028	0	10,996,028	0	0	0.0
TOTAL	\$5,512,892,740	\$1,362,586,612	\$3,054,006,788	\$1,070,449,520	\$25,849,820	26,489.2
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$5,512,892,740	\$1,362,586,612	\$3,054,006,788	\$1,070,449,520	\$25,849,820	26,489.2
R1 State funding increase for higher education	154,306,024	86,940,681	0	67,365,343	0	0.0
R2 Tuition spending authority	69,952,526	0	69,952,526	0	0	0.0
R3 Fort Lewis Native American tuition waiver	(3,299,107)	(3,299,107)	0	0	0	0.0
R4 Increase support for cannabis research at ICR	0	0	0	0	0	0.0
HC1 History Colorado strategic initiatives	1,500,000	0	1,500,000	0	0	0.0
BA1, T5, T6 Lease purchase payment adjustments	195,107	(30,059)	24,229	200,937	0	0.0
BA2 Strategic staffing support for DHE	459,449	459,449	0	0	0	3.8
T1 WICHE dues	5,000	0	0	5,000	0	0.0
T2 Auraria Higher Education Center	100,000	0	0	100,000	0	0.0
T3 Depreciation Lease Equivalent	3,578,050	3,578,050	0	0	0	0.0
T4 Colorado Geological Survey	116,674	32,258	84,416	0	0	0.0
NP BA OIT Accessibility	3,227,543	911,188	2,316,355	0	0	14.0
NP BA DPA pay plan	647,805	439,263	43,044	53,586	111,912	0.0
NP BA Operating expense inflation	0	0	0	0	0	0.0
NP Other nonprioritized	87,176	20,589	40,779	25,808	0	0.0
SI Higher Education limited gaming adjustment	22,757,593	0	22,757,593	0	0	0.0
SI Indirect cost adjustments	13,655,172	(1,416,760)	(88,600)	15,199,052	(38,520)	0.0
SI Student fee adjustments	6,053,291	0	6,053,291	0	0	0.0
SI fund source adjustment	0	1,916,355	(1,916,355)	0	0	0.0
SI State Assistance for Career and Technical Education	2,289,687	0	0	2,289,687	0	0.0
Centrally appropriated line items	1,627,337	286,499	478,128	187,744	674,966	0.0
SI Tobacco Master Settlement Agreement revenue adjustment	1,463,108	0	1,463,108	0	0	0.0
SI History Colorado earned revenue	35,000	0	35,000	0	0	0.0
SI IHE employee FTE adjustments	0	0	0	0	0	257.4
Other technical adjustments	0	0	0	0	0	(1.0)

DEPARTMENT OF HIGHER EDUCATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize prior year legislation	(115,338,504)	(11,587,621)	(103,086,924)	(663,959)	0	(7.6)
SI History Colorado informational funds	(2,490,000)	0	(2,490,000)	0	0	0.0
Annualize prior year budget actions	(184,647)	(157,258)	(22,703)	50,000	(54,686)	0.0
TOTAL	\$5,673,637,024	\$1,440,680,139	\$3,051,150,675	\$1,155,262,718	\$26,543,492	26,755.8
INCREASE/(DECREASE)	\$160,744,284	\$78,093,527	(\$2,856,113)	\$84,813,198	\$693,672	266.6
Percentage Change	2.9%	5.7%	(0.1%)	7.9%	2.7%	1.0%
FY 2023-24 EXECUTIVE REQUEST	\$5,675,274,426	\$1,440,295,811	\$3,058,375,525	\$1,149,827,847	\$26,775,243	26,502.5
Request Above/(Below) Recommendation	\$1,637,402	(\$384,328)	\$7,224,850	(\$5,434,871)	\$231,751	(253.3)

DESCRIPTION OF INCREMENTAL CHANGES

LONG BILL SUPPLEMENTAL: The recommendation includes adjustments to higher education tuition and fee revenue estimates for FY 2022-23.

R1 STATE FUNDING INCREASE FOR HIGHER EDUCATION: The recommendation includes an increase of \$86,940,681 General Fund for public higher education institutions and financial aid. This includes an increase of \$70,489,531 General Fund (6.8 percent) for the public institutions of higher education, including \$67,639,157 for stipends and fee-for-service contracts reappropriated to the ten state governing boards and \$2,850,374 for grants to local district colleges and area technical colleges. Consistent with statutory requirements for aligned funding increases, it also includes a total of \$16,260,058 for financial aid, including \$12,760,058 General Fund for Need Based Grants, \$3,000,000 for the Colorado Opportunity Scholarship Initiative, and \$500,000 for Veterans'/Law Enforcement/POW tuition assistance, as well as \$191,092 to increase stipends for students attending private institutions.

Funding for the institutions is allocated using the new funding formula established by H.B. 20-1366. The request uses the Performance and Ongoing Additional Funding sections of the model, consistent with the General Assembly's actions in FY 2022-23. The Performance component compares institutions' performance changes over time with the performance changes of other institutions in eight areas: resident FTE enrollment, credential production, Pell eligible enrollment, underrepresented minority enrollment, retention rate, graduation rate in 100% of time, graduation rate in 150% of time, and first generation enrollment. This portion of the request incorporates base funding for the state institutions plus 3.5 percent and is designed to provide a relatively stable funding base. The balance of the request (\$27.0 million) is distributed through the Ongoing Additional Funding section of the model, which provides a mechanism for providing more targeted increases consistent with higher education master plan and other policy goals. Using all model components, the request includes increases ranging from a low of 6.1 percent to a high of 8.7 percent by governing board from all components of the model. The local district colleges, and the area technical colleges receive the average increase of 6.8 percent.

The recommendation incorporates increasing the College Opportunity Fund (COF) stipend from \$104 per credit hour to \$116 per credit hour or \$3,480 per year for a full time, full year (30 credit hour) student. The balance of increases would be covered through fee-for-service contracts with the institutions.

The recommendation exceeds the request for \$85,990,665 General Fund due to technical corrections to the financial aid and COF private stipend amounts, as well as impacts related to annualizing S.B. 21-213, which temporarily adjusts funding for CU's Specialty Education line item for the enhanced Medicaid matching rate. The recommendation incorporates an increase for the Specialty Education line item that will be required when the temporary FMAP enhancement is no longer available.

R2 TUITION SPENDING AUTHORITY: The request and recommendation limits resident undergraduate tuition increases to 4.0 percent. The recommendation includes an increase in tuition spending authority of \$69.95 million based on Legislative Council Staff projected changes in enrollment and institutions' estimates of rate increases within the parameters established. This includes an assumption of no more than a 4.0 percent increase for resident undergraduates except at the University of Northern Colorado (6.0 percent). The recommendation assumes no increase in Fort Lewis College nonresident rates.

R3 FORT LEWIS NATIVE AMERICAN TUITION WAIVER: The recommendation includes a decrease of \$3,299,107 General Fund for the Fort Lewis College Native American tuition waiver. Waiver payments are mandated by Section 23-52-105 (1)(b)(I), C.R.S., which requires the General Assembly to fund 100 percent of the tuition obligations for qualifying Native American students attending Fort Lewis College. Funding for the tuition waiver is made one year in arrears and is calculated based on prior year enrollment estimates. Almost all funds support nonresident tuition payments for Native American students who are not Colorado residents; however, the majority of these students are from tribes with historical ties to the State.

R4 INCREASE SUPPORT FOR CANNABIS RESEARCH AT ICR: The request includes an increase of \$1,139,829 from the Marijuana Tax Cash Fund for the Institute of Cannabis Research (ICR) for FY 2023-24 and ongoing. The request would increase the current \$2.8 million funding to a total of \$3,939,829 cash funds. Staff does not recommend funding, in light of declines in available Marijuana Tax Cash Fund revenue.

HC1 HISTORY COLORADO STRATEGIC INITIATIVES: Senate Bill 22-216 (Reallocation of Limited Gaming Revenues) included a one-time transfer of \$3.0 million to History Colorado's Strategic Initiatives Fund. The transfer was from limited gaming funds that would otherwise have gone to the General Fund. The Strategic Initiatives Fund was to be used "for programs and activities that strengthen the [historical] society's financial position and expand its impact on the people of the state." History Colorado received spending authority for the first \$1,500,000 in FY 2022-23 and staff recommends spending authority for the balance of money in the fund, an additional \$1,500,000, for FY 2023-24.

BA1, T5, T6 LEASE PURCHASE PAYMENT ADJUSTMENTS: The recommendation includes annual technical adjustments to lease purchase obligations appropriated in this department: the University of Colorado Health Sciences Center at Fitzsimons lease purchase authorized by H.B. 03-1256; and the Higher Education Federal Mineral Lease Revenues lease purchase that supported the construction of various higher education capital construction projects in 2008.

BA2 STRATEGIC STAFFING SUPPORT FOR DHE: The Department requests \$459,449 General Fund and 3.8 FTE for new positions. Staff recommends adding 2.0 FTE focused on workforce issues, 1.0 FTE legislative analyst, and 1.0 term-limited outreach position, as well as funding for increased salaries

for two unfilled positions (Chief Financial Officer and Chief Research Officer). Total funding, however, is pending additional data.

T1 WICHE DUES: The recommendation includes an increase for fees paid to the Western Interstate Commission on Higher Education, which provides research services and runs inter-state student exchange programs used by the department and public institutions of higher education.

T2 AURARIA HIGHER EDUCATION CENTER: The recommendation increases spending authority for the Auraria Higher Education Center by \$100,000 for funds received from the institutions operating on the Auraria campus (University of Colorado – Denver, Metropolitan State University of Denver, and the Community College of Denver).

T3 DEPRECIATION LEASE EQUIVALENT ADJUSTMENT: The recommendation includes a \$3,578,050 General Fund increase to the annual depreciation lease equivalent payment for higher education, bringing the total for higher education to \$10,984,897 General Fund. These funds are currently being directed to renovation of the Capitol Complex.

T4 COLORADO GEOLOGICAL SURVEY: The recommendation includes an increase of \$116,674 total funds for an inflationary increase on base severance tax and General Fund support for the Colorado Geological Survey.

NP BA OIT ACCESSIBILITY: The request includes an increase of \$3,227,543 total funds for OIT Accessibility. This item is pending a common policy decision.

NP BA OPERATING EXPENSE INFLATION: The request included a common policy operating expense increase. Committee common policy is to not include this funding.

NP OTHER NONPRIORITIZED: The request includes the Department's share of the Governor's Office of Information Technology's budget package adjustments and the Department's share of a request from the Department of Personnel (DPA) for additional funding for the Center for Organizational Effectiveness (COE), among other nonprioritized statewide common policy requests. Staff has reflected Committee action, where common policy is established or the request where the decision is pending.

SI (STAFF INITIATED) HIGHER EDUCATION LIMITED GAMING ADJUSTMENT: The recommendation includes an increase of \$22,757,593 cash funds for community college and other designated institutions' revenue from limited gaming funds. These funds are received based on Constitutional and statutory provisions and are shown for informational purposes only. This increase reflects the overall increase in receipts received in August 2022 compared to August 2021.

SI INDIRECT COST ADJUSTMENTS: The recommendation incorporates adjustments consistent with the Department's indirect cost plan. The staff recommendation is to direct-fund the Department in lieu of collecting indirect costs for departmental functions, but this change is not yet reflected in the numbers shown. When it is applied, the impact will be a reduction in reappropriated funds but a net \$0 General Fund appropriation impact.

SI STUDENT FEE ADJUSTMENTS: The recommendation includes an increase of \$6,053,291 cash funds in mandatory fees paid by students, based on current estimates. Fees are shown for informational purposes.

SI FUND SOURCE ADJUSTMENT: The recommendation includes an anticipated adjustment to fund sources for History Colorado’s portion of the IT Accessibility initiative. The recommendation increases the appropriation from the General Fund by \$1.9 million and reduces History Colorado cash funds by the same amount.

SI STATE ASSISTANCE FOR CAREER AND TECHNICAL EDUCATION: The recommendation reflects the increase for State Assistance for Career and Technical Education approved during figure setting for the Department of Education.

CENTRALLY APPROPRIATED LINE ITEMS: The request includes adjustments to centrally appropriated line items including: salary survey; health, life, and dental; short-term disability; supplemental payments to the Public Employees Retirement Association (PERA); payments to the Governor’s Office of Information Technology (OIT); workers’ compensation; risk management and property adjustment; legal services; and CORE accounting system operations.

SI TOBACCO MASTER SETTLEMENT AGREEMENT REVENUE ADJUSTMENT: The recommendation includes an increase of \$1,463,108 for the projected increase in revenue to the Tobacco Settlement Health Education Fund appropriated to the Regents of the University of Colorado for programs on the medical campus. The appropriation also includes an increase in spending authority for money received in FY 2022-23 that exceeded the appropriation.

SI HISTORY COLORADO EARNED REVENUE: The recommendation includes a \$35,000 increase for History Colorado cash funds spending authority.

SI IHE EMPLOYEE FTE ADJUSTMENTS: The recommendation includes a net increase of 257.4 FTE for the governing boards. These FTE are shown for informational purposes only.

OTHER TECHNICAL ADJUSTMENTS: The recommendation includes various net \$0 adjustments and a 1.0 FTE decrease for an unused FTE position.

ANNUALIZE PRIOR YEAR LEGISLATION The request includes a net reduction of \$114.9 million total funds, including \$11.3 million General Fund, to reflect the FY 2023-24 impact of bills passed in previous legislation sessions, summarized in the following table. Among other adjustments, this includes eliminating General Fund appropriations and cash funds originating as federal Coronavirus State Fiscal Recovery Funds a that were appropriated on a one-time basis in FY 2022-23.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 21-213 Increased Medicaid match	\$22,332,840	\$11,166,420	\$0	\$11,166,420	\$0	0.0
HB 22-1012 Wildfire risk mitigation and recovery	7,248	7,248	0	0	0	0.0
SB 22-011 America 250-Colorado 150	2,614	2,614	0	0	0	0.1

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 22-1220 Removing barriers to educator preparation	(52,000,000)	0	(52,000,000)	0	0	(1.0)
SB 22-226 Programs to support healthcare workforce	(26,000,000)	0	(26,000,000)	0	0	0.0
SB 21-213 Increased Medicaid match FY24	(22,710,208)	(11,355,104)	0	(11,355,104)	0	0.0
SB 22-181 Behavioral healthcare workforce	(15,193,018)	0	(15,193,018)	0	0	(1.0)
HB 22-1323 State Forest Service tree nursery	(5,000,000)	(5,000,000)	0	0	0	0.0
SB 22-147 Behavioral healthcare services for children	(4,600,000)	0	(4,600,000)	0	0	0.0
HB 22-1349 Postsecondary student success data system	(3,000,000)	0	(3,000,000)	0	0	(1.0)
SB 22-192 Opportunities for credential attainment	(2,812,400)	(1,800,000)	(537,125)	(475,275)	0	0.0
HB 22-1393 Displaced Aurarian scholarship	(2,000,000)	(2,000,000)	0	0	0	0.0
SB 22-216 Gaming allocation	(1,500,000)	0	(1,500,000)	0	0	0.0
HB 22-1366 Improving students' postsecondary options	(1,000,000)	(1,000,000)	0	0	0	(3.0)
SB 22-007 Increase wildfire risk mitigation outreach	(800,000)	(800,000)	0	0	0	0.0
HB 22-1327 Native American boarding school research	(618,611)	(618,611)	0	0	0	(1.0)
HB 22-1302 Healthcare practice transformation	(250,000)	0	(250,000)	0	0	0.0
SB 22-182 Economic mobility program	(126,000)	(126,000)	0	0	0	0.0
SB 21-185 Supporting Educator Workforce in Colorado	(59,132)	(59,132)	0	0	0	(1.0)
HB21-1149 Energy Sector Career Pathway	(6,781)	0	(6,781)	0	0	0.0
SB 22-008 Higher education support for foster youth	(5,056)	(5,056)	0	0	0	0.3
TOTAL	(\$115,338,504)	(\$11,587,621)	(\$103,086,924)	(\$663,959)	\$0	(7.6)

SI HISTORY COLORADO INFORMATIONAL FUNDS ADJUSTMENT: The recommendation includes adjustments to amounts shown in History Colorado for informational purposes.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS The request includes the net-zero FY 2023-24 impact of salary survey funds added in FY 2022-23. Salary survey is appropriated in single line item in the department administration section in the first year it is appropriated. The total is then built into personal services and program line items throughout the department in the second year.

MAJOR DIFFERENCES FROM THE REQUEST

Major differences in the recommendation for amounts in the Long Bill include:

For FY 2022-23:

- The staff recommendation includes updates to FY 2022-23 tuition and fee amounts that were not formally requested.

For FY 2023-24:

- The recommendation includes estimates for tuition revenue based on the LCS enrollment forecast and institutions' rate increase assumptions.
- The recommendation includes updates to multiple cash funds amounts shown for informational purposes.
- Amounts in a request for 4.0 new FTE are pending.
- The recommendation includes multiple other common policy and technical differences ranging from inflationary adjustments for the Colorado Geological Survey to adjustments to funding sources based on money available in reserves.

DECISION ITEMS AFFECTING MULTIPLE DIVISIONS

→ REQUEST R1 INCREASE OPERATING SUPPORT FOR PUBLIC INSTITUTIONS OF HIGHER EDUCATION AND FINANCIAL AID

REQUEST: The request includes an increase of \$85,990,045 General Fund for public higher education institutions and financial aid. As summarized in the table below, the request provides an average increase of 6.8 percent for the public institutions of higher education, with variation by institution, and an aligned increase for financial aid and student stipends at private institutions.

TABLE 1: R1 INCREASE FOR PUBLIC HIGHER EDUCATION AND FINANCIAL AID

	BASE FUNDING FOR STUDENT STIPENDS, FEE-FOR-SERVICE CONTRACTS UNDER 23-18-303.5, SPECIALTY EDUCATION, AND GRANTS FOR LOCAL DISTRICT AND AREA TECHNICAL COLLEGES, AND ALIGNED FINANCIAL AID BASE (FY 22-23 APPROPRIATION+ annualizations) ¹	FY 22-23 REQUEST: STUDENT STIPENDS, FEE-FOR-SERVICE CONTRACTS UNDER 23-18-303.5, SPECIALTY EDUCATION, AND GRANTS FOR LOCAL DISTRICT AND AREA TECHNICAL COLLEGES, AND ALIGNED FINANCIAL AID	R1 INCREASE REQUESTED	PERCENTAGE INCREASE IN FUNDING
Adams State University	\$21,009,471	\$22,559,678	\$1,550,207	7.4%
Colorado Mesa University	40,143,534	43,056,212	2,912,678	7.3%
Metropolitan State University	82,497,655	89,654,071	7,156,416	8.7%
Western State Colorado University	18,120,398	19,344,395	1,223,997	6.8%
Colorado State University System	202,360,491	215,018,693	12,658,202	6.3%
Fort Lewis College	17,111,407	18,261,618	1,150,211	6.7%
University of Colorado System	275,755,786	293,210,048	17,454,262	6.3%
Colorado School of Mines	30,209,496	32,291,289	2,081,793	6.9%

TABLE 1: R1 INCREASE FOR PUBLIC HIGHER EDUCATION AND FINANCIAL AID

	BASE FUNDING FOR STUDENT STIPENDS, FEE-FOR-SERVICE CONTRACTS UNDER 23-18-303.5, SPECIALTY EDUCATION, AND GRANTS FOR LOCAL DISTRICT AND AREA TECHNICAL COLLEGES, AND ALIGNED FINANCIAL AID BASE (FY 22-23 APPROPRIATION+ annualizations) ¹	FY 22-23 REQUEST: STUDENT STIPENDS, FEE-FOR-SERVICE CONTRACTS UNDER 23-18-303.5, SPECIALTY EDUCATION, AND GRANTS FOR LOCAL DISTRICT AND AREA TECHNICAL COLLEGES, AND ALIGNED FINANCIAL AID	R1 INCREASE REQUESTED	PERCENTAGE INCREASE IN FUNDING
University of Northern Colorado	56,984,728	60,559,548	3,574,820	6.3%
Community College System	241,771,555	259,008,968	17,237,413	7.1%
Sub-total, State Governing Boards	985,964,521	1,052,964,520	\$66,999,999	6.8%
Colorado Mountain College	10,831,151	11,562,751	731,600	6.8%
Aims Community College	12,787,311	13,656,257	868,946	6.8%
Area Technical Colleges	18,392,334	19,642,162	1,249,828	6.8%
Total	\$1,027,975,317	\$1,097,825,690	\$69,850,373	6.8%
Financial aid programs aligned with funding for governing boards, including \$3.0 million for COSI \$500,000 for the Dependent Tuition Assistance Program (DTAP), and \$12.5 million for Need Based Aid	236,654,884	252,682,708	16,027,824	6.8%
Student stipends at private institutions aligned with public institutions	1,655,048	1,766,896	111,848	6.8%
Total	\$1,266,285,249	\$1,352,275,294	\$85,990,045	

¹The request did not include annualization of S.B. 21-213 (Use of Increased Medicaid Match). Once the additional federal Medicaid Match adjustment is fully eliminated, an estimated \$11,166,420 will need to be restored to the CU budget. The discount is applied one year in arrears, so continuation of the enhanced FMAP through at least part of FY 2022-23 will reduce the annualization required in FY 2023-24.

²The Department does not appear to have included a new financial aid program for foster care youth in the base.

The funding request uses the funding model created in H.B. 20-1366. The statutory provisions include three possible components:

- Performance Funding
- Ongoing Additional Funding
- Temporary Additional Funding

Consistent with the model as used in FY 2021-22 and FY 2022-23, the FY 2023-24 request incorporates both *Ongoing Additional Funding* (3.3 percent increase) and *Performance Funding* (3.5 percent increase) components.

The request also includes a statutorily-required financial aid component. For this component of the request, the Department requests the following increases:

- \$500,000 for the Dependent Tuition Assistance Program
- \$3,000,000 for the Colorado Opportunity Scholarship Initiative (COSI)
- \$12,522,768 for Need Based Grants

EVIDENCE LEVEL: The request highlights COSI as “Proven” on the S.B. 21-284 Evidence Continuum, based on its work with Colorado Evaluation and Action Lab at DU to conduct an annual qualitative and quantitative evaluation of the program using a quasi-experimental design. A "proven program or practice" means a program or practice that reflects a high or well-supported level of Confidence of effectiveness, ineffectiveness, or harmfulness as determined by one or more high-quality randomized control trials, multiple evaluations with strong comparison groups, or an equivalent measure. While COSI has only been evaluated by one organization so far as Staff is aware, the evidence that it has positive impacts appears strong. <https://cdhe.colorado.gov/about>

REQUEST R2 (TUITION SPENDING AUTHORITY): The Executive request includes limiting resident undergraduate tuition increases to 4.0 percent. This takes into account institutions’ reliance on tuition to sustain their operations, rising personnel costs, and a projected 8.3 percent inflation rate then-projected for Colorado in 2022 (final inflation is 8.0 percent). The request also assumes a 5.5 percent increase in nonresident tuition, although this does not reflect a limit. Based on these assumptions, the request includes an increase of \$112.7 million in cash funds spending authority for tuition revenue. If approved, the limits on tuition increases would be incorporated in Long bill footnotes that express the General Assembly’s assumptions in setting tuition spending authority. As outlined in the staff budget briefing document, if the institutions increased tuition at the level requested and had flat enrollment

REQUEST FROM HIGHER EDUCATION INSTITUTIONS: In January, the higher education institutions submitted a request for a much larger increase, totaling over \$176 million General Fund if aligned financial aid increases are included. The table below compares the key components of the institutions’ request (including small recent updates) with the November 1 request from the Governor.

COMPARISON GOVERNOR'S NOVEMBER 1, 2022 REQUEST FOR HIGHER EDUCATION INSTITUTIONS' REQUEST SUBMITTED JAN 9, 2023 BY LETTER, REVISED MARCH 1, 2023				
	GOVERNOR REQUEST	INSTITUTION REQUEST USING 4.0% TUITION CAP	INSTITUTION REQUEST ABOVE/(BELOW) GOVERNOR	NOTES
Request R1 - General Fund				
Ongoing Additional Funding/"Step 1"	\$33,631,094	\$33,631,094	\$0	3.3% on base
Performance Funding Increase/"Step 2"*	36,219,279	109,956,903	73,737,624	
Subtotal - Governing Boards	69,850,373	143,587,997	73,737,624	Increase on base of 6.8% for Gov request; 14.1% institutions’ request
Financial Aid	16,027,824	33,100,000	17,072,176	Includes COSI and Need Based Aid in Governor request
Private institution COF stipend	111,848	111,848	0	Not included in institution request - statutory requirement
Grand Total R1	\$85,990,045	\$176,799,845	\$90,809,800	
Request R2 - Tuition Cash Funds				
Increase on resident tuition	52,905,017	52,905,017	0	

COMPARISON GOVERNOR'S NOVEMBER 1, 2022 REQUEST FOR HIGHER EDUCATION INSTITUTIONS' REQUEST SUBMITTED JAN 9, 2023 BY LETTER, REVISED MARCH 1, 2023

	GOVERNOR REQUEST	INSTITUTION REQUEST USING 4.0% TUITION CAP	INSTITUTION REQUEST ABOVE/(BELOW) GOVERNOR	NOTES
Increase on nonresident tuition	66,283,881	42,794,983	(23,488,898)	Governor request assumes 5.5% nonresident increase
Grand Total R2 (before any enrollment adjustment)	119,188,898	95,700,000	(23,488,898)	Institution request does not differentiate between resident and nonresident tuition
Base Core Minimum Cost Calculation Assumptions				
Increase for Governing Boards Used in Calculating Request	69,850,373	109,956,903	40,106,530	Governor's request uses total increase for governing boards; Institutions use solely Step 2
Tuition assumption	<u>119,188,898</u>	<u>95,700,000</u>	<u>(23,488,898)</u>	Governor's request assumes greater nonresident tuition increase
Total Increase R1 & R2 Assumed	189,039,271	205,656,903	16,617,632	
Base Core Minimum Cost Calculation	201,168,132	201,168,132	0	Governor's request did not identify an amount
R1/R2 above/(below) Base Core Calc	(\$12,128,861)	\$4,488,771	\$16,617,632	

RECOMMENDATION: The staff recommendation includes:

- Provide the requested 6.8 percent General Fund increase (\$86.0 million) as requested by the Governor, with minor technical adjustments related to the updated funding model. Do not include a footnote directing the use of amounts provided in “Step 1” of the model (Ongoing Additional Funding). Recognize that funds provided will be required in most cases to cover institutions’ ongoing operational expenses.
- Consistent with the Governor’s request, authorize an accompanying 4.0 percent increase in resident undergraduate tuition at the institutions, with some adjustments requested by institutions.
- Staff acknowledges that many institutions are struggling due to declining enrollment, and their overall revenue is therefore under pressure. Staff believes the Executive Request is reasonable given the limitations on the State budget. However, if the Committee wishes to provide additional support, given both the State’s overall low level of support for higher education and to assist institutions with enrollment impacts, staff suggests that the Committee decide about such additional funding as part of its final budget balancing process. The institutions have requested that the General Assembly provide an increase of 14.1 percent (total cost exceeding \$178 million)*
- If the General Assembly has funds available beyond the level in the Executive Request, staff suggests considering an overall increase of 10.0 percent (total funding increase of \$127.4 million or \$41.4 million more than the Executive Request) associated with a 4.0 percent tuition increase.

College Opportunity Fund Stipend: The request and the recommendation are based on allocating the total funding between College Opportunity Fund student stipends and fee-for-service contracts. The COF stipend amount is based on increasing the current stipend from \$104 per credit hour to \$116 per credit hour and using the 2022 actual use of the COF stipend by students. The balance of funding is allocated through fee-for-service contracts.

ANALYSIS:

Basis for the staff recommendation – in brief:

*Note: The institutions submitted slightly revised figures late in the process. This reduces their request by 0.1%. The staff calculation for financial aid alignment also differs, leading to slight differences in amounts cited..

- The public institutions emphasize that, like other sectors of state government, they must address **inflationary increases**. They typically provide a model of their “base core minimum costs” (described in more detail below) that identifies these inflationary needs. **The most recent version of this model suggests a need for a 6.0 percent increase to cover inflationary pressures. Given overall inflationary pressures on state government, this seems a plausible number.**
- **The institutions’ model is built around assuming a stable enrollment, that all costs are fixed, and that they must provide salary and benefits commensurate with the rest of state government.** In reality: (1) Enrollment is not stable. Resident student enrollment has been declining at most institutions. At the same time large research institutions have seen an increase in nonresident enrollment, which supports their bottom line. (2) Particularly at institutions that rely heavily on adjunct faculty, not all costs are fixed. (3) For most of their employees, institutions are not required to provide increases commensurate with the rest of state government. Historically (and staff anticipates for FY 2023-24), salary and benefits for non-classified may not go up at the same level as increases for state statewide, because institutions that are relying heavily on cash funds from tuition may not have sufficient resources to provide larger salary increases. **While the model does not represent reality, it does reflect the spending pressures the institutions face, particularly with respect to staff compensation and maintaining employment levels (even when student enrollment may be falling).**
- **The tables below provide different ways to look at the situation from a state government and institutional perspective.** Note that this is different from a student perspective, which legislators must also keep in mind.

The tables below are built on the following assumptions.

- 1) The Governor’s request for a 6.8 percent increase with the distribution of funds requested; and
- 2) The Legislative Council Staff forecast for institutional enrollment and revenue for FY 2022-23 and FY 2023-24. These figures **incorporate current institutional assumptions about tuition rate increases, as well as LCS’s projections for enrollment changes.** In some cases, rate increases have already been determined. Most institutions, however, have taken the Governor’s request (4.0% resident; 5.5% nonresident) into consideration and are waiting to see how much General Fund support will be provided. In the majority of cases, institutions are anticipating tuition rates that are at or below the level in the Governor’s request.
- 3) Various other sources shown in the Long Bill for informational purposes, including student The first table shows overall institutional revenue that would be reflected in the Long Bill based on the staff recommendation. As shown, the weighted average increase in estimated revenue is 4.3 percent, and some institutions are anticipating considerably less revenue growth.

TOTAL AMOUNT REFLECTED IN THE LONG BILL FROM STATE SUPPORT, TUITION, FEES, OTHER SOURCES FY 2023-24 INCREASE OVER FY 2022-23*				
	FY 2022-23 REVENUE ESTIMATE (REVISED)	FY 2023-24 REVENUE ESTIMATE	CHANGE	PERCENTAGE CHANGE
Adams State University	\$46,274,747	47,950,170	\$1,675,423	3.6%
Colorado Mesa University	119,605,577	126,796,749	7,191,172	6.0%
Metropolitan State University	216,210,727	223,219,361	7,008,634	3.2%
Western Colorado University	46,843,686	48,785,864	1,942,178	4.1%
Colorado State University System	801,557,641	839,690,313	38,132,672	4.8%
Fort Lewis College	63,936,909	67,426,560	3,489,651	5.5%
University of Colorado System	1,599,686,517	1,639,938,240	40,251,723	2.5%
Colorado School of Mines	227,782,518	239,742,045	11,959,527	5.3%
University of Northern Colorado	142,486,375	147,817,339	5,330,964	3.7%
Community College System	543,208,202	591,062,705	47,854,503	8.8%
TOTAL	\$3,807,592,899	3,972,429,346.5	\$164,836,447	4.3%

*Excludes indirect cost adjustments

The second table is related to **resident students** and the **General Fund only and excludes costs and revenue for nonresident students**. Staff has generally taken the position that **cost-increases associated with non-residents should not need to be subsidized by the General Fund. This is a way to look at the situation from that perspective; but the results are similar.** As shown, from this perspective, projected revenue increases remain quite low because, even with a 6.8 percent increase in General Fund support, resident tuition revenue is increasing at a slower pace.

GENERAL FUND AND RESIDENT TUITION REVENUE (EXCLUDES NON-RESIDENT STUDENT IMPACTS)					
	FY 23 GF+RESIDENT TUITION	FY 24 GF+RESIDENT TUITION	CHANGE	% CHANGE	PORTION OF GF+RESIDENT TUITION ORIGINATING FROM THE GF (FY 24 EST)
Adams	\$32,709,277	\$34,411,876	\$1,702,599	5.2%	65.7%
Mesa	97,617,262	102,480,735	4,863,473	5.0%	42.3%
Metro	178,451,344	184,156,742	5,705,398	3.2%	48.9%
Western	30,409,781	31,803,598	1,393,817	4.6%	61.7%
CSU System	431,168,917	451,691,391	20,522,474	4.8%	48.0%
Fort Lewis ²	25,999,829	27,275,858	1,276,029	4.9%	67.2%
CU System	821,773,457	843,999,742	22,226,285	2.7%	35.2%
Mines	98,199,483	101,600,068	3,400,585	3.5%	31.8%
UNC	108,552,683	113,337,468	4,784,785	4.4%	53.5%
Community Colleges	491,736,653	518,906,585	27,169,932	5.5%	50.0%
TOTAL	\$2,316,618,686	\$2,409,664,063	\$93,045,377	4.0%	44.0%

²Excludes GF provided for Fort Lewis Native American tuition waiver and other state-funded financial aid

The table below shows the **General Fund provided per resident student and how that is changing**. This is not the perspective the institutions typically highlight. However, it is a reasonable

perspective to think about from a state budget perspective. As shown, because of declining student populations, the total state funding per resident is increasing significantly, because of the combination of state funding increases and enrollment declines.

CHANGES IN STATE SUPPORT PER RESIDENT STUDENT						
	FY 2022-23		FY 2023-24		CHANGE FY 23 TO FY 24	
	FY 23 RESIDENT STUDENTS	GENERAL FUND PER RESIDENT STUDENT	FY 24 RESIDENT STUDENTS	GENERAL FUND PER RESIDENT STUDENT	PER SFTE FUNDING CHANGE	PERCENTAGE FUNDING CHANGE
Adams	1,462.9	\$14,406	1,471.8	\$15,371	\$965	6.7%
Mesa	6,247.4	6,484	6,210.3	6,980	496	7.6%
Metro	11,220.6	7,385	10,940.1	8,229	844	11.4%
Western	1,662.1	11,061	1,647.6	11,914	852	7.7%
CSU System	18,376.5	11,089	18,283.5	11,849	760	6.9%
Fort Lewis ²	1,247.2	13,772	1,214.4	15,093	1,321	9.6%
CU System	39,526.0	7,067	38,991.0	7,621	554	7.8%
Mines	3,980.1	7,590	3,936.7	8,204	613	8.1%
UNC	5,202.5	10,966	5,023.0	12,067	1,101	10.0%
Community Colleges	43,145.7	5,618	43,145.7	6,017	399	7.1%
Weighted Average	132,071.1	7,517	130,864.1	8,101.8	584.8	7.8%

HOW MUCH FUNDING?

In determining funding for the institutions, the Committee must address the questions both of **how much funding** to provide and then **how to allocate it**.

- **Every 1.0 percent increase in General Fund support for the higher education institutions above the FY 2022-23 base costs \$12.74 million**, including \$10.3 million for the institutions and \$2.4 million for financial aid.
- **Funding for higher education has historically been driven by the revenue available to the General Assembly.** The Committee could establish the minimum General Fund it wishes to provide for higher education during the figure setting process, but staff anticipates that both the final amount and the allocation plan may not be settled immediately.
- **The Governor's Office has proposed a total increase of \$86.0 million for the institutions and financial aid**, representing a **6.8 percent** increase in state support for the institutions, based an assumption that **tuition increases for resident undergraduates will be limited to 4.0 percent.**
- **The institutions have come directly to the Committee (not through the Governor's Office) seeking an increase of \$144.7 million for the institutions—which would result in an overall increase of over \$178 million General Fund (14.1 percent)** once aligned increases for financial aid are included—if resident tuition increases are limited to 4.0 percent. Thus, the institutions' request would cost approximately **\$92.1 million more than the Governor's request.**
- Apart from minor tweaking, **staff concurs with the institutions' expectations that they will experience inflationary increases in the range of 6.0 percent**, assuming no other adjustments

to the size of their operations and assuming salary increases similar to other state staff of 5.0 percent.

- **Further, staff believes that increases in the range of 10.0 to 11.0 percent in state funding can be justified based on inflationary needs if the General Assembly assumes that institutions must maintain operations at their current size and adjust for inflationary increases,** despite declines in resident enrollment and tuition. (Staff reaches this conclusion differently from the institutions, as outlined in calculations below, but the scale is similar.)
- However, **staff does not agree that amounts requested in “Step 1” (\$33.6 million of the total) should be excluded from covering institutions’ inflationary needs.** While the recent practice has been to treat these funds as solely for special purposes, there is no related requirement in law. Staff supports including funding in “Step 1” in order to target institutions that serve predominantly resident students and often harder-to-serve populations but does not believe its uses should be restricted, given the enrollment pressures faced by the institutions.
- **Staff believes an overall increase in the range of 10.0 percent (\$127.0 million) General Fund in General Fund support provided through a combination of “Step 1” (ongoing additional funding) and Step 2 (“Performance Funding”/Base increases) would be a reasonable target** to cover inflationary needs and help stabilize institutional finances, based on costs associated with resident students and inflation. This would still require approximately \$41.5 million more than the Executive Request.
- There is ample evidence that the state higher education system is “underfunded” in comparison to other states, and **staff is supportive of additional increases for the institutions to the extent the General Assembly feels it has sufficient resources. However, staff recommends that the Committee set the General Fund operating budget for higher education at a level it thinks is likely to be a sustainable base point for the General Assembly over the next several years.** The public higher education institutions are an industry with over \$9 billion in combined annual revenues and rely far more heavily on tuition and other cash revenues than the General Fund. Thus, even a \$69.9 million increase spread across the institutions represents a modest increase from the perspective of many of the institutions, though it represents a large amount from a state budget perspective. The General Assembly should not over-extend its own limited resources to provide additional support that will be welcome--but will not change the fundamental dynamic that makes the largest institutions highly dependent upon tuition.

CALCULATING INSTITUTIONAL INFLATIONARY NEED – “BASE CORE MINIMUM COSTS”

The institutions have costs that they must cover to keep their organizations functioning, including annual salary and benefits increases. The ten state governing boards employ an estimated 26,241.4 state FTE in Education and General functions in FY 2022-23. This represents one-quarter to one-half of all staff employed by the institutions. In prior year requests the Department has cited data indicating that nearly 60 percent of all State of Colorado government employees work in higher

education.³ Most of these are “off budget” and work for the institutions in research and auxiliary services, which are expected to be self-supporting.

Unlike other parts of state government, the General Assembly does not appropriate funds to the governing boards based on common policy salary and benefits calculations. Instead, institutions are expected to use General Fund, tuition revenue and other sources of support to cover these costs. This is true even for those institutional staff whose salary and benefits are determined by state personnel system rules (classified staff). Salary and benefits for *classified* staff represented 10.6 percent of salaries and benefits overall in the Education and General Budget in FY 2019-20. Other classified staff are employed in housing, dining, and other “auxiliary enterprises” but these enterprises are assumed to be self-sustaining. The table below summarizes the sources and uses of funds in FY 2019-20 that were funded from the Education and General budget.

FY 2019-20 ACTUAL EDUCATION AND GENERAL BUDGETS		
	EXPENDITURE/REVENUE	PERCENTAGE OF TOTAL
Total Salaries and Benefits - 26,103.3 FTE (about 50% salaries and 15% benefits)	\$2,414,898,402	64.8%
Other Expenditures	1,310,001,231	35.2%
Total Education & General Budget	\$3,724,899,633	100.0%
General Fund	824,151,477	22.1%
Resident tuition	1,324,508,231	35.6%
Nonresident tuition	1,105,532,933	29.7%
Other state funds sources	30,163,736	0.8%
Fees, indirect recoveries, other	440,543,256	11.8%
Classified Staff Salaries and Benefits (included above)	\$256,473,228	<i>10.6% of all salaries and benefits</i>

As outlined in the staff budget briefing presentation, the institutions’ typically provide a “base core costs” calculation as the basis for their inflationary needs calculation. The approach is highly simplified, but it provides some foundation for an inflationary needs calculation.

INSTITUTIONS' BASE CORE COSTS CALCULATION: GENERAL FUND AND TUITION								
	FROM FY23 LONG BILL, \$S IN MILLIONS			INCREASE ON SALARIES (53.0% OF TOTAL EXPENSES)	INCREASE ON HLD BENEFITS (16% OF TOTAL EXPENSES)	INCREASE ON OTHER EXPENSES (32% OF TOTAL EXPENSES)	FY 23 TOTAL BASE COST INCREASE	SUMMARY PERCENTAGE INCREASE TO COVER "BASE CORE COSTS"
	FY 2022-23 STATE GENERAL FUND	TOTAL TUITION	TOTAL	5.00%	5.00%	8.00%		
Adams State University	\$21.00	\$22.00	\$43.00	\$0.90	0.3	\$1.4	\$2.6	6.1%
Colorado Mesa University	40.1	73	113.1	2.8	0.8	3.2	6.8	6.0%

³ According to prior year Department requests, the U.S. Census Bureau report on State Government employment and payroll data for 2016 showed that 50,472 FTE worked in higher education in 2016, representing 59.0 percent of all State of Colorado government FTE. The Bureau of Labor Statistics reported 79,600 state employees in Colorado working in education in 2019, most of whom are presumed to be higher education staff, including student workers.

INSTITUTIONS' BASE CORE COSTS CALCULATION: GENERAL FUND AND TUITION								
	FROM FY23 LONG BILL, \$S IN MILLIONS			INCREASE ON SALARIES (53.0% OF TOTAL EXPENSES)	INCREASE ON HLD BENEFITS (16% OF TOTAL EXPENSES)	INCREASE ON OTHER EXPENSES (32% OF TOTAL EXPENSES)	FY 23 TOTAL BASE COST INCREASE	SUMMARY PERCENTAGE INCREASE TO COVER "BASE CORE COSTS"
	FY 2022-23 STATE GENERAL FUND	TOTAL TUITION	TOTAL	5.00%	5.00%	8.00%		
Metropolitan State University - Denver	82.5	107.8	190.3	5.1	1.5	4.8	11.4	6.0%
Western Colorado University	18.1	17.7	35.8	1.1	0.3	0.7	2.1	5.8%
Colorado State University System	202.4	473.2	675.6	16.4	4.3	20.9	41.6	6.2%
Fort Lewis College	17.1	48.8	65.9	1.8	0.5	1.6	3.9	6.0%
University of Colorado System	275.8	1132.6	1408.4	37.7	12.6	32.3	82.6	5.9%
Colorado School of Mines	30.2	181.9	212.1	5.9	1.5	5.1	12.5	5.9%
University of Northern Colorado	57	70.8	127.8	3.7	1	2.6	7.3	5.7%
Colorado Community College System	241.8	264.8	506.6	13.4	4	12.9	30.3	6.0%
Total	\$986.00	\$2,392.50	\$3,378.40	\$88.80	\$26.80	\$85.53	\$201.1	6.0%

Source: IHEs; constructed using Budget Data Book data

- Staff is comfortable recognizing that institutions may face inflationary pressures in the range of 6.0 percent,
- Over the years staff has objected to institutional calculations that suggest that the General Fund should be responsible for covering any gap between inflationary needs and revenue from both resident and nonresident tuition. Staff instead typically focuses on the need to cover inflationary costs related to resident students.
- Further, for timing reasons, staff has better information than the Department or institutions can present earlier in the year about enrollment trends. These have a significant impact which is not reflected in the institutions' "base costs" calculation.
- For FY 2023-24, staff has used the following methodology to explore the revenue that might be required to support resident students versus the revenue that is likely to be available—or could theoretically be available—with a 4.0 percent tuition increase for residents. **As shown, this suggests a need for a 10.0 to 11.4 percent increase if the goal of the General Assembly is to keep institutions—broadly—whole in the face of slow resident tuition growth and inflationary pressures.**

BASE COST CALCULATION - LIMITED TO GENERAL FUND AND RESIDENT TUITION						
	FY 2022-23 GENERAL FUND+ REVISED RESIDENT TUITION	6.0% OF BASE GF+RESIDENT TUITION	RESIDENT TUITION CHANGE FOR FY 24 IF USE LCS FORECASTED RESIDENT TUITION	BALANCE OF FUNDING NEEDED (ASSUMED GF)	RESIDENT TUITION INCREASE IF APPLY 4.0 PERCENT ON ENROLLMENT TRENDS*	BALANCE OF FUNDING NEEDED (ASSUMED GF)
Adams	\$32,709,277	\$1,962,557	\$153,427	\$1,809,129	\$592,954	\$1,369,603

BASE COST CALCULATION - LIMITED TO GENERAL FUND AND RESIDENT TUITION						
	FY 2022-23 GENERAL FUND+ REVISED RESIDENT TUITION	6.0% OF BASE GF+RESIDENT TUITION	RESIDENT TUITION CHANGE FOR FY 24 IF USE LCS FORECASTED RESIDENT TUITION	BALANCE OF FUNDING NEEDED (ASSUMED GF)	RESIDENT TUITION INCREASE IF APPLY 4.0 PERCENT ON ENROLLMENT TRENDS*	BALANCE OF FUNDING NEEDED (ASSUMED GF)
Mesa	97,617,262	5,857,036	2,026,292	3,830,744	2,026,292	3,830,744
Metro	178,451,344	10,707,081	(1,457,727)	2,164,808	1,338,242	9,368,838
Western CSU System	30,409,781 431,168,917	1,824,587 25,870,135	150,455 7,663,981	1,674,132 18,206,154	392,672 7,876,680	1,431,915 17,993,455
Fort Lewis	25,999,829	1,559,990	123,732	1,436,258	123,732	1,436,258
CU System	821,773,457	49,306,407	4,423,003	44,883,404	13,895,196	35,411,211
Mines	98,199,483	5,891,969	1,315,417	4,576,552	1,988,285	3,903,684
UNC Community Colleges	108,552,683 491,736,653	6,513,161 29,504,199	1,222,599 9,973,725	5,290,562 19,530,474	1,222,599 9,973,725	5,290,562 19,530,474
Total	2,316,618,686	138,997,121	25,594,904	\$113,402,217	\$39,430,378	99,566,742.91
	Percentage GF increase			11.4%		10.0%

*Includes 6.0 percent for UNC in this model.

Important caveats to the “base core costs”-type calculation:

- **Institutions face a complex array of factors affecting revenue and have a variety of tools for managing expenditures. Many of these components are outside of the General Assembly’s control.** For example, while the tables above include nonresident and graduate tuition and make related assumptions about these tuition rates, the General Assembly has not generally chosen to control these revenue components.
- **While institutions face inflationary pressures similar to the rest of state government, they have some flexibility in how they respond to those pressures.** Even if the General Assembly adds 5.0 percent for salary increases, non-classified staff might receive no increases or 10.0 percent increases, depending upon enrollment trends and other factors. Institutions are required to comply with salary requirements for classified staff, but classified staff represent about 10.0 percent of institutional employees.
- **Ultimately, institutions will ensure that their expenditures align with their revenue.** Staff believes it is appropriate to recognize inflationary pressures on institutional budgets but also recognizes that the General Assembly will not be able to fully compensate for some trends, like declining enrollment, and institutions may need to do some related retrenching.
- **While this inflationary calculation works from the perspective of developing a high level estimate of need, it works less well once adjustments are applied at the individual governing board level,** particularly if the adjustments are to the General Fund, rather than

tuition. This is because: (1) Governing boards rely on General Fund versus resident versus nonresident tuition to vastly different extents; and (2) governing boards' total revenue is also significantly affected by enrollment, both in absolute numbers and in the mix of students: resident, non-resident, particular disciplines.

- **Staff would support providing the institutions with additional funding beyond this level for the reasons described below, but only to the extent that the General Assembly has funds available after addressing other state priorities.**

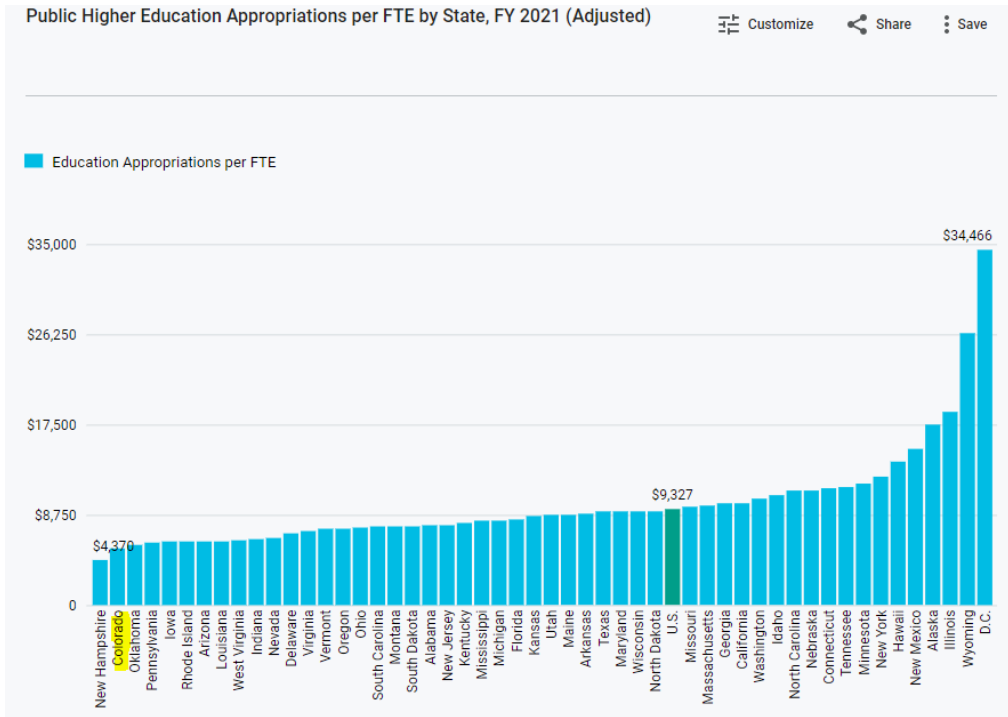
JUSTIFICATION FOR SUPPORT: LOW LEVEL OF STATE FUNDING, BURDEN ON STUDENTS

Colorado is a low-state-support state and has been for decades. As reflected in the charts below from the *State Higher Education Finance Report* (SHEF) prepared by the State Higher Education Officer's Association⁴, in FY 2020-21, even after including the impact of federal stimulus funding allocated by the Governor, Colorado had one of the lowest levels of state support per student FTE in the country, at **\$5,462 per student FTE** using the SHEF methodology. **To get to the U.S. average, the Colorado would need to increase funding by 70.8 percent.**⁵

⁴ All charts and data at: <https://shf.shceo.org/>

⁵ Colorado does, however, provide more support for financial aid than many other states.

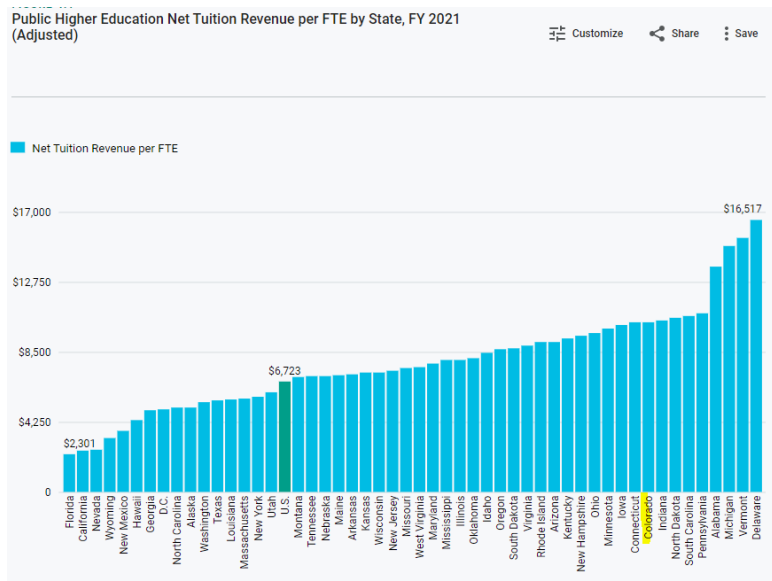
PUBLIC HIGHER EDUCATION APPROPRIATIONS PER FTE BY STATE FY 2021



Source: SHEF Report, FY 2021

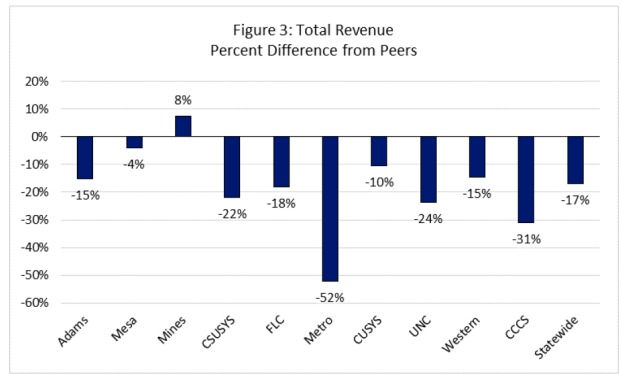
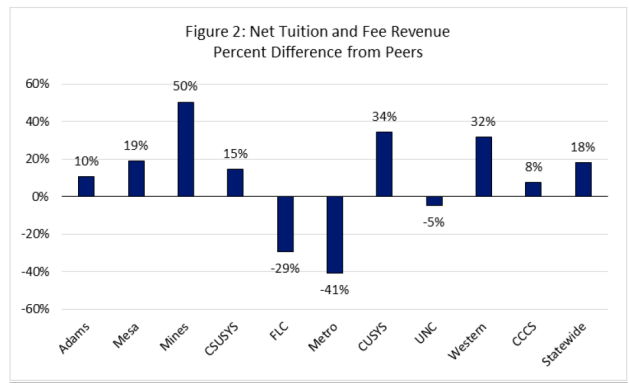
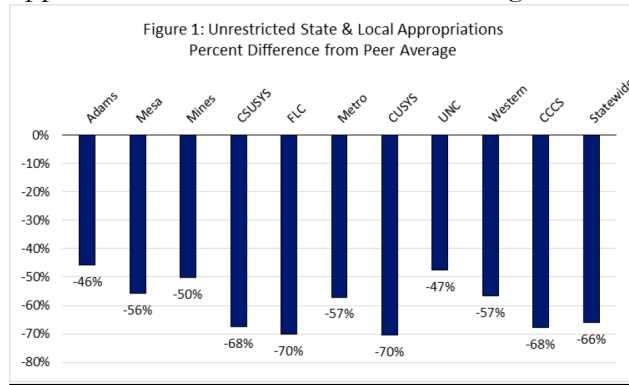
To compensate for low state support, public institutions rely heavily on net tuition revenue, with **average net tuition revenue of \$10,310 per FTE**. Some of this is derived from nonresident students.

PUBLIC HIGHER EDUCATION NET TUITION REVENUE PER FTE BY STATE FY 2021



Source: SHEF Report, FY 2021

The Department's 2020 *Hanover Resource Analysis Report* was designed to provide a related analysis at the institutional level, comparing each state institution to its national peers. The report highlights dramatically lower state support as well as, at most institutions, higher tuition.



High costs borne by students have short and long term consequences for students. As staff has highlighted in the past:

- **Studies indicate that student participation is inversely related to higher education cost.** For example, a study of tuition increases from 1980 to 1992 found that for every \$1,000 increase in tuition, participation in community colleges fell by 4.7 percent and participation in 4-year institutions fell by 1.2 percent. While low-income students, in particular, may not actually pay the sticker price, they are far more likely to be aware of the sticker price than of the amount they will

actually pay. As a result, a *higher sticker price discourages participation, particularly* among low-income students.⁶ In addition, students likely take more time to complete their degrees than in the past in large part due to higher education costs: students often work many hours to finance their educations, and this can make it difficult for them to take a full course load. A recent survey of over 6,000 community college students across the country indicated that their top obstacles to success were work obligations and paying expenses.⁷ Colorado’s Master Plan includes ambitious goals for increasing completion at state higher education institutions. Allowing tuition to continue to rise at high rates runs directly contrary to state goals.

- The average student loan debt of resident loan recipients graduating from a public institution with a baccalaureate degree ranged from \$11,679 to \$37,410. Of all resident students graduating with a baccalaureate degree, 36.6 percent graduated with loans. The average student loan debt for associates graduates ranged from \$9,410 to \$18,364. Among those resident students graduating with associates degree, 36.7 percent graduated with loans. While these figures have improved over time in Colorado, student debt is still a significant challenge. Nationally, student loan debt has now surpassed all other forms of non-mortgage consumer debt. According to the Federal Reserve Bank of New York, nationally, per-borrower higher education debt increased at a rate of about five percent per year between 2008 and 2018, student repayment is slow (2005 graduates had repaid less than 40 percent of their outstanding balances 10 years after leaving school), and more than 15 percent of borrowers in the second quarter of 2019 were 90 or more days past due or in default. In many cases students may simply avoid pursuing higher education to avoid taking on debt.

HOW TO ALLOCATE AVAILABLE FUNDS AMONG INSTITUTIONS?

Allocation Method Requested

Staff has attached additional background on the higher education funding model that was presented as part of the staff budget briefing. As part of the staff figure setting presentation, Thomas Rosa from Legislative Council Staff will join the presentation to demonstrate a new tool that shows the impact of changes to the model and tuition assumptions, which staff hopes will help the Committee understand the model mechanics better. However, in short:

- **Most of the funding in the model passes through what is called “Step 2” or “Performance Funding”. This portion of the model functions as base funding for the institutions.** It shifts with calculated performance outcomes, but only very slowly over time and in very small increments. *When funding is added into the Performance Funding” model, it is largely distributed consistent with the current shares of funding for the higher education institutions.*
- **“Step 1” of the model, also known as “Ongoing Additional Funding” is the mechanism available to the General Assembly if it wishes to target funding toward particular types of**

⁶ Kane, 1995, cited in Heller, Donald. Student Price Response in Higher Education: An update to Leslie and Brinkman. The Journal of Higher Education, Vol. 68, No 6 (Nov – Dec., 1997), pp. 624-659. See also David Deming and Susan Dynarski, *Into College, Out of Poverty? Policies to Increase the Postsecondary Attainment of the Poor*, National Bureau of Economic Research, September 2009. [w15387.pdf \(nber.org\)](https://www.nber.org/papers/w15387)

⁷RISC, “What Challenges Do Community College Students Face?”. January 2019. https://www.risc.college/sites/default/files/2019-01/RISC_2019_report_natl.pdf

institutions and particular state needs, based on higher education Master Plan goals. For the last two years, and as requested this year, the General Assembly has used five different components for allocating Step 1 funds. Most of these components direct larger shares of funding to community colleges and other institutions serving disadvantaged populations.

ONGOING ADDITIONAL FUNDING COMPONENTS (ALL DISCRETIONARY; REFLECTS PRIOR YEAR ACTION & CURRENT REQUEST)	
CATEGORY	WEIGHT
First-generation student FTE	20%
First-generation student headcount (described in statute)	20%
URM Race/Ethnicity headcount calibrated to GF Share	20%
Pell (low income) headcount calibrated to GF Share	20%
Retention of underrepresented minority students	20%
Total	100%

Request Approaches

- **The Governor’s Request** includes \$69,850,373 for the institutions of higher education, including a **3.5 percent increase (\$36.2 million) in Step 2/base funding, and a 3.3 percent increase (\$33.6 million) in “Step 1” of the model, with total funding for the institutions of** The assumption in the Governor’s request is that funding provided in both sections of the model may be used to support institutions’ core inflationary and other needs.
- **The institutions’ request** includes \$143,587,997 for the institutions of higher education, including an **increase of 10.7 percent or (\$110.0 million) in Step 2/base funding and 3.3 percent increase (\$33.6 million) in Step 1 of the model** (same as the Governor request). The institutions take the position that Step 1 funding should be used only for dedicated initiatives for disadvantaged populations (as suggested by prior year Long Bill footnotes) and that all inflationary needs should be supported through Step 2/base funding in the model.

The charts below demonstrate how the various components used for Ongoing Additional Funding operate and compares the resulting funding distributions with the incremental distribution from the FY 2023-24 Performance Portion of the model. **The color coding reflects how each governing board would view model results. A "green" result means that the particular model component was better for that governing board. A "red" result means that the model component was worse for that board.** Color gradations reflect the relative benefits of various components of "Step 1".

FY 2023-24 SHARE OF TOTAL GENERAL FUND ALLOCATION BY GOVERNING BOARD IN PERFORMANCE VERSUS ONGOING ADDITIONAL FUNDING COMPONENTS		
	PERFORMANCE FUNDING	ONGOING ADDITIONAL FUNDING
Adams	2.6%	2.3%
Mesa	4.9%	5.5%
Metro	10.0%	15.1%
Western	2.2%	1.1%
CSU System	14.8%	10.9%
Fort Lewis	2.1%	1.5%
CU System	23.7%	17.2%

FY 2023-24 SHARE OF TOTAL GENERAL FUND ALLOCATION BY GOVERNING BOARD IN PERFORMANCE VERSUS ONGOING ADDITIONAL FUNDING COMPONENTS		
	PERFORMANCE FUNDING	ONGOING ADDITIONAL FUNDING
Mines	3.7%	2.2%
UNC	6.9%	5.6%
Community Colleges	29.1%	38.6%
Total	100%	100%

FY 2023-24 SHARE OF TOTAL GENERAL FUND ALLOCATION BY GOVERNING BOARD IN PERFORMANCE VERSUS ONGOING ADDITIONAL FUNDING COMPONENTS - ADDITIONAL DETAIL						
	PERFORMANCE FUNDING	ONGOING ADDITIONAL FUNDING "STEP 1"				
		FIRST GENERATION BY FTE	FIRST GENERATION ALLOCATION FY 2021-22 (HEADCOUNT, PER STATUTE)	URM DISTRIBUTION - HEADCOUNT CALIBRATED TO GF	PELL DISTRIBUTION - HEADCOUNT CALIBRATED TO GF	URM RETENTION
Adams	2.6%	1.2%	0.7%	3.7%	3.4%	2.6%
Mesa	4.9%	7.0%	6.0%	4.2%	5.7%	4.6%
Metro	10.0%	19.1%	18.3%	13.9%	13.9%	10.3%
Western	2.2%	0.5%	0.2%	1.9%	1.3%	1.7%
CSU System	14.8%	6.5%	5.7%	12.3%	14.8%	15.1%
FLC	2.1%	1.0%	0.7%	1.9%	2.2%	1.9%
CU System	23.7%	11.3%	9.4%	20.1%	20.6%	24.7%
Mines	3.7%	0.8%	0.5%	2.0%	2.7%	4.8%
UNC	6.9%	4.9%	3.7%	6.5%	7.6%	5.5%
Community Colleges	29.1%	47.7%	54.9%	33.6%	27.9%	28.8%
Total	100%	100%	100%	100%	100%	100%

Staff Position

- **Staff believes that the Governor’s request did a credible job of balancing the need to provide funding to all institutions and to continue to target funds** by dividing the request between “Step 1” and “Step 2” components. This is consistent with the approach taken by the General Assembly in recent years, albeit when more resources were provided.
- **Staff also concurs with the Governor’s Office that “Step 1” funding does not need to be directed solely to new initiatives designed to target high-needs students.** While this has been the General Assembly’s intent in the last two years, if less funding is available, there is no reason all funding cannot be used more broadly. Realistically, the General Assembly has never been able to mandate narrow uses for Step 1 funds through a Long Bill footnote.
- **Given limited state resources, staff continues to support directing more resources to the students with greatest needs and the institutions with fewest financial resources for serving these students.** "Access" institutions are most dependent on either General Fund or resident student tuition because they do not have substantial access to nonresident tuition. As enrollment has declined over time, these institutions have filled financial holes in part by increasing

resident tuition rates. This places a severe burden on the students with the fewest resources. "Access" institutions also need to improve their performance in helping students to successfully complete their educations, but this is difficult to accomplish with very limited resources.

- **Staff is happy to work with members on alternative distribution scenarios.** JBC Staff and Thomas Rosa are available to work with JBC Members to explore options, if desired.

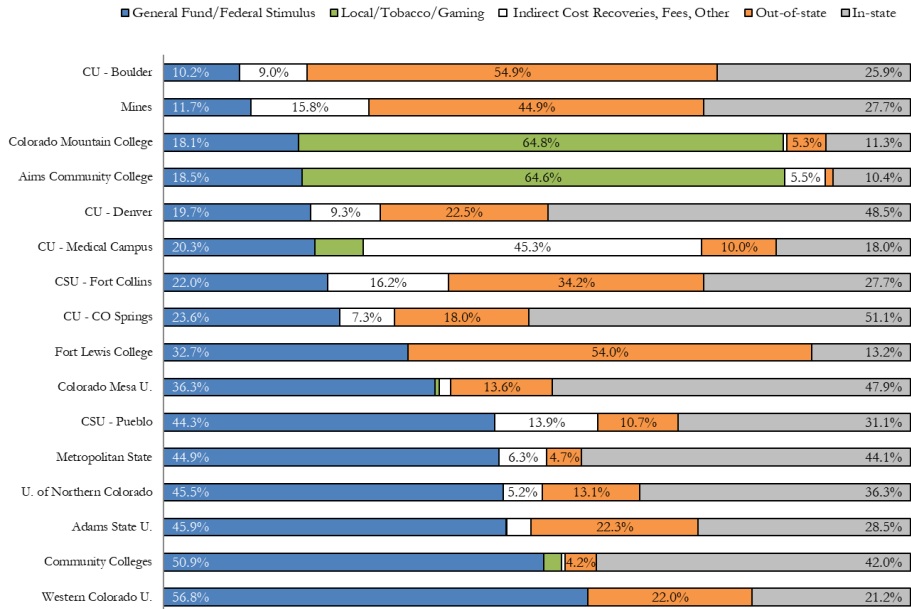
Rationale for Additional Support for Access Institutions

Staff has been supportive over the years of efforts to direct a larger share of state support to institutions that serve the students with the greatest challenges: the “access” institutions. **This is not because staff believes that other institutions are over-funded by the State but rather because, with few state resources to go around, the large research institutions have been far more effective at bringing in other resources, including through their recruitment of nonresident students.** State support per resident student is not large at the research institutions. Indeed, *state support per resident student FTE is less at most CU campuses than at Metropolitan State University of Denver.* However, the state institutions that are not “R1” research institutions simply have fewer alternatives for supporting their operations, and their primary alternative to state support is tuition from students who are often already struggling both financially and academically. The access institutions have important weaknesses, including abysmal graduation rates, but their ability to improve these rates is dependent both on the support services they can provide and the level of financial strain faced by their students.

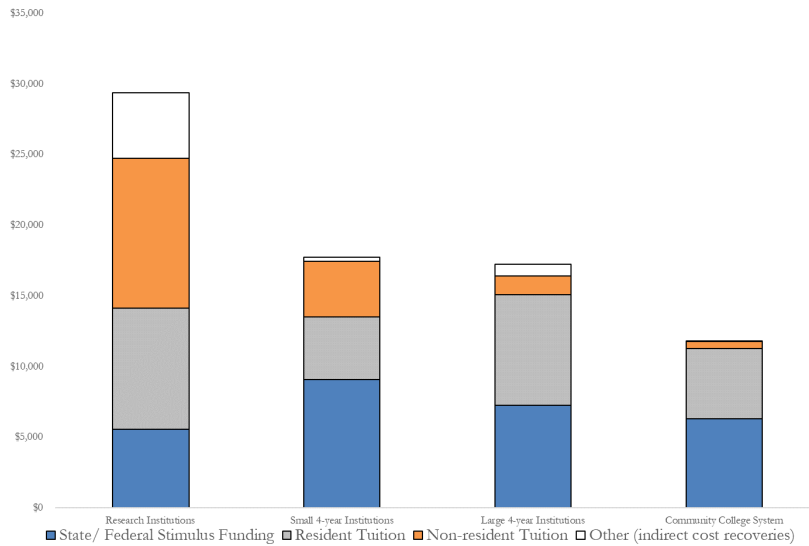
STATE GENERAL FUND PER RESIDENT STUDENT FTE AND TOTAL FUNDS PER TOTAL STUDENT FTE FY 2021-22		
	STATE FUNDING PER Resident Student FTE	TOTAL FUNDING PER Total Student FTE
Community College System	\$5,119	\$10,178
Colorado Mesa	5,822	14,729
MSU Denver	6,157	15,971
CU Denver	4,475	19,147
UCCS	4,701	17,467
CU Boulder	5,457	30,612

Source: Budget Data Book Submissions

PROPORTION OF FUNDING FROM THE STATE VERSUS STUDENTS FY 21-22



REVENUE PER STUDENT FTE BY FUNDING SOURCE FY 2021-22



HOW TO ALLOCATE FINANCIAL AID?

Section 23-3.3-103, C.R.S. requires that the annual appropriations for student financial assistance (need-based, merit-based, work-study, and assistance to national guard members and to dependents of deceased or disabled national guard members and first-responders), and the Colorado Opportunity Scholarship Initiative, increase, in total, by at least the same percentage as the aggregate percentage increase of all General Fund appropriations to institutions of higher education.

However, the General Assembly has flexibility in which type of financial aid to support among the funding categories in Section 23-3.3-103. For FY 2023-24, The Governor’s Office has proposed that the funding be used in three categories:

- \$500,000 for the Dependent Tuition Assistance program
- \$3,000,000 for the Colorado Opportunity Scholarship Initiative; and
- \$12,522,768 (the balance) for Need Based Grants

Staff supports this proposal, except that Staff calculates a somewhat higher figure for overall aligned aid. Staff has added additional amounts into Need Based Grants.

The Dependent Tuition Assistance Program provides financial assistance for the dependents for deceased or permanently disabled national guard members, law enforcement officers, firefighters and prisoners of war/military personnel missing in action. The current appropriation is \$1,143,700 General Fund. Statute requires this program to be the first-priority for state financial aid. Therefore, when funding is insufficient for this program, the Department must transfer funds from other financial aid line items. The program has been growing quite rapidly, despite statutory changes adopted in the 2019 session that require costs to be offset by federal financial aid benefits, when provided. The table below shows actual growth in the last three years and Staff’s projection of funding need if growth continues at the compound average annual growth rate. If so, an additional \$477,011 above the current appropriation would be required in FY 2023-24, which is very close to the additional funding proposed in the Executive Request.

DTAP LINE ITEM GROWTH ANALYSIS		
	COST	GROWTH %
FY 19	880,145	
FY 20	937,470	7%
FY 21	1,143,700	22%
FY 22	1,269,536	11%
FY 23 proj	1,434,417	13%
FY 24 proj	1,620,711	13%

The Colorado Opportunity Scholarship Initiative (COSI) promotes public/private partnerships to fund scholarships and support services for students who might not otherwise pursue or complete higher education. Its current appropriation is \$7,000,000 General Fund per year (excluding one-time ARPA appropriations). The request would increase this figure to \$10,000,000 General fund.

Created in H.B. 14-1384, COSI was initially seeded with a transfer of \$33.4 million from the CollegeInvest Financial Need Scholarship Fund and a \$1.0 million appropriation. In FY 2015-16 and FY 2016-17, the General Assembly appropriated \$5.0 million General Fund to the COSI Fund, from which the Department has continuous spending authority. In FY 2018-19, the Long Bill appropriation was increased to \$7.0 million. Senate Bill 20-006 modified the program to allow greater program flexibility. The appropriation was reduced by \$1.0 million in FY 2020-21 to assist in addressing the state budget shortfall related to the COVID-19 pandemic. This reduction was restored in FY 2021-22.

- Student Support Services: Funds may be awarded to state agencies and nonprofit organizations to assist such agencies and organizations with ensuring that student-success and precollegiate, postsecondary student support services are available to students who are classified as Colorado residents for tuition purposes; increasing the capacity for student support services at postsecondary institutions; and developing connections between local employers, public schools, precollegiate organizations, and postsecondary institutions.
- Administration: Up to 7.5 percent of amounts expended in the prior fiscal year may be used for direct and indirect administrative costs. Allows for a larger amount to be used for administration if authorized in any fiscal year by a footnote in the Long Bill.
- Scholarships: Money not used for the purposes above must be used to build a financial corpus capable of providing tuition assistance to eligible Colorado students attending eligible Colorado higher education institutions. Such assistance may include direct awards; matching incentives to create or increase other scholarships; loans, or any combination of these.
- Eligible Students: To the extent practicable, tuition assistance must be awarded to students representing rural and urban areas and students attending all types of higher education institutions (vocational schools, community colleges, 4-year institutions, research institutions). Also, to the extent practicable, tuition assistance must be evenly distributed between students with an expected family contribution (EFC) of less than 100 percent of the annual federal PELL grant award and students with an EFC between 100% and 250% of the annual federal PELL grant award.

The program has an advisory board comprised of the executive committee of the State Workforce Development Council, and three Governor appointees to represent research institutions, four-year postsecondary institutions and community colleges and area vocational schools. It requires this board to establish:

- eligibility for state agencies, nonprofit organizations, and public institutions of higher education to participate in the initiative;
- criteria for eligibility of students to apply for and receive grants from the initiative; and
- rules establishing permissible uses of grant and scholarship moneys from the initiative.

Community Partner Program (CPP) Grants: Consistent with the legislation, the program funds community partner grants for student support programs operated by non-profits, K-12 and higher education institutions with pre-collegiate, collegiate, and bridge programs to support student participation and success in higher education.

Matching Student Scholarship (MSS) Grants: The program offers grants to counties, higher education institutions, and workforce programs for matching scholarship grants. These grants have historically represented \$7.0 to \$7.5 million of annual COSI allocations. State grants are matched by scholarship funds from state and philanthropic sources. State higher education institutions and institutional foundations operating on behalf of county governments provide the matching funds. These entities then distribute the grants (state funds and matching funds) to income-eligible students. Disbursements vary between one and four years.

According to the request, COSI has served over 75,000 students across the state, providing scholarships (MSS) and wraparound student support services (CPP) utilizing over \$60 million of state funds and leveraging an additional \$30 million in local and private investment. The most recent annual program evaluation (2020-2021) data show that 88% of COSI students enrolled in CPP (TRIO-style support services) persist on their educational path. This is a significant outcome because the persistence rate of CPP students is up to 27 percentage points higher than their peers from similar socioeconomic and ethnic backgrounds. Students who receive COSI scholarships (MSS) perform even better with a 90% persistence rate from year one to two, outpacing their non-COSI counterparts by 17-22 percentage points. When a student receives a combination of both program supports (MSS and CPP), the students persist at much higher rates (92% for years one to two) than those who received CPP or MSS support alone. **The program has been subject to evaluation for multiple years by the DU Evaluation and Action Lab, and the request identifies this as a “proven”, from an evidence based policy perspective.**

Colorado Need Based Grants are provided for full-time and part-time graduate and undergraduate students with demonstrated financial need attending eligible institutions in Colorado, which include some private institutions.

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

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

The CCHE’s current formula for allocating need-based aid is based on the number of Pell-eligible individuals at each institution. It provides an increasing level of funding depending upon whether the student is a freshman, sophomore, junior, etc. The formula is designed to incentivize institutions in their efforts to retain students. In FY 2021-22, the program served 53,443 students with an average award of \$3,183

See information included in the Colorado Commission on Higher Education Financial Aid division for additional information about student financial aid and need.

Aligned Financial Aid Calculation

The calculation for the alignment, is based on the base figures below. Any amount above the base governing board funding for FY 2022-23 must be matched with a proportionate increase to financial aid. Staff notes that both the Department’s and the institutions’ request somewhat underestimated the amounts required for aligned financial aid based on staff’s calculations and recommendations for funding for the governing boards. Therefore, the Staff recommendation for financial aid includes:

- \$500,000 for the Dependent Tuition Assistance program
- \$3,000,000 for the Colorado Opportunity Scholarship Initiative; and

- **\$12,760,058** (the balance) for Need Based Grants

BASE FOR ALIGNED FINANCIAL AID INCREASE		
		SHARE OF TOTAL
Base FY 2022-23 Governing Board Support (proportionate financial aid increase for any amount above this) Includes: College Opportunity Fund program (except COF stipends at private institutions) and General Fund grants for the local district colleges and area technical colleges	1,034,793,123	81.2%
Base FY 2022-23 Financial Aid. Includes all appropriations for programs authorized in Article 3.3 of Title 23. This currently includes Need Based Aid, Work Study, the Dependent Tuition Program, the Colorado Opportunity Scholarship Initiative, Career and Technical Education scholarships, and Foster Youth Financial Assistance	239,265,459	18.8%
Total	\$1,274,058,582	

→ R2 TUITION SPENDING AUTHORITY INCREASE

Note: Tuition spending authority only directly affects the state-operated governing boards. However, because the need for tuition spending authority is closely related to the General Fund operating request for the institutions, staff has included it directly below R1.

REQUEST: The Governor’s request included cash funds spending on the institutions based on a proposed tuition cap of 4.0 percent for resident undergraduates (expressed as an assumption via Long Bill footnote) and 5.5 percent for nonresident students. Consistent with the General Assembly’s usual practice, the request does not assume restrictions on non-resident or graduate tuition or mandatory fees.

The January 2023 letter from the higher education institutions proposes a “sliding scale” in which more General Fund is associated with lower tuition caps, although the governing boards indicate that they are agreed to not oppose adjustments sought by individual institutions. Thus, the institutions propose that :

- With increased General Fund support \$268.7 million, including funding for financial aid, tuition could be restricted to 1.0 percent.
- With increased General Fund support of \$176.6 million, including financial aid, tuition could be restricted to 4.0 percent increase (consistent with the Executive request for tuition restrictions).
- With increased General Fund support of \$84.6 million (similar to the Executive request for General Fund support), tuition could be restricted to a 7.0 percent increase.

Staff would characterize the Institution’s proposal as indicating that each 2.4 percent increase in General Fund (including aligned financial aid) will “buy down” a 1.0 percent increase in tuition. As noted previously, each 1.0 percent in General Fund support = \$12.7 million. Thus, an increase of approximately 2.4 percent in General Fund (at \$12.7 million per percent or \$30.6 million) should result in a reduction in tuition of 1.0 percent, given total tuition revenue (resident and non-resident) of \$2.5 billion (1.0 percent = \$25.3 million).

In addition, the JBC has recently received letters from two institutions indicating that they would like permission to increase tuition levels related to special circumstances.

Western Colorado University has requested permission to include a differential tuition rate for engineering students who are in a 2+2 program that is a collaboration with the University of Colorado. Students remain at Western’s location in Gunnison throughout their studies, but they are enrolled at WCU for the first two years and enrolled and taught by professors from the University of Colorado for their last two years. Under the current pricing structure, partnership students do not pay for the fees that support the co- and extra-curricular opportunities in years 3 and 4 of their program. The proposed differential would allow Western to front-load fees for years 3 and 4. WCU notes that even with the additional charge, students will pay less for their tuition and fees enrolled at WCU than they would at Boulder. As shown, the proposed differential tuition would represent a large increase for engineering students at WCU.

Rady School CS&E Resident Student Cost of Attendance: Full Academic Year			
	FY2022-23 Actual	FY2023-24 Approved	\$ Change
Tuition (student share)	\$ 6,936.00	\$ 10,272.00	\$ 3,336.00
Mandatory Fees	\$ 3,877.10	\$ 3,955.25	\$ 78.15
Total	\$ 10,813.10	\$ 14,227.25	\$ 3,414.15

University of Northern Colorado has requested tuition flexibility up to a maximum of 6.0 percent. It states that underlying this request are the following elements:

- “All Pell-eligible students, which includes students with an expected family contribution (EFC) of up to \$6,656 and can include annual household incomes of up to \$72,000, will receive increases in financial aid sufficient to cover the increases in tuition and fees, and more in most cases.
- We have successfully responded to recent years of financial pressures with prudent and effective reductions in operating expenses, aligning limited resources with critical needs, and will continue to do so in FY24 and beyond.
- In collaboration with other Colorado institutions, we have advocated for an increase in state funding to higher education that would cover increases in base core minimum costs. However, inflationary pressures experienced by UNC in fiscal 2022-23 (FY23), which are expected to continue into FY24 and beyond, will exceed base core minimum cost increases.
- UNC is the most affordable research institution in Colorado and will continue to be so even with an increase in tuition of up to 6%.”

RECOMMENDATION:

- **As described during the budget briefing, staff recommends that, as a starting point, undergraduate resident tuition be restricted to a 4.0 percent increase via assumptions expressed in Long Bill footnotes.** *Staff is dubious that most institutions can, should, or would increase tuition much above this level, given the declining enrollment visible at most institutions. Cost is not the sole factor that leads a student not to attend or retain but it is a factor, particularly for low-income students who are the ones the institutions need to begin attracting and retaining. It is notable that many of the smaller institutions, including Adams and Western, have expressed their intention to keep most tuition increases well below 4.0 percent for resident students, even at the funding level requested by the Governor. Metropolitan State University has, furthermore instituted a “tuition lock” in which it promises that students will not pay more than their entering rate for four years, in an effort to retain more students.*

- All of the above said, **staff has generally been receptive to institutional proposals to increase tuition based on specific circumstances.** The State remains a “minority shareholder” in the majority of institutions—particularly the large research institutions. Public higher education in Colorado is a \$9.0 billion per year industry. While the State is able to provide meaningful support to small institutions, it does not have the financial capacity to bail out large institutions if they are struggling financially. Given this, it is difficult to second guess institutions’ business decisions.
- As described earlier in this document, in order to cover institutions’ inflationary increases in the face of declining enrollment, **it is not hard to justify a need for an increase of 10.0 to 11.0 percent in state support** combined with a 4.0 percent tuition cap. **If the General Assembly is unable to provide funding at this level, it should at least be willing to consider additional tuition increases for those institutions that wish to make this case.** Staff simply notes that at this moment, institutions seem to be all-over-the-map with respect to how they feel it is best to address declining enrollment and whether tuition increases will actually yield more revenue.
- From a theoretical perspective, if the General Assembly is going to contemplate “buying down” tuition rates, staff continues to believe its focus should be on resident student rates. From this perspective, staff would suggest that a 1.3 percent increase in General Fund support should “buy down” resident tuition by 1.0 percent, given that the state institutions were receiving just short of \$1.0 billion in state funding for FY 2022-23 and resident tuition for FY 2022-23 is \$1.3 billion. However, **given the wide variation in institutional circumstances, the current declining enrollment situation, and the wide variability in General Fund as a percentage of institutions’ budgets, this is difficult moment for “one size fits all”.**
- **Staff is comfortable recommending the WCU increase.** The rationale of needing to capture costs in the initial two years of enrollment at the school seems logical. Furthermore, engineering is one of the few fields in which the return on investment for students should be clear. Students graduating with an engineering degree will have earnings that should cover their educational costs, and costs related to providing engineering education are consistently higher than costs for other kinds of degrees across the State.
- **Staff has not had time to fully analyze the UNC request.** However, as staff has noted in the past UNC’s enrollment has fallen dramatically, and it has had to take many steps to cut its costs. Staff is not certain that a 6.0 percent tuition increase is a good bet for the institution, but also recognizes that it is managing a difficult situation as best it can. **Thus, staff has built an increase of 6.0 percent for UNC into the LCS tuition forecast as a preliminary measure.**
- **Staff assumptions continue to reflect no increase in nonresident tuition for Fort Lewis College, given that the General Fund pays the sticker price for the majority of nonresidents at the college.**

Calculation Details

Each year, the institutions submit their estimates of tuition and fee revenue for the current fiscal year and their forecast for the next year. Legislative Council Staff review actual enrollment data and discuss projections with the institutions to develop a separate tuition and enrollment forecast model. Staff has at times used the LCS model and at times the institutions’ model.

For the FY 2022-23 Long Bill supplemental and FY 2023-24 Long Bill staff is recommending using the Legislative Council Staff forecast, which now includes more helpful detail than in the past on resident, nonresident, graduate and undergraduate tuition. In recent years, the institutions' projections of revenue for the current fiscal year have at times been better than Legislative Council Staff's, and at times worse (which staff finds surprising given the institutions' day-to-day management of revenue and expenditures). The Legislative Council Staff forecast is \$28.8 million (1.2 percent) above the institutions' for the current year in total, and variances at most institutions are under 1.0 percent. The largest discrepancy is with Western Colorado University, and this is because WCU did not include graduate students and related tuition in its forecast, consistent with its historic practice, because these students are in cash-funded programs. However, it provided related data on students and revenue. To align with the data provided by other institutions, LCS included this data in its forecast. For FY 2023-24, the LCS forecast is also very similar if the same assumptions are included, with a variance of \$27,808,175 (1.1 percent). Apart from the difference in how WCU graduate students are treated in the two forecasts, the greatest differences are with the Colorado State University forecast. Legislative staff believe that there are technical problems in the Colorado State University institutional forecast, and the Colorado State University System has stated that it is "comfortable" with the LCS forecast.

FY 2022-23 LONG BILL SUPPLEMENTAL - TUITION FORECAST REVISION				
	ORIGINAL FY 23 FORECAST	REVISED FY 23 FORECAST	CHANGE	PERCENTAGE CHANGE
Adams State University	\$22,637,194	\$21,060,770	(\$1,576,424)	-7.0%
Colorado Mesa University	72,433,545	72,474,731	41,186	0.1%
Metropolitan State University of Denver	107,790,989	105,933,365	(1,857,624)	-1.7%
Western Colorado University	18,119,098	22,606,338	4,487,240	24.8%
Colorado State University System	504,153,663	514,295,872	10,142,209	2.0%
Fort Lewis College	46,325,775	41,082,166	(5,243,609)	-11.3%
University of Colorado System	1,222,479,222	1,231,985,642	9,506,420	0.8%
Colorado School of Mines	186,319,694	179,951,047	(6,368,647)	-3.4%
University of Northern Colorado	73,858,137	69,529,354	(4,328,783)	-5.9%
Community College System	273,669,582	273,542,690	(126,892)	0.0%
Total Tuition Revenue	\$2,527,786,899	\$2,532,461,975	\$4,675,076	0.2%

FY 2022-23 AND FY 2023-24 RECOMMENDED TUITION CASH FUNDS APPROPRIATION				
	FY 2022-23 (REVISED)*	FY 2023-24	CHANGE	PERCENTAGE CHANGE
Adams State University	\$21,060,770	21,181,571	120,801	0.6%
Colorado Mesa University	72,474,731	75,541,067	3,066,336	4.2%
Metropolitan State University of Denver	105,933,365	104,408,139	(1,525,226)	(1.4%)
Western State Colorado University	22,606,338	23,180,549	574,211	2.5%
Colorado State University System	514,295,872	538,476,261	24,180,389	4.7%
Fort Lewis College	41,082,166	43,148,578	2,066,412	5.0%
University of Colorado System	1,231,985,642	1,252,970,975	20,985,333	1.7%
Colorado School of Mines	179,951,047	187,886,990	7,935,943	4.4%
University of Northern Colorado	69,529,354	71,143,252	1,613,898	2.3%
Community College System	273,542,690	284,477,121	10,934,431	4.0%
Total Tuition Revenue	\$2,532,461,975	\$2,602,414,502	\$69,952,527	2.8%

*Includes recommended Long Bill Supplemental

The tables below show two viewpoints: (1) Institution viewpoint - The total revenue from General Fund and cash fund sources included in the Long Bill and how this changes by governing board under

staff's recommendation; and (2) The student viewpoint - the projected average weighted tuition and fees that will be paid per student.

INSTITUTION VIEWPOINT: TOTAL REVENUE AND TOTAL REVENUE PER STUDENT			
	FY 2022-23 LONG BILL (STAFF REC)		
	TOTAL E&G REVENUE	TOTAL STUDENT FTE	REVENUE PER SFTE
Adams State University	\$47,950,170	2,295	\$20,890
Colorado Mesa University	126,796,749	7,403	17,128
Metropolitan State University	223,219,361	11,377	19,620
Western State Colorado University	48,785,864	2,215	22,028
Colorado State University System	839,690,313	27,936	30,058
Ft. Lewis College	67,426,560	2,875	23,453
University of Colorado System	1,639,938,240	58,099	28,227
Colorado School of Mines	239,742,045	7,008	34,208
University of Northern Colorado	147,817,339	5,846	25,284
Community College System	591,062,705	44,936	13,153
Total or Weighted Avg.	\$3,972,429,347	169,991	\$23,369

STUDENT VIEWPOINT: FY 2023-24 PROJECTED TUITION AND MANDATORY FEE REVENUE PER STUDENT FTE			
	RESIDENT TUITION	NONRESIDENT TUITION	FEES
Adams State University	\$8,009	\$11,406	\$1,801
Colorado Mesa University	9,522	13,759	827
Metropolitan State University	8,604	23,522	2,530
Western Colorado University	7,390	19,406	2,699
Colorado State University System	12,856	31,435	2,995
Fort Lewis College	7,368	20,596	2,069
University of Colorado System	14,025	36,954	1,207
Colorado School of Mines	17,605	38,606	2,791
University of Northern Colorado	10,497	22,370	2,747
Community College System	6,010	14,052	352

→ BA2 STRATEGIC STAFFING SUPPORT FOR DEPARTMENT OF HIGHER EDUCATION

REQUEST: The Department requests funding for four new positions: a director of legislative affairs, a director of workforce development and credential attainment, a workforce development coordinator, and a college affordability outreach coordinator. It also seeks additional funds to increase salaries for two existing positions, its chief research officer and chief financial officer, as it has not been successful at recruiting and retaining for those positions. The total requested is \$534,270 General Fund in FY 2023-24. As requested, the Department anticipated that the positions would annualize to \$540,960

reappropriated funds from indirect cost recoveries in FY 2024-25; however, given changes to the indirect cost recovery structure recommended by staff, staff assumes that the ongoing costs would also be from the General Fund.

RECOMMENDATION: Staff recommends:

- Adding 2.0 FTE for workforce development coordination (noting that 1.0 FTE would also be a reasonable starting point for this function)
- Adding 1.0 legislative analyst position (not a “legislative director” position)
- Adding 1.0 *term limited* position to work on a statewide affordability campaign. Ideally, staff would like to add this position within legislation related to convening institutions, K-12 representatives, and other interested parties to develop a statewide affordability campaign. Alternatively, the Committee could add funding and a related Request for Information.
- Adding funding to raise entry salaries for the Chief Financial Officer position and Chief Research Officer positions requested by the Department.

While staff supports these adjustments in principle, staff is not prepared to recommend specific dollar amounts, pending analysis of data that was provided to the JBC analyst for compensation policy on comparative salary data for the Department on March 6. In response to earlier staff questions about the basis for salary levels included in the request, the Department responded as follows:

“We calculate salary amounts based on job responsibilities, job title, and managerial/supervisory responsibilities.”

Its response to a follow up question about the basis/data used to determine salary, the Department responded:

“The Department currently determines salary on a case-by-case basis. The analysis for salary is determined by and adjusted by equity and fairness in order to attract competitiveness. The department is hoping to use future budget requests as a baseline for salary determination going forward.”

The Department did ultimately provide some basis for the salary increases requested for the Chief Financial Officer and Chief Research Officer. However, given that the common policy analyst is looking at Department salaries more broadly, staff is holding off on this recommendation as well to ensure that there is no conflict/overlap with the common policy analyst’s conclusions.

EVIDENCE LEVEL: The Department indicates that funding is for the implementation of theory-informed program or practice as defined in S.B. 21-284 (Evidence-based evaluation for budget). Staff considers requests for staffing, such as this one, not applicable to the evidence-based framework.

ANALYSIS

BACKGROUND – DEPARTMENT SIZE, STRUCTURE, AND FUNCTION:

Attachments provide additional information on the Department’s current structure and the history of Department positions over the last five years. As shown:

- In FY 2018-19, the Department had **31.7** state funded FTE for implementing its “core” duties. This excludes federally-funded positions, positions that are actually located at institutions, cash-

funded staff of the Division of Private Occupational Schools, and COSI FTE (which have historically been off-budget), as well as College Assist and CollegeInvest staff (which are off-budget programs).

- In FY 2022-23, it had grown to **40.2** state funded FTE positions for “core” duties *excluding* term limited positions associated with one-time federal funds and General Fund. New ongoing positions include:
 - 0.5 FTE for support for the new financial aid assessment tool/CAFSA (FY 2019-20)
 - 1.0 FTE for a chief equity officer (FY 2021-22)
 - 2.0 FTE for new student outreach staff (FY 2022-23)
 - 4.0 FTE for foster care navigators (FY 2022-23)
- The General Assembly, Governor’s Office, and federal grants have also **temporarily** increased staffing substantially: 7.5 term-limited FTE were added in FY 2022-23 associated with ARPA funds and one-time General Fund appropriated for short-term initiatives.

The Department’s current organizational chart is available at the following link:

https://higher.ed.colorado.gov/DHE/DHE_org_chart.pdf

The table below, constructed by staff from appropriation and other records, shows a five year history of positions and an estimate of off-budget staff.

COLORADO DEPARTMENT OF HIGHER EDUCATION FTE					
	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Administration (GF/Indirect Costs)	30.0	30.0	30.0	30.0	30.0
<i>New general admin positions that Have Been Retained</i>					
Chief Equity Officer				1.0	1.0
H.B. 22-1366 Improving Students' Postsecondary Options (outreach staff)					2.0
Request BA2 Staffing (4.0 FTE Requested for FY 2023-24)					
Specialized line items supported GF/Indirect Cost Recoveries Managed by Department - Ongoing					
Rural Teacher Recruitment, Retention, Prof Dev./Rural Teaching Fellowship	0.8	0.8	0.8	0.8	0.8
Open Educational Resources Initiatives (repeals July 1, 2026)	0.9	1.0	1.0	1.0	1.0
Financial Aid Assessment Tool (H.B. 19-1196)		0.2	0.5	0.5	0.5
S.B. 19-190 Growing Great Teachers - Mentor Grants				0.5	0.5
S.B. 21-106 Fourth-year innovation Pilot (repeals July 1, 2027)				0.6	0.7
State Aid for Foster Students					3.7
Temporary/Term-limited Positions					
S.B. 19-190 Growing Great Teachers Act		0.9			
S.B. 21-185 Supporting Educator Workforce*				1.0	1.0
SB 22-181 Behavioral Health-care Workforce					1.0
Educator Loan Forgiveness (SB 19-003; and SB 22-185)		1.4		0.5	
CO Second Chance Scholarship (added and then removed)		0.8			
H.B. 21-1330 CO Re-Engaged & Assoc Degree Completion				1.0	
S.B. 22-1366 Financial Aid Toolkit					2.0
HB 22-1366 Financial Aid Assessment Tool Improvements					1.0
H.B. 22-1349 Student Success Data System					1.0
H.B. 22-192 Development & Implement Stackable Credentials					1.5
H.B. 22-1220 Educator Stipend/Test Stipend					1.0

COLORADO DEPARTMENT OF HIGHER EDUCATION FTE					
	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Subtotal - GF/Reappropriated Funded Positions, managed at DHE	31.7	35.1	32.3	36.9	48.7
<i>Excluding term limited</i>	<i>31.7</i>	<i>32.0</i>	<i>32.3</i>	<i>34.4</i>	<i>40.2</i>
Other Department <i>on-budget</i> FTE Line Items Managed within Dept					
Division of Private Occupational Schools (CF from fees)	9.8	9.8	9.8	10.4	10.3
GEAR UP (custodial FF)	39.1	39.1	29.1	29.1	29.1
Total excluding off-budget & positions that are located at IHEs (CGS, COSLI)	80.6	84.0	71.2	76.4	88.1
Other Department <i>off-budget</i> FTE (Only FY 22-23 estimate shown)					
COSI (<i>Many funds on-budget as deposit to COSI fund; no FTE shown</i>)					10.0
COHELPS (Federal apprenticeship grants)					5.0
CollegeAssist (maintenance for previous loan-guarantee function - FY22 data)					13.5
CollegeInvest (manages Colorado 529 accounts - FY22 data)					23.3
FY 2022-23 Estimated Ongoing Total with Off-budget Staff					139.9

Vacancy history: In response to the Committee’s common RFI, the Department reported that it had a 21.74 percent turnover rate, which is calculated department wide (including in off-budget positions). Vacancy savings in FY 2021-22 were \$609,296. The Department indicated that it generally does not hire temporary employees or increase salaries permanently, but does sometimes provides temporary increases to employees covering additional workload due to vacancies.

General Staff Comments: As discussed elsewhere in this packet and in staff’s budget briefing, overall enrollment in higher education has been declining for a decade--at the same time that the Department and the State have established ambitious goals relating to increasing postsecondary credentials. Adding positions in the Department may be worthwhile to the extent that the positions sought help move the State closer to achieving its goals, making postsecondary education more appealing and relevant, and supporting Colorado residents in receiving high quality education that moves them toward career goals. However, that’s a high bar. **Staff believes that the Department can reasonably justify all of the positions requested, but also has concerns about growing the Department’s central staff by 4.0 FTE (10.0 percent) in a period of stagnant higher education growth. Thus, staff has looked at the request with a particularly critical eye, and, while recommending positions, has also suggested where positions could be created at a lower level, term limited, or avoided.**

Components of the request that have different functions are treated separately in the discussion below.

INCREASED FUNDING FOR CHIEF FINANCIAL OFFICER AND CHIEF RESEARCH OFFICER POSITIONS

The Department has had failed searches attempting to hire these positions at the salary it was able to offer. It noted that it has had three CFO searches that produced no candidates with CFO experience and indicated a similar problem attempting to fill the Chief Policy and Research Officer position. The Department has requested a \$30,000 increase for the CFO position and a \$20,000 increase for the CRO position.

The Department did ultimately provide some basis for the salary increases requested for the CFO and CRO. However, given that the common policy analyst is looking at Department salaries more broadly, staff is holding off on this recommendation as well to ensure that there is no conflict/overlap with the common policy analyst's conclusions.

DIRECTOR OF WORKFORCE DEVELOPMENT & CREDENTIAL ATTAINMENT, AND WORKFORCE DEVELOPMENT COORDINATOR – 2.0 FTE

Request: The Department request includes 1.9 FTE (annualizing to 2.0 FTE) to help move toward a vision in which every degree program offered at a public institution of higher education includes a work-based learning experience. This would include:

- Encourage and guide institutions in embedding career readiness competencies and work-based learning into curriculum
- Increase student awareness of state workforce needs (Colorado Talent Pipeline information)
- Create a pilot work-based learning program via work study funding
- Convene institutional partners to ensure continuity for work-based vision
- Pursue strategies to increase representation of historically underserved populations in internships and work-based learning
- Expand institutions on the Eligible Training Provider list, making them eligible for federal funding
- Build on historic investments in workforce development made during the last two legislative sessions.

Recommendation: **Staff recommends adding the 2.0 FTE requested, and strongly supports adding at least 1.0 FTE position.** As previously noted, salary specifics are pending further analysis. Staff concurs with the Department that this is an important the positions, with some adjustments related to common policy. **However staff also believes that 1.0 FTE might be sufficient to get this new function up-and-running.** As described below, multiple state agencies have a presence in the career readiness space, and the Department will never be in a position to substitute for the work that is done at the institutions. **Staff anticipates that the key function of new positions will be to focus additional attention on this issue and bring together key players from the higher education institutions, which must implement this work on-the-ground.**

Analysis:

- Staff notes that “workforce development” is a function shared across multiple state agencies. The Colorado Workforce Development Council, in the Department of Labor and Employment, plays a coordinating role. Many temporary staff associated with major initiatives to build-out various types of new workforce development programs have been placed in the Department of Labor and Employment (H.B. 21-1264 workforce development) and the Governor’s Office (H.B. 22-1350 funding for Regional Talent Collaboratives). Apprenticeship programs are coordinated in the Department of Labor and Employment. Thus, the question for the Department of Higher Education is its appropriate role in ongoing workforce development and school-to-work pathways as this relates to existing institutions of higher education.
- **Staff agrees that the overall postsecondary ecosystem should be better integrated with workforce needs.** As both the Governor and the current Colorado Commission on Higher Education members emphasize, the primary driver for the majority of students to attend postsecondary education is post-graduation job prospects and earnings. This in no way negates

the many other benefits of postsecondary education, including personal growth and increased civic engagement. Nonetheless, **given the limited state support available for higher education and the significant personal financial sacrifices many students and families face in order to attend postsecondary education, students and families should expect a reasonable “return on investment”.** Staff believes a part of this is increasing the connections between students, institutions, and employers, so that students have meaningful work experiences and build their networks and resumes before graduation. This is particularly true for students who do not have professional networks and connections from their families.

- **As indicated in the request, the Department does not currently have any ongoing staff associated with this function.** It does have term-limited grant funded positions. This includes 5.0 FTE from federal funds that support a health apprenticeship initiative in collaboration with the community college system.
- Of all the positions requested, staff believes adding at least 1.0 FTE focused on better integrating higher education and workforce may be the position most likely to yield positive results for the State.

DIRECTOR OF LEGISLATIVE AFFAIRS – 1.0 FTE

The Department requests 1.0 FTE for a new Director of Legislative Affairs position to develop and refine higher education policy and legislative requests. The position would oversee the execution of legislation and collaborate with and support internal and external stakeholders to advance the goals of having every high school student graduate with some postsecondary experience and every college student graduate career ready. The position would supervise the Department’s legislative liaison.

Recommendation: **Staff recommends addition of a 1.0 FTE legislative analyst position.**

Analysis:

- Department staff have emphasized the challenges of having only one legislative liaison at the Capitol in an environment in which there are many higher education bills moving through the process in which the state (and not solely individual institutions) has an interest.
- Department staff have also emphasized the need for assistance in ensuring that legislation adopted at the Capitol is implemented by the Department in a manner consistent with the language (and presumably legislative intent). *This seems an appropriate role for an analyst.*
- A “director of legislative affairs” position that is responsible for “refining higher education policy and legislative requests” seems to staff to be the job of existing positions, namely the Executive Director and Deputy Director. Although it has grown in recent years, this is a small department with a primary function that involves convening and coordinating the higher education institutions and working with the Colorado Commission on Higher Education on advancing higher education policy.
- While staff can see how additional hands could be very useful in helping the Department to work through the details of legislation, another “director” position may be more than required.

COLLEGE AFFORDABILITY OUTREACH COORDINATOR – 1.0 FTE

The Department requests 1.0 additional FTE in the Division of Outreach and Attainment Services. The goal is to focus on ensuring students and their families are aware of postsecondary opportunities and ways to make college more affordable. The position will engage with other across the Department

to maximize knowledge of existing programs such as COSI, single stop, and targeted financial assistance programs, including federal Pell grants. The position will coordinate with high schools and institutions of higher education to disseminate related information, with a goal of increasing FAFSA completion and cost containment and affordability for learners.

Recommendation: Staff recommends a **term-limited position (up to three years)** to work on affordability-messaging issues. Staff recommends the term-limited position in coordination associated with legislation requiring the Department to convene higher education institutions and other stakeholders in developing a common affordability message and developing strategies for disseminating this information.

Analysis:

- The Department at one time had 14.0 FTE working on out “College in Colorado” outreach funded with custodial funding (from CollegeAssist revenue and then the Kresge Foundation) that has not been available since FY 2018-19. For FY 2022-23, the Department submitted a request for 2.0 FTE for a new outreach division. **JBC staff recommended that the Department pursue statutory authority (which did not exist) and that the focus of new staff follow recommendations from the 2022 FAFSA Work Group report**, which included recommendations to develop a team to serve as a resource on student aid applications, including staff to assist in statewide aid application completion, with accountability for implementing and maintaining work group recommendations; and implement a communications campaign in multiple languages to increase awareness about the benefits if filing for a FAFSA or CAFSA, among other recommendations.
- **HB. 22-1366 (Improving Students’ Postsecondary Options) added \$250,000 and 2.0 FTE** to work with internal divisions and external agencies on trainings, events, and coordination tools for postsecondary career planning and completion of the Free Application for Federal Student Aid (FAFSA). Section 23-1-119 (6)(a), C.R.S., now directs the Department to “establish an outreach team to provide training to and establish partnerships between the department and school districts, charter schools..., or a board of cooperative services created...to assist them in preparing students to transition from the K-12 education system...”
- **Staff is very supportive of having the Department work on the “affordability message” project and believes an additional position in the near term may be necessary, but not sufficient—the reason staff is recommending related legislation.** Before committing to a new long-term position, staff would like to see if this position, with related resources, can be successful in helping to launch statewide affordability messaging. Depending upon the results and the assessed need in two years, the General Assembly could consider retaining the function.

→ SI COLLEGE AFFORDABILITY CONVENING AND MESSAGING [LEGISLATION RECOMMENDED/RFI OPTION]

RECOMMENDATION: Staff recommends that the Committee sponsor legislation that requires the Department to convene higher education leaders in several position categories, as well as K-12 school personnel, students, and other community partners, to identify a common higher education affordability message targeted to students and families beginning as early as middle school. If the

Committee is not interested in sponsoring a bill, staff would recommend adding a Request for Information and some related funding as a lower-profile option.

Staff recommends a set-aside for legislation or a one-time appropriation of \$100,000 if the JBC wishes to pursue the RFI route.

ANALYSIS:

- **This is the second year staff has recommended that the Department work with the institutions to identify a common “affordability message” that might ultimately percolate through the K-12 system and help address college affordability perceptions among students, and particularly low-income students.** As staff has noted, there is a real affordability problem for both low- and middle-income students, because even student who qualify for financial aid do not receive sufficient support to cover their living costs. However, students’ perceptions that college is too expensive often result in students not completing the FAFSA and discovering the support that is available should they wish to attend college.
- The Department has been successful working with individual institutions in encouraging them to adopt “free college” messaging. However, it has clearly hit roadblocks in reaching statewide agreement,
- As reflected in BA2, the Department is requesting 1.0 FTE to assist with this project. Staff suspects that the expertise needed (facilitation, negotiation, and statewide communications, as well as the ability to examine financial aid data) are unlikely to be found in a single position hired by the Department.
- Key Observations from Staff’s Budget Briefing on Increasing Awareness About Financial Aid:
 - **Colorado has a poor college-going rate. Among students who graduated in 2020 (during the pandemic) 50.5 percent enrolled in postsecondary education in the fall after graduation, a decline of over 5 percent from the prior year.** ⁸ **Even in 2019 (pre-pandemic), only 56.3 percent enrolled in postsecondary education the next fall.** This figure was 51.4 percent for rural students, 51.9 percent for Black students, and 45.9 percent for Latinx students. While some enroll later, for students who completed high school in 2017, over **one-third had not enrolled in postsecondary education two years after graduation.** Colorado is behind other states. **Nationally, even in 2020, 63 percent of high school graduates enrolled in a two-year or 4-year institution immediately.**⁹

⁸ Colorado Department of Higher Education, Pathways to Prosperity: Postsecondary Access and Success for Colorado's High School Graduates, 2021 and 2022 Reports
https://higher.ed.colorado.gov/Publications/Reports/Legislative/PostSecondary/2022_Postsecondary_Progress_rel20220503.pdf

and
https://higher.ed.colorado.gov/Publications/Reports/Legislative/PostSecondary/2021_Postsecondary_Progress_rel20210415.pdf

⁹ National Center for Education Statistics, Immediate College Enrollment Rate.
<https://nces.ed.gov/programs/coe/indicator/cpa>

- **Colorado has one of the lowest completion rates in the nation for the Free Application for Federal Student Aid (FAFSA). As of summer 2021, the FY 2020-21 FAFSA completion rate was 42.1 percent,** having fallen from the previous 44.4 percent.¹⁰ Thus, many students never learn about the financial aid for which they are eligible. According to a report developed for the Department of Higher Education, **almost half of student who do not complete the FAFSA are predicted to be eligible for a Pell grant.**¹¹ The Department of Higher Education currently estimates that **Colorado left \$43.3 million in federal Pell funding “on the table”** in 2020 due to students who did not complete the FAFSA.
- **The cost of college--and particularly the full cost of attendance including room and board--is a real obstacle for students. However, the *perceived* cost is a problem too.** A 2018 U.S. Department of Education publication, *What High Schoolers and Their Parents Know About 4-Year Tuition and Fees in Their State*, cites previous studies and new data demonstrating the degree of misperception.

"Most high school students and parents are unaware of the actual price of college, and those who offer their best approximations tend to overestimate rather than underestimate prices...Minority and low-socioeconomic-status families in particular are less knowledgeable."¹²

- **Many Institutions—including low-resourced institutions—already promise no tuition & fees for students with incomes below a threshold.** Data provided by the Department in 2021 (last year) indicated that students coming out of high school who qualified for the maximum federal grant (federal assistance of \$6,345 in FY 2020-21) and attended full time did not pay tuition or mandatory fees at any public higher education institution in the state. Data provided by the Department indicates that financial aid exceeded estimated tuition and fees for almost any student who attended full time (at least 24 credit hours per year) and qualified for the maximum federal Pell grant, regardless of age. This was true for 100.0 percent of students attending community college. This is also true for between 88.1 percent and 100.0 percent of students at the four year institutions, depending upon the institution.¹³ Furthermore, Colorado students coming out of high school who qualified for a Pell grant of any size and attended full time were usually able to attend public institutions without paying tuition or mandatory fees. This was not true at two four-year institutions with an open access/modified open access mission, Colorado Mesa University and the Metropolitan State University of Denver, and might not be true for all students at other institutions. **Students who qualify for any Pell grant have very**

¹⁰ Department information for H.B. 21-1330 Financial Aid Working Group. <https://cdhe.colorado.gov/higher-education-student-success-legislation-hb21-1330-authorizes-federal-american-rescue-plan>

¹¹ Hanover Research, *Best Practices Analysis: FAFSA Completion Trends*, Prepared for the Colorado Department of Higher Education, October 2021.

¹² Erin Dunlop Velez and Laura Horn, *What High Schoolers and Their Parents Know About Public 4-Year Tuition and Fees in Their State*, U.S. Department of Education Stats in Brief, October 2018 citing previous research. <https://nces.ed.gov/pubs2019/2019404.pdf>

¹³ Those institutions where the total was not 100.0 percent generally conduct additional financial aid screening to determine if someone who appears to have a low income also has high assets.

low incomes. Nonetheless, those qualifying for a Pell grant of any size comprised one-third of the Colorado resident headcount prior to the pandemic.

- **Many of Colorado's postsecondary institutions are suffering from declining student enrollment.** This is particularly true at institutions that traditionally serve disadvantaged students. The pandemic has exacerbated these trends. Community colleges, Metropolitan State University of Denver, the University of Northern Colorado, and even Colorado State University have seen declining enrollment among resident students. To thrive, Colorado public institutions need to enroll and retain students who have not historically attended college. If they can do this well, the institutions, the students they serve, and the State will benefit.
- Postsecondary public institutions in Colorado compete with each other to attract students, who provide their largest source of revenue: tuition. Staff does not expect institutions to stop competing. However, **staff believes it would be in the interest of all of the public institutions--and certainly in the State's interest--to have a clear overarching message that principals and counselors could use to help students in middle and high school see college as a realistic option.**
- **This is a good time for the State to begin communicating about college affordability, given recent federally-enacted FAFSA simplification.** The federal Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA), signed December 27, 2020, included critical changes to simplify the FAFSA, reducing the number of FAFSA questions from 108 to a maximum of 36. The simplification provisions, as amended in 2022, generally take effect on July 1, 2024 and apply to award year 2024-25. An analysis by the Urban Institute concludes that...**"the formula changes will make it much easier to communicate to students their likely eligibility for the maximum Pell award before they fill out a FAFSA."** The Urban Institute further estimates that, under the new formula, 76 percent of Pell recipients will receive the maximum grant.

Amount: Staff suggests a set-aside of \$100,000 General Fund to cover costs associated with convening and facilitating various groups to identify appropriate messaging and initial costs related to developing materials and a statewide messaging campaign.

→ SI INDIRECT COST COLLECTION ADJUSTMENTS

REQUEST: The Department did not submit a formal request for an indirect cost collection adjustment. However, consistent with the usual practice, it submitted the data necessary for the staff to make related funding adjustments on February 27, 2023.

The request includes calculations for both:

- Departmental indirect cost collections; and
- Statewide indirect cost collections.

In total, the indirect cost collection data provided indicates that statewide indirect cost collections will increase from \$3.5 million in FY 2022-23 to \$4.5 million in FY 2023-24 and that departmental indirect cost collections will increase from \$4.3 million in FY 2022-23 to \$5.0 million in FY 2023-24.

The JBC took supplemental action to “direct-fund” the Department for FY 2022-23. The Department and JBC Staff agreed on the following approach for FY 2023-24, given the timing of proposed changes.

- Treat the FY 2022-23 supplemental indirect cost adjustment to direct-fund the Department as a one-time action that “annualizes” (reverses).
- Use the final FY 2023-24 indirect cost collection spreadsheets to apply a process like the one used for the FY 2022-23 supplemental, i.e., appropriate General Fund to support Departmental operating costs in lieu of departmental indirect cost collections. Reduce General Fund appropriations to the institutions by the amount that would otherwise be collected from them for indirect cost recoveries, with a net \$0 General Fund impact for the institutions and the State.
- Beginning in FY 2024-25, treat the FY 2023-24 institutional funding and the Department’s General Fund as the new base, i.e., we will not repeat the FY 2022-23 and FY 2023-24 process.

STAFF RECOMMENDATION: Staff recommends that the Committee approve the following changes to FY 2023-24 appropriations for the Department of Higher Education.

- Apply the methodology used in the past to identify total indirect cost recoveries for FY 2023-24 and allocate the recoveries among the institutions of higher education and other entities that rely on statewide and department administrative services. Using the methodology previously adopted, the indirect cost recovery plan for FY 2023-24 provides a total of \$9,538,602 to offset General Fund otherwise required, based on both departmental and statewide indirect cost recoveries. (See table below.) **These changes have been included in the numbers pages at the time of figure setting.**
- Consistent with the steps taken through FY 2022-23 supplemental action to “direct fund” the Department, remove a portion of the overall indirect cost recovery plan attributable to recoveries from institutions of higher education (all of which are enterprises or otherwise outside the State’s TABOR district). These changes reduce General Fund distributions to the state institutions of higher education for fee-for-service contracts and grants *but simultaneously reduce institutions’ obligations to make indirect cost payments to the State by the same amount.* The net result from an institutional perspective is no change in funding. However, these modifications eliminate a double-count of TABOR revenue in the state’s accounting system. The adjustments will enable the State to retain \$4,722,632 in General Fund revenue that would otherwise be treated as excess General Fund that must be returned to taxpayers. **These changes are not yet included in the numbers pages and will be added after total funding for the governing boards is established.**

INDIRECT COST RECOVERIES: FY 2023-24 BUDGET CHANGES FOR DEPARTMENTAL AND STATEWIDE
INDIRECT COST COLLECTIONS

	FY 2023	FY 2024	FY 23 ABOVE/(BELOW) FY 22	NET GENERAL FUND IMPACT
A) Statewide Indirect Cost Collections	\$3,548,707	\$4,536,186	\$987,479	(987,479)
B) Departmental Indirect Cost Collections	4,306,554	5,002,416	695,862	(695,862)
Total Plan Changes with IHEs	\$7,855,261	\$9,538,602	\$1,683,341	(1,683,341)

**INDIRECT COST RECOVERIES: FY 2023-24 BUDGET CHANGES FOR DEPARTMENTAL AND STATEWIDE
INDIRECT COST COLLECTIONS**

	FY 2023	FY 2024	FY 23 ABOVE/(BELOW) FY 22	NET GENERAL FUND IMPACT
REMOVE: Portion of Departmental Indirect Cost Recoveries paid by institutions of higher education ¹	(4,059,676)	(4,722,632)	(662,956)	662,956
C) Remaining <u>Departmental</u> Indirect Recoveries after remove institutions of higher education	246,878	279,784	32,906	(32,906)
Statewide+Remaining Departmental IC Recoveries that offset General Fund otherwise required (A+C)	\$3,795,585	\$4,815,970	\$1,020,385	(\$1,020,385)

¹While indirect cost recoveries will be reduced, direct appropriations to institutions of higher education will be reduced by the same amount. Thus, the net impact on both state General Fund appropriations and the IHEs will be \$0. However, because the payments from the institutions to the State will no longer be received or counted as TABOR revenue, the State will retain \$4,722,632 it would otherwise be required to refund to taxpayers.

**RECOMMENDED LINE ITEM ADJUSTMENTS TO FY 2023-24 HIGHER EDUCATION LONG BILL FOR
INDIRECT COST RECOVERY SYSTEM CHANGES**

	Total	GENERAL FUND	RF DEPARTMENTAL INDIRECT COST (IC) RECOVERIES	RF OTHER REAPPROPRIATED (DOUBLE COUNTS)
Replace Departmental IC recoveries in Department Administration line items & potentially Need Based Aid with General Fund	\$0	\$4,722,632	(\$4,722,632)	\$0
Reduce Fee for Service Contracts with state governing boards	(8,991,920)	(4,495,960)	0	(4,495,960)
Reduce local district and area technical college grants	(226,672)	(226,672)	0	0
Reduce indirect cost collection line item (double count)	(4,722,632)	0	0	(4,722,632)
Total Adjustments	(\$13,941,224)	\$0	(\$4,722,632)	(\$9,218,592)

Continue a related footnote for one more year to reflect the General Assembly's expectation that a TABOR double-count will be eliminated as a result of this change.

37 Department of Higher Education, Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Indirect Cost Assessments -- THIS LINE ITEM INCORPORATES A REDUCTION IN INDIRECT COST COLLECTIONS FROM THE HIGHER EDUCATION GOVERNING BOARDS. THIS CHANGE REDUCES a double-count of revenue under which the Department disburses funds to the institutions and then counts indirect cost assessments received from the institutions as revenue to the State's TABOR district. This change is expected to enable the State to retain an additional ~~\$4,059,676~~ \$4,722,632 in General Fund revenue under the State's Referendum C cap.

Notes on Mechanics

Adjustments will occur as follows:

- Annualize/"reverse" the FY 2022-23 supplemental adjustment to the indirect cost collection structure. This results in a net \$0 General Fund appropriation change and a reduction of \$11,971,829 reappropriated funds. (See staff supplemental write-up for details.) Thus, both the

Department funding and institutional funding begins at a level consistent with the various higher education funding models that have been distributed.

- Apply the indirect cost collection changes described after final appropriations for the higher education in institutions have been settled. **Therefore these changes are not yet incorporated in the numbers pages. Once they are, there will be a net \$0 General Fund impact but—as for the supplemental adjustments for FY 2022-23—total reappropriated funds (double-counts) will decline.**
- In order to comply with statute, *mechanically*, staff will reduce funding for all of the institutions in Step 2/the “Performance Funding” section of the model, where base funding is included. Staff will then make adjustments through a “Step 1” component to ensure that the adjustment for each governing board is consistent with the higher education indirect cost collection plan for FY 2023-24.

STAFF ANALYSIS

SUMMARY:

- For decades, the State has collected indirect cost recoveries from institutions of higher education and other entities that use central department and state services. The money collected helps to cover the costs of those services. Indirect cost recoveries are assessed for statewide functions (such as services provided by the Department of Personnel and Administration) and for the administrative services provided by the Department of Higher Education. The indirect cost recoveries offset General Fund otherwise required.
- The State also distributes General Fund to the higher education institutions via fee-for-service contracts. A portion of these funds are then repaid to the Department as indirect cost collections to support department administrative activities.
- Last year, staff determined that, because the institutions are TABOR enterprises (or otherwise outside the State’s TABOR district), this indirect cost collection system results in a double-count of revenue to the State. Tax payments are counted as TABOR revenue and deposited in the General Fund but are then counted a second time when the institutions pay indirect cost collections back to the Department.
- To avoid this double count, the JBC took supplemental action for FY 2022-23 to eliminate indirect cost collections for departmental functions, with no change to the statewide indirect cost collection structure.
- For FY 2023-24, the staff recommendation combines the historic approach to indirect cost collection calculations, including both departmental and statewide collections based on updated calculations, but then makes adjustments to “back out” departmental indirect cost collections, consistent with the action take for the FY 2022-23 supplemental.

BACKGROUND – INDIRECT COST COLLECTIONS IN THE DEPARTMENT OF HIGHER EDUCATION:

Indirect cost collections are used throughout state government as a mechanism for supporting central administrative activities. These revenues support executive directors, human resources, budgeting and other activities that cannot be easily assigned to a particular grant or funding source. Most Colorado state departments collect indirect costs based an agreement with the federal agency with which they are most closely associated. The agreement may allow for specific percentages of all grants to be collected as indirect cost recoveries based on a relatively simple calculation or may have complex mechanisms for determining administrative time spent on different grants and activities to identify how much may be collected from each grant or program. An agency’s agreement with the federal

government is usually applied to state cash fund sources, as well as federal funds, managed by the agency. For most state agencies, the indirect cost recovery revenue is then used in the department’s executive director’s office to offset state General Fund that would otherwise be required.

The Department of Higher Education has historically had two major streams of indirect cost collection revenue that have offset General Fund otherwise required for department administration and some other costs:

- *Statewide* indirect cost recoveries are collected to support statewide programs such as state risk management, statewide human resources, the State Controller’s Office, and other activities in the Department of Personnel and the Governor’s Office. Statewide indirect costs are collected from higher education institutions that use these state services. Although the activities for which indirect recoveries are being collected generally occur in the Department of Personnel or the Governor’s Office, the indirect cost revenue received from higher education institutions is used to offset General Fund otherwise required in the Department of Higher Education.
- *Departmental* indirect cost recoveries are collected from higher education institutions, as well as grant-funded programs within the department, to support the administrative responsibilities of the Department of Higher Education itself. *The Colorado Department of Higher Education differs from most other state departments in that its indirect cost collection structure for **departmental** functions is **not** driven by federal requirements or negotiated with a federal “cognizant agency”.* However, nearly 80 percent of departmental operating costs for core administration functions are covered by indirect cost collections, drawn primary from the state governing boards. Thus, a large share of the Department’s activities are paid for by the higher education governing boards, much as Department of Personnel or OIT staff are supported by the state agencies that they support.

The table below summarizes departmental indirect cost recoveries in FY 2021-22 and FY 2022-23.

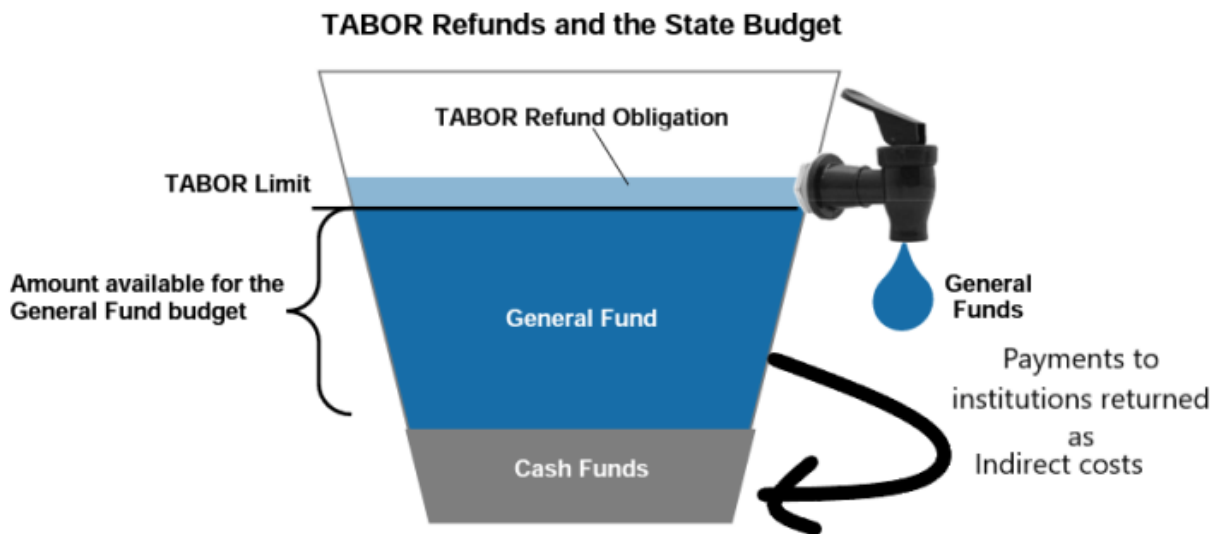
DEPARTMENT OF HIGHER EDUCATION INDIRECT COST RECOVERIES COLLECTED AND GENERAL FUND OFFSET		
	FY 2021-22	FY 2022-23
Statewide Indirect Cost Collections	\$3,311,377	\$3,548,707
Departmental Indirect Cost Collections	4,050,132	4,306,554
Total Plan	\$7,361,509	\$7,855,261
General Fund offset from Indirect Cost Collections	(\$7,361,509)	(\$7,855,261)

The above structure has been in place for many decades, and based on work conducted by the Department in response to a FY 2019-20 RFI, the departmental indirect cost model was further refined for FY 2020-21. However, **for reasons described further below, JBC Staff recommended significant changes, beginning with FY 2022-23 supplemental action, so that indirect cost collections for *departmental* activities no longer comprise such a large share of department funding and the department instead receives direct General Fund support.** (Staff is not recommending any changes to the *statewide* indirect cost collection system at this time.)

TABOR IMPLICATIONS OF INDIRECT COST COLLECTIONS FROM HIGHER EDUCATION INSTITUTIONS

The higher education institutions are all counted as “enterprises” as defined by Article X, Section 20 of the State Constitution. As a result, payments to the institutions, in the form of fee-for-service

contracts or grants, leave the State’s TABOR “district”. When the institutions then *pay* the State for services using the indirect cost collection mechanism, this is counted as cash funds to the State. Increases in cash funds revenue to the State drive more revenue above the TABOR cap and this, in turn, drives taxpayer refunds, as reflected in the picture below.



Other TABOR enterprises may in some cases also make payments to the State, which are also counted as TABOR cash funds revenue. However, the higher education institutions differ from most state enterprises in that the State is also *paying* the higher education institutions considerable amounts of General Fund for the services they provide. *Thus, the revenue received from the institutions for indirect cost collections is effectively a double count of General Fund revenue that was already counted as general tax revenue when it first arrived at the State.*

Staff concluded that this issue could not be easily addressed with respect to *statewide* indirect cost collections, which are based on a policy that applies to all state entities. However, it could be addressed for *departmental* indirect cost collections, which affect only the Department of Higher Education. The plan for departmental indirect cost recoveries is tied to policy and practice, but not law. For departmental indirect cost collections, the solution is to direct-fund the department and balance the General Fund impact by reducing payments to the institutions.

As outlined in the staff supplemental briefing presentation, direct-funding the Department also resolves some confusion created by the indirect cost collection structure that affected both legislators and the Department itself.

(1) DEPARTMENT ADMINISTRATIVE OFFICE

This division includes funding for centrally appropriated items for:

- the Colorado Commission on Higher Education and central administration for the Department of Higher Education and the GEAR-UP program
- the Division of Private Occupational Schools;
- and History Colorado.

These centrally appropriated items include salary survey, risk management, leased space, health benefits, and other miscellaneous expenses. *These expenses are not appropriated centrally for the higher education institutions or other divisions within the Department.* The sources of cash funds include limited gaming revenues deposited in the State Historical Fund and various fees. The source of reappropriated funds is statewide and departmental indirect cost recoveries.

DEPARTMENT ADMINISTRATIVE OFFICE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 Appropriation						
FY 2022-23 Appropriation	\$6,594,809	\$924,547	\$3,262,769	\$1,518,936	\$888,557	0.0
TOTAL	\$6,594,809	\$924,547	\$3,262,769	\$1,518,936	\$888,557	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$6,594,809	\$924,547	\$3,262,769	\$1,518,936	\$888,557	0.0
BA2 Strategic staffing support for DHE	0	0	0	0	0	0.0
NP BA OIT Accessibility	3,227,543	911,188	2,316,355	0	0	14.0
NP BA DPA pay plan	647,805	439,263	43,044	53,586	111,912	0.0
NP BA Operating expense inflation	0	0	0	0	0	0.0
NP Other nonprioritized	87,176	20,589	40,779	25,808	0	0.0
SI fund source adjustment	0	1,916,355	(1,916,355)	0	0	0.0
Centrally appropriated line items	1,627,337	286,499	478,128	187,744	674,966	0.0
Annualize prior year budget actions	(622,630)	(180,373)	(249,517)	(115,193)	(77,547)	0.0
TOTAL	\$11,562,040	\$4,318,068	\$3,975,203	\$1,670,881	\$1,597,888	14.0
INCREASE/(DECREASE)	\$4,967,231	\$3,393,521	\$712,434	\$151,945	\$709,331	14.0
Percentage Change	75.3%	367.0%	21.8%	10.0%	79.8%	n/a
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$779,463	(\$1,796,711)	\$2,254,207	\$183,422	\$138,545	0.0

DECISION ITEMS - DEPARTMENT ADMINISTRATIVE OFFICE

→ COMMON POLICY ITEMS, NON-PRIORITIZED REQUESTS FOR CENTRALLY-APPROPRIATED ITEM, AND FUNDING SPLITS

The staff recommendation for items on which the Committee has taken action is based on Committee common policy. Staff has relied on common policy tables distributed by JBC staff and, in some cases, Department of Personnel common policy templates.

The Executive Request included Department of Personnel Request BA2 (DPA Pay Plan), which proposed significant funding increases for non-classified staff in this department and others. As of this writing, this request is *pending*. While amounts are included in staff tables, this does not represent a staff recommendation. Staff understands that the analyst responsible for statewide compensation policy will be presenting a staff comeback that addresses this request.

The Executive Request also included a nonprioritized statewide operating expense inflation request that was applied to many centrally appropriated line items. The application to centrally-appropriated line items was a technical error in the request, and the Committee has denied the request overall.

The Staff recommendation incorporates common policy decisions as adopted to-date. **Staff requests permission to make further adjustments to amounts shown based on common policy decisions that are still pending, including adjustments to funding sources for these common policy items if required.** One related item is discussed below.

→ SI FUNDING SOURCE CHANGE FOR HISTORY COLORADO IT ACCESSIBILITY

REQUEST (OUTSIDE OF NORMAL PROCESS): In a memorandum to staff dated March 1, 2023, History Colorado requested that the Committee consider supporting its portion of the cost for the implementation of H.B. 21-1110 (Concerning Laws for Persons with Disabilities) with General Fund, rather than relying on limited gaming revenue, as was requested, to cover the cost of this requirement.

The amount requested for History Colorado (on which the JBC has not yet taken action) is \$2,316,355 and 12.0 FTE. History Colorado states that its submission of the request followed OIT guidance to use the current Payments to OIT Fund splits for this new request. History Colorado's Payments to OIT are currently completed cash funded from gaming revenue deposited to accounts in the State Historical Fund. At the time of submission, History Colorado believed it could accommodate the cost, due to a fund balance of \$4.4 million related to federal PPP (Paycheck Protection Plan) loan forgiveness, State General Fund that had been provided on a one-time basis in FY 2021-22 for History Colorado sustainability, which offset expenses that would otherwise have been paid with gaming revenue, and payroll savings from vacancies.

However, History Colorado now realizes that using reserves at the level requested would: (1) make it impossible to comply with a two month operating expense reserve requirement adopted by the History Colorado Board in 2021 (\$4.0 million); and (2) will eliminate its ability to invest in a range of special projects identified by its staff that it hopes will grow the institution's revenue over the longer term. History Colorado also provided a list of over \$3.0 million in unbudgeted funding needs identified by

its staff, ranging from needs for additional FTE for overnight security and adobe maintenance to funding for public wifi.

History Colorado also notes that current projections are for only moderate gaming revenue growth going forward, with LCS projecting 3.4 percent in FY 2023-24 and 1.8 percent for FY 2024-25.

Because of this, History Colorado requests that the JBC consider supporting this request with General Fund.

RECOMMENDATION: Staff recommends requiring History Colorado to cover a portion of the total required using History Colorado reserves, but recommends that the General Fund cover the balance of this significant one-time cost. The impact of the staff recommendation, described below, is a one-time General Fund increase of \$1,916,355 (pending any final adjustments related to Committee common policy).

The table below shows History Colorado’s analysis of projected reserves as of the end of FY 2022-23 compared to the operating reserve policy established by the History Colorado Board.

Fund Balance by Fund	FY22 Actual	FY23 Projected
Fund 4390- Museum and Preservation Operations Account	\$ 4,372,294	\$ 4,375,910
Fund 5090- Enterprise Services Cash Fund	\$ 30,716	\$ 82,089
Fund 5095- Community Museums Cash Fund	\$ 253,421	\$ 315,508
Fund 7240- Unrestricted Contributions Cash Fund	\$ 548,733	\$ 474,250
History Colorado Reserve Requirement (2 months Operating)		\$ 4,022,115
*HC reserve includes FY23 budgeted operating expenses, less the COP payment		

- Based on this data, it appears that History Colorado projects that it will have cash funds of **\$1,225,642 above the reserve level established** by the Board at the beginning of FY 2023-24.
- **Staff recommends that History Colorado be expected to contribute \$400,000 of this amount toward the IT Accessibility project, leaving over \$800,000 for investment in future special initiatives.**

Basis for Staff recommendation:

- **Staff supports the wish of History Colorado’s Board to maintain two months of operating costs as a reserve.** This is consistent with the minimum reserve requirement of 15.0 percent the State is currently maintaining. History Colorado’s revenue streams from earned revenue, as well as gaming, have not been as steady as desirable. The State has already taken on the cost of History Colorado’s current COP payment for the History Colorado Center. When History Colorado revenue waivers or state revenue declines demand statewide cuts, the availability of reserves at History Colorado is likely to be helpful.
- **Staff also appreciates History Colorado’s ongoing efforts to become more entrepreneurial and increase its statewide presence,** and having money that might be used toward this in the future is likely to be helpful. Because of this, staff is not recommending using all amounts beyond the 2-month reserve for the Accessibility initiative.

- **At the same time: (1) Staff would like to limit the impact on the General Fund for an initiative that was not built into the Executive request; and (2) Staff believes it is appropriate for History Colorado to have some “skin the game” for an initiative that should increase public access for persons with disabilities.** This is one of the few truly public-facing entities in state government, and making exhibits and resources available to people with disabilities is a reasonable use of some of the one-time funds it currently has available.
- Staff notes that, **based on a comparison of amounts included in the FY 2023-24 budget and the projected FY 2022-23 gaming revenue to be available for use in FY 2023-24, the Department may need to spend additional funds from reserves to cover the existing operating budget.** The following compares the amounts included in the budget from the Museum and Preservation Operations Account of the State Historical Fund with anticipated obligations based on the budget, even *after* the adjustment to provide additional General Fund for the IT Accessibility initiative.

FY 2023-24 PROJECTED REVENUES VERSUS BUDGETED EXPENDITURES FROM MUSEUM AND PRESERVATION OPERATIONS ACCOUNT OF STATE HISTORICAL FUND		
Limited Gaming Revenue Projection	\$11,666,895	Forecast of FY 23 Receipts
Operating Budget Limited Gaming Spending Authority	12,120,814	
Assumed Capital Construction Spending Authority	400,000	Based on prior years
Projected Revenue v Budget	(\$853,919)	Projected spending from reserves

- Staff also notes that many of the initiatives identified by History Colorado in its list of “unbudgeted needs” will require an ongoing revenue stream that cannot be addressed through one-time reserves. Staff hopes that the \$1.5 million per year appropriated for FY 2022-23 and FY 2023-24 related to S.B. 22-216, as well as some of the reserves that will remain, will help History Colorado expand its reach and ongoing revenue to support such ongoing needs.

LINE ITEM DETAIL — DEPARTMENT ADMINISTRATIVE OFFICE

HEALTH, LIFE, AND DENTAL

This line item funds the State's contribution to state employee medical and dental plans. The request is made for the entire Department, based on the recommended contribution rates as submitted by the State Personnel Director and enrollment figures. As for all centrally-appropriated items in this section, the amounts do not fund benefits for employees of the state higher education institutions and include only Colorado Commission on Higher Education (CCHE), Division of Private Occupational Schools, and History Colorado staff.

The health, life, dental insurance benefit for staff of the Colorado Commission on Higher Education (CCHE) differs from the benefit provided for other state staff, as CCHE contracts for its health, life, and dental benefit through the community college system. Over 100 Department staff are covered under the community college plans (includes "off budget" staff for CollegeAssist, CollegeInvest, College in Colorado, and grant-funded programs). This arrangement has been in place for at least 20 years and was originally pursued because it provided a better benefit at a lower cost to the State and employee.

The Department has been required to demonstrate periodically that the costs incurred by the state are close to the amounts that would be required for all staff, whether or not they are enrolled in the state-sponsored health plans. An annual RFI requests that the Department submit its H/L/D template in the same format as other state agencies so that, as for other agencies, allocations are based on employee selections x amount per selection and can be compared to other agencies on that basis. **The most recent report, (FY 2022-23 RFI response) indicates that the State pays overall about 10 percent more--\$46,806 per year--above what it would pay if the 39 on-budget employees affected by this policy were enrolled in state plans.** The Department pays the entire cost of health insurance for employees and families enrolled in some of its plans (Kaiser HMO and Anthem Blue Cross high deductible), which is not an option under any of the state plans. For other Department plans, costs to employees are often higher than state plans.

STATUTORY AUTHORITY: Sections 24-50-611 and 24-50-603 (9), C.R.S.

REQUEST: The Department requests an appropriation of \$3,290,461 total funds for this line item, including an increase of \$41,484 for request BA2 and \$719,394 for OSPB's requested common policy adjustment.

RECOMMENDATION: The staff recommendation is reflected in the table below. As previously discussed, staff does not recommend centrally-appropriated amounts associated with Department request BA2, consistent with Committee common policy. The JBC common policy calculation is also lower than the Executive Request. The reason for the discrepancy is unclear, but staff assumes the Department's request includes a technical error.

DEPARTMENT ADMINISTRATIVE OFFICE, HEALTH, LIFE, AND DENTAL						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$2,529,583	\$357,979	\$1,386,746	\$311,122	\$473,736	0.0
TOTAL	\$2,529,583	\$357,979	\$1,386,746	\$311,122	\$473,736	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$2,529,583	\$357,979	\$1,386,746	\$311,122	\$473,736	0.0
Centrally appropriated line items	509,585	40,805	(38,428)	145,927	361,281	0.0
BA2 Strategic staffing support for DHE	0	0	0	0	0	0.0
TOTAL	\$3,039,168	\$398,784	\$1,348,318	\$457,049	\$835,017	0.0
INCREASE/(DECREASE)	\$509,585	\$40,805	(\$38,428)	\$145,927	\$361,281	0.0
Percentage Change	20.1%	11.4%	(2.8%)	46.9%	76.3%	n/a
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$3,290,461	\$438,767	\$1,559,830	\$457,049	\$834,815	0.0
Request Above/(Below) Recommendation	\$251,293	\$39,983	\$211,512	\$0	(\$202)	0.0

SHORT-TERM DISABILITY

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

STATUTORY AUTHORITY: Sections 24-50-611, C.R.S., and 24-50-603 (13), C.R.S.

REQUEST: The Department requests an appropriation of \$36,754 total funds for this line item, including an increase of \$8,373 total funds for the nonprioritized DPA pay plan adjustment, \$525 General Fund for request BA2, and \$3,659 for OSPB's requested common policy adjustment.

RECOMMENDATION: The staff recommendation is reflected in the table below. As previously discussed, staff does not recommend centrally-appropriated amounts associated with Department request BA2, consistent with Committee common policy. The JBC common policy calculation is also lower than the Executive Request. The reason for the discrepancy is unclear, but staff assumes the Department's request includes a technical error. A Committee decision on the DPA pay plan request is pending.

DEPARTMENT ADMINISTRATIVE OFFICE, SHORT-TERM DISABILITY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$24,197	\$3,421	\$13,220	\$3,877	\$3,679	0.0
TOTAL	\$24,197	\$3,421	\$13,220	\$3,877	\$3,679	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$24,197	\$3,421	\$13,220	\$3,877	\$3,679	0.0
NP BA DPA pay plan*	8,373	5,660	560	697	1,456	0.0
Centrally appropriated line items	557	8	(2,121)	544	2,126	0.0
BA2 Strategic staffing support for DHE	0	0	0	0	0	0.0
TOTAL	\$33,127	\$9,089	\$11,659	\$5,118	\$7,261	0.0
INCREASE/(DECREASE)	\$8,930	\$5,668	(\$1,561)	\$1,241	\$3,582	0.0
Percentage Change	36.9%	165.7%	(11.8%)	32.0%	97.4%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$3,627	\$550	\$2,914	\$84	\$79	0.0

*Pending

AMORTIZATION EQUALIZATION DISBURSEMENTS

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

STATUTORY AUTHORITY: Section 24-51-411, C.R.S.

REQUEST: The Department requests an appropriation of \$945,375 total funds for this line item, including \$29,065 total funds for the nonprioritized DPA pay plan adjustment, \$16,406 General Fund for request BA 2, and \$197,687 total funds for OSPB’s requested common policy adjustment.

RECOMMENDATION: The staff recommendation is reflected in the table below. As previously discussed, staff does not recommend centrally-appropriated amounts associated with Department request BA2, consistent with Committee common policy. The JBC common policy calculation is also lower than the Executive Request. The reason for the discrepancy is unclear, but staff assumes the Department’s request includes a technical error. A Committee decision on the DPA pay plan request is pending.

DEPARTMENT ADMINISTRATIVE OFFICE, S.B. 04-257 AMORTIZATION EQUALIZATION DISBURSEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$702,217	\$115,734	\$345,027	\$123,491	\$117,965	0.0
TOTAL	\$702,217	\$115,734	\$345,027	\$123,491	\$117,965	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$702,217	\$115,734	\$345,027	\$123,491	\$117,965	0.0
Centrally appropriated line items	189,044	8,827	69,827	24,957	85,433	0.0
<i>NP BA DPA pay plan*</i>	<i>29,065</i>	<i>19,709</i>	<i>1,931</i>	<i>2,404</i>	<i>5,021</i>	<i>0.0</i>
BA2 Strategic staffing support for DHE	0	0	0	0	0	0.0
TOTAL	\$920,326	\$144,270	\$416,785	\$150,852	\$208,419	0.0
INCREASE/(DECREASE)	\$218,109	\$28,536	\$71,758	\$27,361	\$90,454	0.0
Percentage Change	31.1%	24.7%	20.8%	22.2%	76.7%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$25,049	\$17,248	\$760	\$2,828	\$4,213	0.0

*Pending

SUPPLEMENTAL AMORTIZATION EQUALIZATION DISBURSEMENTS

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

STATUTORY AUTHORITY: Section 24-51-411, C.R.S.

REQUEST: The Department requests an appropriation of \$945,375 total funds for this line item, including \$29,065 total funds for the nonprioritized DPA pay plan adjustment, \$16,406 General Fund for request BA 2, and \$197,687 total funds for OSPB’s requested common policy adjustment.

RECOMMENDATION: The staff recommendation is reflected in the table below. As previously discussed, staff does not recommend centrally-appropriated amounts associated with Department request BA2, consistent with Committee common policy. The JBC common policy calculation is also lower than the Executive Request. The reason for the discrepancy is unclear, but staff assumes the

Department's request includes a technical error. A Committee decision on the DPA pay plan request is pending.

DEPARTMENT ADMINISTRATIVE OFFICE, S.B. 06-235 SUPPLEMENTAL AMORTIZATION EQUALIZATION DISBURSEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$702,217	\$115,734	\$345,027	\$123,491	\$117,965	0.0
TOTAL	\$702,217	\$115,734	\$345,027	\$123,491	\$117,965	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$702,217	\$115,734	\$345,027	\$123,491	\$117,965	0.0
Centrally appropriated line items	189,044	8,827	69,827	24,957	85,433	0.0
<i>NP BA DPA pay plan*</i>	<i>29,065</i>	<i>19,709</i>	<i>1,931</i>	<i>2,404</i>	<i>5,021</i>	<i>0.0</i>
BA2 Strategic staffing support for DHE	0		0	0	0	0.0
TOTAL	\$920,326	\$144,270	\$416,785	\$150,852	\$208,419	0.0
INCREASE/(DECREASE)	\$218,109	\$28,536	\$71,758	\$27,361	\$90,454	0.0
Percentage Change	31.1%	24.7%	20.8%	22.2%	76.7%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$25,049	\$17,248	\$760	\$2,828	\$4,213	0.0

*Pending

PERA DIRECT DISTRIBUTION

This line item funds a direct distribution to the Public Employees Retirement Association.

STATUTORY AUTHORITY: Section 24-51-414 (2), C.R.S.

REQUEST: Consistent with OSPB direction, the Department included a request for a direct distribution to the Public Employees Retirement Association (PERA) of \$77,268 total funds.

RECOMMENDATION: The staff recommendation reflects Committee common policy, which matches the request. Staff notes that the calculation for PERA Direct Distribution has dropped substantially for this department from the amount in prior years.

DEPARTMENT ADMINISTRATIVE OFFICE, PERA DIRECT DISTRIBUTION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$404,354	\$0	\$187,201	\$119,488	\$97,665	0.0
TOTAL	\$404,354	\$0	\$187,201	\$119,488	\$97,665	0.0

DEPARTMENT ADMINISTRATIVE OFFICE, PERA DIRECT DISTRIBUTION

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$404,354	\$0	\$187,201	\$119,488	\$97,665	0.0
BA2 Strategic staffing support for DHE	0		0	0	0	0.0
Centrally appropriated line items	(327,086)	10,314	(159,312)	(101,516)	(76,572)	0.0
TOTAL	\$77,268	\$10,314	\$27,889	\$17,972	\$21,093	0.0
INCREASE/(DECREASE)						
INCREASE/(DECREASE)	(\$327,086)	\$10,314	(\$159,312)	(\$101,516)	(\$76,572)	0.0
Percentage Change	(80.9%)	n/a	(85.1%)	(85.0%)	(78.4%)	n/a
FY 2023-24 EXECUTIVE REQUEST						
REQUEST	\$77,268	\$10,314	\$27,889	\$17,972	\$21,093	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

SALARY SURVEY

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

STATUTORY AUTHORITY: Section 24-50-104, C.R.S.

REQUEST: The Department requested \$1,789,980 total funds, including \$581,302 total funds for the nonprioritized DPA pay plan request and \$1,208,678 total funds for the balance of the annual salary survey calculation.

RECOMMENDATION: The staff recommendation is shown in the table below and reflects Committee common policy for 5.0 percent across-the-board increase. The staff recommendation is reflected in the table below. The JBC common policy calculation is lower than the Executive Request. The reason for the discrepancy is unclear, but staff assumes the Department’s request includes a technical error. A Committee decision on the DPA pay plan request is pending.

DEPARTMENT ADMINISTRATIVE OFFICE, SALARY SURVEY

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$567,669	\$148,115	\$226,814	\$115,193	\$77,547	0.0
TOTAL	\$567,669	\$148,115	\$226,814	\$115,193	\$77,547	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$567,669	\$148,115	\$226,814	\$115,193	\$77,547	0.0
Centrally appropriated line items	956,640	133,505	446,083	159,787	217,265	0.0
NP BA DPA pay plan*	581,302	394,185	38,622	48,081	100,414	0.0
Annualize prior year budget actions	(567,669)	(148,115)	(226,814)	(115,193)	(77,547)	0.0
TOTAL	\$1,537,942	\$527,690	\$484,705	\$207,868	\$317,679	0.0

DEPARTMENT ADMINISTRATIVE OFFICE, SALARY SURVEY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
INCREASE/(DECREASE)	\$970,273	\$379,575	\$257,891	\$92,675	\$240,132	0.0
Percentage Change	170.9%	256.3%	113.7%	80.5%	309.7%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
	\$1,789,980	\$558,687	\$511,588	\$271,784	\$447,921	0.0
Request Above/(Below) Recommendation	\$252,038	\$30,997	\$26,883	\$63,916	\$130,242	0.0

MERIT PAY

This line item is a centrally appropriated line item used to pay for performance-based pay awards for state employees.

STATUTORY AUTHORITY: Pursuant to Section 24-50-104 (1) (c), C.R.S.

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

RECOMMENDATION: Consistent with common policy, staff does not recommend an appropriation for this line item.

WORKER'S COMPENSATION

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

STATUTORY AUTHORITY: Section 24-30-1510.7, C.R.S.

REQUEST: The Department requests \$41,726 total funds for this line item consistent with OSPB common policy.

RECOMMENDATION: The recommendation is to follow the JBC's common policy, as reflected in the table below.

DEPARTMENT ADMINISTRATIVE OFFICE, WORKERS' COMPENSATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$50,413	\$0	\$31,023	\$19,390	\$0	0.0
TOTAL	\$50,413	\$0	\$31,023	\$19,390	\$0	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$50,413	\$0	\$31,023	\$19,390	\$0	0.0
Centrally appropriated line items	(8,214)	0	(5,777)	(2,437)	0	0.0
TOTAL	\$42,199	\$0	\$25,246	\$16,953	\$0	0.0

DEPARTMENT ADMINISTRATIVE OFFICE, WORKERS' COMPENSATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
INCREASE/(DECREASE)	(\$8,214)	\$0	(\$5,777)	(\$2,437)	\$0	0.0
Percentage Change	(16.3%)	0.0%	(18.6%)	(12.6%)	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$41,726	\$0	\$24,963	\$16,763	\$0	0.0
Request Above/(Below) Recommendation	(\$473)	\$0	(\$283)	(\$190)	\$0	0.0

LEGAL SERVICES

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

STATUTORY AUTHORITY: Sections 24-31-101 (1)(a), C.R.S., and 24-75-112 (1)(i), C.R.S.

REQUEST: The Department requests \$175,565 total funds for this line item, including an increase of \$13,609 total funds for the nonprioritized statewide operating expenses inflation request and an increase of \$10,745 total funds pursuant to OSPB's common policy instructions.

RECOMMENDATION: The nonprioritized statewide operating expenses amount is not included in the recommendation. Staff understands that including the request in this line item was a technical error. In addition, Committee common policy is to deny the request for the nonprioritized statewide operating expense request. The balance of the request for the line item is **pending** a Committee common policy decision. The balance of the table below therefore shows the *request*.

DEPARTMENT ADMINISTRATIVE OFFICE, LEGAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$151,211	\$0	\$50,897	\$100,314	\$0	0.0
TOTAL	\$151,211	\$0	\$50,897	\$100,314	\$0	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$151,211	\$0	\$50,897	\$100,314	\$0	0.0
<i>Centrally appropriated line items*</i>	<i>10,745</i>	<i>0</i>	<i>7,969</i>	<i>2,776</i>	<i>0</i>	<i>0.0</i>
NP BA Operating expense inflation	0	0	0	0	0	0.0
TOTAL	\$161,956	\$0	\$58,866	\$103,090	\$0	0.0
INCREASE/(DECREASE)	\$10,745	\$0	\$7,969	\$2,776	\$0	0.0
Percentage Change	7.1%	0.0%	15.7%	2.8%	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$175,565	\$0	\$63,447	\$112,118	\$0	0.0
Request Above/(Below) Recommendation	\$13,609	\$0	\$4,581	\$9,028	\$0	0.0

*Pending

ADMINISTRATIVE LAW JUDGE SERVICES

This line item provides funding the Department to purchase Administrative Law Judge services from the Department of Personnel. In this Department, the only entity using ALJ services is the Division of Private Occupational Schools.

STATUTORY AUTHORITY: Sections 24-30-1001 (3) and 24-30-1002, C.R.S.

REQUEST: The Department requests \$29 cash funds for this line item for FY 2023-24, reflecting the NP BA operating expense request, with no other common policy adjustment.

RECOMMENDATION: The recommendation is for **\$0 funds** consistent with Committee common policy, as the NP BA operating expense request has been denied, and the request for this line item was otherwise \$0.

PAYMENT TO RISK MANAGEMENT AND PROPERTY FUNDS

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

STATUTORY AUTHORITY: Section 24-30-1510 and 24-30-1510.5, C.R.S.

REQUEST: The Department requests an appropriation of \$329,833 total funds for this line item, including an increase of \$28,935 total funds for the nonprioritized statewide operating expense increase and a reduction of \$20,610 pursuant to OSPB’s common policy instructions.

RECOMMENDATION: The nonprioritized statewide operating expenses amount is not included in the recommendation. Staff understands that including the request in this line item was a technical error. In addition, Committee common policy is to deny the request for the nonprioritized statewide operating expense request. The balance of the recommendation reflects Committee common policy and is included in the table below.

DEPARTMENT ADMINISTRATIVE OFFICE, PAYMENT TO RISK MANAGEMENT AND PROPERTY FUNDS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$321,508	\$0	\$281,825	\$39,683	\$0	0.0
TOTAL	\$321,508	\$0	\$281,825	\$39,683	\$0	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$321,508	\$0	\$281,825	\$39,683	\$0	0.0
NP BA Operating expense inflation	0	0	0	0	0	0.0
Centrally appropriated line items	(29,437)	0	(10,219)	(19,218)	0	0.0
TOTAL	\$292,071	\$0	\$271,606	\$20,465	\$0	0.0

DEPARTMENT ADMINISTRATIVE OFFICE, PAYMENT TO RISK MANAGEMENT AND PROPERTY FUNDS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
INCREASE/(DECREASE)	(\$29,437)	\$0	(\$10,219)	(\$19,218)	\$0	0.0
Percentage Change	(9.2%)	0.0%	(3.6%)	(48.4%)	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
REQUEST	\$329,833	\$0	\$307,619	\$22,214	\$0	0.0
Request Above/(Below) Recommendation	\$37,762	\$0	\$36,013	\$1,749	\$0	0.0

LEASED SPACE

This line item pays for leased space for the Department's administrative office. It moved to 18,182 square feet at 1600 Broadway, Suite 2200 in May 2018.

REQUEST: The Department requests \$463,170 for this line item, including \$123,126 cash funds and \$340,044 reappropriated funds. This includes an increase of \$38,243 total funds for the nonprioritized statewide operating expenses inflation request.

RECOMMENDATION: The nonprioritized statewide operating expenses amount is not included in the recommendation. Staff understands that including the request in this line item was a technical error. In addition, Committee common policy is to deny the request for the nonprioritized statewide operating expense request. **Staff recommends continuation of \$424,927 total funds.** The table below shows the on-budget and off-budget portions of the DHE Leased Space payments in FY 2022-23. In recent years, lease payment adjustments have been absorbed by off-budget programs, and staff assumes that this will also be true of any incremental increase in FY 2023-24.

DHE Leased Space Calculation	
	FY 2023
FY 22-23 Total Lease	\$518,187
Less property tax deduction	(84,183)
Additional costs year 2	44,000
Total lease	\$478,004
On -budget	
DHE	311,967
DPOS	112,960
Total appropriated in LB	\$424,927
Off-budget balance remaining	
Gearup	6,695
COSI- Original	10,107
CO HELPS	6,563
OPPE	1,313
OER	1,313
Teacher Ed Prep	1,871
CDFW	656
SB 192	1,313
HB 1366	5,251
HB 1220	656
Ed Loan Forgiveness	1,076

ECE 101 & 103	1,825
HB 1330- 29TC	3,938
HB21-1330-CSFW	1,969
IES RAND	656
Transforming Early Childhood	1,313
OBH-INCENTIVE	656
HSTRANSITION	656
DHEFOSTER	5,251
	\$53,077

PAYMENTS TO OIT

This line item supports information technology services provided by the Governor’s Office of Information Technology.

STATUTORY AUTHORITY: Section 24-37.5-104, C.R.S.

REQUEST: The Department has requested \$752,239 total funds for this line item, including increases of \$36,353 for the nonprioritized statewide operating expenses inflation request, \$224,803 for OSPB’s common policy calculation for the Department’s share of statewide OIT operating expenses, and \$87,176 for the Department’s share of request items in OIT.

RECOMMENDATION: The nonprioritized statewide operating expenses amount is not included in the recommendation. Staff understands that including the request in this line item was a technical error. In addition, Committee common policy is to deny the request for the nonprioritized statewide operating expense request. The recommendation also annualizes (removes) the FY 2022-23 supplemental appropriation for OIT Real-time billing. The balance of the line item is **pending** a Committee common policy decision. Much of the table below therefore summarizes the request.

DEPARTMENT ADMINISTRATIVE OFFICE, PAYMENTS TO OIT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$458,868	\$183,564	\$189,547	\$85,757	\$0	0.0
TOTAL	\$458,868	\$183,564	\$189,547	\$85,757	\$0	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$458,868	\$183,564	\$189,547	\$85,757	\$0	0.0
<i>Centrally appropriated line items*</i>	<i>224,803</i>	<i>84,213</i>	<i>132,126</i>	<i>8,464</i>	<i>0</i>	<i>0.0</i>
<i>NP Other nonprioritized*</i>	<i>87,176</i>	<i>20,589</i>	<i>40,779</i>	<i>25,808</i>	<i>0</i>	<i>0.0</i>
NP BA Operating expense inflation	0	0	0	0	0	0.0
Annualize prior year budget actions	(54,961)	(32,258)	(22,703)	0	0	0.0
TOTAL	\$715,886	\$256,108	\$339,749	\$120,029	\$0	0.0
INCREASE/(DECREASE)	\$257,018	\$72,544	\$150,202	\$34,272	\$0	0.0
Percentage Change	56.0%	39.5%	79.2%	40.0%	n/a	n/a

DEPARTMENT ADMINISTRATIVE OFFICE, PAYMENTS TO OIT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 EXECUTIVE REQUEST	\$752,239	\$269,726	\$354,765	\$127,748	\$0	0.0
Request Above/(Below) Recommendation	\$36,353	\$13,618	\$15,016	\$7,719	\$0	0.0

*Pending

IT ACCESSIBILITY [REQUESTED NEW LINE ITEM]

This new line item is proposed as part of a statewide OIT request for accessibility testing and remediation, pursuant to the requirements of H.B. 21-1110 (Colorado Laws for Persons with Disabilities).

REQUEST: The Department requests \$3,227,543 total funds and 14.0 FTE. Most of this funding is to reflect the impact of the new statutory requirements on History Colorado, but 2.0 FTE are also requested for central Department of Higher Education operations. Fund sources includes \$911,188 from the General Fund and \$2,316,355 from History Colorado cash funds that originate from gaming revenue.

RECOMMENDATION: The staff recommendation for this line item is **pending** the Committee’s common policy decision for FY 2023-24. However, *please note discussion earlier in this packet regarding the fund split for History Colorado. If this request is approved by the Committee, staff anticipates an additional one-time General Fund outlay of \$1,916,355 will be required beyond the Executive Request (pending any final adjustments related to Committee common policy).*

CORE OPERATIONS

This line item supports the new state accounting and budgeting system. Appropriations in department operating budgets are reappropriated to the Department of Personnel.

STATUTORY AUTHORITY: Section 24-30-209, C.R.S.

REQUEST: The Department requests \$262,644 total funds for this line item, including an increase of \$23,160 total funds for the nonprioritized statewide operating expenses inflation request and a reduction of \$17,839 total funds for OSPB’s common policy calculation.

RECOMMENDATION: The nonprioritized statewide operating expenses amount is not included in the recommendation. Staff understands that including the request in this line item was a technical error. In addition, Committee common policy is to deny the request for the nonprioritized statewide operating expense request. The balance of the recommendation is based on Committee common policy and is reflected in the table below.

DEPARTMENT ADMINISTRATIVE OFFICE, CORE OPERATIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						

DEPARTMENT ADMINISTRATIVE OFFICE, CORE OPERATIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 Appropriation	\$257,323	\$0	\$92,160	\$165,163	\$0	0.0
TOTAL	\$257,323	\$0	\$92,160	\$165,163	\$0	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$257,323	\$0	\$92,160	\$165,163	\$0	0.0
NP BA Operating expense inflation	0	0	0	0	0	0.0
Centrally appropriated line items	(88,022)	0	(31,525)	(56,497)	0	0.0
TOTAL	\$169,301	\$0	\$60,635	\$108,666	\$0	0.0
INCREASE/(DECREASE)	(\$88,022)	\$0	(\$31,525)	(\$56,497)	\$0	0.0
Percentage Change	(34.2%)	0.0%	(34.2%)	(34.2%)	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$93,343	\$0	\$26,766	\$66,577	\$0	0.0

STATEWIDE TRAINING [REQUESTED NEW LINE ITEM]

This line item was requested through a non-prioritized request to fund the Department of Personnel's Center for Organizational Effectiveness is approved.

REQUEST: The Department requests \$3,541 total funds for this new line item, based on OSPB common policy.

RECOMMENDATION: Consistent with Committee common policy, staff does not recommend funding for this line item.

(2) COLORADO COMMISSION ON HIGHER EDUCATION AND HIGHER EDUCATION SPECIAL PURPOSE PROGRAMS

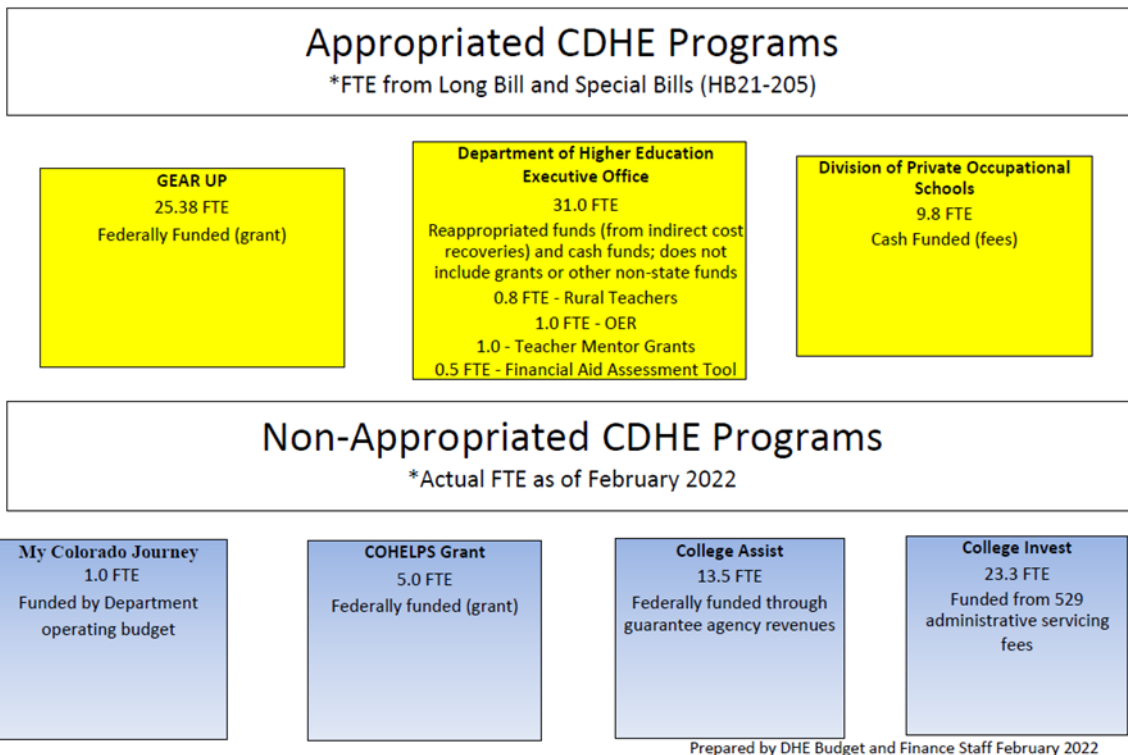
The Colorado Commission on Higher Education serves as a central policy and coordinating board for public higher education in Colorado. This division includes funding for the Commission's staff, the Division of Private Occupational Schools, and special purpose initiatives of the Department. The table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

COLORADO COMMISSION ON HIGHER EDUCATION AND HIGHER EDUCATION SPECIAL PURPOSE PROGRAMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 Appropriation						
FY 2022-23 Appropriation	\$187,423,231	\$50,692,123	\$110,303,535	\$21,317,969	\$5,109,604	99.2
TOTAL	\$187,423,231	\$50,692,123	\$110,303,535	\$21,317,969	\$5,109,604	99.2
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$187,423,231	\$50,692,123	\$110,303,535	\$21,317,969	\$5,109,604	99.2
R4 Increase support for cannabis research at ICR	0	0	0	0	0	0.0
BA1, T5, T6 Lease purchase payment adjustments	195,107	(30,059)	24,229	200,937	0	0.0
BA2 Strategic staffing support for DHE	459,449	459,449	0	0	0	3.8
T1 WICHE dues	5,000	0	0	5,000	0	0.0
T3 Depreciation Lease Equivalent	3,578,050	3,578,050	0	0	0	0.0
T4 Colorado Geological Survey	116,674	32,258	84,416	0	0	0.0
NP BA Operating expense inflation	0	0	0	0	0	0.0
SI Indirect cost adjustments	5,743,019	(3,363,517)	(88,600)	9,233,656	(38,520)	0.0
Centrally appropriated line items	0	0	0	0	0	0.0
Other technical adjustments	0	0	0	0	0	(1.0)
Annualize prior year legislation	(17,983,302)	(3,777,884)	(13,730,143)	(475,275)	0	(6.0)
Annualize prior year budget actions	163,718	25,183	23,342	115,193	0	0.0
TOTAL	\$179,700,946	\$47,615,603	\$96,616,779	\$30,397,480	\$5,071,084	96.0
INCREASE/(DECREASE)	(\$7,722,285)	(\$3,076,520)	(\$13,686,756)	\$9,079,511	(\$38,520)	(3.2)
Percentage Change	(4.1%)	(6.1%)	(12.4%)	42.6%	(0.8%)	(3.2%)
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	(\$892,067)	(\$108,502)	\$858,417	(\$1,735,188)	\$93,206	4.1

BACKGROUND ON DEPARTMENT STRUCTURE

Much of the Department’s activities are off-budget. Most programs that are under the Department’s Executive Director also operate under the oversight of the Colorado Commission on Higher Education, but this is not uniformly the case. *The information below was provided for FY 2022-23 figure setting. The Department did not complete an update in time for the staff figure setting packet.*

Department of Higher Education Program Budgets and Associated Employees (FTE)



Appropriated programs are described under the relevant line items in this division. A brief description of major non-appropriated programs is included here, followed by a spreadsheet summarizing existing programs and projections.

College Invest (cash funds): This agency manages the Colorado college savings plans authorized under section 529 of the Internal Revenue Code. Savings deposited in these 529 accounts are exempt from Colorado income tax, and interest earnings and capital gains on the accounts are exempt from both state and federal tax if used for qualified purposes.

College Assist (federal funds): College Assist served as the guarantee agency for student loans issued before the federal government took over this role. The agency no longer provides student loan origination and disbursement assistance but is now focused solely on default prevention for previously-issued loans. Because the federal government now issues student loans directly, the State still receives revenue related to historic loans but not new ones. Staff anticipates that the program will gradually phase-out, but this appears to be slow process.

Private and Other Federal Grants: The Department typically receives at least \$2.0 million total funds in grants each year from various private sources, as detailed in the table below. This year the Department received extensive appropriations from the General Assembly of federal Coronavirus State Fiscal Recovery Funds (which are "on-budget"), as well as support for other programs, such as the federal Colorado HELPS (apprenticeship) program, which are not reflected in the state budget.

CDHE Non-Appropriated Expenditures and Budgets FY 2019 to FY 2023					
Name	FY 18-19 Actual Expenditures	FY 19-20 Actual Expenditures	FY 20-21 Actual Expenditures	FY 21-22 Budget	Anticipate d FY 22-23 Budget
Federal Funds					
IES CE - Research Partnership Grant - Federal (GF002IESC)	\$ 106,032	\$ 129,810	\$ -	\$ -	\$ -
GearUp 3 (GFAMOGU40)	\$ 1,555,912	\$ 288,866	\$ -	\$ -	\$ -
GearUp 4 (GFAMOGU44)	\$ 846,161	\$ 1,995,467	\$ 2,333,991	\$ 4,824,391	\$ 4,990,400
CO HELPS (GFAMOHELP)	\$ -	\$ 647,660.60	\$ 1,856,759.35	\$ 6,474,931.49	\$ 3,020,648.56
ARPA- HB21-1264- Career and Technical Education (GFLZATECH)	\$ -	\$ -	\$ -	\$ 10,000,000.00	\$ -
ARPA- HB21-1330-Colorado Opportunity Scholarship- Finish What you started (GFLZACSPW)	\$ -	\$ -	\$ -	\$ 49,000,000.00	\$ -
ARPA- HB21-1330-Student Aid Applications Completion Grant Program (GFLZASAAC)	\$ -	\$ -	\$ -	\$ 1,900,000.00	\$ -
ARPA- HB21-1330- Re-engaged Initiative and Associate Degree (GFLZARIAD)	\$ -	\$ -	\$ -	\$ 1,000,000.00	\$ -
ARPA- SB21-232 College Oppor-t-Scholarship Displaced Workers Grant-Back to Work (GFLZADPWG)	\$ -	\$ -	\$ -	\$ 15,000,000.00	\$ -
ARPA- SB21-137 Health Connector Work-force Program-arious Substance Use Disorder Activities (GFLZARFAO)	\$ -	\$ -	\$ -	\$ 1,000,000.00	\$ -
ARPA- SB21-137 Health Connector Work-force Program-Health Connector Work-force Program (GFLZARFAO)	\$ -	\$ -	\$ -	\$ 1,000,000.00	\$ -
ARPA- SB21-137-Health Connector Work-force Program-Stipends for Health Care-Workers - Opioid Use Disorder (GFLZARFAO)	\$ -	\$ -	\$ -	\$ 690,000.00	\$ -
ARPA- ARPA funds from Governor Office - IA with Gov's Office (GFLZAARPA)	\$ -	\$ -	\$ -	\$ 685,270.00	\$ -
APRAO Behavioral Health Incentive Program- SB 21-137 - IA with CDHE (GFLZABHIP)	\$ -	\$ -	\$ -	\$ 9,000,000.00	\$ -
Subtotal Federal Funds	\$ 2,908,104.84	\$ 3,061,803.28	\$ 4,190,750.09	\$ 100,114,592.71	\$ 8,011,049.04
College Assist Total ¹					
Operating Expenses & FISMA	\$ 2,504,595	\$ 2,057,005	\$ 2,158,664	\$ 3,140,700	\$ 3,300,000
College Access Initiatives		927,612	1,787,601	2,499,100	8,050,000
Servicing fees and rehabilitation discount Claims	21,583,007	18,409,949	16,613,392	9,225,000	<1> 19,470,000
Colorado Opportunity Fund Administration	291,483	290,969	315,050	352,700	370,300
College in Colorado	\$ 1,337,000	\$ -	\$ -	\$ -	\$ -
Subtotal: Federal Funds	\$ 241,243,595	\$ 199,787,549	\$ 77,674,811	\$ 184,525,810	\$ 126,090,300
Private Funds					
Study Colorado - (GC013SC00)	\$ 41,478	\$ 30,172	\$ 1,852	\$ 89,827	\$ 89,827
TIE Grant (Lumina) (GC025OTIE)	\$ 91,244	\$ -	\$ -	\$ -	\$ -
Kresge Foundation (FAFSA) (GCGA2KR ES)	\$ 268,896	\$ -	\$ -	\$ -	\$ -
Colorado Workforce Development Council-Shared position (GF025SCGC-GC025SCGC)	\$ 47,330	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Interagency Agreement between CDLE/CVCD and CDHE (GC025CVDC)	\$ 96,158	\$ -	\$ -	\$ -	\$ -
Interagency Agreement between CDE and CDHE (GC033TEAC)	\$ -	\$ 245,000	\$ 200,000	\$ 775,000	\$ 775,000
Colorado Challenge (GF023CCHA)	\$ 260,488	\$ 50,000	\$ -	\$ -	\$ -
Poster (GC026FOS1-GF026FOS1)	\$ 58,485	\$ 93,703	\$ 86,717	\$ 114,177	\$ 114,177
My Colorado Journey (GC031MCIJ)	\$ -	\$ 2,054,381	\$ 858,519	\$ 885,000	\$ 885,000
Lumina Fund for Policy Acceleration (GC018LUMI)	\$ -	\$ -	\$ 25,000	\$ -	\$ -
Strong Start to Finish Strategy Site (GC045STF)	\$ -	\$ -	\$ 255,002	\$ 44,698	\$ -
SB IR Phase II funding from BrightHive (GC0375BIR)	\$ -	\$ -	\$ 72,857	\$ 97,142.87	\$ -
Strada Education Network, Inc. (GC2225ENO)	\$ -	\$ -	\$ 129,652	\$ 120,348	\$ -
Lumina Support - Office of Equity (GC018LUMI)	\$ -	\$ -	\$ -	\$ 125,000	\$ -
National College Attainment Network (GC025SCGC)	\$ -	\$ -	\$ 48,943	\$ -	\$ -
Concurrent Enrollment research-CU-CDHE agreement (GC025SCGC)	\$ -	\$ -	\$ 10,950	\$ -	\$ -
The Denver Foundation-outcomes-based payments of COSI (GC025SCGC)	\$ -	\$ -	\$ -	\$ 49,275.00	\$ -
Statewide Internet Portal Authority (GC025SCGC)	\$ -	\$ -	\$ 7,432	\$ 1,400.84	\$ -
Eligible Training Provider List/Consumer Site (GC0260CIC)	\$ -	\$ -	\$ 109,460	\$ 188,335	\$ 188,335
Subtotal: Private Funds	\$ 864,078	\$ 2,523,256	\$ 1,856,383	\$ 2,540,204	\$ 2,102,339
Cash Funds					
College Invest	\$ 5,989,348	\$ 5,629,158	\$ 6,780,470	\$ 7,484,000	\$ 8,500,000
Total Operating Expenses	1,164,789	1,667	-	-	-
Scholarships & Matching Grant	843,258,000	881,303,260	933,663,746	915,000,000	990,000,000
Benefits Paid to Participants and Withdrawals	25,660,019	25,112,669	27,179,097	31,953,500	35,000,000
Servicing Fees	876,072,156	912,046,754	967,623,313	954,437,500	973,500,000
Subtotal: Cash Funds	\$ 876,072,156	\$ 912,046,754	\$ 967,623,313	\$ 954,437,500	\$ 973,500,000
>1 Funding end prior to FY21-22					
>2 Funding will end FY21-22					
>3 Carry Forward Authority					
>4 ARPA Funds					
>5 ARPA Funds- Passthrough to IHE or CCCS					
>6 ARPA Interagency Agreement					

DECISION ITEMS - COLORADO COMMISSION ON HIGHER EDUCATION AND HIGHER EDUCATION SPECIAL PURPOSE PROGRAMS

→ R4 COLORADO CANNABIS RESEARCH FUNDING FOR INSTITUTE OF CANNABIS RESEARCH

REQUEST: The Department request includes an increase \$1,139,829 from the Marijuana Tax Cash Fund (MTCF) and 1.0 FTE for the Institute of Cannabis Research. This amount would build on an increase provided last year, taking the total appropriation to \$3,939,829 cash funds.

RECOMMENDATION: **Staff does not recommend the request at this time, because recent revenue forecasts indicate that there is insufficient ongoing MTCF revenue to support additional ongoing expenditures.** Staff will revisit this issue with the Committee if marijuana tax revenue forecasts change significantly.

ANALYSIS:

Background: Senate Bill 16-191 authorized the General Assembly to appropriate money from the Marijuana Tax Cash Fund (MTCF) to the Board of Governors of the Colorado State University System (CSU) to fund scientific and social science research at CSU-Pueblo concerning marijuana and other matters that impact the state and its regions. The appropriation was initially provided at the \$900,000 level and was increased to \$1,800,000 MTCF in FY 2017-18. House Bill 19-1311 (Institute of Cannabis Research Role and Mission by Singer/Bridges made changes to the program. The changes include, among others, creating a new 9-member board to oversee the program, approve the budget, and oversee grant awards through an open process. Prior to 2019, the Institute's activities were focused on research and education at CSU Pueblo and hosting an annual research conference. In 2019, the mission evolved to a pure research focus engaging researchers throughout Colorado. One intent of this structural change was to make the Institute more independent of CSU-Pueblo and thereby clarify a statewide mission, even though the institute remains housed at CSU Pueblo.

During the 2020 legislative session, in response to budget constraints, the JBC reduced the budget for the Institute to \$1,000,000 cash funds from the MTCF for FY 2020-21. Staff anticipated that this would eliminate much of the state funding for institute-sponsored research, while leaving the core institute structure and staffing in place. The FY 2020-21 reduction was restored in FY 2021-22 to \$1,800,000. The General Assembly added an additional \$1,000,000 to the appropriation in FY 2022-23 (out of a request for \$1.8 million), bringing total funding to \$2,800,000.

The program launched a new system, modeled on the National Institutes of Health approach, for soliciting research proposals in fall 2020. Funded projects started at the beginning of FY 2021-22. A second competition was held in spring 2022, and the ICR will award between \$1.8 and \$1.9 million for research projects in FY 2022-23.

Current Request: The request includes an increase of \$1,139,829 from the Marijuana Tax Cash Fund for the ICR for FY 2023-24 and ongoing. The request would increase the current \$2.8 million funding to a total of \$3,939,829 cash funds.

There is significant demand for ICR research funding, with approximately \$25 million in research requests submitted in response to the last two funding competitions. The current request would add

\$800,000 to support cannabis-related medical and clinical research, public health research, economic and policy research, and research into new cannabis applications. The request also includes \$236,208 to support a new senior researcher with background in analytical chemistry research, preclinical and clinical medical research and/or public health research (\$119,744), base research funding for this researcher (\$83,130), and grant writing support for both the new researcher and the ICR's existing senior scientist.

Staff Observations:

Staff would support the request to increase funding if additional MTCF funding were available. However, unless the Committee wishes to reduce MTCF funding for other statewide operating activities, there does not appear to be sufficient revenue to expand state commitments at this time.

Reasons to support the request:

- **Members of the General Assembly have expressed interest** in improving information on Marijuana that is being sold for medical and recreational uses, including improving the information on the dosage dispensed, and related health and medical impacts. The institute is well-positioned to deliver this.
- The changes adopted by the Institute to mirror National Institute of Health approaches to grant funding seem reasonable and appropriate, and **the Board of the Institute appears to be doing its intended job**. The proposal to add an additional staff research with expertise in analytical chemistry, medical research, and/or public health research also seems consistent with the ICR's mission.
- **There are few other pathways available for funding serious scientific research on marijuana**. The Institute has noted that funding for research on cannabis is constrained by the federal prohibition on use and sale of cannabis. It also notes that private funding is heavily driven by the existing structure of financial incentives. Thus, pharmaceutical companies have thus far shown little public interest in funding research in this area as cannabis is already legally available and thus less likely to be profitable, and businesses that grow and sell marijuana for medicinal and recreational purposes are particularly interested in research and findings that bolster their bottom line. If funded, this request would represent about 1.3 percent of total marijuana tax revenue and 2.6 percent of Marijuana Tax Cash Fund revenue. The scale seems reasonable if there were revenue available.

Current revenue constraints:

- As outlined in the JBC Staff Marijuana Policy Overview briefing, dated March 14, 2022, based on the September 2022 forecast, marijuana revenue had fallen sharply below expectations.¹⁴
- The December revenue forecast looks even bleaker. At present, there does not appear to be enough ongoing revenue to support existing MTCF appropriations, let alone to expand ongoing commitments.
- If the General Assembly wishes to expand funding for the ICR at this time, it should identify other current MTCF commitments it wishes to discontinue.

¹⁴ https://leg.colorado.gov/sites/default/files/fy2023-24_marbrf.pdf

COMPARISON MTCF FORECAST REVENUE AND ONGOING COMMITMENTS		
	FY 22-23 APPROP	FY 23-24 REQUEST
<i>Forecast Revenue</i>		
September 2022 LCS MTCF revenue forecast	\$155,836,496	\$163,932,796
December 2022 LCS MTCF revenue forecast	151,700,000	159,600,000
<i>MTCF Appropriations</i>		
Ongoing Operating (prior to scheduled transfers to BEST)	158,234,595	160,284,018
<i>Forecast Revenue above/(below) Approp/Request</i>		
September LCS Forecast	(2,398,099)	3,648,778
December LCS Forecast	(\$6,534,595)	(\$684,018)

→ SI WICHE PROFESSIONAL STUDENT EXCHANGE PROGRAM [JBC BILL DRAFT AUTHORIZED]

REQUEST: The Department has not proposed a change to this program for FY 2023-24, but is aware of and supportive of the legislative changes proposed.

RECOMMENDATION: **Staff recommends the Committee agree to carry the legislation attached to this packet as a JBC bill.** No additional appropriation is required at this time, although staff anticipates that the Department may request an increase in the future if the changes contemplated in this bill are implemented. *All affected stakeholder, including the Colorado Optometry Association, the Department of Higher Education, the Western Interstate Commission on Higher Education, and the Department of Public Health and Environment, have indicated that they are comfortable with the bill as drafted.*

BACKGROUND: The WICHE Professional Student Exchange Program (PSEP) in Optometry funds Colorado students to enroll in out-of-state institutions with optometry programs, including private institutions, at subsidized rates through an exchange set up by the Western Interstate Commission on Higher Education (WICHE). Colorado participates in the program under the statutory authority at

The FY 2022-23 appropriation was \$385,500, General Fund. The program currently supports 18 Colorado students. The exchange offers an alternative to establishing such a program in Colorado, as there is currently no optometry school in the State.¹⁵ In return for discounted tuition, participating students agree to return to Colorado to practice optometry for the same number of years as they were supported, or to repay the state for its investment inflated by the federal PLUS student loan rate. Of the 23 students currently in some form of repayment, three students are in cash repayment, meaning they are not practicing optometry in the state. WICHE data indicates that 85 percent of graduates who completed the program between 2007 and 2016 returned to Colorado.¹⁶

¹⁵ Colorado *receives* students from other states in its veterinary and medical programs, including 82 students receiving WICHE PSEP support totaling \$2,250,125 from other states in FY 2021-22. It only *sends* students to other states for optometry.

¹⁶ <https://www.wiche.edu/wp-content/uploads/2022/04/WICHE-BTN-AY2021-22.pdf>

The FY 2022-23 state support fee (paid by all states per student) was \$19,700 per year, or about half of typical optometry school tuition. Since FY 2004-05, from 2 to 12 new students have been added to the Colorado program each year. Students are funded for their entire time in the multi-year program, so there are only a few students added each year, while others graduate (an O.D. program is typically 4 years). WICHE reports that 113 students from western states participated in the optometry PSEP program in FY 2021-22.

RECENT HISTORY: When the state budget has been under stress, this program has typically been on the table for reduction or elimination.¹⁷

- Most recently, in FY 2019-20, as part of budget balancing, the Committee approved a reduction of \$74,025 based on not bringing new students into the program. The program was reduced by 4 slots.
- JBC Staff anticipated a further reduction in FY 2021-22, and the Department submitted an FY 2021-22 request to phase out the program. The Department request noted that there was not clear evidence that the State needed such a program to have an adequate supply of optometrists.
- However, by figure setting in spring 2021, it was clear that the state budget was in better shape than anticipated, so the Committee chose to maintain the program in FY 2021-22. The Committee also added a request for information asking the Department to explore whether the program could be modified to ensure more benefits for Coloradans. A report was submitted, based on discussions between the Department, WICHE, and the Optometry Association.
- Staff engaged the Department and the Colorado Optometry Association about the proposed program changes during the 2022 legislative session, but there remained too many questions at the point of FY 2022-23 figure setting to move forward with legislation. Staff then committed to working with interested parties to determine if there was a proposal that could be considered by the JBC for the 2023 legislative session.

BILL DRAFT: Based on further work with the Colorado Optometry Association, the Department of Higher Education, and the Department of Public Health and Environment, staff recommended that the JBC consider sponsoring a bill to improve the benefits of this program for Colorado residents. The bill draft has been reviewed and refined by the Optometry Association, CDHE, CDPHE, and WICHE. The DHE and CDPHE have both indicated that it will not have a fiscal note.

It includes the following provisions:

- Modifies existing statute regarding the Western Interstate Commission on Higher Education (WICHE) Professional Student Exchange Program so that statute aligns with how the program currently operates. This includes facilitating discounted tuition for out-of-state students at institutions in Colorado (e.g., the medical and veterinary schools) and, subject to available appropriation, providing subsidies for Colorado students to study out-of-state in the absence of an appropriate in-state program. Students who receive a state subsidy are responsible for a post-

¹⁷ Elimination was also proposed in FY 2012-13, but this was not approved. An increase of \$51,625 for inflation was then authorized in FY 2017-18.

educational service commitment, or they must repay the subsidy. *[Note: Currently, the only program for which Colorado supports out-of-state study is optometry.]*

- Requires that if the Commission enters into a professional student exchange program through WICHE, it will establish policies to maximize the benefit of the program to Colorado residents.
- If the Commission continues to participate in a program for Colorado residents seeking postsecondary optometry degrees at institutions in other states, it will ensure that any students who enter the program beginning in the 2024-25 academic year and thereafter must, as part of their post-educational service commitment, agree to provide services to Coloradans enrolled in Medicaid.
- The Commission shall also adopt policies to promote provision of services in underserved areas that may include reducing the service requirement for individuals who meet their post-educational service requirement by serving in areas that have insufficient access to services. To identify areas that are underserved in optometry or other medically related fields, the department shall collaborate with the Colorado Department of Public Health and Environment.

→ T1 WICHE DUES

REQUEST: The Department requests an increase of \$5,000 reappropriated funds from indirect cost recoveries for dues to the Western Interstate Commission on Higher Education, bringing the appropriation for dues to \$169,000

RECOMMENDATION: Staff recommends the request for a \$5,000 increase. The funding source is General Fund, offset by indirect cost recoveries. The Department has confirmed that the payment due will be \$169,000.

BACKGROUND:

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/>

Dues represent approximately one-third of WICHE's annual budget and are equally apportioned among the 15 members. Grants from foundations and corporations and federal support represent the remainder of WICHE's budget.

This line item has historically relied on General Fund appropriations that were entirely offset by indirect cost recoveries. WICHE dues were also previously included in the pool of recoverable costs in the Department's indirect cost collection plan. Based on changes adopted by the Committee to direct-fund the Department, indirect costs will not be collected from institutions to cover these costs, although the General Fund amount in this line item may in some years continue to be offset by *statewide* indirect cost recoveries collected from higher education institutions.

→ T3 DEPRECIATION LEASE EQUIVALENT

REQUEST: The Department requests an increase of \$3,578,050 General Fund for the Annual Depreciation Lease Equivalent Payment, bringing this line item to a total of \$10,984,897 General Fund.

RECOMMENDATION: Staff recommends the requested increase, which is based on calculation established in law and provided by the Department.

BACKGROUND: Senate Bill 15-211, as amended by S.B. 16-020, created a process to annually set aside an amount equal to the calculated depreciation of a capital asset funded through the capital construction section of the Long Bill. Beginning with projects funded in the 2015 Long Bill, the bill established three set-aside mechanisms based on how a project is funded.

- For projects funded from a cash fund, the state agency annually credits an amount equal to the recorded depreciation to a capital reserve account in the cash fund.
- For projects funded from the General Fund, the Capital Construction Fund, or the Controlled Maintenance Trust Fund, the General Assembly is required to include an annual depreciation-lease equivalent payment line item payable from the General Fund in the operating section of the Long Bill for each state agency, including the Department of Higher Education. Amounts in this line item are credited to the Capital Construction Fund, except that an amount equal to one percent of the project cost is deducted from the payment and credited to the Controlled Maintenance Trust Fund.
- If the project is funded through a financing arrangement, such as a lease-purchase payment, the General Assembly must include an annual controlled maintenance line item payable from the General Fund equal to one percent of the project cost.
- If a project is funded from more than one cash fund or from a cash fund and from state funds, the set-aside amounts are shared proportionately between the various fund sources.

For FY 2020-21, the JBC sponsored H.B. 20-1398 to suspend this program for one year. The program took effect again in FY 2021-22. As originally enacted, the set-aside amounts could be appropriated for future capital expenses such as routine maintenance, equipment replacement, or the construction of a new building. However, pursuant to changes enacted in S.B. 22-239 (Buildings in the Capitol

Complex), all the revenue that would previously have gone to the Capital Construction Fund or Controlled Maintenance Fund is directed to the Capitol Complex Renovation Fund for the years FY 2022-23 through FY 2028-29.

The program took effect for capital construction projects first funded in FY 2015-16 from the date of acquisition or the date of completion of the project. Fiscal year FY 2018-19 was the first year in which a depreciation-lease equivalent payment has been required within the Department of Higher Education. Because higher education institutions receive a large share of total state capital construction appropriations, this line item is expected to grow significantly over time.

→ T4 COLORADO GEOLOGICAL SURVEY INFLATIONARY ADJUSTMENT

REQUEST: The Department requested an increase of \$31,727 General Fund for the Colorado Geological Survey line item, for a total of \$2,326,746 and 15.5 FTE, including \$666,255 General Fund and \$1,660,491 from the Operational Account of the Severance Tax Trust Fund. The increase requested represents an increase of 1.4 percent on the state funding in the line item.

RECOMMENDATION: Staff recommends an increase of \$116,674 total funds, including \$32,258 from the General Fund and \$84,415 cash funds from the Operational Account of the Severance Tax Trust Fund. The recommendation is for a 5.1 percent increase, which approximates adjustments for other state staff to base funding for the Colorado Geological survey.

INFLATIONARY ADJUSTMENT FOR CO GEOLOGICAL SURVEY			
	FY 2022-23 BASE	TOTAL PERCENT INCREASE ON BASE	FY 2023-24 ADJUSTMENT
Wages (61.0 percent of total)	\$1,410,051	5.0%	70,503
Benefits (20.0 percent of total)	461,714	10.0%	46,171
Operating/other (18.0 percent of total)	423,254	0.0%	
Total/weighted avg percent	\$2,295,019	5.1%	\$116,674
General Fund	634,528		32,258
Cash Funds – Severance Tax	1,660,491		84,416

ANALYSIS:

Background on the Colorado Geological Survey: Pursuant to H.B. 12-1355 and H.B. 13-1057 and an MOU between the Department of Natural Resources and the Colorado School of Mines, the Colorado Geological Survey (CGS), excluding the Avalanche Information Center, was transferred to the Colorado School of Mines in mid-FY 2012-13. The transfer downsized the CGS and the amount of money it received from the Operational Account of the Severance Tax Trust Fund (reduction of \$908,000), although the JBC subsequently added \$300,000 General Fund to the appropriation to retain some functions that were not included in the original transfer plans. An additional \$105,494 General Fund and 1.0 FTE was added in FY 2015-16.

The CGS is the only entity funded from "Tier I" of the Operational Account of the Severance Tax Trust Fund that is not within the Department of Natural Resources.

Most State funding provided for the Survey is for Geologic Hazard mitigation, consistent with an MOU between the school of Mines and the Department of Natural Resources when the CGS was transferred. However, the General Fund provided by the General Assembly has allowed the Division to retain a nucleus of activities in a broader range of areas.

- **land use reviews**, funded through fees paid by local governments (new subdivision proposals and new school locations must be reviewed by CGS for geologic hazards);
- **other geologic hazard work** supported with Severance tax (e.g., identifying areas of natural geologic hazards, providing related technical assistance to state and local governments, creating guidelines for land use in natural hazard areas);
- **surface mapping activities**, which are closely related to and integrated with the geologic hazard work and are supported with both Severance tax and federal funds.
- **groundwater activities**, including mapping, reporting, and technical assistance and advisory work for state and local governments (1.0 FTE supported with General Fund).
- **energy and minerals activities**, including mapping and reporting on mineral deposits and energy resources, as well as reporting on the status of the energy industry. This includes projects related to **geothermal energy** and **carbon sequestration** (1.5 FTE total for energy and minerals activities supported with General Fund). The Oil and Gas Conservation Commission in the Department of Natural Resources is now doing this work internally for oil and gas deposits. The CGS continues to do some work in this area for other minerals.

The CGS is expected to bring in additional matching funds to augment the state support provided. The move to the Colorado School of Mines was expected to facilitate growth of such outside funding opportunities.

As specified in the Legislative Declaration the statute authorizing this program (Section 23-41-202), “It is the intent of the General Assembly that sufficient funds be provided to cover the direct costs of a base staff and their operating expenses to ensure functional continuity of the Colorado geological survey as provided by statute and as determined to any memorandum of understanding [with the Department of Natural Resources]....”

Recent History Regarding Inflationary and Common Policy Increases

- Starting with the FY 2017-18 Long Bill, the JBC moved centrally-appropriated items for the Colorado Geological Survey (CGS) to the CGS line item. At the time, staff anticipated that future growth in the line item would be based on alternative growth factors, rather than actual pots (centrally appropriated line item) calculations, since benefits for CGS staff are no longer incorporated in the state benefits system. CGS staff now receive benefits through the Colorado School of Mines, which charges the CGS a flat 40 percent for benefits for all staff.
- Nonetheless, for FY 2018-19 and FY 2019-20, CGS, in consultation with the Department, chose to submit a request based on state common policy for salary survey and other benefits.
- This mechanism was complex and appeared to generate many errors. Further, it could lead to unreasonable swings in funding for a small agency. As described in the FY 2019-20 figure setting:

“...staff believes that the best solution is simply to provide an annual inflationary increase for the line item. For FY 2019-20, staff recommends using CY 2018 inflation. The Committee could consider using a different inflationary proxy, such as the annual community provider rate increase, to provide an annual adjustment. In years in which funding for increases for staff statewide is limited, increases may simply not be available. However, the community provider rate increase, as set in recent years, has typically run below the amounts required to adequately maintain programs, leading to periodic “rebasings” of program rates to address shortfalls. Staff would like to avoid this type of rebasing process if feasible and instead provide for consistent annual increases on a slightly larger scale.”

- **Staff continues to believe the CGS should receive routine inflationary increases.** The CGS represents a specialty function of the Colorado School of Mines with a statutory mission focused on providing specified *public services*, rather than educational functions. <https://coloradogeologicalsurvey.org/>
- The Department did not submit a request for an inflationary adjustment for CGS for FY 2021-22 or FY 2022-23. For FY 2021-22, the Executive Request also included no community provider increases, no increases above funding restoration for higher education governing boards, and, initially, no staff salary adjustments, so this line item was at least treated consistently with others. For FY 2022-23, the Department again failed to submit a request for any increase in this line item, despite the fact that salary survey and other increases were requested statewide, so JBC Staff applied the community provider rate increase.
- For FY 2023-24, the Department requested an increase, but of just 1.3 percent, which is far lower than the inflationary increases requested statewide for other state functions. Staff reached out to OSPB and the CGS and determined this was a technical error. **Staff’s understanding is that OSPB’s intent was to provide an increase commensurate with increases provided statewide pursuant to common policy. In light of this, staff requested data from CGS to facilitate the calculation above, which provides a 5.1 percent overall increase based on a 5.0 percent personal services increase, a 10.0 percent benefits increase, and no operating expense increase. Based on communication with the JBC Staff analyst for total compensation common policy, and the recent JBC vote to deny a statewide operating expense increase, staff believes this represents a reasonable approximation of statewide policy.**

→ BA1/ T5 UNIVERSITY OF COLORADO, LEASE PURCHASE OF ACADEMIC FACILITIES AT FITZSIMONS

REQUEST: The Department requests \$11,542,514 for the FY 2023-24 Fitzsimons Lease Purchase Payments. The total includes a technical adjustment of \$1,901 General Fund related to the COP payment schedule. The request includes \$4,591,006 from the General Fund and \$6,951,508 tobacco settlement funds. The Department’s original T5 request included a technical error indicating that tobacco revenue would no longer be available for payments. This was corrected in BA1, so the request leaves the tobacco funds contribution at the same level as FY 2022-23.

RECOMMENDATION: The staff recommendation is for \$11,542,514, including \$4,358,109 from the General Fund and \$7,184,405 cash funds from the Fitzsimons Trust Fund, which originates as tobacco settlement revenue.

The figure differs from the request due to Committee action to approve the tobacco settlement revenue forecast, which provides the revenue for FY 2023-24 cash funds amounts for this line item.

In the past, staff has also adjusted this amount based on revenue available in reserves in the Fitzsimons Trust Fund. Based on data previously provided, staff anticipates that total reserves in the Fund are approximately \$1.2 million. Staff considers this a reasonable cushion to address variance in Tobacco Settlement revenues from the forecast amounts. Staff notes that the actual Tobacco Settlement distribution for FY 2022-23 was \$7,387,461, which was \$735,953 above the \$6,951,508 originally anticipated and budgeted for FY 2022-23. This should have bolstered reserves in the Fitzsimons Trust Fund to make up for any variance that may occur in the opposite direction for FY 2023-24.

BACKGROUND: The General Assembly authorized the State to enter into a lease purchase agreement for the University of Colorado Health Sciences Center at Fitzsimons pursuant to H.B. 03-1256 (Section 23-20-136 (3.5), C.R.S. The bill authorized an agreement for up to twenty-five years, with the total amount of the agreement not to exceed \$202,876,109 plus administrative, monitoring, closing costs and interests. The bill further specified that annual aggregate rentals authorized would not exceed \$15,100,000. The General Assembly further authorized use of up to \$8,000,000 per year of Tobacco Master Settlement revenues for this purpose in Section 23-20-136 (3.5), C.R.S. The annual amount is based on total tobacco settlement funds received and the statutory allocation of the funds. These funds are deposited to the Fitzsimons Trust Fund.

This line item was moved from the capital construction section of the Long Bill to the operating section in FY 2015-16.

During the 2021 legislative session, the JBC approved a supplemental add-on to amend the FY 2020-21 appropriation to add \$5,615,000 General Fund to retire a portion of the Fitzsimons lease purchase payment, reducing the annual payment by approximately \$2.0 million per year.

→ T6 HIGHER EDUCATION FEDERAL MINERAL LEASE COP PAYMENTS

REQUEST: The Department requested adjustments for the Higher Education Federal Mineral Lease Certificate of Participation (COP) payment based on Federal Mineral Lease (FML) funds available and the COP payment schedule. The total FY 2023-24 payment due is \$17,432,169. Requested adjustments include a decrease in the total appropriation of \$7,731 and a fund split adjustment that provides a cash funds appropriation of \$1,000,000 from federal mineral lease revenue. The request includes a General Fund appropriation of \$16,432,169.

RECOMMENDATION: Staff recommends a total appropriation for the COP payment of \$17,432,169, consistent with the COP amortization schedule. However, staff recommends different funding splits, requiring \$400,000 more General Fund than the Executive Request, based on cash funds currently available in the Higher Education FML Fund.

BACKGROUND: In 2008, the General Assembly authorized the State to enter into lease-purchase agreements (certificates of participation/COPs) to fund capital construction projects for state-supported institutions of higher education. The decision reflected: (1) a desire to fund additional capital construction projects at state higher education institutions despite limited available capital construction funds; and (2) projected increases in federal mineral lease (FML) revenue due to natural gas leases on the Roan Plateau. Pursuant to S.B.08-233 and H.J.R 08-1042, the General Assembly authorized COP payments to fund 17 projects for higher education academic buildings across the state. Funding was ultimately sufficient to fund the first 12 projects, with some additional controlled maintenance projects authorized through H.B. 12-1357 using unspent COP proceeds.

Section 23-1-106.3 (1)(b)(IV), C.R.S. specifies that the anticipated annual state-funded payments for the principal and interest components under all lease purchase agreements on the projects may not exceed *an average of \$16,200,000* per year for the first ten years of payment and may not exceed an average of \$16,800,000 for the second ten years of payment. Payments will end in FY 2027-28, and no new issuances are allowed under current law.

The COP payments are made from the Higher Education FML Revenues Fund (Revenues Fund), created in Section 23-19.9-102, C.R.S. The Revenues Fund receives statutory allocations of FML revenue, including “spillover” from other funds that receive FML revenue and, per H.B. 16-1229, 50 percent of FML “bonus” payments. However, under statute and the COP agreements, if amounts in the Higher Education FML Revenues Fund are insufficient to cover COP payments due, the General Assembly transfers other funds into the Revenues Fund to make the necessary payment.

Since FY 2011-12, the General Assembly has frequently had to partially or entirely replace appropriations from the FML Revenues Fund with General Fund due to insufficient FML revenues. The table below compares funding sources for COP payments since the program’s inception.

HIGHER EDUCATION FML LEASE PURCHASE APPROPRIATIONS HISTORY			
	CAPITAL CONSTRUCTION FUND/ GENERAL FUND	HIGHER EDUCATION FML REVENUES FUND	TOTAL
FY 2008-09	\$0	\$10,000,000	\$10,000,000
FY 2009-10	0	16,652,725	16,652,725
FY 2010-11	0	8,877,550	8,877,550
FY 2011-12	4,066,510	8,379,790	12,446,300
FY 2012-13	420,184	18,165,191	18,585,375
FY 2013-14	18,587,975	0	18,587,975
FY 2014-15	18,587,556	0	18,587,556
FY 2015-16	5,781,075	11,991,975	17,773,050
FY 2016-17	12,125,175	5,650,000	17,775,175
FY 2017-18	16,073,025	1,700,000	17,773,025
FY 2018-19	17,035,263	650,000	17,685,263
FY 2019-20	16,294,250	1,140,000	17,434,250

HIGHER EDUCATION FML LEASE PURCHASE APPROPRIATIONS HISTORY			
	CAPITAL CONSTRUCTION FUND/ GENERAL FUND	HIGHER EDUCATION FML REVENUES FUND	TOTAL
FY 2020-21	16,933,244	500,000	17,433,244
FY 2021-22	17,072,238	360,000	17,432,238
FY 2022-23	17,439,900	808,668	16,631,232
Total to-date	\$160,416,395	\$84,875,899	\$243,674,958

Notes: The initial appropriation was included S.B. 08-233, which authorized the program (Capital Development Committee bill). Subsequent appropriations appeared in the Capital Construction section of the Long Bill (Treasury) until FY 2015-16, when the appropriation was included in the Treasury operating appropriations section. From FY 2016-17 on, appropriations are in the Department of Higher Education. Obligations end FY 2027-28.

Staff recommends the adjustments reflected in the table below. The difference from the request is that the staff recommendation adjusts the share of the funding from federal mineral lease revenues based on the balance of these funds currently available. **The Department anticipated that \$1,000,000 would be available in the Federal Mineral Lease Fund to contribute toward COP costs. Staff is instead anticipating that \$600,000 will be used from FML revenues and the balance will be covered by the General Fund.** The Treasurer indicates that that the expected cash fund balance as of July 1, 2023 is projected to be **\$731,727**, based on the previous balance in the fund, \$491,674 posted to the fund this year (FML and interest), less spending obligations for FY 2022-23. Based on the variability of FML funding, including bonus funds which support this line item, staff does not rely on projected FML revenue. Further, in light of periodic negative adjustments to the FML Revenues Fund based on federal actions, staff recommends retaining a small uncommitted balance. The request will leave approximately \$130,000 in the fund as cushion.

Pursuant to statute and the state's COP agreements, if amounts in the Higher Education FML Revenues Fund are insufficient to cover COP payments due, the General Assembly transfers other funds (in this case General Fund) into the Revenues Fund to make the necessary payment. As specified by H.B. 16-1229, these appropriations are made to the Department of Higher Education for transfer to the Treasurer for payment of the COPs. The Department of the Treasury has continuous spending authority for the funds received.

In the tables below:

- The first line item deposits General Fund into the Higher Education FML Revenues Fund.
- The second line item provides appropriations for the FY 2023-24 COP payments, including both cash funds (from FML revenues) and reappropriated funds (from the General Fund appropriated in the first line item).
- As shown, **the staff recommendation includes \$600,000 from cash funds instead of \$808,668 included in FY 2022-23; therefore, an additional \$208,668 General Fund is required compared to FY 2022-23.**

**HIGHER EDUCATION FEDERAL MINERAL LEASE REVENUES FUND FOR LEASE PURCHASE OF
ACADEMIC FACILITIES**

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$16,631,232	\$16,631,232	\$0	\$0	\$0	0.0
TOTAL	\$16,631,232	\$16,631,232	\$0	\$0	\$0	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$16,631,232	\$16,631,232	\$0	\$0	\$0	0.0
BA1, T5, T6 Lease purchase payment adjustments	200,937	200,937	0	0	0	0.0
TOTAL	\$16,832,169	\$16,832,169	\$0	\$0	\$0	0.0
INCREASE/(DECREASE)	\$200,937	\$200,937	\$0	\$0	\$0	0.0
Percentage Change	1.2%	1.2%	0.0%	0.0%	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	(\$400,000)	(\$400,000)	\$0	\$0	\$0	0.0

**COLORADO COMMISSION ON HIGHER EDUCATION AND HIGHER EDUCATION SPECIAL PURPOSE PROGRAMS, LEASE PURCHASE PAYMENTS AND CAPITAL-RELATED OUTLAYS, LEASE PURCHASE OF
ACADEMIC FACILITIES PURSUANT TO SECTION 23-19.9-102**

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$17,439,900	\$0	\$808,668	\$16,631,232	\$0	0.0
TOTAL	\$17,439,900	\$0	\$808,668	\$16,631,232	\$0	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$17,439,900	\$0	\$808,668	\$16,631,232	\$0	0.0
BA1, T5, T6 Lease purchase payment adjustments	(7,731)	0	(208,668)	200,937	0	0.0
TOTAL	\$17,432,169	\$0	\$600,000	\$16,832,169	\$0	0.0
INCREASE/(DECREASE)	(\$7,731)	\$0	(\$208,668)	\$200,937	\$0	0.0
Percentage Change	(0.0%)	0.0%	(25.8%)	1.2%	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$0	\$400,000	(\$400,000)	\$0	0.0

➔ ANNUALIZE APPROPRIATION FROM S.B. 21-185 (SUPPORTING EDUCATOR WORKFORCE IN COLORADO)

REQUEST: The Department's FY 2023-24 request includes \$59,132 General Fund and 1.0 FTE in this line item S.B. 21-185 (Supporting Educator Workforce in Colorado; Section 23-60-110, C.R.S.) to implement requirements in Section 4 of S.B. 21-185. This bill required that the Department, in collaboration with the Department of Education and the institutions of higher education, no later than FY 2022-23, design a teaching career pathway that begins in middle- or high-school.

RECOMMENDATION: Staff does not recommend funding in this line item. As described in the FY 2022-23 figure setting packet, Staff has been uncertain whether the funding for this line item was expected to be ongoing beyond FY 2022-23, based on the fiscal note. Statute requires the development of the teaching career pathway no later than FY 2022-23. **Staff has therefore assumed that funding in the line item annualizes (is eliminated) in FY 2023-24.** The Department has concurred that continuing this amount in its FY 2023-24 request was a technical error.

→ ADD RFI FOR COLORADO STATE UNIVERSITY FOREST SERVICE PROGRAMS

REQUEST: The Department did not request this change.

RECOMMENDATION: Staff recommends adding an RFI to ensure that the General Assembly receives regular reporting on expenditures from two cash funds that are continuously appropriated to the Colorado State Forest Service at Colorado State University.

N Department of Higher Education, Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Special Purpose, Forest Restoration and Wildfire Risk Mitigation Cash Fund and Health Forests and Vibrant Communities Fund – The Colorado State Forest Service and Colorado State University System are requested to provide a report, to be included as part of the November 1 budget submission, on actual and projected fund balances, revenues, and expenditures from these two cash funds and the status of the major initiatives being supported by these funds.

BACKGROUND: In the last few years, the General Assembly has transferred and appropriated large amounts of funds to two cash funds managed by the Colorado State Forest Service. The funds have been appropriated and transferred for a range of activities to mitigate wildfire risks. Because these funds are managed outside of the main state accounting systems, no budget schedules are submitted on the use of these funds. The table below shows appropriations and transfers provided in recent years and the expenditures reported by the Colorado State Forest Service in response to JBC Staff questions. Staff believes that while the Forest Service is managing such large one-time support from the State, it would be helpful to have at least annual reports on spending from these funds, similar to the information included below, with additional background on the status of major initiatives and forecasted expenditures.

COLORADO STATE FOREST SERVICE NEW FUNDING 2021 AND 2022 SESSIONS ¹				
	HEALTHY FORESTS & VIBRANT COMMUNITIES CF	FOREST RESTORATION & WILDFIRE RISK MITIGATION CF	OTHER APPROPRIATION/ FUND	TOTAL
2021 Session Bills				
S.B. 21-258 Wildfire Recovery	\$7,500,000	\$0	\$0	\$7,500,000
S.B. 21-054 Wildfire Mitigation	0	6,000,000	0	6,000,000
S.B. 21-205 (Long Bill)	2,000,000	8,000,000	0	10,000,000
Expenditure FY 2021-22	(424,401)	(342,408)	0	(766,809)

COLORADO STATE FOREST SERVICE NEW FUNDING 2021 AND 2022 SESSIONS ¹				
	HEALTHY FORESTS & VIBRANT COMMUNITIES CF	FOREST RESTORATION & WILDFIRE RISK MITIGATION CF	OTHER APPROPRIATION/ FUND	TOTAL
Balance start of FY 22-23	9,075,599	13,657,592	0	22,733,191
Spending FY 2022-23	(1,165,615)	(178,858)	0	(1,344,473)
Encumbered FY 2022-23	(5,909,984)	(5,816,409)	0	(11,726,393)
Unencumbered Balance as of December 2022	2,000,000	7,662,325	0	9,662,325
2022 Session Bills				
S.B. 22-007 Fire Risk Mitigation Outreach	800,000	0	0	800,000
H.B. 22-1323 Tree Nursery	0	0	5,000,000	5,000,000
H.B. 22-1011 Wildfire Mitigation Incentives Local Gov't			10,000,000	10,000,000
H.B. 22-1012 Healthy Forests	3,000,000	2,200,000	0	5,200,000
H.B. 22-1379 Wildfire & Watershed	3,000,000	0	0	3,000,000
H.B. 22-1329 (Long Bill)	2,000,000	8,000,000	0	10,000,000
Spending FY 2022-23	0	0	(10,224)	(10,224)
Encumbered FY 2022-23	0	0	(44,686)	(44,686)
Unencumbered Balance as of December 2022 (2021 & 2022 Session Bills)	\$10,800,000	\$17,862,325	\$14,945,090	\$43,607,415

¹Amounts shown do not include base forest service funding provided as part of the Colorado State University appropriation for specialty education programs (\$6,369,604 expended in FY 2021-22)

① NATIONAL WESTERN CERTIFICATES OF PARTICIPATION PAYMENT

During figure setting for Capital Construction on March 6, 2023, the JBC took action to move the COP payments for the National Western Center to the Higher Education operating budget. This additional amount is not yet reflected in the numbers pages. However, based on the Committee's action, under the Department of Higher Education, Colorado Commission on Higher Education and Higher Education Special Purpose Payments, Lease-Purchase Payments And Capital-Related Outlays section, staff will add a line item entitled National Western Certificate of Participation payments. The FY 2023-24 line item amount is \$17,499,348 from the National Western Center Trust Fund created in Section 23-31-902 (2), C.R.S.

LINE ITEM DETAIL – COLORADO COMMISSION ON HIGHER EDUCATION

(A) ADMINISTRATION

ADMINISTRATION

This line item pays for personal services, contracts, and operating expenses associated with CCHE and staff. The sources of cash funds include indirect cost recoveries paid by CollegeInvest and College Assist, and fees paid by private institutions for program approval pursuant to Section 23-1-125 (5) and Section 23-2-104.5, C.R.S. 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.

Master Plan and Institutional Performance

- Develop a master plan with institutions to achieve statewide expectations and goals [23-1-108]
- In collaboration with the public institutions of higher education, ensure the Master Plan is implemented [23-1-108 (1.5)]
- Submit annual reports to the General Assembly, and post on-line, each institution's progress toward meeting Master Plan goals [23-1-108 (1.5)]
- Negotiate performance contracts with the Colorado School of Mines and private institutions that participate in the College Opportunity Fund Program (Note: the status of any contract with the School of Mines is unclear; DHE has not received performance updates) [23-41-104.6 and 23-1-108 (14)]
- 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

Institutional Role and Mission and System Coordination

- 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, including enforcing requirements related to percentages of non-resident students that may be enrolled [23-1-108 (1) (d), (e), 113, 113.5, 113.7]
- Establish service areas, designate regional education providers, and monitor courses provided out of state to ensure that no state funds are used for these. (JBC Staff notes that the Department is no longer restricting service areas for campuses.) [23-1-109, 127, 23-5-116, 23-60-207]
- Authorize bachelor of applied science degrees at community colleges based on demonstrated need, cost-effectiveness, and considering whether such program could instead be provided conjunction with an accredited four-year institution. [23-1-133]
- Establish and enforce transfer agreements and common course numbering, and resolve disputes [23-1-108 (7), 108.5]

- Coordinate a system of core courses and associates degrees that may be transferred from one state institution to another. [23-1-125]
- Standardize assessments of basic skills, specify which institutions may offer developmental education courses and supplemental academic instruction, and report to the General Assembly on program effectiveness [23-1-113, 113.3]
- Coordinate a process to ensure eligible students are aware of their eligibility for an associate's degree (reverse transfer program) [23-1-131] and facilitate award of associates degrees for students who did not complete their baccalaureate at a baccalaureate-granting institution [23-1-131.5]
- 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 colleges [23-71-205]

State Support for Institutions

- Develop and report on the system of funding for higher education established pursuant to H.B. 20-1366 [23-18-301 through 307]
- 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]
- Prepare fiscal notes to help the legislature assess the impact of legislation
- Approve the acceptance of gifts by institutions, if they require on-going state expenditures [23-5-112]

Capital Construction

- Regulate capital construction [23-1-106 *except as waived by CCHE*], 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
- Managing appropriations from the Higher Education Federal Mineral Lease Revenues Fund for certificates of participation paid by the FML Revenues Fund [23-1-106.3]

Financial Aid, Student Loans, College Savings Accounts

- Oversee financial aid programs [23-3.3-101 et seq.]
- Distribute financial aid to institutions [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; being phased out]
- Oversee CollegeInvest [23-3.1-205.7]
- Oversee the Colorado Opportunity Scholarship Initiative (COSI) under the Executive Director and the COSI advisory board [23-3.3-1001 et. seq.]

Tuition and Fee Policy

- Set tuition and fee policies based on roll and mission [23-1-108 (12)]
- Approve fixed tuition policies [23-5-131]
- Negotiate reciprocal tuition agreements [23-1-108 (10), 112, 23-3.3-601]

Outreach on Specific Topics

- Perform outreach to potential students [23-1-119, 23-1-119.1, 23-1-119.2, 23-15-110.5, 23-18-205]

Oversee Select Statewide Policies

- Establish policies for determining student residency status within statutory guidelines [23-1-105, 23-7-101 et seq.]
- Adopt statewide affirmative action policies [23-1-108 (1) (f)]
- Ensure academic credit for American sign language courses [23-1-128]

Coordinate with State Board of Education and Department of Labor on Workforce Needs

- Analyze state workforce needs versus credential production in coordination with other agencies [23-1-130]
- 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]
- Coordinate with the state board of education to ensure that parents and guardians of public school students receive notice regarding postsecondary admissions requirements and precollegiate course requirements [23-1-119.1, 119.2]
- 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]
- 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; *funding not presently available*]
- Collaborate with the Workforce Development Council in the Department of Labor and Employment, the Department of Education, and the community college system to develop and publicize career pathways for students. [24-46.3-104]

Data Reporting and Collecting

- 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, 119.3]
 - performance [23-1-108, 23-41-104.6]
 - 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]

Promote Technology Transfer

- 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]

Staffing: The staff in this line item include:

- Executive and administrative – Includes executive director, chief of staff, special projects and industry partnerships, support staff
- Communications, outreach and legislative liaison
- Chief Equity Officer
- Budget and finance – 7.9 FTE
- Research/policy/analysis/IT and data management – 8.0 FTE
- Academic affairs – 4.2 FTE

Since FY 2013-14, the General Assembly has added \$289,227 and 3.0 FTE to this line item for data analysis staff (1.0 FTE position was internally redirected by the Department to a "communications manager" position) and \$306,169 and 3.0 FTE for financial management staff pursuant to H.B 14-1319. In FY 2021-22, the General Assembly added \$125,000 General Fund and 1.0 FTE for a Chief Educational Equity Officer, and in FY 2022-23 it added \$250,000 General Fund and 2.0 FTE for a new outreach division.

In part because this Department receives significant off-budget grant funds, over the years staff roles and financing sources may shift.

REQUEST: The Department requests \$4,520,604 total funds and 36.8 FTE. The total includes a reduction of \$193,018 cash funds and 1.0 FTE to annualize S.B. 22-181 (Behavioral Healthcare Workforce), an increase of \$140,376 total funds to annualize prior year salary, and an increase of \$459,449 General Fund and 3.8 FTE for BA2 Strategic Staffing Support for DHE.

RECOMMENDATION: The following table summarizes the staff recommendation. As described previously, the recommended funding for BA2 is **pending** due to insufficient data to justify the requested salary levels. The amount shown in the table for this item is therefore the *request*. The table below also includes an entry that reverses supplemental to direct-funds this department in FY 2022-23. **As previously discussed, staff recommends continuing to direct-funding for the Department in FY 2023-24. However, to facilitate figure setting for the governing boards, the numbers pages have not yet been modified to incorporate this change.**

COLORADO COMMISSION ON HIGHER EDUCATION AND HIGHER EDUCATION SPECIAL PURPOSE PROGRAMS, ADMINISTRATION, ADMINISTRATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$4,113,797	\$3,613,517	\$395,100	\$105,180	\$0	34.0
TOTAL	\$4,113,797	\$3,613,517	\$395,100	\$105,180	\$0	34.0
FY 2023-24 RECOMMENDED APPROPRIATION						

COLORADO COMMISSION ON HIGHER EDUCATION AND HIGHER EDUCATION SPECIAL PURPOSE PROGRAMS, ADMINISTRATION, ADMINISTRATION

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 Appropriation	\$4,113,797	\$3,613,517	\$395,100	\$105,180	\$0	34.0
<i>B.A2 Strategic staffing support for DHE*</i>	<i>459,449</i>	<i>459,449</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>3.8</i>
Annualize prior year budget actions	140,376	25,183	0	115,193	0	0.0
SI Indirect cost adjustments (Annualizes FY 2022-23 supplemental)	0	(3,363,517)	0	3,363,517	0	0.0
Annualize prior year legislation	(193,018)	0	(193,018)	0	0	(1.0)
TOTAL	\$4,520,604	\$734,632	\$202,082	\$3,583,890	\$0	36.8
INCREASE/(DECREASE)	\$406,807	(\$2,878,885)	(\$193,018)	\$3,478,710	\$0	2.8
Percentage Change	9.9%	(79.7%)	(48.9%)	3,307.4%	0.0%	8.2%
FY 2023-24 EXECUTIVE REQUEST	\$4,520,604	\$734,632	\$202,082	\$3,583,890	\$0	36.8
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

*Pending

(B) DIVISION OF PRIVATE OCCUPATIONAL SCHOOLS

This program is responsible for reviewing the curriculum and establishing standards for private occupational schools in Colorado, pursuant to Section 12-59-101, C.R.S., et. seq. The Division regulates over 356 private occupational schools in Colorado and 40 out-of-state schools that deliver education or training in areas such as cosmetology, real estate, IT/business, massage therapy, trucking, automotive, bartending and allied healthcare professions. The vast majority of schools regulated by the Division are not subject to any other accreditation or quality review process. The Division thus helps to protect students from deceptive trade practices and substandard educational programs. It also maintains the student records of any institution that closes, among other functions.

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

Division FTE are supported through fees on the regulated schools. This includes the Director, Deputy Director who focuses on investigation and compliance, 1.0 administrative staff who supports both the DPOS board and staff, and 4.0 program specialists who assist schools through the application and renewal process and focus heavily on technical assistance. For FY 2017-18, the General Assembly approved a 2.0 FTE increase for the Division, including an investigative specialist to identify noncompliance issues, including substandard education and deceptive sales and trade, and a data and research specialist. Among other responsibilities, the data and research specialist will assist the Division in moving from a paper-based to an electronic system for managing records.

During the 2020 legislative session, the Department requested, and the General Assembly approved, spending authority for transitioning to a new information technology system. The request was for \$200,000 cash funds spending authority for FY 2020-21 and \$100,000 cash funds spending authority for FY 2021-22 through FY 2023-24. The purpose described was to enable the Division of Private Occupational Schools to implement a comprehensive IT solution to increase the quality and efficiency of the Division's workflow.

The Division saw a new opportunity for implementing a cost-effective system by linking to a data system developed for the Department of Labor and Employment's one-stop workforce system, the Eligible Training Provider List (ETPL). This system is used by the state's one-stop workforce center system and managed by the Division. The technology solution the Department proposed was intended to enable private occupational schools to file required materials with the Division and simultaneously register with the ETPL if they wish to do so. About one-third of schools regulated by the Division are already on the ETPL. The same year, the Department requested, and the JBC approved, a three-year waiver of excess reserve requirements for the Division of Private Occupational Schools cash fund.

During the FY 2022-23 legislative session, JBC Staff recommended continuing funding for the IT project at a higher level than originally anticipated for FY 2022-23 and FY 2023-24 (\$99,419 above the \$100,000 originally anticipated for these years) to enable the division to continue to spend down excess reserves and complete the new information technology system. The Department reported that the cost of the system was greater than originally anticipated (it had risen from \$500,000 to \$625,000). It also noted that Department staff had been challenged by the workload associated with development of the IT system combined with their regular workload, leading to a need for short-term staffing to backfill regular staff. As of winter of FY 2022-23, the new system appears to be up and running on the DPOS website.

If further changes are required beyond FY 2023-24, JBC Staff anticipates that the Department will submit a decision item at that time.

Current fees on schools subject to DPOS review are as follows:

- Approval for a provisional school (a new school) is \$5,000 per school and \$2,500 per campus
- Renewal (every 3 years) is \$2,000
- Review of new programs and courses is \$500
- Quarterly assessments per student are \$5.00 (\$20/year/student)

STATUTORY AUTHORITY: Section 12-59-101, C.R.S., et. seq.

REQUEST: The Department requests \$1,103,019 cash funds and 10.3 FTE for this line item, including an increase of \$23,342 cash funds to annualize prior year salary survey, an increase of \$10,148 for the statewide operating expenses inflation request, and an increase of \$29 for a common policy adjustment entitled "risk legal adjustment correction"

RECOMMENDATION: The staff recommendation is reflected in the table below. Consistent with Committee common policy, the recommendation does not include the statewide operating expenses inflation request. Staff has also excluded a risk management correction which appeared to be misplaced in this line item and which is not included in JBC common policy.

COLORADO COMMISSION ON HIGHER EDUCATION AND HIGHER EDUCATION SPECIAL PURPOSE PROGRAMS, DIVISION OF PRIVATE OCCUPATIONAL SCHOOLS, DIVISION OF PRIVATE OCCUPATIONAL SCHOOLS

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$1,069,500	\$0	\$1,069,500	\$0	\$0	10.3
TOTAL	\$1,069,500	\$0	\$1,069,500	\$0	\$0	10.3
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$1,069,500	\$0	\$1,069,500	\$0	\$0	10.3
Annualize prior year budget actions	23,342	0	23,342	0	0	0.0
Centrally appropriated line items	0	0	0	0	0	0.0
NP BA Operating expense inflation	0	0	0	0	0	0.0
TOTAL	\$1,092,842	\$0	\$1,092,842	\$0	\$0	10.3
INCREASE/(DECREASE)	\$23,342	\$0	\$23,342	\$0	\$0	0.0
Percentage Change	2.2%	0.0%	2.2%	0.0%	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$10,177	\$0	\$10,177	\$0	\$0	0.0

(C) SPECIAL PURPOSE

WESTERN INTERSTATE COMMISSION ON HIGHER EDUCATION (WICHE)

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

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

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

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

Dues represent approximately one-third of WICHE's annual budget and are equally apportioned among the 15 members. Grants from foundations and corporations and federal support represent the remainder of WICHE's budget.

This line item relies on General Fund appropriations that are entirely offset by indirect cost recoveries. WICHE dues are now included in the pool of recoverable costs in the Department's indirect cost collection plan.

STATUTORY AUTHORITY: Sections 24-60-601 and 23-1-108 (10), C.R.S..

REQUEST: The Department requests \$169,000 reappropriated funds for this line item, including \$5,000 in fee increases.

RECOMMENDATION: **Staff recommends the request for \$169,000, including the requested fee adjustment.** The Department has confirmed the new fee level.

WICHE – OPTOMETRY

This line provides funding for Colorado students to enroll in out-of-state institutions with optometry programs, including private institutions, at subsidized rates through an exchange set up by WICHE. The exchange offers an alternative to establishing such a program in Colorado, as there is currently no optometry school in the State. In return for discounted tuition, participating students agree to return to Colorado to practice optometry for the same number of years as they were supported, or to repay the state for its investment inflated by the federal PLUS student loan rate. As of FY 2015-16, 87 percent of graduates returned to the State.

The program previously served about 25 students at any given time. The FY 2022-23 state support fee (paid by all states per student) is \$19,700 per year, or about half of typical optometry school tuition. Since FY 2004-05, from 2 to 12 new students have been added to the program each year. Students are funded for their entire time in the multi-year program, so there are only a few students added each year, while others graduate (an O.D. program is typically 4 years).

Fiscal Year 2012-13 request BRI 7 proposed to phase out the program, but the General Assembly did not approve this request. In FY 2017-18, based on a request the General Assembly increased the appropriation by \$44,125 to address the impact of inflation over multiple years. This annualized to

add an additional \$7,500 in FY 2018-19. In response to an FY 2017-18 RFI, the Department expressed its continued support for the program but did not support adding additional professional exchange programs.

Due to revenue shortfalls, beginning in FY 2020-21, the JBC authorized reduction for the program to eliminate funding for positions that were vacated as students graduated. For FY 2021-22, the Department proposed phasing out the program entirely, but the General Assembly chose to retain the program with the reductions that had been applied for FY 2020-21. The JBC authorized an inflationary adjustment for FY 2022-23.

The program is supported by General Fund that is offset by departmental and state indirect cost recoveries. The program is not included in the pool of recoverable costs in the Department’s indirect cost collection plan.

STATUTORY AUTHORITY: Sections 24-60-601 and 23-1-108 (10), C.R.S.

REQUEST: Department requested a continuation level of \$385,500 General Fund.

RECOMMENDATION: Staff recommends the request for continuation funding of \$385,000 General Fund.

DISTRIBUTION TO THE HIGHER EDUCATION COMPETITIVE RESEARCH AUTHORITY

The Higher Education Competitive Research Authority is created in Section 23-19.7-102, C.R.S. The authority is overseen by a board comprised of the presidents or designees of the research institutions and a Governor appointee. Its role is to provide matching funds for federal research grants.

The Authority was initially supported by waste tire fees and more recently by Limited Gaming Funds. Senate Bill 13-133 provided for a limited gaming funds transfer of \$2,100,000 at the end of FY 2012-13 and subsequent years. This has been the sole source of revenue in recent years. Due to steep declines in limited gaming revenues, the JBC sponsored and the General Assembly adopted legislation to suspend allocations to this program that are received in FY 2020-21 (based on FY 2019-20 limited gaming revenue) and FY 2021-22 (based on FY 2020-21 limited gaming revenue). Gaming allocations to the program resumed in FY 2022-23.

Even though new funding was suspended for two years, the program continued to spend during FY 2020-21 and FY 2021-22 from its considerable existing reserves on both prior and new commitments. Beginning in FY 2022-23, the Department requested, and the General Assembly approved, restoring \$800,000 cash funds spending authority that had been reduced for FY 2020-21 and FY 2021-22, returning spending authority to \$2,800,000 cash funds per year. Disbursements for projects are typically spread over two to six years.

COLORADO HIGHER EDUCATION COMPETITIVE RESEARCH AUTHORITY						
SUMMARY OF FINANCIAL ACTIVITY - CALENDAR YEARS 2020 THROUGH 2022						
(FEB 23 BOARD MEETING)						
			2020	2021	2022	
Balance Available January 1			\$6,298,851	\$3,911,965	\$2,142,728	
Revenues						
Limited Gaming Fund			-	-	2,100,000	

COLORADO HIGHER EDUCATION COMPETITIVE RESEARCH AUTHORITY
SUMMARY OF FINANCIAL ACTIVITY - CALENDAR YEARS 2020 THROUGH 2022
(FEB 23 BOARD MEETING)

	2020	2021	2022
interest earnings	77,388	21,672	18,455
Total Revenues	77,388	21,672	2,118,455
Disbursements			
Colorado State University			
ARPA- Egrant	101,033		
MRI: NSF Cost match (Acquisition of a Maskless Lithography System)			
IAC Extension to Underserved Areas (3 payments)	87,756		43,878
NAWI- 1 payment		38,446	
Colorado State University-NAWI- 1 payment		89,275	
Colorado State university-MRI- Aquition Open Access Shared			46,800
Colorado State university-ASPIRE 2022 (1 of 5)			75,000
Colorado State university-MRI one time payment			136,500
Colorado State university-APRA- E Roots (1 of 3)			133,000
Colorado School of Mines			
Engineering Research Center Reinventing Urban Water ERC (renewal)	800,000		
\$400,000 per year (10/10 installment)			
IACMI-Institute for Advanced Composites Manufacturing Innovation	100,000		
\$200,000 per year 5 years split \$100,000 each to CSU and Mines			
REMADE-Clean Energy Manufacturing Innovation Institute for Reducing EMbodied-energy And Decreasing Emissions	66,435		
MRI: 2019 MSF - one year	170,000		
NAWI- 1 payment		123,188	
Colorado School of Mines- NAWI project (1 of 3)			30,187
Colorado School of Mines- NAWI project (1 of 3)			54,082
Colorado School of Mines- NAWI project (1 of 3) Mobile Demonstration Trailer			56,900
Colorado School of Mines- NAWI project new water resources (1 of 3)			38,520
University of Colorado - Boulder			
NSF Science and Technology Center on Real-Time Function Imaging (STROBE) award notification	400,000		

COLORADO HIGHER EDUCATION COMPETITIVE RESEARCH AUTHORITY			
SUMMARY OF FINANCIAL ACTIVITY - CALENDAR YEARS 2020 THROUGH 2022			
(FEB 23 BOARD MEETING)			
	2020	2021	2022
5 payments of \$400,000			
\$478,527.00 in total			
QLCI-CI: NSF Quantum Leap Challenge Institute for Enhanced Sensing and Distribution Using Correlated Quantum States	400,000	400,000	
5 payments of \$400,000			
MRI: NSF- (HS-LEIS)- one year	195,000		
MRI: NSF- (STED)- one year	135,000		
STROBE (5 payments)		800,000	
University of Co- Boulder NAWI- 1 payment		40,000	
U. of Co- Boulder Cost share 2020		187,500	
U. of Co- Co Springs Cost share 2020		112,500	
University of Colorado - Boulder STC (5 payments)			200,000
University of Colorado - Boulder MRI (two dose and high resolution)			116,700
University of Colorado - Boulder ASPIRE (5 payments)			325,000
University of CO Boulder- Cost share Quantum Egg			295,000
University of CO Boulder- Cost share Ultra Resolution			133,501
legal costs	-	-	-
audit cost	9,050	-	-
Total Disbursements	2,464,274	1,790,909	1,685,068
Balance Available at December 31	\$3,911,965	\$2,142,728	\$2,576,115

STATUTORY AUTHORITY: Section 23-19.7-102, C.R.S.

REQUEST: The Department requests a continuation of \$2,800,000 cash funds for this line item.

RECOMMENDATION: **Staff recommends the Department's request for \$2,800,000 cash funds spending authority.**

VETERINARY SCHOOL CAPITAL OUTLAY

This line represents cash funds and state funds for capital outlay associated with CSU's veterinary medicine program consistent with the provisions of 23-31-118 (2), C.R.S. The funding split is based on the ratio of resident students to non-resident students in the veterinary medicine program. Statute requires that a fee of \$1,001 be assessed to all non-resident and WICHE students. The state appropriation covers this cost-component for resident students, and states participating in the WICHE agreement cover this cost-component for their students. The funds are used for the purchase and replacement of equipment used in the education of veterinary students, with about half (\$496.98 per student) used for capital equipment for use of veterinary students and the balance used for capital construction funding directly related to the veterinary medicine program.

The State's contribution is shown as reappropriated funds from indirect cost recoveries, but this represents indirect cost recoveries that offset General Fund otherwise required. (The appropriation is not included in the Department's pool of recoverable costs.) The balance of the appropriation is shown for informational purposes and represents CSU's collections from non-resident and WICHE students. The cash funds do not pass through the state accounting system.

STATUTORY AUTHORITY: Sections 23-31-118(2), C.R.S.

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

RECOMMENDATION: Staff recommends the request for \$285,000, including \$143,640 cash funds and \$141,360 reappropriated funds from indirect cost recoveries.

COLORADO GEOLOGICAL SURVEY AT THE COLORADO SCHOOL OF MINES

Pursuant to H.B. 12-1355 and H.B. 13-1057 and an MOU between the Department of Natural Resources and the Colorado School of Mines, the Colorado Geological Survey (CGS), excluding the Avalanche Information Center, was transferred to the Colorado School of Mines in mid-FY 2012-13.

The transfer was accompanied by budget cuts. The budget for the CGS at the Department of Natural Resources prior to transfer was \$4.5 million, including \$2.3 million from the Operational Account of the Severance Tax Trust Fund. As part of the transfer, overall appropriations from the Operational Account of the Severance Tax Trust Fund were reduced by 42 percent (\$908,000). The JBC subsequently added \$300,000 General Fund to the appropriation to retain some functions that were not included in the original transfer plans, and additional \$105,494 General Fund and 1.0 FTE was added in FY 2015-16 to help maintain hazard mitigation services.

The CGS is the only entity funded from "Tier I" of the Operational Account of the Severance Tax Trust Fund that is not within the Department of Natural Resources.

Most State funding provided for the Survey is for Geologic Hazard mitigation, consistent with an MOU between the school of Mines and the Department of Natural Resources when the CGS was transferred. However, the General Fund provided by the General Assembly has allowed the Division to retain a nucleus of activities in a broader range of areas.

- **land use reviews**, funded through fees paid by local governments (new subdivision proposals and new school locations must be reviewed by CGS for geologic hazards);
- **other geologic hazard work** supported with Severance tax (e.g., identifying areas of natural geologic hazards, providing related technical assistance to state and local governments, creating guidelines for land use in natural hazard areas);
- **surface mapping activities**, which are closely related to and integrated with the geologic hazard work and are supported with both Severance tax and federal funds.
- **groundwater activities**, including mapping, reporting, and technical assistance and advisory work for state and local governments (1.0 FTE supported with General Fund).
- **energy and minerals activities**, including mapping and reporting on mineral deposits and energy resources, as well as reporting on the status of the energy industry. This includes projects related

to **geothermal energy** and **carbon sequestration** (1.5 FTE total for energy and minerals activities supported with General Fund). The Oil and Gas Commission in the Department of Natural Resources is now doing this work internally for oil and gas deposits. The CGS continues to do some work in this area for other minerals.

The CGS is expected to bring in additional matching funds to augment the state support provided. The move to the Colorado School of Mines was expected to facilitate growth of such outside funding opportunities.

STATUTORY AUTHORITY: Sections 23-41-201 through 210, C.R.S.

REQUEST: The Department of Higher Education requests \$2,326,746 total funds and 15.5 FTE, including \$666,255 from the General Fund and \$1,660,491 from the Operational Account of the Severance Tax Trust Fund, among other sources. The total includes a requested adjustment for salary costs equating to a 1.3 percent increase on the line item.

RECOMMENDATION: The staff recommendation is reflected below. As discussed previously in this packet, the recommendation adds a larger adjustment to align better with salary increases being provided throughout state government.

COLORADO COMMISSION ON HIGHER EDUCATION AND HIGHER EDUCATION SPECIAL PURPOSE PROGRAMS, SPECIAL PURPOSE, COLORADO GEOLOGICAL SURVEY AT THE COLORADO SCHOOL OF MINES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$2,295,019	\$634,528	\$1,660,491	\$0	\$0	15.5
TOTAL	\$2,295,019	\$634,528	\$1,660,491	\$0	\$0	15.5
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$2,295,019	\$634,528	\$1,660,491	\$0	\$0	15.5
T4 Colorado Geological Survey	116,674	32,258	84,416	0	0	0.0
TOTAL	\$2,411,693	\$666,786	\$1,744,907	\$0	\$0	15.5
INCREASE/(DECREASE)	\$116,674	\$32,258	\$84,416	\$0	\$0	0.0
Percentage Change	5.1%	5.1%	5.1%	0.0%	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$2,326,746	\$666,255	\$1,660,491	\$0	\$0	15.5
Request Above/(Below) Recommendation	(\$84,947)	(\$531)	(\$84,416)	\$0	\$0	0.0

INSTITUTE OF CANNABIS RESEARCH GOVERNING BOARD AND INSTITUTE OF CANNABIS RESEARCH AT CSU-PUEBLO

Senate Bill 16-191 authorized the General Assembly to appropriate money from the Marijuana Tax Cash Fund (MTCF) to the Board of Governors of the Colorado State University System (CSU) to fund scientific and social science research at CSU-Pueblo concerning marijuana and other matters that

impact the state and its regions. The appropriation was initially provided at the \$900,000 level and was increased to \$1,800,000 MTCF in FY 2017-18. House Bill 19-1311 (Institute of Cannabis Research Role and Mission by Singer/Bridges made changes to the program. The changes include, among others, creating a new 9-member board to oversee the program, approve the budget, and oversee grant awards through an open process.

CSU reported that in 2019, the institute supported 16 research projects led by 20 CSU-Pueblo faculty and staff, and employed five staff directly. CSU-P consults with the Department of Public Health and Environment to avoid any funding overlap. Studies have explored issues such as the effects of medicinal cannabinoids on seizures in those with epilepsy, a study of use of industrial hemp fibers as reinforcing agents, and study for an enhanced method for extracting cannabinal from cannabis leaves and flowers using pressurized liquid extraction. The Institute also hosts conferences and a journal, the Journal of Cannabis Research, launched in partnership with Springer Nature.

During the 2020 legislative session, in response to budget constraints, the JBC reduced the budget for the Institute to \$1,000,000 cash funds from the MTCF for FY 2020-21. Funding was restored to \$1,800,000 in FY 2021-22 and the appropriation was divided into two line items, at the request of the program: Institute of Cannabis Research - Governing Board and Institute of Cannabis Research at CSU-Pueblo. For FY 2022-23, the line item was consolidated back into a single line item (Institute of Cannabis Research at CSU-Pueblo) and funding was increased, though a decision item, to \$2,800,000 from the Marijuana Tax Cash Fund.

STATUTORY AUTHORITY: Sections 23-31.5-112, C.R.S.

REQUEST: The Department of Higher Education requests \$3,600,000 cash funds from the Marijuana Tax Cash Fund, including an increase of \$1,139,828 cash funds from the Marijuana Tax Cash Fund for Request R4.

RECOMMENDATION: **The staff recommendation is for a continuation amount of \$1,800,000 and does not include the requested increase for Request R4 due to revenue limitations.**

GEAR UP

PROGRAM BACKGROUND: The federally-funded GEAR UP program places full-time advisors in more than two dozen middle and high schools across the state. The goal is to help students, who are typically first in their family to attend college, to become college-ready. Advisors recruit roughly 100 students per grade level, starting with eighth-graders, and work with them throughout middle and high school. Middle-school students may begin with ‘early remediation’ courses (remedial courses that would be required to begin college work if they were college-age) in order to demonstrate that they are college ready. Older students participate in dual enrollment courses that earn college credits while they are in high school in order to build students’ confidence and save them money and time in college. They also take CLEP exams (e.g., in Spanish) to demonstrate proficiency and earn college credit. GEAR UP students graduate high school having earned an average of 17 college credits. These are far more likely to graduate from high school and pursue and persist in college than their peers. The program reports that 87 percent graduate from high school, 84 percent enroll in college in the fall after high school graduation, and 81 percent persist through their first year of college.

The program was moved to the Department of Higher Education in FY 2012-13 and a line item to show full federal funding was added in FY 2014-15

FEDERAL GRANT: In FY 2018-19, Colorado received a fourth seven-year GEAR UP grant for \$5,000,000 per year. This funding will be available through FY 2024-25. Fifty percent of the total (\$2.5 million) is allocated to scholarship/tuition assistance to GEAR UP participants, while the balance primarily supports the salaries of the GEAR UP student advisors, including pre-collegiate advisors, college advisors, and management and support staff. The Department has also received supplemental grants in some years that increased this total.

REQUEST: The Department requests of \$5,054,686 federal funds and 29.1 FTE shown for informational purposes, including \$54,686 to annualize prior year salary survey.

RECOMMENDATION: **Staff recommends \$5,000,000 federal funds and 29.1 FTE shown for informational purposes.** Staff notes that any increases and decreases, including related to common policy for staff compensation, will be absorbed within the fixed base grant amount. Since this line item is shown for informational purposes, the staff recommendation is simply to maintain the current \$5.0 million appropriation. Actual expenditures vary from year to year, but this amount is consistent with the seven-year federal grant award.

PROSECUTION FELLOWSHIP PROGRAM

Senate Bill 14-174, amended by S.B. 15-043, created the Prosecution Fellowship Program. Through state funding appropriated to the Department of Higher Education, the Colorado District Attorney's Council (CDAC) oversees and facilitate the placement of six recent graduates from the state's two major law schools, the University of Colorado at Boulder and the University of Denver, into one year prosecution fellowships in rural jurisdictions around the state. Fellows receive an intensive trial advocacy course from CDAC over the summer before placement in the community in September. The two universities are required to contribute 20 percent of fellows' salaries if they wish to participate

The fellowships were filled beginning in FY 2015-16, and CDAC has reported that the program is achieving its goals of providing prosecution work experience for law school graduates and assisting understaffed rural prosecutor's office

In response to budget constraints, the Joint Budget Committee eliminated funding for the program for FY 2020-21 only. The program was reinstated effective FY 2021-22. In February 2021, CDAC reported that to date 29 fellows had participated in the program. Of these, 16 had been retained in District Attorney offices and 2 absorbed in city attorney offices, while 4 were still considered fellows. Of the others, 3 did not pass the bar (but 1 of these was retained in an administrative position), 3 moved out of states, and the whereabouts of 4 others is unknown.

STATUTORY AUTHORITY: Sections 23-19.3-101 and 102, C.R.S.

REQUEST: The Department requested a continuation level of \$356,496 General Fund for the program, reflecting a continuation level of funding.

RECOMMENDATION: Staff recommends the request for a continuation of \$356,496 General Fund.

RURAL TEACHER RECRUITMENT, RETENTION, AND PROFESSIONAL DEVELOPMENT

Line Item History: Senate Bill 16-104 (Incentives to Build Number of Rural Teachers) created several new programs to provide incentives for individuals to become teachers in rural school districts, and to support the needs of professional educators in rural school districts. The bill included statutory authorization and funding for:

- a rural education coordinator (\$145,000) - UNC Center for Rural Education selected;
- financial stipends for student teachers who agree to teach in rural areas (\$112,000);
- support for teacher cadet programs to support high school students interested in pursuing teaching careers in rural schools (\$50,000) - operated by the Colorado Community College System;
- funds for national board certification, concurrent enrollment certification, and other professional development for rural teachers (\$120,000; increased under S.B. 18-085 to \$360,000); and
- support to the Department of Higher Education to oversee these programs.

Subsequently:

- Senate Bill 18-085 added stipends for additional teachers to pursue concurrent enrollment educator qualifications and National Board teacher certification.
- Senate Bill 20-158 modified the program funding structure to combine it with Rural Teaching Fellowships program and allocate any grant funds remaining after the fellowships so that 50.0 percent is available for rural teachers pursuing alternative licensure, 25.0 percent is student teachers who agree to teach in rural areas, and 25.0 percent is for the various continuing education stipends for existing teachers.

This program was reduced in FY 2020-21 based on the availability of \$500,000 rolled forward from prior years. The \$500,000 was restored for FY 2021-22.

Current Line Item: In FY 2021-22, the Rural Teacher Recruitment, Retention, and Professional Development line item is used to support:

- Programs authorized under Sections 23-76-101 through 106, including funding for a rural education coordinator (now housed at the University of Northern Colorado), funding for the high school teacher cadet program in rural schools, stipends for student teachers doing student teaching in rural areas (up to \$4,000 per student teacher), stipends for teachers in rural areas pursuing alternative teacher certification, and stipends for rural teachers who are pursuing National Board Certification and teachers pursuing other specified professional development activities (up to \$6,000 per teacher).
- The Rural Teaching Fellowship Program, authorized under section 23-78-302 through 307, which provides \$10,000 fellowships for student teachers in rural areas that are jointly supported by the state and the higher education institution where the student is studying. The State's contribution is \$5,000 per student teacher. This program was previously funded in a separate line item and was consolidated into the Rural Teacher Recruitment, Retention, and Professional Development line item in FY 2020-21.

Under the provisions of S.B. 20-158:

- Teaching fellowships, which are matched by higher education institutions, are funded up to the level of demand;
- Of the remaining funds, 50.0 percent is allocated for stipends for alternative licensure teachers, 25.0 percent for stipends for rural student teachers, and the remaining 25.0 percent for the other stipend programs (current rural teachers seeking National Board certification or credentials to allow them serve as concurrent enrollment teachers).

FY 2021-22 and FY 2022-23 Use of Funds:

The Department provided the data below on current program funding and usage. Because of the large amount of one-time funds currently available from the Department of Education (almost \$6.0 million) for alternative licensure and stipend supports, the two departments have been coordinating to direct applicants to the largest resources until those are exhausted. The FY 2020-21 expenditure pattern is more typical. In addition to the amounts shown below, the line item supports a rural education coordinator (\$167,000 in FY 2021-22) and 0.8 FTE.

RURAL TEACHER RECRUITMENT, RETENTION, AND PROFESSIONAL DEVELOPMENT								
APPLICATIONS, AWARDS, AND REVENUE FOR COMBINED PROGRAMS								
	FY 2021-22				FY 2022-23			
	Stipends/Fellowships		Amount per Award	Expenditures	Stipends/Fellowships		Amount per Award	Projected Expenditures
	Applied	Awarded		Applied	Awarded			
Expenditures								
Rural student teacher stipend (23-76-104)	79	43	\$4,000	\$172,000	97	63	\$2,571	\$162,000
Alt Licensure teacher stipends (23-76-106)	173	100	4,500	450,000				
National Board Certification (23-76-106)	27	11	4,250	46,750	27	13	4,250	55,250
Teachers seeking credential for concurrent enrollment (23-76-106)	139	39	6,000	234,000	96	68	6,000	408,000
Rural teacher fellowship program (Section 23-78-305, CRS)	8	8	5,000	40,000	11	11	5,000	55,000
Subtotal Total #s and Expenses - stipends/fellowships	426	201		\$942,750	231	155		\$680,250

STATUTORY AUTHORITY: Sections 23-76-101 through 106, C.R.S.

REQUEST: The Department requests continuation of \$1,209,357 General Fund and 0.8 FTE for this program.

RECOMMENDATION: The staff recommendation is for a continuation of \$1,209,357 General Fund.

OPEN EDUCATIONAL RESOURCES INITIATIVES

House Bill 18-1331 created the Colorado Open Educational Resources (OER) Council and grant program in the Department of Higher Education (DHE). Open educational resources are high-quality teaching, learning, and research resources that reside in the public domain or have been released under an intellectual property license that permits their free use and repurposing by others. Establishes requirements for appointments to the Council by the Executive Director of DHE and the Commissioner of Education. Council responsibilities include:

- Recommending statewide policies for promoting adaptation, creation, and use of OER at Colorado public institutions of higher education;
- Facilitating professional development and sharing of knowledge about OER;
- Implementing the OER grant program that is created in the bill; and
- Submitting an annual report to the Colorado Commission on Higher Education and the General Assembly on the use of OER and the impact of the grant program.

The OER grant program provides grants to public institutions of higher education to promote the use of OER at the institutions and to faculty and staff, individually or in groups, to create and adapt open educational resources. The bill also directed the Colorado Commission on Higher Education to adopt guidelines to require public institutions of higher education to ensure that, beginning in the fall of 2021, students are informed prior to course registration concerning which courses and sections use OER or other low-cost materials.

During the 2021 legislative session, the Joint Budget Committee sponsored S.B. 21-215 (Use of Open Educational Resources in Higher Education) to continue and strengthen the program, which otherwise repealed in FY 2020-21, for an additional five years. The bill's appropriation included the following components.

APPROPRIATION COMPONENTS	
FTE	1.0 FTE
Personal Services (excluding centrally-appropriated)	\$71,770
Standard Operating	\$1,350
Capital Outlay	
Other Costs	
Travel	\$2,080
OER Council Costs	\$3,000
Other operating - conference, training	\$30,000
OER Grants	\$1,000,000
Total	\$1,108,200

The bill included provisions to expand the program to provide grants to support zero-textbook-cost degree programs. It also directs the Commission on Higher Education to adopt guidelines to require public institutions of higher education, beginning no later than the Fall of 2025, to also inform students at the point of registration concerning those courses that use open educational resources.

STATUTORY AUTHORITY: Section 23-4.5-101 *et. seq.*, C.R.S.

REQUEST: The Department requested continuation funding of \$1,108,200 General Fund and 1.0 FTE for FY 2023-24.

RECOMMENDATION: Staff recommends the request for continuation funding of \$1,108,200 General Fund and 1.0 FTE.

FOREST RESTORATION AND WILDFIRE RISK MITIGATION GRANT PROGRAM CASH FUND

The Forest Restoration and Wildfire Risk Mitigation Grant Program Cash Fund supports Colorado State Forest Service cost-share grants for local community groups, government entities, public or private utilities, state agencies, and nonprofits for projects to reduce the risk to people and property in the wildland-urban interface. [Section 23-31-310, C.R.S.]

This fund historically received annual transfers of Severance Tax funds (Tier 2/Natural Resources and Energy Grant Program Distributions of up to \$1,050,000), but only when Tier 2 Severance Tax funding was available. S.B. 21-281 (State Severance Tax Trust Fund Allocation) ended this allocation. It has also been supported through one-time transfers included in legislation. For example, in FY 2020-21, the program received a transfer of \$6.0 million from the General Fund in S.B. 21-258 (Wildfire Risk Mitigation). Previously, the program was only supported through statutory transfers, but changes included in H.B. 19-1006 made it possible to appropriate to this fund through the Long Bill. The program received a one-time appropriation in H.B. 19-1006 of \$1,000,000. The Joint Budget Committee recommended retaining the appropriation, rather than eliminating it, in FY 2020-21 and indicated that its intent was that this funding would be ongoing. In FY 2022-23, the General Assembly increased the appropriation for the line item by \$7,000,000 to \$8,000,000 General Fund. *Please see the table earlier in this document for additional information on one-time funds authorized in the 2022 and 2023 legislative sessions.*

The Colorado State Forest Service is a service and outreach agency of Colorado State University which works with a wide range of stakeholders (federal, state, nonprofit, and local governments, and individual landowners) “to achieve stewardship of Colorado’s diverse forest environments for the benefit of present and future generations.” Actual revenue in FY 2019-20, prior to the large increases provided in this line item, was \$16.7 million and supported 122.2 FTE and various grant programs.

STATUTORY AUTHORITY: Section 23-31-310, C.R.S.

REQUEST: The request is for a continuing appropriation of \$8,000,000 General Fund.

RECOMMENDATION: Staff recommends the request for a continuing appropriation of \$8,000,000 General Fund for this program. However, staff also notes that the program has significant unspent balances from one-time funds previously awarded. The General Assembly could consider reducing funding in this line item while CSFS builds capacity to expend money already authorized.

As previously discussed, staff also recommends adding a new Request for Information to assist the Committee in tracking the use of these funds.

HEALTHY FORESTS AND VIBRANT COMMUNITIES FUND AT COLORADO STATE UNIVERSITY

The Healthy Forests and Vibrant Communities Fund supports the activities of the Colorado State Forest Service to develop and help implement community wildfire protection plans. The funds are used to support community and firefighter planning and preparedness through facilitation and technical assistance to communities seeking to develop community wildfire protection plans and for staff to support fuels mitigation and community watershed restoration programs. The funds are also used to administer a wildfire risk mitigation revolving loan program (from a fund continuously appropriated for such loans). Statute is explicit that the program is to improve outreach and technical assistance through the provision of full-time staff and specific information technology services (GIS capacity and a web-based technical assistance clearinghouse).

The program has received multiple statutory transfers since its creation, including a transfer in FY 2020-21 of \$5,000,000 General Fund. Statute previously provided this fund with a \$1.305 million transfer from Tier 2 Severance Tax Funding when money was available. S.B. 21-281 (State Severance Tax Trust Fund Allocation) ended this allocation. *Please see the table earlier in this document for additional information on one-time funds authorized in the 2022 and 2023 legislative sessions.*

STATUTORY AUTHORITY: Section 23-31-313, C.R.S.

REQUEST: The request is for a continuing appropriation of \$2,000,000 General Fund.

RECOMMENDATION: Staff recommends the request for a continuing appropriation of \$2,000,000 General Fund for this program. However, staff also notes that the program has significant unspent balances from one-time funds previously awarded. The General Assembly could consider reducing funding in this line item while CSFS builds capacity to expend money already authorized.

As previously discussed, staff also recommends adding a new Request for Information to assist the Committee in tracking the use of these funds.

COLORADO STUDENT LEADERS INSTITUTE

The Colorado Student Leaders Institute is a competitive residential summer academic program for students who are entering tenth or eleventh grade in the coming fall semester. The institute operates at the University of Colorado at Denver for four weeks each summer during which time participating students attend college level classes (and enrichment activities). The program is overseen by an eleven-member board, appointed by the Governor and confirmed by the Senate, which is responsible for selecting students for the program. The program was created as a pilot in the Lieutenant Governor's Office in 2015 and moved to the Department of Higher Education in FY 2017-18. The program was reauthorized during the 2019 session through S.B. 19-137 and the appropriation structure modified to provide a direct General Fund appropriation.

STATUTORY AUTHORITY: Section 23-77-101 through 106, C.R.S.

REQUEST: Department requests continuation funding of \$218,825 General Fund for FY 2023-24 and 1.0 FTE.

RECOMMENDATION: Staff recommends the request for a continuation level of funding of \$218,825, but has removed the 1.0 FTE, as the Department has indicated the position is not used.

Staff notes that S.B. 23-086 (Student Leaders Institute), which has been adopted by the Senate, transfers this program and any related appropriations in the Department of Higher Education to the Department of Education effective July 1, 2023.

STRATEGIES FOR EDUCATION PREPARATION PROGRAMS

REQUEST: The Department's FY 2023-24 request includes \$59,132 General Fund and 1.0 FTE in this line item S.B. 21-185 (Supporting Educator Workforce in Colorado) to implement requirements in Section 4 of S.B. 21-185. This bill required that the Department, in collaboration with the Department of Education and the institutions of higher education, no later than FY 2022-23, design a teaching career pathway that begins in middle- or high-school.

RECOMMENDATION: Staff does not recommend funding in this line item. As described in the FY 2022-23 figure setting packet, Staff has been uncertain whether the funding for this line item was expected to be ongoing beyond FY 2022-23, based on the fiscal note. Statute requires the development of the teaching career pathway no later than FY 2022-23. **Staff has therefore assumed that funding in the line item annualizes (is eliminated) in FY 2023-24, pending further information.** Some ongoing funding may be required. If so, staff anticipates that the Department will provide related information and staff will bring a comeback to the Committee if warranted.

STATUTORY AUTHORITY: Section 23-60-110, C.R.S. [for teaching career pathway]

FINANCIAL AID ASSESSMENT TOOL

H.B. 19-1196 (Financial Aid for Students with In-State Tuition; Gonzales-Gutierrez/Moreno) extended access to state financial aid for a subset of undocumented students who met the requirements for receiving in-state tuition at state higher education institutions. These students, known as ASSET (Advancing Students for a Stronger Tomorrow) students, are not eligible for federal financial aid and therefore do not complete the federal Free Application for Federal Student Aid (FAFSA). However, since these students will now be eligible for *state* financial aid, the State must ensure there is a consistent method used for determining these students' financial need. The tool is known as the Colorado Application for State Financial Aid (CASFA).

Funds were added on a supplemental basis in FY 2019-20 to enable the state to purchase a software solution that provides an on-line FAFSA-like tool that ASSET students can use to assess their eligibility for financial aid. The tool performs the same needs-analysis as the FAFSA methodology. Costs include a 0.5 FTE to manage the system (in collaboration with the vendors) and serve as a liaison to the higher education institutions and students.

From the beginning, costs for the new system were paid by the higher education institutions. Funds added in FY 2019-20 annualized in FY 2020-21 to reflect ongoing (as opposed to start-up) costs associated with the new tool. Beginning in FY 2021-22, ongoing costs have been incorporated in the Department's regular indirect cost assessment process. Based on changes to "direct fund" the

Department beginning in FY 2022-23, staff anticipates that these costs will no longer be included in an indirect cost collection pool but will be directly supported by the State.

STATUTORY AUTHORITY: Sections and 23-7-110 and 23-3.3-101 et. seq., and C.R.S.

REQUEST: The request is for of \$154,069 reappropriated funds and 1.5 FTE. This amount eliminates one-time funding of \$320,000 General Fund included in H.B. 22-1366 (Improving Students' Postsecondary Options) to improve the financial aid assessment tool

RECOMMENDATION: Staff recommends \$154,069 reappropriated funds but recommends reflecting just 0.5 FTE. In the FTE notation, 1.0 FTE was associated with the one-time funding and should be removed along with the funds.

TEACHER MENTOR GRANTS

Senate Bill 19-190 created the Teacher Mentor Grant Program in the Department to provide money to partnering local education providers and educator preparation programs to provide training and stipends for teachers who serve as mentors for teacher candidates participating in clinical practice. The Department established the grant application, review, and award procedures and collaborated with the Department of Education to create a new mentor endorsement through the State Board of Education, which was adopted in November 2019. However, due to budget shortfalls, the program grant funding was eliminated in FY 2019-20, and funding for the associated staff position was eliminated in FY 2020-21. In FY 2021-22 the General Assembly partially restored funding to \$548,477 and 0.5 FTE, including \$500,000 in grants.

The bill also required that the Department to research best practice in educator preparation programs, adopt guidelines in collaboration with the Department of Education by January 1, 2020, and prepare a report, to assist educator preparation programs in adopting and implementing best practice. This was implemented.

Under the statute added by this bill at Section 23-78-101 through 105, C.R.S., subject to available appropriation, the grant program:

- Provides money to partnering local education providers and education preparation programs to provide training and stipends for teachers serving as mentors for teacher candidates.
- The duration of each grant is to be for up to three years.
- Applicants must include a plan by which the applicant intends to sustain the mentor program after the grant period ends.
- The Department is to ensure, to the extent practicable, that grant recipients include applicants of varying size from rural, urban, and suburban areas across the state.
- The Department may only award grants to applicants that:
 - Commit to implementing programs that recruit teachers with three years of experience (as practical), are rated effective or higher, and who hold a masters certification or are national board certified;
 - Provide training in mentoring best practices;
 - Ensure that the employing local education provider provides time for the mentor to provide mentoring

- Pays each mentor teacher a stipend of at least \$2,000 or \$2,500 if masters level or national board certified.
- Provide mentoring for teacher candidates and for newly employed teachers through and induction program for at least two school years after employment
- Collect required data.

STATUTORY AUTHORITY: Section 23-78-105, C.R.S.

REQUEST: The Department requested a continuation level of \$548,477 General Fund and 0.5 FTE notation.

RECOMMENDATION: Staff recommends continuation funding of \$548,477 General Fund and 0.5 FTE.

CENTER FOR SUBSTANCE USE DISORDER PREVENTION, TREATMENT AND RECOVERY SUPPORT STRATEGIES AT THE UNIVERSITY OF COLORADO HEALTH SCIENCE CENTER

Senate Bill 17-193 identified the Center for Substance Use Disorder Prevention, Treatment, and Recovery Support Strategies as part of the University of Colorado's Health Sciences Center. Prior to the passage of S.B. 21-137 (Behavioral Health Recovery Act), this program, like other programs funded at the higher education governing boards, was required to be included in the single line item that provides appropriations for the Regents of the University of Colorado. Pursuant to Section 23-1-104 (1), C.R.S., appropriations for the Center are now exempt from the single line item requirement.

Funding for the Center was fully consolidated in this line item in the FY 2022-23 Long Bill. The total includes:

- \$3,000,000 for the Medication Assisted Treatment (MAT) Program;
- \$1,250,000 for the opioid awareness campaign, grant assistance, and provider education activities authorized in Section 27-80-118, C.R.S.

Section 23-21-808, C.R.S., requires an annual appropriation of \$3,000,000 from the Marijuana Tax Cash Fund for the MAT program (no repeal date). Section 27-80-118 (4), C.R.S. requires an annual appropriation for the Center of \$750,000 from the Marijuana Tax Cash Fund to provide education activities for prescribers, law enforcement, and other community members, including training on pain management for prescribers and training on opioid antagonists for law enforcement (no repeal date). Section 27-80-118 (5), C.R.S., requires an annual appropriation of \$250,000 from the Marijuana Tax Cash Fund for the Center for a program to increase public awareness concerning safe use, storage, and disposal of opioids and the availability of drugs to prevent overdose (no repeal date). An additional \$250,000 from the Marijuana Tax Cash Fund was added by the General Assembly in FY 2020-21 for Section 27-80-118 (5), C.R.S., activities through a floor amendment to the Long Bill.

STATUTORY AUTHORITY: Sections 27-80-118 and 23-21-803 et. seq., C.R.S.

REQUEST: The Department requested continuation funding of \$4,250,000 cash funds from the Marijuana Tax Cash Fund for this line item.

RECOMMENDATION: Staff recommends the request for continuation funding of \$4,250,000 cash funds from the Marijuana Tax Cash Fund for this line item.

ONLINE PLATFORM FOR PUBLIC BENEFITS FOR HIGHER EDUCATION STUDENTS (SINGLE STOP)

Senate Bill 22-182 (Economic Mobility Programs) added a provision authorizing the Department of Higher Education to contract for and facilitate the use of an online platform by any institution of higher education in Colorado, whether public or private, in order to assist students in accessing public benefits. Institutions are required to participate financially for use of the platform.

STATUTORY AUTHORITY: Section 23-1-139, C.R.S.

REQUEST: The request is for \$45,000 General Fund, which reduces the FY 2022-23 appropriation by \$126,000, consistent with the fiscal note for S.B. 22-182. The initial appropriation included funding to partially offset contributions required from institutions that joined the program in the first year.

RECOMMENDATION: Staff recommends the request for \$45,000 General Fund for this program for FY 2023-24.

INCLUSIVE HIGHER EDUCATION GRANT PROGRAM

House Bill 22-1107 (Inclusive Higher Education Opportunities) created the Inclusive Higher Education Grant Program in the Department to support institutions of higher education to create or expand program for students with intellectual and developmental disabilities. Grants may be used to assess existing capacity, determine training and technical assistance needed to establish a program, or for program and supports allowing qualifying students a comprehensive higher education experience that results in a meaningful credential. The bill requires the Department to issue an RFP for an organization to administer the grant program and awards process, following rules that are to be adopted by the Colorado Commission on Higher Education. For FY 2022-23 through FY 2026-27, the General Assembly must appropriate \$450,000 General Fund for the program. The Department may use up to 20.0 percent to contract with and compensate the administering agency.

STATUTORY AUTHORITY: Section 23-80-101 through 108, C.R.S.

REQUEST: The Department requested an appropriation of \$450,000 General Fund for the Inclusive Higher Education Grant Program for FY 2023-24.

RECOMMENDATION: Staff recommends an appropriation of \$450,000 General Fund for the Inclusive Higher Education Grant Program for FY 2023-24.

H.B. 22-1366 FINANCIAL AID TOOLKIT

Among other provisions, H.B. 22-1366 (Improving Students' Postsecondary Options) requires the development of a financial aid toolkit and includes an appropriation of \$680,000 General Fund and 2.0 FTE for FY 2022-23 for this purpose.

STATUTORY AUTHORITY: Section 23-3.3-106, C.R.S.

REQUEST/RECOMMENDATION: No appropriation is requested or recommended for FY 2023-24. This was a one-time appropriation.

H.B. 22-1349 STUDENT SUCCESS DATA SYSTEM

House Bill 22-1349 (Postsecondary Student Success Data System) requires the Department of Higher Education to develop measures of student success and a postsecondary student success data system. The bill includes an appropriation of \$3,000,000 to the Department from the Workers, Employers, and Workforce Centers Cash Fund from money originating from the General Fund, and 1.0 FTE. Appropriated funds are available for expenditure through FY 2023-24.

STATUTORY AUTHORITY: Section 23-1-140 and 141, C.R.S.

REQUEST/RECOMMENDATION: No appropriation is requested or recommended for FY 2023-24. This was a one-time appropriation.

S.B. 22-192 ALLOCATIONS TO IHEs FOR STUDENT ACCESS TO NONDEGREE CREDENTIAL PROGRAMS

Among other provisions, S.B. 22-192 (Opportunities for Credential Attainment) specifies that, subject to available appropriations, the Colorado Commission on Higher Education must allocate and disburse funds to community and technical colleges and local district colleges to fund student access to nondegree credential programs. The bill includes an appropriation of \$1,800,000 from the General Fund for FY 2022-23 for this purpose.

STATUTORY AUTHORITY: Section 23-5-145.7, C.R.S.

REQUEST/RECOMMENDATION: No appropriation is requested or recommended for FY 2023-24. This was a one-time appropriation, and the relevant statutory provisions repeal July 1, 2024.

S.B. 22-192 APPROPRIATIONS TO CREDENTIALS TO SUPPORT COLORADO JOBS CASH FUND

Among other provisions, S.B. 22-192 (Opportunities for Credential Attainment) requires the Department to evaluate access to and quality of credentials, identify alignment between credentials and work-based learning, and identify opportunities for additional alignment and the creation of stackable credential pathways. The Department must also facilitate the creation of stackable credential pathways for at least three growing industries by January 1, 2024, at least two additional growing industries by January 1, 2025, and at least two stackable pathways for each industry.

For FY 2022-23, the bill includes an appropriation of \$1,000,000 General Fund to the Credentials to Support Colorado Jobs Cash Fund. The bill then appropriates amounts from the cash fund for program implementation in a separate line item described below.

STATUTORY AUTHORITY: Section 23-5-145.6 (5)(a), C.R.S.

REQUEST/RECOMMENDATION: No appropriation is requested or recommended for FY 2023-24. The appropriation into the Credentials to Support Colorado Jobs Cash Fund was a one-time appropriation.

S.B. 22-192 DEVELOPMENT AND IMPLEMENTATION OF STACKABLE CREDENTIALS

As described above, S.B. 22-192 (Opportunities for Credential Attainment) includes an appropriation to the Credentials to Support Colorado Jobs Cash Fund in FY 2022-23. The bill then includes an appropriation of \$475,275 reappropriated funds and 1.5 FTE to the Department for FY 2022-23 for the development and implementation of stackable credentials. Anticipated expenditures from the cash fund are detailed in the fiscal note for the bill as follows.

Department of Higher Education			
Personal Services	\$121,674	\$121,674	\$121,674
Operating Costs	\$2,025	\$2,025	\$2,025
Capital Outlay	\$12,400	-	-
Distributions to CCs, LDCs, ATCs	\$1,800,000	-	-
Credential Pathway - Grants	\$225,000	\$225,000	-
Credential Pathway - CCCS	\$114,176	\$114,176	-
Centrally Appropriated Costs ¹	\$25,944	\$25,944	\$25,944
FTE – Personal Services	1.5 FTE	1.5 FTE	1.5 FTE
DHE Subtotal	\$2,301,219	\$488,819	\$149,643

STATUTORY AUTHORITY: Section 23-5-145.6, C.R.S.

REQUEST: The Department requests a continuation appropriation of \$475,275 reappropriated funds from the Credentials to Support Colorado Jobs Cash Fund and 1.5 FTE.

RECOMMENDATION: Staff recommends an appropriation of \$462,875 cash funds from the Credentials to Support Colorado Jobs Cash Fund and 1.5 FTE, based on the fiscal note for S.B. 22-192. The staff recommendation is for cash funds, rather than reappropriated funds, because the appropriation is not a double-count in FY 2023-24 (although it was in FY 2022-23).

Staff notes that in FY 2024-25, the fiscal note reflects that the cost of FTE for the program will be divided between money in the cash fund, which will be spent-down by mid-year, and the General Fund.

H.B. 22-1220 TEMPORARY EDUCATOR LOAN FORGIVENESS PROGRAM

Among other provisions, H.B. 22-1220 (Removing Barriers to Educator Preparation) includes a temporary educator loan forgiveness program in the Department of Higher Education and appropriates \$10.0 million cash funds for the program from Economic Recovery and Relief Cash Fund from money originating as federal Coronavirus State Fiscal Recovery Funds (ARPA funds). The money remains available through December 30, 2024.

STATUTORY AUTHORITY: Section 23-3.9-402, C.R.S.

REQUEST/RECOMMENDATION: No appropriation is requested or recommended for FY 2023-24. The appropriation into the Credentials to Support Colorado Jobs Cash Fund was a one-time appropriation.

LINE ITEMS INCLUDED IN NUMBERS PAGES DUE TO PRIOR YEAR APPROPRIATIONS

COSI FAFSA COMPLETION GRANT PROGRAM - ARPA MONEY

House Bill 21-1330 created the Colorado Opportunity Scholarship Initiative (COSI) FAFSA Completion Grant Program and a related working group on increasing student financial aid applications that are submitted through the free application for federal student aid (FAFSA) and a related state tool. The bill included a one-time FY 2021-22 appropriation of \$1,500,000 cash funds from the Workers, Employers, and Workforce Centers Cash Fund, from money originating as federal Coronavirus State Fiscal Recovery Funds, for the FAFSA Completion Grant Program.

REQUEST/RECOMMENDATION: This was a one-time appropriation. The Department has not requested, and staff does not recommend, an appropriation for FY 2023-24.

COLORADO RE-ENGAGED AND ASSOCIATE DEGREE COMPLETION PROGRAM - ARPA MONEY

House Bill 21-1330 created the Colorado Re-Engaged and Associate Degree Completion Program to enable students who stopped out of four year degree programs prior to graduation to obtain associates degrees for which they are qualified. The bill included a one-time FY 2021-22 appropriation of \$1,000,000 cash funds from the Workers, Employers, and Workforce Centers Cash Fund, from money originating as federal Coronavirus State Fiscal Recovery Funds. As amended through supplemental budget action, this appropriation is available through FY 2022-23.

REQUEST/RECOMMENDATION: This was a one-time appropriation. The Department has not requested, and staff does not recommend, an appropriation for FY 2023-24.

CAREER AND TECHNICAL EDUCATION EQUIPMENT, FACILITY, AND INSTRUCTION CAPACITY FUNDING - ARPA MONEY

House Bill 21-1264 authorized funding to enhance career and technical education equipment, facility and instruction capacity . The bill included a one-time FY 2021-22 appropriation of \$10,000,000 cash funds for this purpose from the Workers, Employers, and Workforce Centers Cash Fund, from money originating as federal Coronavirus State Fiscal Recovery Funds.

REQUEST/RECOMMENDATION: This was a one-time appropriation. The Department has not requested, and staff does not recommend, an appropriation for FY 2023-24.

APPROPRIATION TO THE EDUCATOR LOAN FORGIVENESS FUND AND EDUCATOR LOAN FORGIVENESS PROGRAM ADMINISTRATION

S.B. 19-003 modified and extended an older program which had not been funded in many years. Under the new Educator Loan Forgiveness Program, eligible educators, including teachers, principals, and special service providers serving in a hard-to-staff position in a rural school district or content shortage area, is eligible to receive up to \$5,000 in loan forgiveness for each year of employment in a qualified position, for up to five years. The Colorado Commission on Higher Education (CCHE) was required to approve up to 100 educators per year for participation in the program. If more than 100 applications were received, CCHE was required to prioritize applicants who have contracted for a qualified position in a rural school and in a content shortage area, followed by those who had contracted for a qualified position in a rural school, and finally those who had contracted for a qualified position in a content shortage area. The program repeals September 1, 2033.

In response to staff questions in February 2020, the Department reported that after passage of S.B. 19-003, it hired a program coordinator to administer the program, created an application process, guidelines, and program policy. The program closed for applications on February 21st having received over 2500 inquiries and 500 submitted applications. However, due to unexpected budget shortfalls associated with the COVID-19 pandemic, loan forgiveness funding was eliminated in FY 2019-20, and funding for the associated staff position was eliminated in FY 2020-21.

For FY 2021-22, the S.B. 21-185 (Supporting the Educator Workforce in Colorado) restored funding for the program in the form of a five-year appropriation by providing \$2,500,000 General Fund deposited to the Educator Loan Forgiveness Fund and \$398,963 for administrative costs that could be rolled forward. The appropriation was to allow an estimated 100 educators to receive loan forgiveness of up to \$5,000 per year for five years. The bill also added provisions (Section 23-3.9-102 (1)(d), C.R.S.) to specify that in approving applications for the program, the Colorado Commission on Higher Education would first consider those who hold educator licenses, beginning with those who have been employed the longest under the license, and then consider those who do not hold an educator license, prioritized by the length of time the applicant has been employed as an educator.

STATUTORY AUTHORITY: Section 23-3.9-101 through 104, C.R.S.

REQUEST/RECOMMENDATION: No appropriation is requested or recommended for FY 2023-24. The program is currently expending a five-year appropriation.

(D) LEASE-PURCHASE PAYMENTS AND CAPITAL-RELATED OUTLAYS

UNIVERSITY OF COLORADO, LEASE PURCHASE OF ACADEMIC FACILITIES AT FITZSIMONS

The General Assembly authorized the State to enter into a lease purchase agreement for the University of Colorado Health Sciences Center at Fitzsimons pursuant to H.B. 03-1256. The bill authorized an agreement for up to twenty-five years, with the total amount of the agreement not to exceed \$202,876,109 plus administrative, monitoring, closing costs and interests. The bill also specified that annual aggregate rentals authorized would not exceed \$15,100,000.

The General Assembly authorized use of up to \$8,000,000 per year of Tobacco Master Settlement revenues for this purpose in Section 23-20-136 (3.5), C.R.S. The annual amount is based on total

tobacco settlement funds received and the statutory allocation of the funds. These funds are deposited to the Fitzsimons Trust Fund.

This line item was moved from the capital construction section of the Long Bill to the operating section in FY 2015-16. The JBC provided an appropriation of \$5.1 million in FY 2020-21 to facilitate early retirement of a portion of the remaining obligation.

STATUTORY AUTHORITY: Sections 23-20-136 (3.5), C.R.S., and H.B. 03-1256.

REQUEST: The Department requests \$11,542,514 total funds for FY 2032-24, including \$4,591,006 General Fund and \$6,951,508 tobacco settlement funds.

RECOMMENDATION: The staff recommendation is reflected in the table below.

COLORADO COMMISSION ON HIGHER EDUCATION AND HIGHER EDUCATION SPECIAL PURPOSE PROGRAMS, LEASE PURCHASE PAYMENTS AND CAPITAL-RELATED OUTLAYS, UNIVERSITY OF COLORADO, LEASE PURCHASE OF ACADEMIC FACILITIES AT FITZSIMONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$11,540,613	\$4,589,105	\$6,951,508	\$0	\$0	0.0
TOTAL	\$11,540,613	\$4,589,105	\$6,951,508	\$0	\$0	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$11,540,613	\$4,589,105	\$6,951,508	\$0	\$0	0.0
BA1, T5, T6 Lease purchase payment adjustments	1,901	(230,996)	232,897	0	0	0.0
TOTAL	\$11,542,514	\$4,358,109	\$7,184,405	\$0	\$0	0.0
INCREASE/(DECREASE)	\$1,901	(\$230,996)	\$232,897	\$0	\$0	0.0
Percentage Change	0.0%	(5.0%)	3.4%	0.0%	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$232,897	(\$232,897)	\$0	\$0	0.0

APPROPRIATION TO THE HIGHER EDUCATION FEDERAL MINERAL LEASE REVENUES FUND

This line item is used to appropriate General Fund into the Higher Education Federal Mineral Lease (FML) Revenues Fund (revenues fund). Once in the revenues fund, the money is subject to annual reappropriation for the Lease Purchase of Academic Facilities Pursuant to Section 23-19.9-102, C.R.S.

BACKGROUND: The revenues fund was created to support lease-purchase (certificate of participation /COP) payments for higher education capital construction projects authorized in 2008. Created in Section 23-19.9-102, C.R.S., the fund receives the "spillover" (amounts that exceed caps) from other funds that receive statutory allocations of FML revenue, as well as 50 percent of FML bonus revenues.

In most recent years, FML revenues deposited to the revenues fund have not been sufficient to cover required COP payments, and the General Assembly has appropriated General Fund to make up the difference.

The Master Indenture for the COPs states that “payment of Rent and all other payments by the State under the Leases shall constitute currently appropriated expenditures of the State and shall be paid solely from the Higher Education Federal Mineral Lease Revenues Fund and any moneys in the Higher Education Institutions Lease Purchase Cash Fund.” (This second fund receives institutional contributions.) The Indenture also specifies that if FML revenues are insufficient, the State may deposit General Fund into the revenues fund to make up the difference.

In light of this, all moneys to be used for the COP payments, including General Fund, are deposited to the revenues fund. This line item is included in the Long Bill to make the necessary General Fund deposit. The amount appropriated in this line item is then reappropriated in the subsequent line item (Lease Purchase of Academic Facilities Pursuant to Section 23-19.9-102, C.R.S.) for payment of the COPs.

STATUTORY AUTHORITY: Section 23-19.9-102, C.R.S.

REQUEST: The Department requests \$16,432,169 General Fund, including an adjustment to reduce the General Fund obligation by \$200,000 based on projected FML revenue available.

RECOMMENDATION: The staff recommendation is for \$16,832,169 General Fund, which includes \$400,000 more General Fund than the request. The amount included is based on the difference between the COP payments due in 2023-24 and FML revenues available. Note that staff bases the amount of revenues available on the amounts currently available in the Higher Education Revenues Cash Fund less annual obligations to be paid, rather than relying on an FML revenues forecast.

LEASE PURCHASE OF ACADEMIC FACILITIES PURSUANT TO SECTION 23-19.9-102, C.R.S.

In 2008, the General Assembly authorized the State to enter into lease-purchase agreements (certificates of participation/COPs) to fund capital construction projects for state-supported institutions of higher education. The General Assembly anticipated significant increases in federal mineral lease (FML) revenue due to natural gas leases on the Roan Plateau and, in light of this, modified the formula allocation for FML revenue to direct a portion to support the new COPs. The Higher Education FML Revenues Fund (revenues fund), created in Section 23-19.9-102, C.R.S., receives the "spillover" (amounts that exceed caps) from other funds that receive statutory allocations of FML revenue plus 50 percent of all FML bonus revenue. Amounts in this fund are subject to annual appropriation for the higher education COP payments.

Through S.B. 08-233 and H.J.R 08-1042, the General Assembly authorized COP payments to fund 17 projects for higher education academic buildings. Funding was ultimately sufficient to fund the first 12 projects, with some additional controlled maintenance projects authorized through H.B. 12-1357 using unspent COP proceeds. Pursuant to Section 23-1-106.3 (1)(b)(IV), C.R.S. the anticipated annual state-funded payments for the principal and interest components under all lease purchase agreements on the projects is not to exceed an average of \$16,200,000 per year for the first ten years of payment

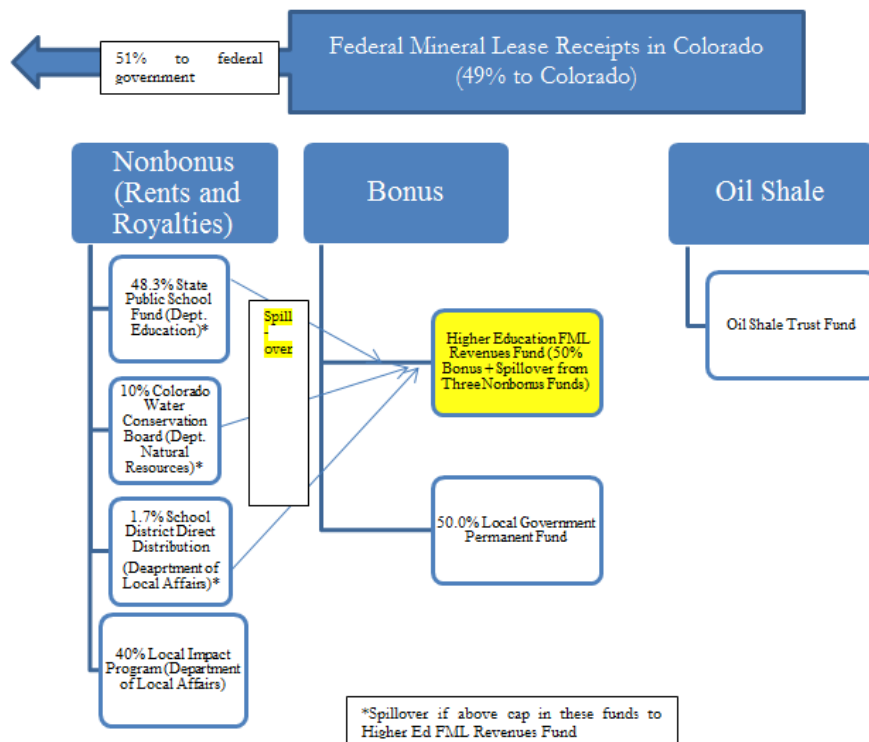
and is not to exceed \$16,800,000 for the second ten years of payment. Payments will end in FY 2027-28.

Although the General Assembly anticipated funding would be provided through the FML revenues fund, this revenue stream has been extremely inconsistent, and General Fund backfill has thus been required to make the COP payments in many years.

During the 2016 legislative session, the JBC sponsored H.B. 16-1229 to make some changes to the funding structure for the COP payments. This bill:

- Transferred the amount in the former Higher Education FML Reserve Fund (\$7.6 million) into the revenues fund upon enactment. Of this amount \$1.9 million was used to help cover FY 2015-16 COP payments and address a shortfall in the fund, while the balance of \$5.7 million was available for appropriation in FY 2016-17.
- Eliminated the Higher Education FML Reserve Fund and directed 50 percent of FML bonus revenue that would previously have been deposited to the reserve fund into the revenues fund. This was expected to add about \$1.0 million per year in FML money to the revenues fund.
- Clarified that appropriations for higher education COPs are made to the Department of Higher Education for transfer to the State Treasurer. Amounts transferred to the Treasurer are continuously appropriated to the Treasurer for purposes of making related payments.

The chart below summarizes the flow of FML revenue used for these Higher Education COP payments including the changes in H.B. 16-1229.



STATUTORY AUTHORITY: Sections 23-1-106.3, 23-19.9-101 and 102, and 34-63-102, C.R.S.

REQUEST: The Department requested \$17,431,232 total funds, including \$17,072,238 reappropriated funds from General Fund appropriated in the line item above.

RECOMMENDATION: The staff recommendation is reflected in the table below.

COLORADO COMMISSION ON HIGHER EDUCATION AND HIGHER EDUCATION SPECIAL PURPOSE PROGRAMS, LEASE PURCHASE PAYMENTS AND CAPITAL-RELATED OUTLAYS, LEASE PURCHASE OF ACADEMIC FACILITIES PURSUANT TO SECTION 23-19.9-102						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$17,439,900	\$0	\$808,668	\$16,631,232	\$0	0.0
TOTAL	\$17,439,900	\$0	\$808,668	\$16,631,232	\$0	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$17,439,900	\$0	\$808,668	\$16,631,232	\$0	0.0
BA1, T5, T6 Lease purchase payment adjustments	(7,731)	0	(208,668)	200,937	0	0.0
TOTAL	\$17,432,169	\$0	\$600,000	\$16,832,169	\$0	0.0
INCREASE/(DECREASE)	(\$7,731)	\$0	(\$208,668)	\$200,937	\$0	0.0
Percentage Change	(0.0%)	0.0%	(25.8%)	1.2%	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$17,432,169	\$0	\$1,000,000	\$16,432,169	\$0	0.0
	\$0	\$0	\$400,000	(\$400,000)	\$0	0.0

ANNUAL DEPRECIATION-LEASE EQUIVALENT PAYMENT

Senate Bill 15-211, as amended by S.B. 16-020, created a process to annually set aside an amount equal to the calculated depreciation of a capital asset funded through the capital construction section of the Long Bill. Beginning with projects funded in the 2015 Long Bill, the bill established three set-aside mechanisms based on how a project is funded.

- For projects funded from a cash fund, the state agency annually credits an amount equal to the recorded depreciation to a capital reserve account in the cash fund.
- For projects funded from the General Fund, the Capital Construction Fund, or the Controlled Maintenance Trust Fund, the General Assembly is required to include an annual depreciation-lease equivalent payment line item payable from the General Fund in the operating section of the Long Bill for each state agency, including the Department of Higher Education. Amounts in this line item are credited to the Capital Construction Fund, except that an amount equal to one percent of the project cost is deducted from the payment and credited to the Controlled Maintenance Trust Fund.
- If the project is funded through a financing arrangement, such as a lease-purchase payment, the General Assembly must include an annual controlled maintenance line item payable from the General Fund equal to one percent of the project cost.
- If a project is funded from more than one cash fund or from a cash fund and from state funds, the set-aside amounts are shared proportionately between the various fund sources.

A originally authorized, the set-aside amounts could be appropriated for future capital expenses such as routine maintenance, equipment replacement, or the construction of a new building. Pursuant to changes enacted in S.B. 22-239 (Buildings in the Capitol Complex), **all the revenue that would previously have gone to the Capital Construction Fund or Controlled Maintenance Fund is directed to the Capitol Complex Renovation Fund for the years FY 2022-23 through FY 2028-29.**

The program took effect for capital construction projects first funded in FY 2015-16 from the date of acquisition or the date of completion of the project. Fiscal year FY 2018-19 was the first year in which a depreciation-lease equivalent payment was required within the Department of Higher Education. Because higher education institutions receive a large share of total state capital construction appropriations, this line item is expected to grow significantly over time.

For FY 2020-21, the JBC sponsored H.B. 20-1398 to suspend this program for one year. It took effect again in FY 2021-22.

STATUTORY AUTHORITY: Section 24-30-1310, C.R.S.

REQUEST: The Department requested \$10,984,897 General Fund, including an increase of \$3,578,050 General Fund based on the calculation outlined in statute.

RECOMMENDATION: Staff recommends the request for \$10,984,897 General Fund.

(E) TUITION/ENROLLMENT CONTINGENCY

This line item provides spending authority that CCHE may transfer to any of the governing boards in the event that enrollment increased above projected levels, resulting in greater revenue and expenditures than expected. It is included because the cash fund appropriations to the governing boards in the Long Bill represent a cap on higher education expenditures.

After a five-year hiatus, tuition was again appropriated in FY 2016-17. In light of this, the line item was reinstated in FY 2016-17. If tuition expenditures reach the appropriation cap and there is no contingency, schools could be forced to stop enrolling additional students because they would not have sufficient spending authority to serve the additional students.

Staff anticipates that annual tuition appropriations to each governing board will be "trued up" each year through late supplemental action (a Long Bill add-on). Nonetheless, (1) there will still be some variance between supplemental appropriations and final institutional spending, due to late student decisions and summer sessions; and (2) in some years, some institutions may experience extraordinary enrollment adjustments due to macro-economic factors. Under such circumstances these institutions could approach their annual spending cap before a late supplemental is adopted. The total contingency amount was increased from \$60,000,000 to \$75,000,000 through FY 2021-22 supplemental action and continued at this level, after total receipts that exceeded the tuition contingency in FY 2020-21.

STATUTORY AUTHORITY: Section 23-1-104(b), C.R.S., authorizes the General Assembly to appropriate tuition.

REQUEST: The Department requested a continuation level of appropriation for this line item of \$75,000,000.

RECOMMENDATION: Staff recommends a continuation appropriation of \$75,000,000. Staff also recommends continuing the footnote that explains the purpose of the line item and an information request on how it is used.

(F) INDIRECT COST ASSESSMENTS

This line item was added in FY 2020-21. All indirect cost assessments are reflected in this line item, and the total is then reappropriated in Department Administration and other sections and line items, offsetting General Fund otherwise required.

STATUTORY AUTHORITY: Section 23-1-105(8), C.R.S.

REQUEST: The November 1, 2022 request included a continuation amount, but the Department submitted an updated calculation in February 2023, consistent with the usual timeframe for submitting this data.

RECOMMENDATION: The staff recommendation, discussed earlier in this packet, is reflected below. **This currently incorporates adjustments consistent with the historic indirect cost collection approach. Once the Committee has decided upon funding levels for the higher education institutions, this line item will be modified to eliminate departmental indirect cost recoveries from the higher education institutions.** The final change will reduce reappropriated funds, but will have a net \$0 General Fund impact on appropriations Department-wide.

COLORADO COMMISSION ON HIGHER EDUCATION AND HIGHER EDUCATION SPECIAL PURPOSE PROGRAMS, INDIRECT COST ASSESSMENTS, INDIRECT COST ASSESSMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$3,795,585	\$0	\$424,628	\$3,261,353	\$109,604	0.0
TOTAL	\$3,795,585	\$0	\$424,628	\$3,261,353	\$109,604	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$3,795,585	\$0	\$424,628	\$3,261,353	\$109,604	0.0
SI Indirect cost adjustments	5,743,019	0	(88,600)	5,870,139	(38,520)	0.0
TOTAL	\$9,538,604	\$0	\$336,028	\$9,131,492	\$71,084	0.0
INCREASE/(DECREASE)	\$5,743,019	\$0	(\$88,600)	\$5,870,139	(\$38,520)	0.0
Percentage Change	151.3%	0.0%	(20.9%)	180.0%	(35.1%)	0.0%

FY 2023-24 EXECUTIVE REQUEST	\$7,855,261	\$0	\$424,628	\$7,321,029	\$109,604	0.0
Request Above/(Below) Recommendation	(\$1,683,343)	\$0	\$88,600	(\$1,810,463)	\$38,520	0.0

(3) COLORADO COMMISSION ON HIGHER EDUCATION FINANCIAL AID

This section includes all appropriations for financial aid in the Higher Education budget. This includes appropriations for need based aid, work study, merit based aid, and various special purpose programs. Financial aid represents nearly 20 percent of the Department of Higher Education's General Fund budget. The table below summarizes the recommended changes to the Division appropriation for FY 2023-24.

COLORADO COMMISSION ON HIGHER EDUCATION FINANCIAL AID					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FTE
FY 2022-23 Appropriation					
FY 2022-23 Appropriation	\$309,198,216	\$266,734,362	\$42,000,000	\$463,854	5.4
TOTAL	\$309,198,216	\$266,734,362	\$42,000,000	\$463,854	5.4
FY 2023-24 RECOMMENDED APPROPRIATION					
FY 2022-23 Appropriation	\$309,198,216	\$266,734,362	\$42,000,000	\$463,854	5.4
R1 State funding increase for higher education	16,260,058	16,260,058	0	0	0.0
R3 Fort Lewis Native American tuition waiver	(3,299,107)	(3,299,107)	0	0	0.0
SI Indirect cost adjustments	0	(2,112,919)	0	2,112,919	0.0
Annualize prior year legislation	(44,005,056)	(2,005,056)	(42,000,000)	0	(0.7)
TOTAL	\$278,154,111	\$275,577,338	\$0	\$2,576,773	4.7
INCREASE/(DECREASE)	(\$31,044,105)	\$8,842,976	(\$42,000,000)	\$2,112,919	(0.7)
Percentage Change	(10.0%)	3.3%	(100.0%)	455.5%	(13.0%)
FY 2023-24 EXECUTIVE REQUEST					
Request Above/(Below) Recommendation	\$458,853	\$1,875,613	\$0	(\$1,416,760)	0.0

ADDITIONAL PROGRAM BACKGROUND

Of state General Fund appropriations for higher education in FY 2022-23, \$266.0 million or 19.5 percent is for financial aid. While Colorado provides less funding than most states for higher education overall, it provides more than most for financial aid.

State financial aid: For most of the financial aid programs, the General Assembly appropriates state financial aid funds to the Colorado Commission on Higher Education, which allocates them to institutions, including to some private institutions, based on formulas that consider financial need at the schools, total student enrollment, student retention, and program eligibility criteria. Private institutions also receive some of this aid for their students, although most funds go to public institutions for distribution to their students with need.

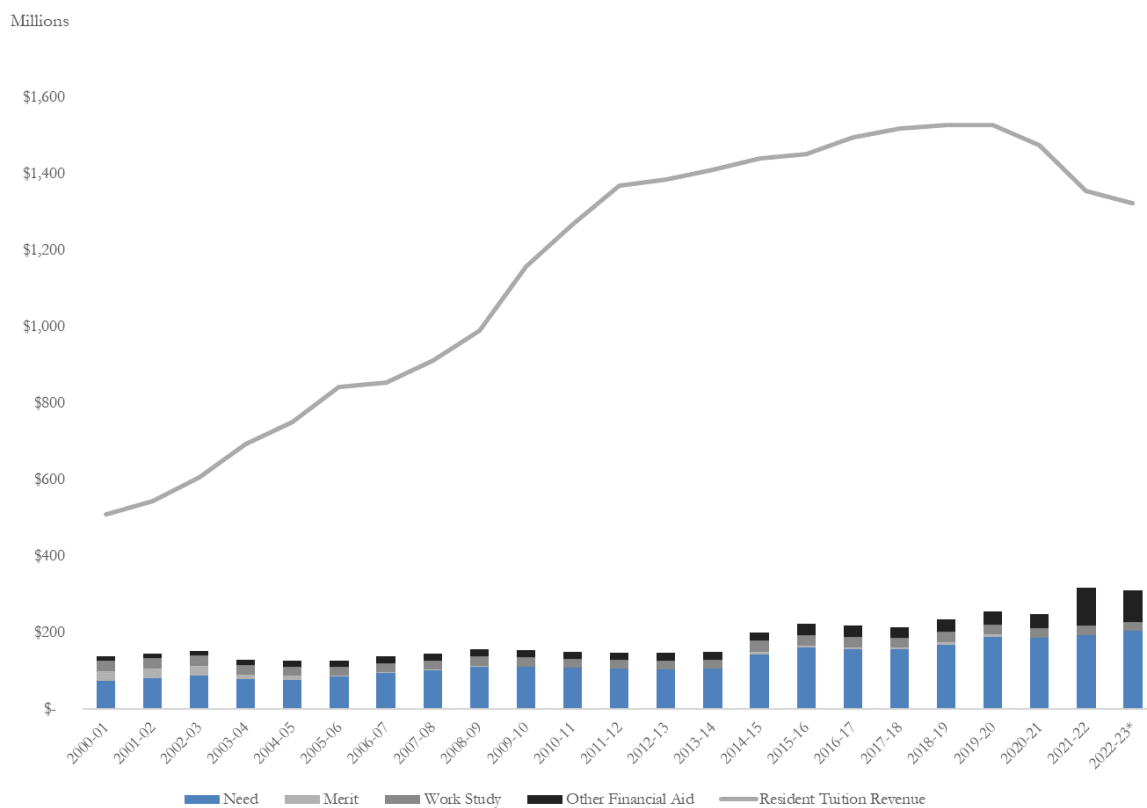
Most Colorado state financial aid is for need-based aid and work-study. There are also a number of smaller, special purpose financial aid programs. These include the Fort Lewis College Native American tuition waiver, which covers tuition for any Native American student attending Fort Lewis College pursuant to a treaty obligation, and the Colorado Opportunity Scholarship Initiative, which funds

services and scholarships for high achieving low-income students in collaboration with private funders and agencies.

A total of 53,443 students received a state-supported need-based grant in FY 2021-22, and the average award was \$3,183. A total of 7,057 students received Colorado work study funding, and the average award was \$3,096.

There have been significant General Fund increases in recent years, including \$20.8 million (9.7 percent) in FY 2021-22 and \$30.5 million (12.9 percent) in FY 2022-23. The General Assembly appropriated significant one-time financial aid funds during the 2020, 2021, and 2022 legislative sessions, including both cash funds and General Fund. Nonetheless, overall demand for aid continues to outstrip available funding. In FY 2000-01, total state financial aid disbursements equaled 27.0 percent of resident tuition revenue at state institutions. In FY 2020-21, this figure was 16.8 percent, but in FY 2021-22 this figure was 23.1 percent. In both FY 2021-22 and FY 2022-23, the General Assembly used federal funds to provide significant one-time financial aid, at the same time enrollment and resident tuition revenue declined.

PUBLIC INSTITUTION RESIDENT TUITION REVENUE V. STATE FINANCIAL AID APPROPRIATIONS (CONSTANT FY 2022-23 DOLLARS)

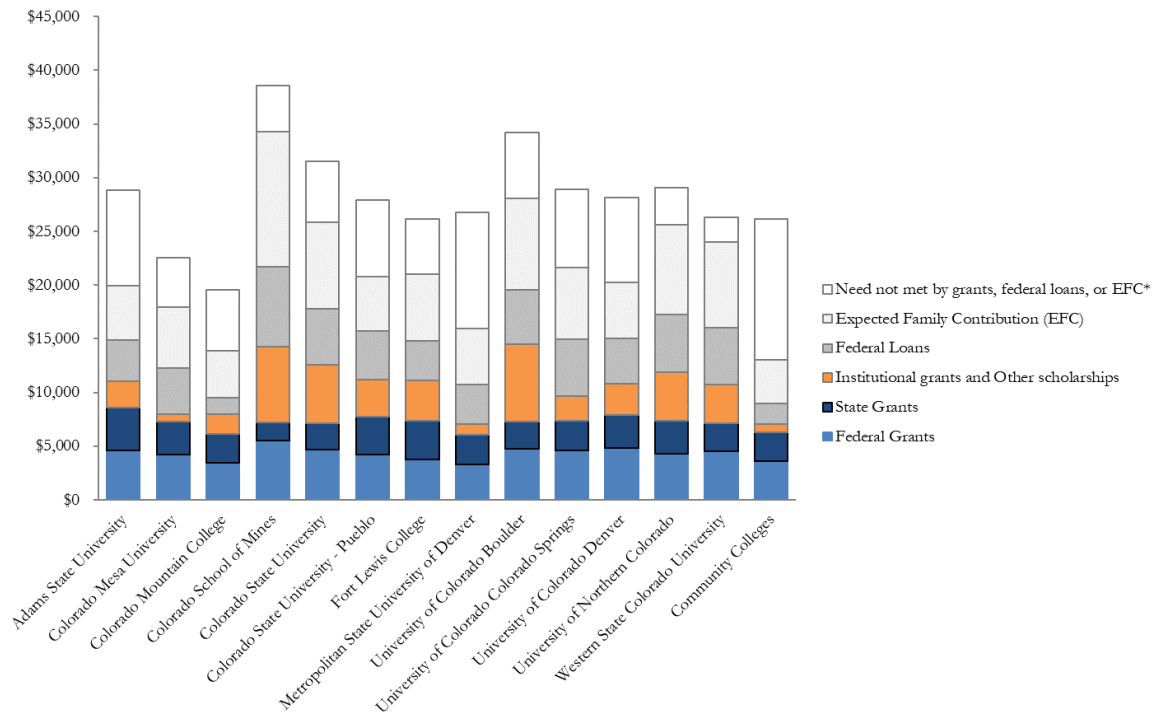


Statutory Guidance on State Financial Aid Funding: Section 23-3.3-103, C.R.S. requires that the annual appropriations for student financial assistance (need-based, merit-based, work-study, and assistance to national guard members and to dependents of deceased or disabled national guard members and first-responders), and the Colorado Opportunity Scholarship Initiative, increase, in total, by at least

the same percentage as the aggregate percentage increase of all General Fund appropriations to institutions of higher education.

Student Need and Other Sources of Support: Most sources of student financial aid are not reflected in the state budget. Yet even when these other funding sources are included, financial aid support is far less than the cost of higher education, particularly once room and board are included. The following chart compares grants and loans awarded in FY 2021-22 to full-time resident undergraduate students with financial need (calculated based on federal formulas) and the average cost of attendance for a resident student at various institutions. The average cost of attendance includes the cost of room, board, transportation, and learning materials, in addition to tuition and fees. Depending on the institution, these other costs of attendance may dwarf the price of tuition.

AVERAGE GRANTS, FEDERAL LOANS, AND UNMET NEED BY INSTITUTION FOR FULL-TIME RESIDENT UNDERGRADUATE STUDENTS QUALIFYING FOR FINANCIAL AID FY 2021-22



*This shortfall may be addressed by the student by reducing their out-of-pocket costs, e.g., by living with family or in less expensive accommodation than the cost of attendance formula calculates, by additional earned income or savings, or by private unsubsidized loans taken out by the student or family.

State need-based grants comprised 29.0 percent of grant-aid awarded at public institutions in FY 2021-22.

Federal Grants: The largest source of need-based aid is the federal government. The federal Pell grant program provided up to \$6,495. per eligible student in FY 2021-22, with an average grant of \$3,906 in

Colorado. Pell-eligible students have historically comprised about one-third of students enrolled at public institutions. In FY 2021-22, 28.1 percent the resident student headcount at state institutions were Pell-eligible. Federal grants comprised 35.0 percent of grant-aid awarded at public institutions in FY 2021-22.

Institutional Grants: Public institutions in Colorado awarded \$202.2 million in institutional awards in FY 2021-22, including \$82.2 million for need-based aid and \$120.0 million for merit-based aid, but this includes grants to students with financial need. Institutional grants comprised 30.0 percent of grant-aid awarded at public institutions in FY 2021-22.

Federal Student Loans: In order to fill the gap between cost of attendance and available grant funds, students typically rely on student loans. In addition to grant funds, the federal government provides guaranteed loans and tax credits and deductions for tuition.

- The average student loan debt of resident loan recipients graduating from a public institution with a baccalaureate degree ranged from \$11,679 to \$37,410. Of all resident students graduating with a baccalaureate degree, 36.6 percent graduated with loans.
- The average student loan debt for associates graduates ranged from \$9,410 to \$18,364. Among those resident students graduating with associates degree, 36.7 percent graduated with loans.

Other Sources: There is a substantial gap between the calculated cost of attendance for students with need and known sources of student support. A portion of this gap may be filled with additional unsubsidized student or family loans, which are not included in these figures.

Program Administration: The state financial aid structure is built around the federal financial aid structure. It nonetheless gives institutions a high level of autonomy in managing their financial aid programs. State financial aid statutes, in Article 3.3, 3.5, and 3.7 of Title 23 generally date back to 1977 or 1979 and provides little guidance around program structure. Historically, the Colorado Commission on Higher Education established state financial aid policies. However, in 2010, the General Assembly adopted changes in S.B. 10-003 specifying that “each state institution shall administer a financial assistance program according to the policies and procedures established by the governing board of the institution” (Section 23-3.3-102 (3), C.R.S. As a result, the Department now *allocates* funds among the governing boards, but the governing boards are able to adopt their own administrative policies.

Because institutions must comply with *federal* rules to obtain federal need-based financial aid for their students, they still all follow certain procedures and comply with certain reporting requirements. For example, any student applying for federal financial aid, whether a grant or loan, must complete the “FAFSA” or free application for federal student assistance., a detailed questionnaire that considers a family’s income and size, number of students attending college, and various other factors to identify an amount that the student’s household should be able to contribute to the student’s higher education. This is the “expected family contribution”. Some public higher education institutions may ask students and families to complete an additional questionnaire to determine if the family has other assets that may help cover a student’s educational costs, even if the FAFSA indicates that the student is eligible for financial aid. Students not eligible for federal financial aid who are eligible for state financial based on living and graduating from a Colorado high school complete a FAFSA-like application (the Colorado Application for State Financial Aid or CASFA).

The Colorado Department of Higher Education distributes funds to the higher education institutions based on the number of students eligible for the federal Pell grant at each institution. Institutions predominantly use the state funds to support students on the lower-end of the income range (particularly students who are eligible for the Pell grant but not the full Pell grant). However, they may also choose to use the state funds to serve students higher up the income scale, so long as the student has a gap between the calculated cost of attendance and the student’s expected family contribution.

Higher Education Affordability: Because institutions “package” both institutional and state financial aid following their own policies, it can be difficult to predict what any particular student will pay at any particular higher education institution. Based on previous staff research, at state public institutions, approximately 60 percent of all students receive need-based aid, with the percentage is as high as 94 percent at some institutions; approximately 42 percent receive merit based aid, with as many as 82 percent receiving aid at some institutions. A student with the same economic profile may receive a different level of funding at the same institution depending upon factors such as when he or she applies. Data on affordability at Colorado institutions has generally indicated that tuition is covered by grant aid for students who qualify for a Pell grant at most public institutions. However, families with incomes below the median may be faced with unaffordable debt at all institutions due to the full cost of attendance. Low-income students who attend regional comprehensive institutions often receive less support than the same student would at a research institution that has more resources. The table below shows the allocations of financial aid by institution for FY 2021-22.

FINANCIAL AID ALLOCATIONS				
INSTITUTION	UG NEED	GRAD NEED	WORK-STUDY	CTE
Public Four-Year Institutions				
Adams State University	2,268,367	40,318	432,323	
Colorado Mesa University	9,828,811	77,084	1,054,956	8,481
Colorado School of Mines	2,214,262	647,311	492,272	-
Colorado State University	16,679,052	1,634,391	2,401,062	-
Colorado State University - Pueblo	5,233,032	169,612	834,720	-
Fort Lewis College	1,727,885	2,210	339,972	-
Metropolitan State University of Denver	25,956,336	175,349	2,617,507	-
University of Colorado Boulder	14,696,827	1,018,257	2,142,113	-
University of Colorado Co Springs	11,274,267	370,965	1,009,989	-
University of Colorado Denver	15,285,464	7,844,186	1,248,214	-
University of Northern Colorado	9,182,396	416,826	1,241,205	-
Western Colorado University	1,481,268	19,642	270,842	-
Public Two-Year Institutions				
Arapahoe Community College	3,476,228	-	476,578	20,666
Colorado Northwestern Community College	642,150	-	85,526	1,883
Community College of Aurora	4,753,369	-	429,948	10,578
Community College of Denver	6,837,029	-	905,457	13,333
Front Range Community College	10,846,303	-	1,247,541	147,127
Lamar Community College	688,178	-	124,775	2,388
Morgan Community College	748,945	-	138,009	4,975
Northeastern Junior College	949,478	-	192,813	8,511
Otero College	1,302,454	-	220,932	5,741
Pikes Peak Community College	14,107,538	-	1,218,456	61,738
Pueblo Community College	5,544,529	-	793,016	44,088
Red Rocks Community College	4,651,958	75,051	462,382	56,258
Trinidad State College	1,641,863	-	356,435	9,889

FINANCIAL AID ALLOCATIONS				
INSTITUTION	UG NEED	GRAD NEED	WORK-STUDY	CTE
Local District Colleges				
Aims Community College	5,062,778	-	421,867	21,278
Colorado Mountain College	2,812,892	-	212,480	21,370
Non-Profit Private Institutions				
Colorado Christian University	2,747,214	59,636	278,620	-
Colorado College	174,906	-	149,739	-
Naropa University	224,381	-	32,045	-
Regis University	2,493,006	1,356,779	519,527	-
University of Denver	1,818,123	622,406	516,737	-
Area Technical Colleges				
Technical College of the Rockies	234,690	-	10,144	5,358
Emily Griffith Technical College	1,270,009	-	95,216	6,338
Pickens Technical College	680,802	-	38,639	-
Proprietary Institutions				
Colorado Technical University	256,549	-	-	-
ConCorde Career Institute	315,378	-	-	-
International Bty	81,399	-	-	-
IBMC	90,986	-	-	-
RMCAD	118,298	-	117,119	-
Totals	\$190,399,402	\$14,530,025	\$23,129,178	450,000

DECISION ITEMS – COLORADO COMMISSION ON HIGHER EDUCATION FINANCIAL AID

→ R3 FORT LEWIS NATIVE AMERICAN TUITION WAIVER

REQUEST: As part of the November 2021 budget request, the Department submitted a request for a reduction of \$2,608,020 General Fund for the Fort Lewis College Native American Tuition Waiver. Funding is made one year in arrears. Thus, the FY 2023-24 request is based on the FY 2022-23 estimate.

RECOMMENDATION: **The staff recommendation for R3 is for a decrease of \$3,299,107 General Fund, for a total \$22,264,858 General Fund.** The recommendation is based on an updated projection from Fort Lewis received February 28, 2023 and represents a decrease of \$621,087 General Fund from the original request. The recommendation includes the adjustments in this line item, consistent with past practice. *Staff notes that this is the first time staff has seen a significant decline in this line item.*

- To comply with a federal treaty and the contract that granted the Fort Lewis property to the state in 1911, 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.
- Consistent with past practice, the staff recommendation is based on the projected current year (FY 2022-23) Native American Tuition Waiver cost. The lower staff figure is based on revised

estimates provided (as in prior years) in February. Each year’s appropriation is based on the prior year’s actual experience, including a “true up” component. Thus, the FY 2023-24 request is based on the FY 2022-23 actual to-date plus an estimated figure for 2023 summer enrollment and a “true-up” for the final FY 2021-22 actual enrollment.

- The state's obligation to waive tuition for Native Americans has been challenged and upheld in court. In 1971, Colorado passed legislation requiring Native American students at Fort Lewis who came from outside Colorado to pay tuition, while resident Native American students would be admitted free of charge. The federal government brought suit against the State, resulting in an injunction requiring that tuition be waived for all Native American students. The 1972 District Court ruling against the State was subsequently upheld by the federal Court of Appeals.

ADDITIONAL BACKGROUND AND ANALYSIS:

History of the Fort Lewis Native American Tuition Waiver: In 1882, the federal government set aside Fort Lewis in Hesperus for an Indian reservation school. The school remained in operation after the lands composing the reservation were released to the public domain. In 1910, the federal government included the property in a land grant to the State subject to the condition that “said lands and buildings shall be held and maintained by the State of Colorado as an institution of learning, and that Indian pupils shall at all times be admitted to such school free of charge for tuition and on terms of equality with white pupils.” The General Assembly accepted the land grant in 1911 with the condition. Fort Lewis College moved to Durango in 1956, but the State continued to uphold the terms of the original grant. In 1970, Colorado sought to limit the waiver to Colorado residents. The federal government and Indian students brought suit. In 1973, the Tenth Circuit Court of Appeals affirmed the federal district court decision in favor of the government and the Indian students (*Tahdooahnipah v.Thinnig*).

Fort Lewis College Student Population: In FY 2021-22, 47.5 percent of the school’s population was Native American, with most of these (42.5 percent of the total school population) non-resident Native American students. For these non-resident students, the State pays the full “sticker price” for non-resident tuition. For the last decade, the population served at Fort Lewis has declined, but the share of the population comprised of non-resident, Native American students has increased. As a result, the **State now provides more than 2/3rd of the Fort Lewis College operating budget, based on FY 2019-20 data, once all state financial aid is included.** This is substantially more than for any other school, including the other small institutions.

FORT LEWIS COLLEGE FUNDING SOURCES FY 2019-20					
	ACTUAL GOVERNING BOARD EXPENDITURES (BUDGET DATA BOOK)	NATIVE AMERICAN TUITION WAIVER	OTHER STATE FINANCIAL AID FOR STUDENTS AT FLC	TOTAL AFTER FUND SOURCE ADJUSTMENTS	PERCENTAGE OF COLLEGE BUDGET
Resident tuition total	\$9,265,006	(\$1,048,785)	(\$1,806,224)	\$6,409,997	11.7%
Nonresident tuition	31,085,188	(20,520,324)	0	10,564,864	19.2%
IC Recoveries, fees, other	472,169		0	472,169	0.8%
State General Fund	14,136,436	21,569,109	\$1,806,224	37,511,769	68.3%

Total	54,958,799	0	0	54,958,799	100.00%
--------------	-------------------	----------	----------	-------------------	----------------

- **Currently 95.0 percent of costs for the Native American Tuition Waiver are due to costs associated with non-resident students.** For FY 2022-23 (used for the FY 2023-24 request), funding requested includes \$1.1 million for resident students and \$21.3 million for non-resident Native American students.

	FY 2021-22 Actual	FY 2022-23 Estimate*	Change
Enrollment			
Resident Native American Student FTE	129	133	4
Nonresident Native American SFTE	<u>1,166</u>	<u>1,182</u>	<u>16</u>
Total	1,294	1,315	20
Tuition Waiver Cost			
Resident Native American Student FTE	1,177,685	\$1,112,042	(\$65,643)
Nonresident Native American SFTE	<u>24,393,090</u>	<u>21,261,061</u>	<u>(3,132,029)</u>
Total	\$25,570,775	\$22,373,103	(\$3,197,672)
*SFTE figures represent JBC staff estimates. Excludes adjustments for prior years that are part of the FY 2023-24 appropriation request.			

- **The college reports that of the non-resident students, 66.3 percent are from tribes with historical connections to Colorado. The percentage among resident Native American students is similar: 65.1% are from tribes with historical connections to Colorado.** Others come from throughout the United States, including from as far away as Alaska.

The table below shows the long-term trend for the waiver. As shown, after years of large increases, the waiver amount declined in FY 2017-18 (after the College temporarily tightened enrollment standards) and included a modest increase for FY 2018-19, but costs have increased sharply for the last four years. The FY 2023-24 reduction brings the cost of the waiver close to the level in FY 2020-21.

FORT LEWIS NATIVE AMERICAN TUITION WAIVER APPROPRIATIONS/RECOMMENDATION			
	GENERAL FUND	CHANGE OVER PRIOR YEAR	PERCENTAGE INCREASE
FY 2011-12	\$11,785,002	\$1,354,631	13.0%
FY 2012-13	\$12,773,557	\$988,555	8.4%
FY 2013-14	\$14,466,230	\$1,692,673	13.3%
FY 2014-15	\$14,841,981	\$375,751	2.6%
FY 2015-16	\$16,157,618	\$1,315,637	8.9%
FY 2016-17	\$17,364,248	\$1,206,630	7.5%
FY 2017-18	\$16,948,194	(\$416,054)	(2.4%)

FORT LEWIS NATIVE AMERICAN TUITION WAIVER APPROPRIATIONS/RECOMMENDATION			
	GENERAL FUND	CHANGE OVER PRIOR YEAR	PERCENTAGE INCREASE
FY 2018-19	\$17,024,859	\$76,665	0.5%
FY 2019-20	\$19,626,044	\$2,601,185	15.3%
FY 2020-21	\$21,790,595	\$2,164,551	11.0%
FY 2021-22	\$24,045,076	\$2,254,481	10.3%
FY 2022-23	\$25,593,945	\$1,518,889	6.3%
FY 2023-24	\$22,264,858	(\$3,329,087)	(13.0%)

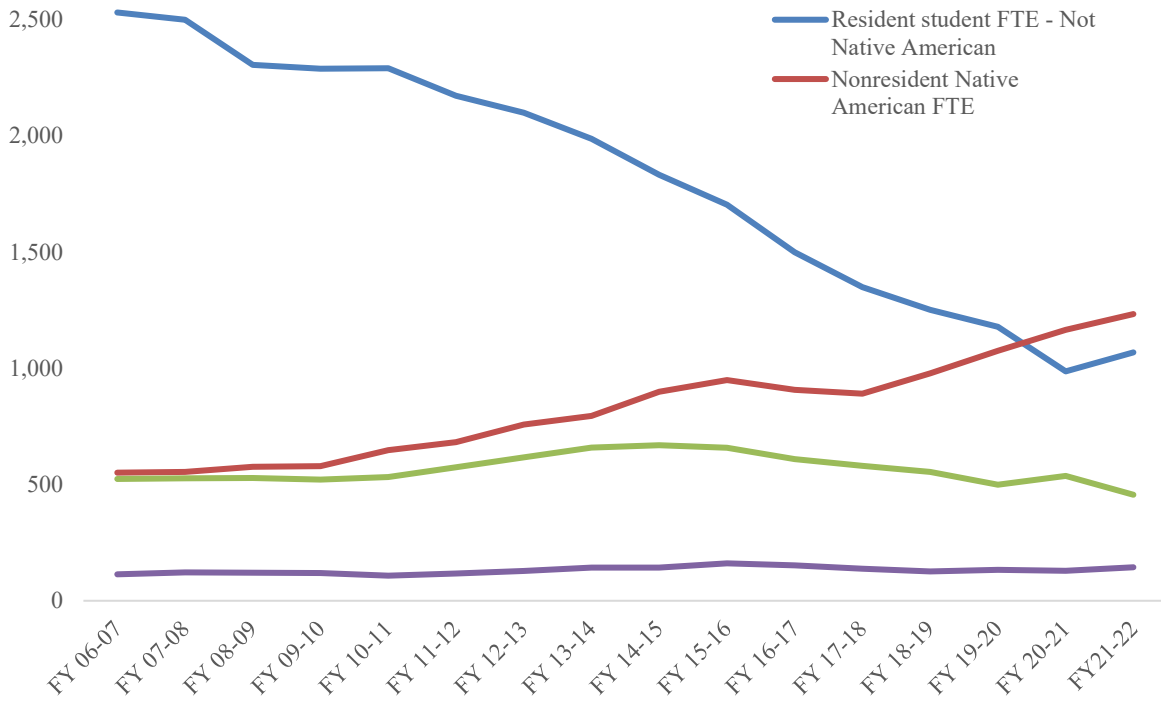
Most increases have been driven by increases in enrollment of nonresident students, although the JBC also agreed to a 5.0 percent increase in nonresident tuition in FY 2018-19 which contributed to the FY 2019-20 cost increase. In the last few years Fort Lewis College has also launched graduate programs which are contributing to enrollment growth and waiver costs.

Staff continues to expect that the College will avoid nonresident student tuition increases, given the impact on the General Fund budget. Fort Lewis has argued that the college should be treated no differently from other state higher education institutions in the Long Bill but is aware that the State now pays 2/3rds of its nonresident tuition and thus provides it far more General Fund support than any other public institution of higher education receives.

- Every 1.0 percent increase in nonresident tuition will drive a General Fund increase of \$212,610 for Native American Tuition Waiver payments in the subsequent fiscal year excluding any change in enrollment.
- Staff suspects that the decline in enrollment in FY 2022-23, while significant, likely reflects a post-pandemic effect, given Fort Lewis’ exceptionally rapid growth during the pandemic. Historically, enrollment growth among Native non-residents has driven substantial annual cost increases to the State.
- The average tuition cost for each of the 1,233 nonresident Native American students enrolled in Fort Lewis College in FY 2021-22, including summer enrollment, was \$19,783 per student.
- Fort Lewis College’s overall enrollment has declined over the last fifteen years. The only population that has grown consistently (at least until FY 2022-23) has been nonresident Native American students.

Fort Lewis College Student FTE

3,000



- President Stritikus of Fort Lewis College sent a letter to the Committee on February 21, 2022 providing a status update on the College’s efforts to secure federal funding. The letter notes that "given herculean challenges, along with increasing partisan gridlock, I do not feel it is prudent to spend further state or institutional resources at this time." Efforts have been unsuccessful in part because of opposition from the American Indian Higher Education Council, which represents Tribal Colleges and Universities.

LINE ITEM DETAIL – COLORADO COMMISSION ON HIGHER EDUCATION FINANCIAL AID

(A) NEED BASED GRANTS

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

Determining Need: Financial need is determined by the formula of [cost of attendance] – [estimated family contribution] = need. The federal Pell grant formula determines the estimated family contribution and is the amount the family is expected to contribute before any aid (including low

interest subsidized federal loans) can be offered. The State Auditor’s Office confirms that need-based aid, including both state and federal need-based aid, has been authorized consistent with this formula.

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

The CCHE’s current formula for allocating need-based aid is based on the number of Pell-eligible individuals at each institution. It provides an increasing level of funding depending upon whether the student is a freshman, sophomore, junior, etc. The formula is designed to incentivize institutions in their efforts to retain students. *In FY 2021-22, the program served 53,443 students with an average award of \$3,183*

STATUTORY AUTHORITY: Section 23-3.3-501, C.R.S.

REQUEST: The Department requests an appropriation of \$217,459,830 total funds, including General Fund and indirect cost recovery amounts that substitute for General Fund otherwise required. The request includes an increase of \$12,527,824 General Fund for request R1.

RECOMMENDATION: The staff recommendation is reflected in the table below and incorporates increases associated with the staff recommendation for request R1. This includes a somewhat higher recommended increase for financial aid to align it to the recommended increase in funding for the governing boards. In addition, the staff recommendation adjusts reappropriated funds from indirect cost collections to offset General Fund otherwise required in this line item. The fund split adjustment has no impact on program administration.

COLORADO COMMISSION ON HIGHER EDUCATION FINANCIAL AID, NEED BASED GRANTS, NEED BASED GRANTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$204,932,006	\$204,468,152	\$0	\$463,854	\$0	0.0
TOTAL	\$204,932,006	\$204,468,152	\$0	\$463,854	\$0	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$204,932,006	\$204,468,152	\$0	\$463,854	\$0	0.0
R1 State funding increase for higher education	12,760,058	12,760,058	0	0	0	0.0
SI Indirect cost adjustments	0	(2,112,919)	0	2,112,919	0	0.0
TOTAL	\$217,692,064	\$215,115,291	\$0	\$2,576,773	\$0	0.0
INCREASE/(DECREASE)	\$12,760,058	\$10,647,139	\$0	\$2,112,919	\$0	0.0
Percentage Change	6.2%	5.2%	0.0%	455.5%	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
REQUEST	\$217,459,830	\$216,299,817	\$0	\$1,160,013	\$0	0.0

COLORADO COMMISSION ON HIGHER EDUCATION FINANCIAL AID, NEED BASED GRANTS, NEED BASED GRANTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Request Above/(Below) Recommendation	(\$232,234)	\$1,184,526	\$0	(\$1,416,760)	\$0	0.0

(B) WORK STUDY

Work Study allows resident undergraduates to earn money to help pay for college. Students with financial need as well as students who can benefit from work experience are eligible, 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.

The Department has indicated in the past that students receiving work study have better achievement and retention rates than both students who don't work and students who find work on their own, speculating that work study creates a sense of investment, while the regulated hours and locations ensure that employment doesn't interfere with study. *In FY 2021-22, the program served 7,076 students with an average amount of \$3,096 per student.*

STATUTORY AUTHORITY: Section 23-3.3-401, C.R.S.

REQUEST: The Department requests a continuation amount of \$23,129,178 for this line item.

***RECOMMENDATION:* Staff recommends the Department's request for continuation funding of \$23,129,178 General Fund.**

(C) MERIT BASED GRANTS

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. It was restored in S.B. 14-001 but again eliminated in FY 2020-21 due to statewide revenue shortfalls associated with the COVID-19 pandemic.

STATUTORY AUTHORITY: Section 23-3.3-501, C.R.S.

REQUEST: The Department did not request funding for this line item.

***RECOMMENDATION:* Staff does not recommend an appropriation for this line item.**

(D) SPECIAL PURPOSE

VETERANS'/LAW ENFORCEMENT/POW TUITION ASSISTANCE

This line item pays tuition, room, and board for Colorado dependents of deceased or permanently disabled members of the National Guard, law enforcement, firefighters, prisoners of war and military

personnel missing in action. Pursuant to Section 23-3.3-202, C.R.S. this is the first priority of any state financial aid funds. If the appropriation in this line is insufficient to cover costs, CCHE must use money appropriated in other financial aid line items for this purpose.

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

STATUTORY AUTHORITY: Section 23-3.3-204 and 23-3.3-205, C.R.S.

REQUEST: The Department requests \$1,643,700 General Fund for this line item, including an increase of \$500,000 for Request R1.

RECOMMENDATION: The staff recommendation is reflected in the table below. The line item has been difficult to project due to the relatively small number of students who receive the benefit.

COLORADO COMMISSION ON HIGHER EDUCATION FINANCIAL AID, SPECIAL PURPOSE, VETERANS'/LAW ENFORCEMENT/POW TUITION ASSISTANCE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$1,143,700	\$1,143,700	\$0	\$0	\$0	0.0
TOTAL	\$1,143,700	\$1,143,700	\$0	\$0	\$0	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$1,143,700	\$1,143,700	\$0	\$0	\$0	0.0
R1 State funding increase for higher education	500,000	500,000	0	0	0	0.0
TOTAL	\$1,643,700	\$1,643,700	\$0	\$0	\$0	0.0
INCREASE/(DECREASE)	\$500,000	\$500,000	\$0	\$0	\$0	0.0
Percentage Change	43.7%	43.7%	0.0%	0.0%	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

Pursuant to the current interpretation of Section 23-3.3-102 (7), C.R.S., a funding shortfall of up to 10 percent may be addressed via transfers from other financial aid programs. (Transfers from money rolled forward in the work-study line item addressed shortfalls in prior years.) When the difference exceeded 10 percent in prior years, additional transfers have been authorized through the Governor's transfer authority (for like-purposes, up to \$10.0 million; Section 24-75-108 (8), C.R.S.).

NATIVE AMERICAN STUDENTS/FORT LEWIS COLLEGE

To comply with a federal treaty and the contract that granted the Fort Lewis property to the state in 1911, 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.

STATUTORY AUTHORITY: Section 23-42-105, C.R.S.

REQUEST: The Department requests an appropriation of \$22,955,945 General Fund for this line item, including a decrease of \$2,808,020 for request R3.

RECOMMENDATION: The staff recommendation is summarized in the table below and reflects updated data from Fort Lewis for request R3, as discussed at the beginning of this division.

COLORADO COMMISSION ON HIGHER EDUCATION FINANCIAL AID, SPECIAL PURPOSE, NATIVE AMERICAN STUDENTS/FORT LEWIS COLLEGE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$25,563,965	\$25,563,965	\$0	\$0	\$0	0.0
TOTAL	\$25,563,965	\$25,563,965	\$0	\$0	\$0	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$25,563,965	\$25,563,965	\$0	\$0	\$0	0.0
R3 Fort Lewis Native American tuition waiver	(3,299,107)	(3,299,107)	0	0	0	0.0
TOTAL	\$22,264,858	\$22,264,858	\$0	\$0	\$0	0.0
INCREASE/(DECREASE)	(\$3,299,107)	(\$3,299,107)	\$0	\$0	\$0	0.0
Percentage Change	(12.9%)	(12.9%)	0.0%	0.0%	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$691,087	\$691,087	\$0	\$0	\$0	0.0

COLLEGE OPPORTUNITY SCHOLARSHIP INITIATIVE (COSI)

The College Opportunity Scholarship Initiative promotes public/private partnerships to fund scholarships and support services for gifted low-income students who might not otherwise pursue or complete higher education. Created in H.B. 14-1384, it was initially seeded with a transfer of \$33.4 million from the CollegeInvest Financial Need Scholarship Fund and a \$1.0 million appropriation. In FY 2015-16 and FY 2016-17, the General Assembly appropriated \$5.0 million General Fund to the COSI Fund, from which the Department has continuous spending authority. In FY 2018-19, the Long Bill appropriation was increased to \$7.0 million. Senate Bill 20-006 modified the program to allow greater program flexibility. The appropriation was reduced by \$1.0 million in FY 2020-21 to assist in

addressing the state budget shortfall related to the COVID-19 pandemic. This reduction was restored in FY 2021-22.

- Student Support Services: Funds may be awarded to state agencies and nonprofit organizations to assist such agencies and organizations with ensuring that student-success and precollegiate, postsecondary student support services are available to students who are classified as Colorado residents for tuition purposes; increasing the capacity for student support services at postsecondary institutions; and developing connections between local employers, public schools, precollegiate organizations, and postsecondary institutions.
- Administration: Up to 7.5 percent of amounts expended in the prior fiscal year may be used for direct and indirect administrative costs. Allows for a larger amount to be used for administration if authorized in any fiscal year by a footnote in the Long Bill.
- Scholarships: Money not used for the purposes above must be used to build a financial corpus capable of providing tuition assistance to eligible Colorado students attending eligible Colorado higher education institutions. Such assistance may include direct awards; matching incentives to create or increase other scholarships; loans, or any combination of these.
- Eligible Students: To the extent practicable, tuition assistance must be awarded to students representing rural and urban areas and students attending all types of higher education institutions (vocational schools, community colleges, 4-year institutions, research institutions). Also, to the extent practicable, tuition assistance must be evenly distributed between students with an expected family contribution (EFC) of less than 100 percent of the annual federal PELL grant award and students with an EFC between 100% and 250% of the annual federal PELL grant award.

The program has an advisory board comprised of the executive committee of the State Workforce Development Council, and three Governor appointees to represent research institutions, four-year postsecondary institutions and community colleges and area vocational schools. It requires this board to establish:

- eligibility for state agencies, nonprofit organizations, and public institutions of higher education to participate in the initiative;
- criteria for eligibility of students to apply for and receive grants from the initiative; and
- rules establishing permissible uses of grant and scholarship moneys from the initiative.

The “regular” program provides several different kinds of grants, described below. In addition, the COSI Board was given authority to oversee allocations of one-time federal COVID recovery funds, including \$15.0 million pursuant to S.B. 21-232 (as amended by H.B. 22-1192; the Displaced Workers Grant Appropriation), and \$49.0 million pursuant to H.B. 21-1330 (Higher Education Student Success).

Community Partner Program (CPP) Grants: Consistent with the legislation, the program funds community partner grants for student support programs operated by non-profits, K-12 and higher education institutions with pre-collegiate, collegiate, and bridge programs to support student participation and success in higher education.

- For programs at the K-12 level, the program supports a “future center” model. This program is a collaborative approach between partner organizations and/or a school district that is embedded in a school’s counseling department. The hub serves all students at the school with curriculum and activities that address career and college options and pathways, provide academic support (e.g. tutoring), assist students with FAFSA completion, offer classes dedicated to precollegiate curriculum, provide summer bridge programming, and support other wrap-around services. The program enriches existing high school counseling resources.
- For programs at the postsecondary level, programs must provide intrusive advising, wrap-around student support services to assist students in overcoming academic and other barriers to success. The grantee must use the Colorado Challenge model and curriculum, which includes a collaborative approach between the institution and the Colorado Challenge as a peer coach.

Matching Student Scholarship (MSS) Grants: The program offers grants to counties, higher education institutions, and workforce programs for matching scholarship grants. These grants have historically represented \$7.0 to \$7.5 million of annual COSI allocations. State grants are matched by scholarship funds from state and philanthropic sources. State higher education institutions and institutional foundations operating on behalf of county governments provide the matching funds. These entities then distribute the grants (state funds and matching funds) to income-eligible students. Disbursements vary between one and four years.

STATUTORY AUTHORITY: Section 23-3.3-1001 through 1005, C.R.S.

REQUEST: The Department requests an appropriation of \$10,000,000 General Fund for this line item, including an increase of \$3,000,000 General Fund as one of the financial aid components of Request R1.

RECOMMENDATION: As previously discussed, Staff recommends the request for an appropriation of \$10,000,000 General Fund for this line item, including the \$3,000,000 increase for Request R1.

TUITION ASSISTANCE FOR CAREER AND TECHNICAL EDUCATION CERTIFICATE PROGRAMS

House Bill 15-1275 (Winter/Heath, Marble) directed the Colorado Commission on Higher Education to create a tuition assistance program for students enrolled in career and technical education certificate programs, subject to available appropriations. The program is for students who meet the income eligibility requirements for the federal Pell grant but do not qualify for the grant because the certificate program in which they are enrolled does not meet minimum credit hour requirements. The bill included a General Fund appropriation of \$450,000 for tuition assistance for such students attending community colleges, Colorado Mesa University, area vocational schools, and local district junior colleges.

STATUTORY AUTHORITY: Section 23-3.3-1101, C.R.S.

REQUEST: The Department requests a continuing appropriation of \$450,000 General Fund for this line item.

RECOMMENDATION: Staff recommends the request for continuation funding of \$450,000 General Fund.

FOURTH-YEAR INNOVATION PILOT PROGRAM

The Fourth-year Innovation Pilot Program was created in S.B. 21-106 (Concerning Successful High School Transitions). The program was created in the Department of Higher Education, but the Department of Education has related statutory responsibilities. The program provides state funding for low-income students who graduate early from high school to use for postsecondary education tuition and fees and also provides incentives to the local education providers that graduate these students early. The Department of Higher Education is responsible for distributing the scholarship funds for students who graduate early in the school districts that are piloting the program. The Department of Education is responsible for distributing incentives to affected school districts.

According to a legislative report on the program, the Department of Higher Education selected five local education providers to participate in March 2022 and coordinated with four external partners to roll out the program. The data in 2022 reflected 61 eligible graduates; the Department estimates that no more than 50 percent will use the benefit available from this program, but the data was not yet available. The Department indicated it had identified three issues with the program:

- Students completing high school through an equivalency exam are ineligible despite fitting the program goals.
- Participating LEPs have concerns about the management of free and reduced lunch data, and CDE reports on these data are not aligned with the Path4Ward program schedule.
- Students have incurred costs of attendance earlier than the most rapid funds remittance timelines available to some of the postsecondary programs they have enrolled in.

STATUTORY AUTHORITY: Section 23-3.3-1301, C.R.S.

REQUEST: The Department requested a continuation appropriation \$368,792 General Fund and 0.7 FTE.

RECOMMENDATION: The staff recommendation is for a continuation of \$368,792 General Fund and 0.7 FTE, as requested. **However, given the initial report on the program, spending at this level seems unlikely. If the program does not expand substantially or change, staff expects to reduce funding in FY 2024-25.**

DISPLACED AURARIAN SCHOLARSHIP

H.B. 22-1393 creates the displaced Aurarian scholarship to fully fund scholarships to attend Metropolitan state university of Denver, the university of Colorado at Denver, or the community college of Denver for descendants of people displaced by the development of the Auraria higher education center.

This bill includes an appropriation of \$2,000,000 General Fund for FY 2022-23 to support the scholarships at the three institutions.

STATUTORY AUTHORITY: Section 23-70-117, C.R.S.

REQUEST/RECOMMENDATION: The Department did not request, and staff does not recommend, an appropriation for this line item for FY 2023-24. The FY 2022-23 appropriation was identified in the fiscal note as one-time only.

STATE AID FOR FOSTER STUDENTS PROGRAM

Senate Bill S.B. 22-008 (Higher Education Support for Foster Youth) requires that Starting in the 2022-23 academic year, the state must provide financial assistance in excess of any financial aid to cover the total cost of attendance at a higher education institution for students who have been:

- placed in foster care in Colorado before their 13th birthday;
- placed in non-kinship care after their 13th birthday; or
- adjudicated neglected or dependent at any time.

The bill requires the General Assembly to appropriate an amount to the Colorado Commission on Higher Education (CCHE) within the Department of Higher Education (DHE) that covers half the cost of providing financial assistance to foster children, with institutions of higher education covering the other half from financial aid allotments. Foster students are eligible for aid for the first 132 semester credit hours or 198 quarter credit hours.

The bill requires the DHE to designate four full-time equivalent employees as foster care student navigators to assist foster students in applying for and enrolling in institutions of higher education. In addition, each higher education institutions must designate one employee as a liaison to assist qualified students with receiving assistance.

The fiscal note estimate of related costs is shown below. The institution of higher education share (50% of the financial aid) is not included in the appropriation.

Cost Components	FY 2022-23	FY 2023-24
Department of Higher Education		
Personal Services	\$217,180	\$236,924
Operating Expenses	\$5,400	\$5,400
Capital Outlay Costs	\$24,800	-
Aid to Foster Children	\$2,328,035	\$2,328,035
Travel Costs	\$20,160	\$20,160
Outreach Materials	\$15,000	\$15,000
Centrally Appropriated Costs ¹	\$56,536	\$61,312
FTE – Personal Services	3.7 FTE	4.0 FTE
DHE Subtotal	\$2,667,111	\$2,666,831
Institutions of Higher Education		
Aid to Foster Children	\$2,328,035	\$2,328,035
Institutions of Higher Education Subtotal²	\$2,328,035	\$2,328,035
Total	\$4,995,146	\$4,994,866
Total FTE	3.7 FTE	4.0 FTE

STATUTORY AUTHORITY: Section 23-3.3-1401, C.R.S.

REQUEST: The Department requests \$2,605,519 General Fund and 4.0 FTE for FY 2023-24, which annualizes the FY 2022-23 appropriation in S.B. 22-008.

RECOMMENDATION: Staff recommends the request for \$2,605,519 General Fund and 4.0 FTE. The amount is consistent with the fiscal note for the bill.

H.B. 22-1220 STUDENT EDUCATOR STIPEND PROGRAM

Among other provisions, H.B. 22-1220 (Removing Barriers to Educator Preparation) includes a student educator stipend program in the Department of Higher Education. The program will award stipends to eligible students to reduce the financial barriers to entering the workforce while placed as a student teacher. Educator preparation programs must distribute the stipends in monthly installments. An eligible student may receive a stipend of \$11,000 for a 16-week academic residency and \$22,000 for a 32-week academic residency. The bill requires and includes an appropriation of \$39,000,000 from the Economic Recovery and Relief Cash Fund from money originating as federal Coronavirus State Fiscal Recovery Funds (ARPA funds). Funds must be obligated by December 30, 2024 and expended by December 31, 2026.

STATUTORY AUTHORITY: Section 23-3.9-302, C.R.S.

REQUEST/RECOMMENDATION: No appropriation is requested or recommended for FY 2023-24.

H.B. 22-1220 EDUCATOR TEST STIPEND PROGRAM

Among other provisions, H.B. 22-1220 (Removing Barriers to Educator Preparation) includes an educator test stipend program to award stipends to institutions of higher education to reduce student fees and costs associated with professional competency assessments required for licensure and license endorsements. The Colorado Commission on Higher Education (CCHE) must create a formula for calculating the amount of money awarded to each educator preparation program, based on the number of eligible students and the cost of assessments and endorsements. The bill requires and provides an appropriation of \$3,000,000 from the Economic Recovery and Relief Cash Fund from money originating as federal Coronavirus State Fiscal Recovery Funds (ARPA funds). Funds must be obligated by December 30, 2024 and expended by December 31, 2026.

STATUTORY AUTHORITY: Section 23-3.9-303, C.R.S.

REQUEST/RECOMMENDATION: No appropriation is requested or recommended for FY 2023-24.

LINE ITEMS INCLUDED IN NUMBERS PAGES DUE TO PRIOR YEAR APPROPRIATIONS

COSI STUDENT FINANCIAL AID AND SUPPORT SERVICES - ARPA MONEY

House Bill 21-1330 created the Colorado Opportunity Scholarship Initiative (COSI) Student Financial Aid and Support Services program. The bill included a one-time FY 2021-22 appropriation of \$49,000,000 cash funds from the Workers, Employers, and Workforce Centers Cash Fund, from money originating as federal Coronavirus State Fiscal Recovery Funds, that is distributed to higher education institutions based on formulas and applications describing the use of the funds. Money will

be available for several years based on the structure of the COSI Fund and the availability of the federal funds, which must be obligated by December 30, 2024.

REQUEST/RECOMMENDATION: This was a one-time appropriation. The Department has not requested, and staff does not recommend, an appropriation for FY 2023-24.

S.B. 21-232 COSI DISPLACED WORKERS PROGRAM

S.B. 21-232 created the COSI Displaced Workers program. The bill included a one-time appropriation of \$15,000,000 for use by the Colorado Opportunity Scholarship Initiative (COSI) Advisory Board from the Workers, Employers, and Workforce Centers Cash Fund from money originating from federal Coronavirus State Fiscal Recovery Funds (ARPA Funds). H.B. 22-1192 codified the new displaced workers program and adjusted the appropriation to reflect \$1,950,000 used in FY 2020-21, and an appropriation of \$13,050,000 in FY 2021-22. Any money not expended may be rolled forward for expenditure in FY 2022-23 and FY 2023-24.

REQUEST/RECOMMENDATION: This was a one-time appropriation. The Department has not requested, and staff does not recommend, an appropriation for FY 2023-24.

RURAL TEACHER FELLOWSHIP PROGRAM (H.B. 18-1002)

House Bill 18-1002 (Hamner & Rankin/Coram and Todd) created a teaching fellowship program for rural local education providers and institutions of higher education that offer a teacher preparation program. It authorized up to 100 one-year fellowships that are designed by participating rural education providers and institutions of higher education to meet the needs of the rural education provider and the higher education student who receives the teaching fellowship. Teaching fellows receive a \$10,000 stipend, in addition to any other financial assistance available to the fellow. Stipends are funded 50 percent by the participating institution of higher education and 50 percent from state support. The education provider commits to extending an offer of employment to students who successfully complete a fellowship, and students receiving a job offer commit to two full years of employment or repaying their fellowship stipend. Requires reporting from participating institutions and an annual report from the Department of Higher Education to the Joint Budget Committee, Education Committees, the State Board of Education, and the Colorado Commission on Higher Education.

STATUTORY AUTHORITY: Section 23-78-305 through 307, C.R.S. [relocated]

REQUEST/RECOMMENDATION: The Department did not request, and staff does not recommend, an appropriation for this line item, which has been merged with the Rural Teacher Recruitment, Retention, and Professional Development line item.

(4) COLLEGE OPPORTUNITY FUND PROGRAM

The College Opportunity Fund Program section includes line items for stipends for students at state operated institutions, stipends for students at private institutions, and fee-for-service contracts with state supported institutions. The Governing Board section includes the reappropriated funds spending authority for the higher education institutions to receive and expend the stipend payments on behalf of students, and to receive and expend the fee-for-service contracts. Both fee-for-service and student stipend requirements codified in article 18 of Title 23. Provisions added in H.B. 14-1319 were significantly modified by H.B. 20-1366.

COLLEGE OPPORTUNITY FUND PROGRAM			
	TOTAL FUNDS	GENERAL FUND	FTE
FY 2022-23 Appropriation			
FY 2022-23 Appropriation	\$990,534,898	\$990,534,898	0.0
TOTAL	\$990,534,898	\$990,534,898	0.0
FY 2023-24 RECOMMENDED APPROPRIATION			
FY 2022-23 Appropriation	\$990,534,898	\$990,534,898	0.0
R1 State funding increase for higher education	67,830,249	67,830,249	0.0
SI Indirect cost adjustments	3,852,477	3,852,477	0.0
Annualize prior year legislation	(188,684)	(188,684)	0.0
Annualize prior year budget actions	50,000	50,000	0.0
TOTAL	\$1,062,078,940	\$1,062,078,940	0.0
INCREASE/(DECREASE)	\$71,544,042	\$71,544,042	0.0
Percentage Change	7.2%	7.2%	0.0%
FY 2023-24 EXECUTIVE REQUEST	\$1,061,549,222	\$1,061,549,222	0.0
Request Above/(Below) Recommendation	(\$529,718)	(\$529,718)	0.0

ADDITIONAL PROGRAM BACKGROUND

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

FEE-FOR-SERVICE CONTRACTS

- Provisions related to fee-for-service contracts were significantly changed pursuant to H.B. 20-1366. Statute specifies that each governing board's annual fee-for-service contract includes the amount of funding appropriated to the governing board pursuant to sections 23-18-303.5, 23-18-304, and 23-18-308, C.R.S. minus the amount of funding appropriated to the board for College Opportunity Fund stipends pursuant to Section 23-18-202, C.R.S.
- Section 23-18-303.5 includes provisions for performance funding that compare each institution's improvement in performance on metrics specified in statute versus the improvements of other boards. The results are then calibrated to the current appropriation for the board. This mechanism will adjust funding to boards gradually over time.
- Section 23-18-303.5 also provides statutory authorization for the General Assembly to add funding on an ongoing or temporary basis. Statute identifies a mechanism for adding ongoing additional funding based on the number of first generation students served by a board; however, the General Assembly has flexibility in decisions to add funds for ongoing additional funding or temporary additional funding.
- Section 23-18-304 provides for fee-for-service contracts for the delivery of specialty educational programs, defined as the CU health sciences center campus, the CSU veterinary school, and various CSU extension programs. Statute requires that funding for these fee-for-service contracts increase or decrease at the same rate as total funding for performance contracts under Section 23-18-303.5. (This requirement also applies to grants to the local district colleges and area technical colleges.)
- Section 23-18-308 provides for limited purpose fee-for-service contracts that fund boards for the specific activities identified in this part of statute.
- Fee-for-service contracts are not considered a state grant for purposes of determining the enterprise status of higher education institutions.

DECISION ITEMS – COLLEGE OPPORTUNITY FUND PROGRAM

The Department's sole request affecting this section was R1 State Funding Increase for Public Higher Education. This request is addressed at the beginning of the packet.

→ COF STIPEND AND FEE-FOR-SERVICE ADJUSTMENTS INCORPORATED R1 REQUESTS

REQUEST: Request R1 reflects adjustments to the COF eligible student FTE and amount per student FTE. The request proposes to increase the stipend amount from the current \$104 per credit hour authorized in FY 2022-23 to \$116 per credit hour. It provided the actual use of the COF stipend in FY 2021-22 as the estimated utilization in FY 2023-24, based on past practice.

RECOMMENDATION:

Stipends at Public Institutions: The staff recommendation includes setting the COF stipend figure at \$1116 per credit hour (\$3,480 per student FTE) as requested. The recommendation also includes using the FY 2021-22 actual use of the COF stipend as the basis for the estimated use of the stipend in FY 2023-24. While this is likely to be an underestimate, staff prefers to maintain the past practice on this if feasible, and it appears to staff that, even with this adjustment, the Department should be able to close out the year making necessary adjustments between COF stipends and fee-for-service contracts as allowed under current law. Statute provides flexibility for the Department to make end of year

adjustments between fee-for-service and stipend amounts in an amount not to exceed 10 percent of a governing board’s total appropriation.

COF STIPEND ADJUSTMENT			
	COF STIPEND FTE RECOMMENDED FY 2022-23 LONG BILL (FY 2020-21 ACTUAL)	COF STIPEND FTE RECOMMENDED FY 2023-24 LONG BILL (FY 2021-22 ACTUAL)	CHANGE FY2021-22 TO FY2022-23
Adams State University	853.0	797.9	(55.1)
Colorado Mesa University	5,868.0	5,794.1	(73.9)
Metropolitan State University	11,631.0	10,475.4	(1,155.6)
Western Colorado University	1,332.0	1,422.3	90.3
Colorado State University System	16,639.0	15,802.2	(836.8)
Fort Lewis	1,117.0	1,075.0	(42.0)
University of Colorado System	28,968.0	27,054.3	(1,913.7)
Colorado School of Mines	2,853.0	2,889.5	36.5
University of Northern Colorado	5,439.0	4,933.1	(505.9)
Community College System	40,989.0	39,682.0	(1,307.0)
Total	115,688.4	109,925.7	(5,763.3)

Consistent with provisions in Section 23-18-303.5, staff adjusted amounts between the amount for COF stipends for students at public institutions pursuant to Section 23-18-303.5, C.R.S. and the amount for student stipends at public institutions for a net \$0 adjustment.

Stipends at Private Institutions: This change also results in an adjustment to the COF stipend available to students attending private non-profit institutions and a related change to the appropriation for the “Stipends for eligible full-time equivalent students attending participating private institutions” line item. Pell-eligible students at these institutions are eligible for a COF stipend equal to 50 percent of the amount for a student at a public institution. The associated increase has been included in the R1 request as an increase of \$111,848. However, staff believes the request included a technical error. With this adjustment, the total appropriation for the line item for stipends for students attending private institutions is \$1,846,140, as reflected below.

COF STIPEND ADJUSTMENT - PARTICIPATING PRIVATE INSTITUTIONS			
	AMOUNT PER STUDENT FTE	STUDENT FTE	TOTAL
FY 2022-23	1,560	1,061	\$1,655,048
FY 2023-24	1,740	1,061	\$1,846,140
Change	(180)	0	\$191,092

→ COLORADO STATE UNIVERSITY SYSTEM REQUEST FOR LEGISLATION RELATED TO SPECIALTY EDUCATION

The Colorado State University System has submitted a letter to the JBC requesting that the Committee sponsor legislation to broaden its authority to use specialty education funding. Staff is neutral on the proposal but has included a copy of the letter from the CSU System for the Committee’s convenience, in the event the JBC wishes to carry the requested bill.

FOOD SYSTEMS ADVISORY COUNCIL SUNSET REVIEW

The Food Systems Advisory Council repeals September 1, 2023, pursuant to Section 23-31-1107, C.R.S., and is subject to sunset review. This program is funded through a limited purpose fee-for-service contract between the Department and the Colorado State University System. A 2022 Sunset Review Report recommended continuation of the Council and S.B. 23-159 (Sunset Colorado Food Systems Advisory Council) extends the Council by seven years, until September 1, 2030. In light of this, **the Staff recommendation continues funding for this limited purpose fee-for-service contract in the FY 2023-24 Long Bill. However, if S.B. 23-159 is not enacted, staff anticipates that the Department will not enter into a limited purpose fee-for-service contract for the program with Colorado State University and related funds will revert.**

ANNUALIZATION FOR FMAP ADJUSTMENT AND FOOTNOTE RELATED TO SCHOOL OF MEDICINE UPPER PAYMENT LIMIT

REQUEST: The Department's request did not address annualization of adjustments for annualization of S.B. 21-213 (Use of Increased Medicaid Match) and the enhanced FMAP (federal Medicaid participation) which begins to phase down in the last quarter of FY 2022-23.

RECOMMENDATION:

- Staff is recommending preliminary changes to address the annualization of S.B. 21-213, although these may require further refinement based on the JBC's final funding decisions for FY 2023-24.
- Staff also anticipates changes to a footnote related to the School of Medicine Upper Payment Limit. Here too, staff has reflected preliminary figures, based on the prior year, but anticipates further refinement based on the JBC's final funding decisions for FY 2023-24.

Staff has included estimated adjustments in the narrative below. **Staff requests the Committee approve the adjustments in principle and requests permission to make related budget adjustments in the Departments of Higher Education and Health Care Policy and Financing consistent with the final increase authorized for CU's specialty education program and input from the University of Colorado and the Department of Health Care Policy and Financing on amounts to be transferred to HCPF.** Amounts transferred to HCPF are reflected as reappropriated funds in the HCPF budget and match additional federal funds that are also included in the HCPF budget. Staff will bring any significant deviations from amounts below back to the Committee for a "comeback".

BACKGROUND:

Transfer of Specialty Education Funding to HCPF: The vast majority of the appropriation for specialty education fee-for-service contracts for the University of Colorado, representing funding for medical education, is transferred to the Department of Health Care Policy and Financing to draw down federal Medicaid match funds, as described below.

- In FY 2017-18, the JBC approved new footnotes in HCPF and Higher Education and an appropriation in HCPF that enables the vast majority of the appropriation for specialty education programs at the University of Colorado, (almost all funding for educational services at the

University of Colorado Health Sciences Center) to be transferred to the Department of Health Care Policy and Financing.

- These funds are used to enhance Medicaid medical payments to physicians who are faculty at the School of Medicine and who provide clinical care at University of Colorado Hospital and Children’s Hospital. The state funds transferred to HCPF are then matched by federal funds as part of enhanced physician reimbursements under the Upper Payment Limit (UPL).
- School of Medicine educational programs are “held harmless” because educational programs are reimbursed by a component unit of the University of Colorado that is responsible for physician billing before any real increase in payments to physicians.
- As a result of this arrangement, access and services for Medicaid-eligible clients at University Hospital, Children’s Hospital, and other locations served by the faculty of the School of Medicine are enhanced, the Commission on Family Medicine Residency Training Program is increased, and staff are added at the Department of Health Care Policy and Financing to manage the program and related accounting.
- The Centers for Medicare and Medicaid Services approved the Upper Payment Limit arrangement during 2017, and HCPF and CU entered into a formal agreement to implement this program and identify and measure resulting benefits.

S.B. 21-213 (Use of Increased Medicaid Match): This bill was adopted to ensure that the State obtains the full benefit of the increased federal medical assistance percentage (FMAP) that has been available to the State as part of the federal response to the Coronavirus Pandemic. This including the match provided related to transferring funds from the Department of Higher Education for the CU School of Medicine. The statutory provisions ensure that when the federal match rate is enhanced (exceeding 50 percent), state General Fund contributions are reduced by the amount of the additional federal support received.

For FY 2022-23, a total of \$11,166,420 General Fund was reduced from the appropriation for the University of Colorado for its specialty education fee-for-service contract due to the provisions of S.B. 21-213. This drives two recommended changes:

- For purposes of the higher education funding model, staff treats this as one-time adjustment that is restored as part of the FY 2022-23 base and increased in concert with the balance of the higher education funding model (specialty education increases at the average for the overall model) before any further FMAP adjustment is applied.
- Once the new FY 2023-24 appropriation for specialty education is set and the portion that will be transferred to HCPF is determined, staff applies the S.B. 21-213 adjustment again. The upper payment limit calculation for FY 2023-24 is based on the FMAP enhancement available in FY 2022-23. Therefore the calculation is built on the FMAP enhancement of 6.2 percentage points for July 1, 2022 through March 31, 2023 and the step-down enhancement of 5.0 percentage points from April 1 through June 30, 2023 (a blended rate of 5.9 percentage points).¹⁸

¹⁸ The FMAP enhancement continues to step-down through FY 2023-24: to 2.5 percentage points for the first quarter of SFY 2023-24 and 1.5 percentage points for the second quarter of SFY 2023-24, before ending on January 1, 2024.

PRELIMINARY CU SCHOOL OF MEDICINE AND S.B. 22-213 FMAP ADJUSTMENT				
		TOTAL	GENERAL FUND	FEDERAL FUNDS
A	FY 2022-23 Appropriated Transfer to HCPF (with enhanced FMAP)	\$181,703,554	\$79,685,357	102,018,197
	HCPF admin	1,600,000	800,000	800,000
	supplemental payment	180,103,554	78,885,357	101,218,197
B	FY 2022-23 Transfer to HCPF if no FMAP adjustment	181,703,554	90,851,777	90,851,777
	HCPF admin	1,600,000	800,000	800,000
	Supplemental payment	180,103,554	90,051,777	90,051,777
C	Grow GF in (B) by 6.8% (or other higher ed increase)	194,059,396	97,029,698	97,029,698
	HCPF admin	1,600,000	800,000	800,000
	Supplemental payment	192,459,396	96,229,698	96,229,698
D	Payments assuming 5.9% blended enhanced FMAP	194,059,396	85,674,594	108,384,802
	HCPF admin	1,600,000	800,000	800,000
	Supplemental payment	192,459,396	84,874,594	107,584,802
D-C	Total Impact of Enhanced FMAP in FY 24 - reduction to CU GF/RF	0	(11,355,104)	11,355,104
	HCPF admin	-	-	-
	Supplemental payment	-	(11,355,104)	11,355,104

As reflected in the calculation above, the net General Fund impact of the FMAP adjustment for FY 2023-24 is estimated to be close to the FY 2022-23 adjustment. It appears the one-time FY 2023-24 reduction will be on the order of \$11,355,104 (assuming a 6.8 percent funding increase). Related General Fund savings will be partially annualized in FY 2024-25 and fully annualized in FY 2025-26.

Footnote: Depending upon the final action on higher education funding and the related decision about the transfer to the HCPF, Staff anticipates that adjustments will be required related to footnote that applies to both the Department of Higher Education and the Department of Health Care Policy and Financing. This footnote authorizes the funds to be transferred from the Department of Higher Education to the Department of Health Care Policy and Financing. **Staff requests permission to make final adjustments to update the footnote below and related appropriations in the Department of Health Care Policy and Financing, depending upon the final appropriation for the Department of Higher Education for CU's specialty education program.** *Final figures will be included in the Committee's Long Bill footnote packet, and staff will bring back any significant adjustments through the comeback process.*

The FY 2022-23 version of this footnote reads as follows. Staff has included estimated adjustments based on a 6.8 percent General Fund increase, pending final figure setting amounts for the governing boards.

- 33 Department of Health Care Policy and Financing, Grand Totals; Department of Higher Education, College Opportunity Fund Program, Fee-for-service Contracts with State Institutions, Fee-for-service Contracts with State Institutions for Specialty Education Programs; and Governing Boards, Regents of the University of Colorado -- The Department of Higher Education shall transfer \$800,000 to the Department of Health Care Policy and Financing for administrative costs and family medicine residency placements associated with care provided by the faculty of the health sciences center campus at the University of Colorado

that are eligible for payment pursuant to Section 25.5-4-401, C.R.S. If the federal Centers for Medicare and Medicaid services continues to allow the Department of Health Care Policy and Financing to make supplemental payments to the University of Colorado School of Medicine, the Department of Higher Education shall transfer the amount approved, up to ~~\$78,885,357~~ \$84,874,594 to the Department of Health Care Policy and Financing pursuant to Section 23-18-304(1)(c), C.R.S. If permission is discontinued, or is granted for a lesser amount, the Department of Higher Education shall transfer any portion of the ~~\$78,885,357~~-\$84,874,594 that is not transferred to the Department of Health Care Policy and Financing to the Regents of the University of Colorado.

LINE ITEM DETAIL – COLLEGE OPPORTUNITY FUND PROGRAM

(A) STIPENDS

STIPENDS FOR ELIGIBLE FULL-TIME EQUIVALENT STUDENTS ATTENDING STATE INSTITUTIONS

COF stipend payments are made on behalf of eligible students to each of the governing boards.

STATUTORY AUTHORITY: Section 23-18-202, C.R.S.

REQUEST: The Department requests \$382,541,574 for this line item, including an increase of \$21,593,766 for request R1 and an assumed COF stipend of \$116 per credit hour.

RECOMMENDATION: Staff recommends the request for \$382,541,574 General Fund, including the R1 request. Consistent with the request, the recommendation is based on rate of \$116 per credit hour (\$3,480 per student FTE attending 30 credit hours per year) for 109,925.7 student FTE. Consistent with past practice:

- The 109,925.7 FTE figure is based on the FY 2021-22 actual FTE using the COF stipend, and reflects a decline from 115,668.4 student FTE who used the stipend in FY 2020-21, which was also a decline from the 125,925.4 student FTE who used the stipend in FY 2019-20.
- The amount per student FTE incorporates a \$12 per credit hour increase over the FY 2022-23 figure, with the stipend increasing from \$104 per credit hour (\$3,120 per student FTE) to \$116 per credit hour (\$3,480 per student FTE).
- Staff notes that actual student enrollment in FY 2023-24 may be higher or lower. However, following prior practice, the request and recommendation rely on actual COF stipend enrollment in FY 2021-22 as an estimate for FY 2023-24 COF stipends. The Department is authorized in statute to make end-of-year adjustments to increase or reduce COF stipend expenditures and make related adjustments to fee-for-service contracts so that total funding for each governing board does not change. Staff's preliminary assessment is that any adjustments required will be well below 10.0 percent of the total appropriation by governing board, which is within the adjustments that Department is authorized to implement to close the books at the end of the year. However, if necessary, the Department may request a supplemental adjustment. This would be accomplished by increasing amounts related to COF stipends and reducing funding for fee-for-service contracts.

COLLEGE OPPORTUNITY FUND PROGRAM, STIPENDS, STIPENDS FOR ELIGIBLE FULL-TIME EQUIVALENT STUDENTS ATTENDING STATE INSTITUTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$360,947,808	\$360,947,808	\$0	\$0	\$0	0.0
TOTAL	\$360,947,808	\$360,947,808	\$0	\$0	\$0	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$360,947,808	\$360,947,808	\$0	\$0	\$0	0.0
R1 State funding increase for higher education	21,593,766	21,593,766	0	0	0	0.0
TOTAL	\$382,541,574	\$382,541,574	\$0	\$0	\$0	0.0
INCREASE/(DECREASE)	\$21,593,766	\$21,593,766	\$0	\$0	\$0	0.0
Percentage Change	6.0%	6.0%	0.0%	0.0%	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

STIPENDS FOR STUDENTS ATTENDING PARTICIPATING PRIVATE INSTITUTIONS

Students who qualify for the federal need-based Pell grant and attend a participating private institution are eligible for a stipend equal to half of the stipend for students attending a state operated institution. Three institutions currently participate in this program: Colorado Christian University, the University of Denver, and Regis University.

STATUTORY AUTHORITY: 23-18-202 (2) (e), C.R.S.

REQUEST: The Department requests \$1,766,896 General Fund, including an increase of \$111,848 for Request R1.

RECOMMENDATION: The staff recommendation is shown in the table below. Pursuant to statute, the funding level for stipends at private and public institutions are linked, and the private stipend amount must be set at 50 percent of the public rate. Only Pell-eligible students benefit from the program. The FY 2023-24 staff calculation is based on 1,061.0 student FTE qualifying for a stipend of \$1,740 per FTE at the participating private institutions. The recommendation is higher than the request due to a technical error in the request.

COLLEGE OPPORTUNITY FUND PROGRAM, STIPENDS, STIPENDS FOR ELIGIBLE FULL-TIME EQUIVALENT STUDENTS ATTENDING PARTICIPATING PRIVATE INSTITUTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$1,655,048	\$1,655,048	\$0	\$0	\$0	0.0
TOTAL	\$1,655,048	\$1,655,048	\$0	\$0	\$0	0.0

**COLLEGE OPPORTUNITY FUND PROGRAM, STIPENDS, STIPENDS FOR ELIGIBLE FULL-TIME
EQUIVALENT STUDENTS ATTENDING PARTICIPATING PRIVATE INSTITUTIONS**

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$1,655,048	\$1,655,048	\$0	\$0	\$0	0.0
R1 State funding increase for higher education	191,092	191,092	0	0	0	0.0
TOTAL	\$1,846,140	\$1,846,140	\$0	\$0	\$0	0.0
INCREASE/(DECREASE)	\$191,092	\$191,092	\$0	\$0	\$0	0.0
Percentage Change	11.5%	11.5%	0.0%	0.0%	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$1,766,896 (\$79,244)	\$1,766,896 (\$79,244)	\$0	\$0	\$0	0.0

(B) FEE-FOR-SERVICE CONTRACTS WITH STATE INSTITUTIONS

Each governing board has a fee-for-service contract with the Department for services not supported through the COF stipend payment. These contracts are based on funding provisions specified in Section 23-18-303.5, C.R.S. or are based on specialty education programs (school of medicine, veterinary medicine, and agricultural extension programs) pursuant to Section 23-18-304, C.R.S. In addition, Section 23-18-308, C.R.S. authorizes fee-for-service contracts for limited purposes, e.g., a contract with a particular governing board for a specific service. As specified in Section 23-18-303.5 (1)(b), each governing board’s annual fee-for-service contract includes the amount appropriated pursuant to Section 23-18-303.5, 23-18-304, and 23-18-308, C.R.S., minus the amount appropriated for student stipends pursuant to Section 23-18-202, C.R.S.

FEE-FOR-SERVICE CONTRACTS WITH STATE INSTITUTIONS PURSUANT TO SECTION 23-18-303.5, C.R.S.

This line item includes funding for performance funding and additional ongoing and temporary funding as authorized in Section 23-18-303.5, C.R.S. The Department is required to submit a request for funding as part of its annual budget request, using a model that complies with statute.

STATUTORY AUTHORITY: 23-18-303.5, C.R.S.

REQUEST: The Department requests \$498,771,983 General Fund for this line item, including an increase for the impact of R1.

RECOMMENDATION: The staff recommendation is summarized below and aligns with the request. Details of the request and recommendation are addressed in the discussion at the beginning of the packet. Note that the staff recommendation depicted below annualizes (reverses) two FY 2022-23 supplemental adjustments: a \$50,000 reduction for the fee-for-service contract with Colorado Mesa University (related to violating its tuition cap) and an adjustment to transition the Department from an indirect cost collection structure to direct state General Fund support. For this stage in the figure setting process, staff has reversed the related FY 2022-23 supplemental adjustment. However, staff

also recommends direct-funding the Department in FY 2023-24. However, this adjustment, which has a net \$0 General Fund impact, will be incorporated after funding for the governing boards has been set.

COLLEGE OPPORTUNITY FUND PROGRAM, FEE-FOR-SERVICE CONTRACTS WITH STATE INSTITUTIONS, FEE-FOR-SERVICE CONTRACTS WITH STATE INSTITUTIONS PURSUANT TO SECTION 23-18-303, C.R.S.						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$460,385,402	\$460,385,402	\$0	\$0	\$0	0.0
TOTAL	\$460,385,402	\$460,385,402	\$0	\$0	\$0	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$460,385,402	\$460,385,402	\$0	\$0	\$0	0.0
R1 State funding increase for higher education	34,484,105	34,484,105	0	0	0	0.0
SI Indirect cost adjustments	3,852,477	3,852,477	0	0	0	0.0
Annualize prior year budget actions	50,000	50,000	0	0	0	0.0
TOTAL	\$498,771,984	\$498,771,984	\$0	\$0	\$0	0.0
INCREASE/(DECREASE)	\$38,386,582	\$38,386,582	\$0	\$0	\$0	0.0
Percentage Change	8.3%	8.3%	0.0%	0.0%	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	(\$1)	(\$1)	\$0	\$0	\$0	0.0

FEE-FOR-SERVICE CONTRACTS WITH STATE INSTITUTIONS FOR SPECIALTY EDUCATION PROGRAMS

This line item provides funding for the School of Veterinary Medicine and agricultural extension programs at Colorado State University and for the University of Colorado Health Sciences Center.

STATUTORY AUTHORITY: 23-18-304, C.R.S.

REQUEST: The Department requests \$171,650,963 General Fund for this line item. The request includes an increase of \$10,922,129 General Fund for Request R1. It does not include adjustments to annualize S.B. 21-213 (Medicaid Payments) described above.

RECOMMENDATION: The staff recommendation is summarized in the table. The recommendation on R1 is discussed earlier in this packet. The recommendation includes net reduction of \$188,864 for the continuing impact of S.B. 21-213 (Medicaid payments) in FY 2023-24. Staff notes that the recommendation for annualization adjustments for S.B. 21-213 reflects a *preliminary* adjustment that will be refined once funding for the governing boards is finalized.

**COLLEGE OPPORTUNITY FUND PROGRAM, FEE-FOR-SERVICE CONTRACTS WITH STATE INSTITUTIONS,
FEE-FOR-SERVICE CONTRACTS WITH STATE INSTITUTIONS FOR SPECIALTY EDUCATION PROGRAMS**

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$160,728,834	\$160,728,834	\$0	\$0	\$0	0.0
TOTAL	\$160,728,834	\$160,728,834	\$0	\$0	\$0	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$160,728,834	\$160,728,834	\$0	\$0	\$0	0.0
R1 State funding increase for higher education	11,561,286	11,561,286	0	0	0	0.0
Annualize prior year legislation	(188,684)	(188,684)	0	0	0	0.0
TOTAL	\$172,101,436	\$172,101,436	\$0	\$0	\$0	0.0
INCREASE/(DECREASE)	\$11,372,602	\$11,372,602	\$0	\$0	\$0	0.0
Percentage Change	7.1%	7.1%	0.0%	0.0%	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	(\$450,473)	(\$450,473)	\$0	\$0	\$0	0.0

LIMITED PURPOSE FEE-FOR-SERVICE CONTRACTS

This line item provides funding for special purpose activities that may be contracted with specific governing boards. The table below lists the bills that authorized the associated funding and the related appropriations by governing board as appropriated in FY 2022-23 and continued in FY 2023-24.

LIMITED PURPOSE FEE-FOR-SERVICE CONTRACTS - FY 2022-23 AND FY 2023-24										
FY 2022-23/FY 2023-24 APPROPRIATIONS	ADAMS	MESA	METRO	WCU	CSU SYSTEM	FORT LEWIS	CU SYSTEM	UNC	CC SYSTEM	TOTAL
Career Pathways (H.B. 15-1274)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$86,960	86,960
Cyber Coding Cryptology (S.B. 18-086)	0	300,000	300,000	200,000	1,200,000	0	2,800,000	0	300,000	5,100,000
Food Systems Advisory Council (H.B. 19-1202)*	0	0	0	0	151,068	0	0	0	0	151,068
Expanding Concurrent Enrollment (S.B. 19-176)	0	0	0	0	0	0	0	0	105,000	105,000
Supporting Educator Workforce CO (S.B. 21-185)**	0	0	0	0	0	0	239,778	0	0	239,778
Rural Healthcare Track (S.B. 22-172)***	65,000	65,000	65,000	65,000	65,000	65,000	550,000	65,000	130,000	1,135,000
FY 2022-23 Appropriations continued for FY 2023-24	\$65,000	\$365,000	\$365,000	\$265,000	\$1,416,068	\$65,000	\$3,589,778	\$65,000	\$621,960	\$6,817,806
*Repeals Sept 1, 2023, pending sunset review										
**Repeals July 1, 2026										
***Colorado Mountain College also receives a \$65,000 Grant Allocation from S.B. 22-172										

STATUTORY AUTHORITY: 23-18-308, C.R.S.

REQUEST: The Department requests \$6,817,806 General Fund for this line item.

RECOMMENDATION: Staff recommends the request for continuation funding of \$6,817,806 General Fund for this line item.

(5) GOVERNING BOARDS

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

GOVERNING BOARDS					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FTE
FY 2022-23 Appropriation					
FY 2022-23 Appropriation	\$3,843,719,394	\$5,175,000	\$2,849,664,544	\$988,879,850	25,995.3
Long Bill supplemental	10,996,028	0	10,996,028	0	0.0
TOTAL	\$3,854,715,422	\$5,175,000	\$2,860,660,572	\$988,879,850	25,995.3
FY 2023-24 RECOMMENDED APPROPRIATION					
FY 2022-23 Appropriation	\$3,854,715,422	\$5,175,000	\$2,860,660,572	\$988,879,850	25,995.3
R1 State funding increase for higher education	67,365,343	0	0	67,365,343	0.0
R2 Tuition spending authority	69,952,526	0	69,952,526	0	0.0
SI Higher Education limited gaming adjustment	19,923,830	0	19,923,830	0	0.0
SI Indirect cost adjustments	3,852,477	0	0	3,852,477	0.0
SI Student fee adjustments	6,053,291	0	6,053,291	0	0.0
Centrally appropriated line items	0	0	0	0	0.0
SI Tobacco Master Settlement Agreement revenue adjustment	1,463,108	0	1,463,108	0	0.0
SI IHE employee FTE adjustments	0	0	0	0	246.1
Annualize prior year legislation	(51,045,465)	(5,000,000)	(45,856,781)	(188,684)	0.0
Annualize prior year budget actions	(125,000)	(175,000)	0	50,000	0.0
TOTAL	\$3,972,155,532	\$0	\$2,912,196,546	\$1,059,958,986	26,241.4
INCREASE/(DECREASE)	\$117,440,110	(\$5,175,000)	\$51,535,974	\$71,079,136	246.1
Percentage Change	3.0%	(100.0%)	1.8%	7.2%	0.9%
FY 2023-24 EXECUTIVE REQUEST					
Request Above/(Below) Recommendation	\$4,413,216	\$175,000	\$4,414,874	(\$176,658)	(246.1)

Note: All reappropriated amounts shown represent General Fund initially appropriated in the College Opportunity Fund Program section and reappropriated to the Governing Boards. Cash Funds amounts, with few exceptions, represent tuition and fee revenue.

DECISION ITEMS – GOVERNING BOARDS

FY 2022-23 DECISION ITEMS

The Department did not submit a request for mid-year adjustments to stipends, fee-for-service contracts, or tuition or fee revenue. Pursuant to Section 23-18-202 (2)(a)(I), C.R.S., the Department is required to annually estimate the number of undergraduate full-time equivalent students eligible for COF stipends and report the numbers by February 15 to the Governor and the Joint Budget

Committee. Further, the Department provided estimates of tuition, fee, and COF revenue in February, consistent with the provisions outlined in an annual request for information.

Staff does not recommend adjusting the estimates of COF stipend eligible students for FY 2022-23. While there are differences between earlier projections (based on FY 2020-21 actuals) and current estimates (based on FY 2022-23 data to-date), staff believes the adjustments can be managed within the Department’s authority to transfer, at the end of the year, up to 10 percent of the total appropriation for a governing board between fee-for-service and stipend amounts pursuant to Section 23-18-202, C.R.S.

→ FY 2022-23 TUITION ADJUSTMENT

As discussed earlier in this document, staff recommends updating tuition amounts for FY 2022-23 to match new projections from Legislative Council Staff. FY 2022-23 amounts are appropriated, except at the Colorado School of Mines. As discussed in January 2023, Colorado Mesa University did not comply with the FY 2022-23 footnote when it increased tuition 3.0 percent for the majority of students, while reducing tuition for CTE students. However, through the regular FY 2022-23 supplemental bill, the footnote was modified to permit this. (CMU's appropriation for fee-for-service contracts originating from the General Fund was also reduced by \$50,000 for FY 2022-23 due to CMU's failure to obtain authority from the General Assembly prior to the change.) The other Boards all complied with FY 2022-23 footnote assumptions. Legislative Council Staff and institutional estimates are close. In the past, sometimes Legislative Council Staff estimates have been better than the institutions' and sometimes the institutions' estimates have been better, but starting with Legislative Council Staff current year estimates provides a more coherent basis for using Legislative Council Staff projections for FY 2023-24.

FY 2022-23 LONG BILL SUPPLEMENTAL - TUITION FORECAST REVISION				
	ORIGINAL FY 23 FORECAST	REVISED FY 23 FORECAST	CHANGE	PERCENTAGE CHANGE
Adams State University	\$22,637,194	\$21,060,770	(\$1,576,424)	(7.0%)
Colorado Mesa University	72,433,545	72,474,731	41,186	0.1%
Metropolitan State University of Denver	107,790,989	105,933,365	(1,857,624)	(1.7%)
Western Colorado University	18,119,098	22,606,338	4,487,240	24.8%
Colorado State University System	504,153,663	514,295,872	10,142,209	2.0%
Fort Lewis College	46,325,775	41,082,166	(5,243,609)	(11.3%)
University of Colorado System	1,222,479,222	1,231,985,642	9,506,420	0.8%
Colorado School of Mines	186,319,694	179,951,047	(6,368,647)	(3.4%)
University of Northern Colorado	73,858,137	69,529,354	(4,328,783)	(5.9%)
Community College System	273,669,582	273,542,690	(126,892)	0.0%
Total Tuition Revenue	\$2,527,786,899	\$2,532,461,975	\$4,675,076	0.2%

→ FY 2022-23 FEE ADJUSTMENT

Fee amounts reflect mandatory fees charged to all students. These are not appropriated and are shown for informational purposes. However, staff recommends adjusting them for better comparison with FY 2023-24 recommended figures.

FY 2022-23 REVISED FEE REVENUE ESTIMATE - MANDATORY FEES				
	FY 2022-23 LONG BILL	FY 2022-23 REVISED FORECAST	CHANGE	% CHANGE
Adams State University	\$4,519,580	\$4,134,000	(\$385,580)	(8.5%)
Colorado Mesa University	4,450,170	5,962,965	1,512,795	34.0%
Metropolitan State University	26,630,910	27,414,707	783,797	2.9%
Western State Colorado University	6,167,141	5,851,950	(315,191)	(5.1%)
Colorado State University System	80,570,882	82,585,210	2,014,328	2.5%
Fort. Lewis College	5,801,438	5,678,336	(123,102)	(2.1%)
University of Colorado System	66,601,614	70,148,886	3,547,272	5.3%
Colorado School of Mines	16,664,086	17,621,975	957,889	5.7%
University of Northern Colorado	16,099,000	15,907,293	(191,707)	(1.2%)
Community College System	16,376,821	14,897,272	(1,479,549)	(9.0%)
Total	\$243,881,642	\$250,202,594	\$6,320,952	2.6%

→ IHE REQUEST FOR ROLL-FORWARD AUTHORITY FOR FY 2022-23 APPROPRIATIONS IN S.B. 22-172 (RURAL HEALTHCARE)

REQUEST: The University of Colorado has submitted a letter, dated March 2, 2023, requesting that the General Assembly provide roll-forward authority for limited purpose fee-for-service contract amounts included in S.B. 22-172, which added funds to multiple higher education institutions for a rural healthcare workforce initiative. **The letter, which provides more detail, is attached.**

RECOMMENDATION: Staff believes the justification provided for providing roll-forward authority is reasonable, but **staff is neutral on the proposal**, given the late timing and that the request was submitted outside of the usual process for supplemental requests. The requested adjustment could be authorized through a supplemental add-on to the FY 2023-24 Long Bill if the JBC desires.

FY 2023-24 DECISION ITEMS

The Department’s request included R1 State Funding Increase for Public Higher Education and R2 Tuition Spending Authority Increase for FY 2023-24. The Department did not submit a request for FY 2022-23 tuition adjustments. Both R1 and R2 and additional staff recommendations for institutional funding and a tuition buy-down are discussed at the beginning of this packet.

As discussed at the beginning of this packet, pursuant to R2, staff is recommending appropriations and footnotes for each higher education governing board for FY 2023-24, consistent with statute.

Note: Previously, amounts for the Colorado School of Mines were considered to be shown for informational purposes pursuant to the provisions of Section 23-41-104.6 (5)(c), C.R.S., which specifies that so long as the Colorado School of Mines is operating pursuant to performance contract approved through a legislative joint resolution in 2013 and signed by the governor and continues to meet its performance contract goals, it shall have sole authority to establish resident and nonresident tuition. The joint resolution was approved in 2013 and expires this legislative session. Staff has only recently learned that the School of Mines has not been submitting data related to the performance contract in recent years. Regardless, **beginning in FY 2023-24, staff assumes that tuition at the Colorado School of Mines is subject to appropriation.**

Staff anticipates that, consistent with past practice, tuition amounts will be updated in 2024 based on updated estimates.

➔ ESTIMATED FEE REVENUE - MANDATORY FEES

Staff recommends including fee estimates for each of the governing boards based on their revenue from all mandatory fees. Fee revenue is shown for informational purposes only but does correspond to overall student costs. It is important to note that the "mandatory fees" shown are based on the Department's definition and include fees for student activities (e.g. student government, athletics), as well as fees for capital construction and fees related to academic programs. These fees are included because they are mandatory for all students, regardless of whether the student is enrolled in a particular program or course.

FY 2023-24 FEE REVENUE ESTIMATE - MANDATORY FEES				
	FY 2022-23 ADJUSTED ESTIMATE	FY 2023-24 ESTIMATE	CHANGE	% CHANGE
Adams State University	\$4,134,000	\$4,134,000	\$0	n/a
Colorado Mesa University	5,962,965	6,124,008	161,043	2.7%
Metropolitan State University	27,414,707	28,785,442	1,370,735	5.0%
Western Colorado University	5,851,950	5,976,555	124,605	2.1%
Colorado State University System	82,585,210	83,679,000	1,093,790	1.3%
Fort Lewis College	5,678,336	5,949,278	270,942	4.8%
University of Colorado System	70,148,886	70,148,886	0	0.0%
Colorado School of Mines	17,621,975	19,560,392	1,938,417	11.0%
University of Northern Colorado	15,907,293	16,062,173	154,880	1.0%
Community College System	14,897,272	15,836,151	938,879	6.3%
Total	250,202,594	256,255,886	6,053,291	2.4%

→ AMENDMENTS 50 AND 77 GAMING REVENUE ADJUSTMENT

Staff recommends modifying estimated distributions of limited gaming funds reflected in the FY 2023-24 Long Bill to align with the limited gaming distributions in August 2022 (which are based on FY 2020-21 limited gaming revenue), including amounts allocated to the Local District Colleges. These amounts are shown for informational purposes only and are provided pursuant to Amendment 50 (passed in 2008 to modify limits on bets, hours, and games in Central City, Black Hawk, and Cripple Creek) and Amendment 77 (passed in 2020 to allow gaming communities to eliminate limits on bets and games). Receipts for FY 2019-20 (used in FY 2020-21) were exceptionally low due to casino closures. Receipts for actual FY 2020-21 (used in FY 2021-22) were closer to pre-pandemic levels. Adjustments included in S.B. 22-216 (Limited Gaming) should help to stabilize receipts for the extended gaming recipients that receive funding based on Amendment 50 and Amendment 77 at a significantly higher level.

AMENDMENTS 50 & 77 LIMITED GAMING			
	DISTRIBUTION IN AUGUST 2021	DISTRIBUTION IN AUGUST 2022	ADJUSTMENT TO REFLECT IN FY 2023-24 LONG BILL
<u>State Institutions</u>			
State Community College System	\$11,474,566	\$30,266,334	\$18,791,768
Adams State University	5,506	10,957	5,451
Colorado Mesa University	659,347	1,785,958	1,126,611
<u>Local District Colleges</u>			
Colorado Mountain College	752,949	1,775,002	1,022,053
Aims Community College	<u>872,706</u>	<u>2,684,416</u>	<u>1,811,710</u>
Total	\$13,765,074	\$36,522,667	\$22,757,593

→ FULL-TIME EQUIVALENT FACULTY AND STAFF FTE ADJUSTMENT

Staff recommends an adjustment to employee FTE shown in the Long Bill for informational purposes. In the past, this adjustment has been based on the estimated FTE for the current fiscal year that is included in the budget data books submitted by the Department. **For FY 2023-24, staff recommends following past practice of using the FY 2022-23 estimated FTE reported in the budget data books.**

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 may hire as many or as few employees as they see fit. Note that amounts in this section do not include the adjustment for the Auraria Higher Education Center, which is shown in a separate Long Bill section.

GOVERNING BOARD FACULTY AND STAFF FTE (EDUCATION AND GENERAL ONLY - EXCLUDES RESEARCH & AUXILIARY)			
	FY 2022-23 LONG BILL	FY2023-24 LONG BILL	RECOMMENDED

	(FY 2021-22 DATA BOOK ESTIMATES*)	(FY 2022-23 DATA BOOK ESTIMATES)	CHANGE	PERCENT
Adams State University	353.8	325.49	(28.3)	-8.0%
Colorado Mesa University	784.6	825.34	40.7	5.2%
Metropolitan State University**	1,186.40	1,413.44	227.0	19.1%
Western Colorado University	300.2	302	1.8	0.6%
Colorado State University System*	4,902.50	5,162.55	260.0	5.3%
Fort Lewis College	448.4	456.96	8.6	1.9%
University of Colorado System	10,036.30	9,907.53	(128.8)	-1.3%
Colorado School of Mines	1,014.80	1,102.66	87.9	8.7%
University of Northern Colorado	1,216.10	1,203.31	(12.8)	-1.1%
Community College System	5,752.20	5,542.19	(210.0)	-3.7%
Auraria Higher Education Center	211.4	222.7	11.3	5.3%
TOTAL	26,206.7	26,464.2	257.5	1.0%

*CSU FY 2022-23 Long Bill figures were based on the most recent year actuals, rather than estimates, due to the scale of difference between estimates and actuals for multiple years.

** Metropolitan State University has revised its estimates and actuals up significantly from prior year submissions. Staff assumes this reflects a change in the calculation method, rather than a large increase in staff. If FY 2021-22 actuals for the institution are compared to its current FY 2022-23 estimates, the result is a decline of 37.4 FTE, rather than an FTE increase.

→ TOBACCO REVENUE ADJUSTMENT

Staff recommends reflecting funding from Tobacco Settlement revenue for the University of Colorado based on current tobacco settlement revenue estimates and allocation formulas and additional revenue anticipated to be available. 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.

Because actual FY 2022-23 Tobacco Master Settlement Revenue came in at a level above the estimate in the FY 2022-23 Long Bill, **the Staff recommendation for the Tobacco Health Education Fund for FY 2023-24 includes additional spending authority to allow for spending from reserves, as reflected in the table below.**

TOBACCO HEALTH EDUCATION FUND		
A	FY 2022-23 Estimate in FY 23 Long Bill	\$15,206,425
B	FY 2022-23 Actual	<u>16,160,071</u>
C	Excess revenue available for FY 24	953,646
D	FY 2023-24 Estimate	15,715,887
E	Difference FY 24 Estimate & FY 23 Estimate	509,462
F	Excess revenue+estimate adjustment (C+E)	<u>1,463,108</u>
G	Recommended FY 24 appropriation	\$16,669,533

→ ANNUALIZE AGNEXT AND BEEFSTICKS FY 2022-23 FLOOR AMENDMENTS

During the floor debate on the FY 2022-23 Long Bill, the bill was amended to add \$175,000 General Fund for agriculture-related initiatives at Colorado State University: \$100,000 for the AgNext Climate Change Program and \$75,000 for the Beefsticks for Backpacks program.

RECOMMENDATION: In the absence of any direction on whether these additional appropriations were intended to be ongoing, staff has annualized (removed) the amount from the FY 2023-24 Long Bill appropriations. Staff is bringing this to the Committee's attention in the event the Committee would like to treat these appropriations differently.

The following links provide information on these programs.

<https://agnext.colostate.edu/>

<https://www.beefsticks.org/about/>

LINE ITEM DETAIL – GOVERNING BOARDS

General Note: All reappropriated amounts shown represent General Fund initially appropriated in the College Opportunity Fund Program section and reappropriated to the Governing Boards. Cash Funds amounts, with few exceptions, represent tuition and fee revenue.

Differences between the request and recommendation in the tables below are due to:

- Tuition assumptions for FY 2022-23 (Long Bill supplemental) and FY 2023-24. The request assumed 4.0 percent resident student tuition growth and 5.5 percent nonresident tuition growth on the FY 2022-23 appropriation base with no change in enrollment. For some institutions the resulting variance is large. Note that recommendations for Western Colorado University also differ because the request and prior year figures did not include graduate programs; they now do.
- Minor corrections to the data in the higher education funding model used to establish funding amounts for the institutions.
- For the University of Colorado, annualization adjustments for S.B. 21-213 (Medicaid Payments).
- Other staff-initiated adjustments to modify gaming revenue, fee revenue and FTE shown for informational purposes, as well as anticipated Tobacco MSA revenue. Gaming revenue, in particular, has gone up substantially from prior years.
- The request included adjustments for common policy “risk legal adjustments” that are not included consistent with common policy and the typical approach for figure setting for the governing boards.

GOVERNING BOARDS, TRUSTEES OF ADAMS STATE UNIVERSITY, TRUSTEES OF ADAMS STATE COLLEGE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$48,187,875	\$0	\$27,162,280	\$21,025,595	\$0	353.8
Long Bill supplemental	(1,962,004)	0	(1,962,004)	0	0	0.0
TOTAL	\$46,225,871	\$0	\$25,200,276	\$21,025,595	\$0	353.8
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$46,225,871	\$0	\$25,200,276	\$21,025,595	\$0	353.8
R1 State funding increase for higher education	1,549,172	0	0	1,549,172	0	0.0
R2 Tuition spending authority	120,800	0	120,800	0	0	0.0
SI Indirect cost adjustments	48,876	0	0	48,876	0	0.0
SI Higher Education limited gaming adjustment	5,451	0	5,451	0	0	0.0
SI Student fee adjustments	0	0	0	0	0	0.0
SI IHE employee FTE adjustments	0	0	0	0	0	(28.3)
TOTAL	\$47,950,170	\$0	\$25,326,527	\$22,623,643	\$0	325.5
INCREASE/(DECREASE)	\$1,724,299	\$0	\$126,251	\$1,598,048	\$0	(28.3)
Percentage Change	3.7%	0.0%	0.5%	7.6%	0.0%	(8.0%)
FY 2023-24 EXECUTIVE REQUEST						
	\$50,732,101	\$0	\$28,107,423	\$22,624,678	\$0	353.8

Request Above/(Below) Recommendation	\$2,781,931	\$0	\$2,780,896	\$1,035	\$0	28.3
---	-------------	-----	-------------	---------	-----	------

GOVERNING BOARDS, TRUSTEES OF COLORADO MESA UNIVERSITY, TRUSTEES OF COLORADO MESA UNIVERSITY

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$117,839,049	\$0	\$77,543,062	\$40,295,987	\$0	784.6
Long Bill supplemental	\$1,553,981	\$0	\$1,553,981	\$0	\$0	0.0
TOTAL	\$119,393,030	\$0	\$79,097,043	\$40,295,987	\$0	784.6
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$119,393,030	\$0	\$79,097,043	\$40,295,987	\$0	784.6
R2 Tuition spending authority	3,066,337	0	3,066,337	0	0	0.0
R1 State funding increase for higher education	2,837,181	0	0	2,837,181	0	0.0
SI Higher Education limited gaming adjustment	1,126,611	0	1,126,611	0	0	0.0
SI Indirect cost adjustments	162,547	0	0	162,547	0	0.0
SI Student fee adjustments	161,043	0	161,043	0	0	0.0
Annualize prior year budget actions	50,000	0	0	50,000	0	0.0
SI IHE employee FTE adjustments	0	0	0	0	0	40.7
TOTAL	\$126,796,749	\$0	\$83,451,034	\$43,345,715	\$0	825.3
INCREASE/(DECREASE)	\$7,403,719	\$0	\$4,353,991	\$3,049,728	\$0	40.7
Percentage Change	6.2%	0.0%	5.5%	7.6%	0.0%	5.2%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	(\$2,810,280)	\$0	(\$2,885,777)	\$75,497	\$0	(40.7)

GOVERNING BOARDS, TRUSTEES OF METROPOLITAN STATE COLLEGE OF DENVER, TRUSTEES OF METROPOLITAN STATE COLLEGE OF DENVER

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$216,976,283	\$0	\$134,421,899	\$82,554,384	\$0	1,186.4
Long Bill supplemental	(1,073,827)	0	(1,073,827)	0	0	0.0
TOTAL	\$215,902,456	\$0	\$133,348,072	\$82,554,384	\$0	1,186.4
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$215,902,456	\$0	\$133,348,072	\$82,554,384	\$0	1,186.4
R1 State funding increase for higher education	7,163,125	0	0	7,163,125	0	0.0
SI Student fee adjustments	1,370,735	0	1,370,735	0	0	0.0
SI Indirect cost adjustments	308,271	0	0	308,271	0	0.0
SI IHE employee FTE adjustments	0	0	0	0	0	227.0
Centrally appropriated line items	0	0	0	0	0	0.0

GOVERNING BOARDS, TRUSTEES OF METROPOLITAN STATE COLLEGE OF DENVER, TRUSTEES OF
METROPOLITAN STATE COLLEGE OF DENVER

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
R2 Tuition spending authority	(1,525,226)	0	(1,525,226)	0	0	0.0
TOTAL	\$223,219,361	\$0	\$133,193,581	\$90,025,780	\$0	1,413.4
INCREASE/(DECREASE)	\$7,316,905	\$0	(\$154,491)	\$7,471,396	\$0	227.0
Percentage Change	3.4%	0.0%	(0.1%)	9.1%	0.0%	19.1%
FY 2023-24 EXECUTIVE REQUEST	\$229,356,672	\$0	\$139,337,601	\$90,019,071	\$0	1,186.4
Request Above/(Below) Recommendation	\$6,137,311	\$0	\$6,144,020	(\$6,709)	\$0	(227.0)

GOVERNING BOARDS, TRUSTEES OF WESTERN STATE COLLEGE, TRUSTEES OF WESTERN STATE COLLEGE

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$42,625,251	\$0	\$24,286,239	\$18,339,012	\$0	300.2
Long Bill supplemental	\$4,172,049	\$0	\$4,172,049	\$0	\$0	0.0
TOTAL	\$46,797,300	\$0	\$28,458,288	\$18,339,012	\$0	300.2
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$46,797,300	\$0	\$28,458,288	\$18,339,012	\$0	300.2
R1 State funding increase for higher education	1,243,362	0	0	1,243,362	0	0.0
R2 Tuition spending authority	574,211	0	574,211	0	0	0.0
SI Student fee adjustments	124,605	0	124,605	0	0	0.0
SI Indirect cost adjustments	46,386	0	0	46,386	0	0.0
SI IHE employee FTE adjustments	0	0	0	0	0	1.8
TOTAL	\$48,785,864	\$0	\$29,157,104	\$19,628,760	\$0	302.0
INCREASE/(DECREASE)	\$1,988,564	\$0	\$698,816	\$1,289,748	\$0	1.8
Percentage Change	4.2%	0.0%	2.5%	7.0%	0.0%	0.6%
FY 2023-24 EXECUTIVE REQUEST	\$44,699,782	\$0	\$25,090,387	\$19,609,395	\$0	300.2
Request Above/(Below) Recommendation	(\$4,086,082)	\$0	(\$4,066,717)	(\$19,365)	\$0	(1.8)

GOVERNING BOARDS, BOARD OF GOVERNORS OF THE COLORADO STATE UNIVERSITY SYSTEM,
BOARD OF GOVERNORS OF THE COLORADO STATE UNIVERSITY SYSTEM

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$793,953,963	\$5,175,000	\$585,624,545	\$203,154,418	\$0	4,902.6
Long Bill supplemental	\$12,156,537	\$0	\$12,156,537	\$0	\$0	0.0
TOTAL	\$806,110,500	\$5,175,000	\$597,781,082	\$203,154,418	\$0	4,902.6

**GOVERNING BOARDS, BOARD OF GOVERNORS OF THE COLORADO STATE UNIVERSITY SYSTEM,
BOARD OF GOVERNORS OF THE COLORADO STATE UNIVERSITY SYSTEM**

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$806,110,500	\$5,175,000	\$597,781,082	\$203,154,418	\$0	4,902.6
R2 Tuition spending authority	24,180,389	0	24,180,389	0	0	0.0
R1 State funding increase for higher education	12,584,679	0	0	12,584,679	0	0.0
SI Student fee adjustments	1,093,790	0	1,093,790	0	0	0.0
SI Indirect cost adjustments	622,141	0	0	622,141	0	0.0
SI IHE employee FTE adjustments	0	0	0	0	0	260.0
Centrally appropriated line items	0	0	0	0	0	0.0
Annualize prior year legislation	(5,000,000)	(5,000,000)	0	0	0	0.0
Annualize prior year budget actions	(175,000)	(175,000)	0	0	0	0.0
TOTAL	\$839,416,499	\$0	\$623,055,261	\$216,361,238	\$0	5,162.6
INCREASE/(DECREASE)	\$33,305,999	(\$5,175,000)	\$25,274,179	\$13,206,820	\$0	260.0
Percentage Change	4.1%	(100.0%)	4.2%	6.5%	0.0%	5.3%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	(\$14,191,490)	\$175,000	(\$14,440,015)	\$73,525	\$0	(260.0)

GOVERNING BOARDS, TRUSTEES OF FORT LEWIS COLLEGE, TRUSTEES OF FORT LEWIS COLLEGE

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$69,241,663	\$0	\$52,127,213	\$17,114,450	\$0	448.4
Long Bill supplemental	(5,366,711)	0	(5,366,711)	0	0	0.0
TOTAL	\$63,874,952	\$0	\$46,760,502	\$17,114,450	\$0	448.4
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$63,874,952	\$0	\$46,760,502	\$17,114,450	\$0	448.4
R2 Tuition spending authority	2,066,412	0	2,066,412	0	0	0.0
R1 State funding increase for higher education	1,152,297	0	0	1,152,297	0	0.0
SI Student fee adjustments	270,942	0	270,942	0	0	0.0
SI Indirect cost adjustments	61,957	0	0	61,957	0	0.0
SI IHE employee FTE adjustments	0	0	0	0	0	8.6
TOTAL	\$67,426,560	\$0	\$49,097,856	\$18,328,704	\$0	457.0
INCREASE/(DECREASE)	\$3,551,608	\$0	\$2,337,354	\$1,214,254	\$0	8.6
Percentage Change	5.6%	0.0%	5.0%	7.1%	0.0%	1.9%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$5,246,337	\$0	\$5,248,423	(\$2,086)	\$0	(8.6)

GOVERNING BOARDS, REGENTS OF THE UNIVERSITY OF COLORADO, REGENTS OF THE
UNIVERSITY OF COLORADO

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$1,590,209,812	\$0	\$1,312,137,261	\$278,072,551	\$0	10,036.2
Long Bill supplemental	\$13,053,692	\$0	\$13,053,692	\$0	\$0	0.0
TOTAL	\$1,603,263,504	\$0	\$1,325,190,953	\$278,072,551	\$0	10,036.2
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$1,603,263,504	\$0	\$1,325,190,953	\$278,072,551	\$0	10,036.2
R2 Tuition spending authority	20,985,333	0	20,985,333	0	0	0.0
R1 State funding increase for higher education	17,991,966	0	0	17,991,966	0	0.0
SI Tobacco Master Settlement Agreement revenue adjustment	1,463,108	0	1,463,108	0	0	0.0
SI Indirect cost adjustments	1,273,013	0	0	1,273,013	0	0.0
SI Student fee adjustments	0	0	0	0	0	0.0
SI IHE employee FTE adjustments	0	0	0	0	0	(128.8)
Annualize prior year legislation	(5,038,684)	0	(4,850,000)	(188,684)	0	0.0
TOTAL	\$1,639,938,240	\$0	\$1,342,789,394	\$297,148,846	\$0	9,907.4
INCREASE/(DECREASE)	\$36,674,736	\$0	\$17,598,441	\$19,076,295	\$0	(128.8)
Percentage Change	2.3%	0.0%	1.3%	6.9%	0.0%	(1.3%)
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$19,103,326	\$0	\$19,452,346	(\$349,020)	\$0	128.8

GOVERNING BOARDS, TRUSTEES OF THE COLORADO SCHOOL OF MINES, TRUSTEES OF THE
COLORADO SCHOOL OF MINES

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$233,058,976	\$0	\$202,983,780	\$30,075,196	\$0	1,014.8
Long Bill supplemental	(5,410,758)	0	(5,410,758)	0	0	0.0
TOTAL	\$227,648,218	\$0	\$197,573,022	\$30,075,196	\$0	1,014.8
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$227,648,218	\$0	\$197,573,022	\$30,075,196	\$0	1,014.8
R2 Tuition spending authority	7,935,942	0	7,935,942	0	0	0.0
R1 State funding increase for higher education	2,085,168	0	0	2,085,168	0	0.0
SI Student fee adjustments	1,938,417	0	1,938,417	0	0	0.0
SI Indirect cost adjustments	134,300	0	0	134,300	0	0.0
SI IHE employee FTE adjustments	0	0	0	0	0	87.9
TOTAL	\$239,742,045	\$0	\$207,447,381	\$32,294,664	\$0	1,102.7
INCREASE/(DECREASE)	\$12,093,827	\$0	\$9,874,359	\$2,219,468	\$0	87.9
Percentage Change	5.3%	0.0%	5.0%	7.4%	0.0%	8.7%

GOVERNING BOARDS, TRUSTEES OF THE COLORADO SCHOOL OF MINES, TRUSTEES OF THE COLORADO SCHOOL OF MINES

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 EXECUTIVE REQUEST	\$243,374,129	\$0	\$211,082,840	\$32,291,289	\$0	1,014.8
Request Above/(Below) Recommendation	\$3,632,084	\$0	\$3,635,459	(\$3,375)	\$0	(87.9)

GOVERNING BOARDS, UNIVERSITY OF NORTHERN COLORADO, UNIVERSITY OF NORTHERN COLORADO

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$146,833,036	\$0	\$89,957,137	\$56,875,899	\$0	1,216.1
Long Bill supplemental	(4,520,490)	0	(4,520,490)	0	0	0.0
TOTAL	\$142,312,546	\$0	\$85,436,647	\$56,875,899	\$0	1,216.1
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$142,312,546	\$0	\$85,436,647	\$56,875,899	\$0	1,216.1
R1 State funding increase for higher education	3,562,186	0	0	3,562,186	0	0.0
R2 Tuition spending authority	1,613,898	0	1,613,898	0	0	0.0
SI Indirect cost adjustments	173,829	0	0	173,829	0	0.0
SI Student fee adjustments	154,880	0	154,880	0	0	0.0
SI IHE employee FTE adjustments	0	0	0	0	0	(12.8)
TOTAL	\$147,817,339	\$0	\$87,205,425	\$60,611,914	\$0	1,203.3
INCREASE/(DECREASE)	\$5,504,793	\$0	\$1,768,778	\$3,736,015	\$0	(12.8)
Percentage Change	3.9%	0.0%	2.1%	6.6%	0.0%	(1.1%)
FY 2023-24 EXECUTIVE REQUEST						
FY 2023-24 EXECUTIVE REQUEST	\$154,040,440	\$0	\$93,415,892	\$60,624,548	\$0	1,216.1
Request Above/(Below) Recommendation	\$6,223,101	\$0	\$6,210,467	\$12,634	\$0	12.8

GOVERNING BOARDS, STATE BOARD FOR COMMUNITY COLLEGES AND OCCUPATIONAL EDUCATION STATE SYSTEM COMMUNITY COLLEGES, STATE BOARD FOR COMMUNITY COLLEGES AND OCCUPATIONAL EDUCATION STATE SYSTEM COMMUNITY COLLEGES

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$584,793,486	\$0	\$343,421,128	\$241,372,358	\$0	5,752.2
Long Bill supplemental	(1,606,441)	0	(1,606,441)	0	0	0.0
TOTAL	\$583,187,045	\$0	\$341,814,687	\$241,372,358	\$0	5,752.2
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$583,187,045	\$0	\$341,814,687	\$241,372,358	\$0	5,752.2
SI Higher Education limited gaming adjustment	18,791,768	0	18,791,768	0	0	0.0
R1 State funding increase for higher education	17,196,207	0	0	17,196,207	0	0.0

GOVERNING BOARDS, STATE BOARD FOR COMMUNITY COLLEGES AND OCCUPATIONAL EDUCATION
STATE SYSTEM COMMUNITY COLLEGES, STATE BOARD FOR COMMUNITY COLLEGES AND
OCCUPATIONAL EDUCATION STATE SYSTEM COMMUNITY COLLEGES

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
R2 Tuition spending authority	10,934,430	0	10,934,430	0	0	0.0
SI Indirect cost adjustments	1,021,157	0	0	1,021,157	0	0.0
SI Student fee adjustments	938,879	0	938,879	0	0	0.0
SI IHE employee FTE adjustments	0	0	0	0	0	(210.0)
Centrally appropriated line items	0	0	0	0	0	0.0
Annualize prior year legislation	(41,006,781)	0	(41,006,781)	0	0	0.0
TOTAL	\$591,062,705	\$0	\$331,472,983	\$259,589,722	\$0	5,542.2
INCREASE/(DECREASE)	\$7,875,660	\$0	(\$10,341,704)	\$18,217,364	\$0	(210.0)
Percentage Change	1.4%	0.0%	(3.0%)	7.5%	0.0%	(3.7%)
FY 2023-24 EXECUTIVE REQUEST	\$573,439,683	\$0	\$313,808,755	\$259,630,928	\$0	5,752.2
Request Above/(Below) Recommendation	(\$17,623,022)	\$0	(\$17,664,228)	\$41,206	\$0	210.0

(6) LOCAL DISTRICT COLLEGE GRANTS PURSUANT TO SECTION 23-71-301, C.R.S.

This division provides funding for grants to Aims Community College and Colorado Mountain College. These institutions also receive tax revenue from local taxing districts which provide the majority of their funding. The source of cash funds is limited gaming revenue distributed to higher education institutions with a 2-year mission. Pursuant to Section 23-18-304 (3), C.R.S., state support for these institutions increases or decreases at the same rate as the average change in funding for the state-operated governing boards that is included in the performance section of the higher education funding model outlined in Section 23-18-303.5; however, funding for the local district colleges may be adjusted to increase more or decrease less.

LOCAL DISTRICT COLLEGE GRANTS PURSUANT TO SECTION 23-71-301, C.R.S.				
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	FTE
FY 2022-23 Appropriation				
FY 2022-23 Appropriation	\$25,104,178	\$23,478,523	\$1,625,655	0.0
TOTAL	\$25,104,178	\$23,478,523	\$1,625,655	0.0
FY 2023-24 RECOMMENDED APPROPRIATION				
FY 2022-23 Appropriation	\$25,104,178	\$23,478,523	\$1,625,655	0.0
R1 State funding increase for higher education	1,600,546	1,600,546	0	0.0
SI Higher Education limited gaming adjustment	2,833,763	0	2,833,763	0.0
SI Indirect cost adjustments	139,939	139,939	0	0.0
TOTAL	\$29,678,426	\$25,219,008	\$4,459,418	0.0
INCREASE/(DECREASE)	\$4,574,248	\$1,740,485	\$2,833,763	0.0
Percentage Change	18.2%	7.4%	174.3%	0.0%
FY 2023-24 EXECUTIVE REQUEST	\$26,844,663	\$25,219,008	\$1,625,655	0.0
Request Above/(Below) Recommendation	(\$2,833,763)	\$0	(\$2,833,763)	0.0

DECISION ITEMS – LOCAL DISTRICT COLLEGE GRANTS

This section includes the following adjustments discussed in previous sections:

- R1 to increase funding for public institutions of higher education
- Adjustment to Amendment 50 Gaming Revenue based on August 2022 disbursements.

No other adjustments are requested or recommended.

LINE ITEM DETAIL – LOCAL DISTRICT COLLEGE GRANTS

COLORADO MOUNTAIN COLLEGE

Colorado Mountain College serves the mountain communities in north-central Colorado, with 11 campus locations, including three residential campuses in Leadville, Glenwood Springs, and Steamboat Springs. The community college district was formed in 1967. In 2011, the General Assembly authorized it to begin offering selected baccalaureate degrees. In FY 2019-20, local tax district support and other miscellaneous sources of revenue provided 77.1 percent of the college’s education and general revenue, while state support provided 13.8 percent. In FY 2021-22, local tax district support and other miscellaneous sources provided 64.8 percent of education and general revenue, while General Fund support plus federal stimulus funds supported 18.1 percent.

STATUTORY AUTHORITY: Sections 23-71-301 and 302 and 23-18-304 (3), C.R.S.

REQUEST: The Department requests \$12,315,700, including \$11,562,751 General Fund. The request includes an increase of \$731,600 General Fund for Request R1.

RECOMMENDATION: The recommendation is shown in the table below. The staff recommendation is higher than the request due to the addition of the gaming revenue adjustment.

LOCAL DISTRICT COLLEGE GRANTS PURSUANT TO SECTION 23-71-301, C.R.S., COLORADO MOUNTAIN COLLEGE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$11,519,695	\$10,766,746	\$752,949	\$0	\$0	0.0
TOTAL	\$11,519,695	\$10,766,746	\$752,949	\$0	\$0	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$11,519,695	\$10,766,746	\$752,949	\$0	\$0	0.0
SI Higher Education limited gaming adjustment	1,022,053	0	1,022,053	0	0	0.0
R1 State funding increase for higher education	731,600	731,600	0	0	0	0.0
SI Indirect cost adjustments	64,405	64,405	0	0	0	0.0
TOTAL	\$13,337,753	\$11,562,751	\$1,775,002	\$0	\$0	0.0
INCREASE/(DECREASE)	\$1,818,058	\$796,005	\$1,022,053	\$0	\$0	0.0
Percentage Change	15.8%	7.4%	135.7%	0.0%	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	(\$1,022,053)	\$0	(\$1,022,053)	\$0	\$0	0.0

AIMS COMMUNITY COLLEGE

Aims community college serves the northern Front Range, with campuses in Greeley, Windsor, Fort Lupton, and Loveland. In FY 2019-20, local tax district support and other miscellaneous sources of revenue provided 65.8 percent of Aims' education and general revenue, while state support provided 13.8 percent. In FY 2021-22, local tax district support and other miscellaneous sources provided 64.6 percent of education and general revenue, while General Fund support plus federal stimulus funds supported 18.5 percent.

STATUTORY AUTHORITY: Sections 23-71-301 and 302 and 23-18-304 (3), C.R.S.

REQUEST: The Department requests \$14,528,963, including \$13,656,257 General Fund. The request includes an increase of \$868,946 General Fund for Request R1.

RECOMMENDATION: The recommendation is shown in the table below. The staff recommendation is higher than the request due to the addition of the gaming revenue adjustment.

LOCAL DISTRICT COLLEGE GRANTS PURSUANT TO SECTION 23-71-301, C.R.S., AIMS COMMUNITY COLLEGE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$13,584,483	\$12,711,777	\$872,706	\$0	\$0	0.0
TOTAL	\$13,584,483	\$12,711,777	\$872,706	\$0	\$0	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$13,584,483	\$12,711,777	\$872,706	\$0	\$0	0.0
SI Higher Education limited gaming adjustment	1,811,710	0	1,811,710	0	0	0.0
R1 State funding increase for higher education	868,946	868,946	0	0	0	0.0
SI Indirect cost adjustments	75,534	75,534	0	0	0	0.0
TOTAL	\$16,340,673	\$13,656,257	\$2,684,416	\$0	\$0	0.0
INCREASE/(DECREASE)	\$2,756,190	\$944,480	\$1,811,710	\$0	\$0	0.0
Percentage Change	20.3%	7.4%	207.6%	0.0%	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	(\$1,811,710)	\$0	(\$1,811,710)	\$0	\$0	0.0

(7) DIVISION OF OCCUPATIONAL EDUCATION

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

DIVISION OF OCCUPATIONAL EDUCATION					
	TOTAL FUNDS	GENERAL FUND	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 Appropriation					
FY 2022-23 Appropriation	\$70,897,663	\$18,325,074	\$33,706,670	\$18,865,919	32.0
TOTAL	\$70,897,663	\$18,325,074	\$33,706,670	\$18,865,919	32.0
FY 2023-24 RECOMMENDED APPROPRIATION					
FY 2022-23 Appropriation	\$70,897,663	\$18,325,074	\$33,706,670	\$18,865,919	32.0
R1 State funding increase for higher education	1,249,828	1,249,828	0	0	0.0
SI Indirect cost adjustments	67,260	67,260	0	0	0.0
SI State Assistance for Career and Technical Education	2,289,687	0	2,289,687	0	0.0
TOTAL	\$74,504,438	\$19,642,162	\$35,996,357	\$18,865,919	32.0
INCREASE/(DECREASE)	\$3,606,775	\$1,317,088	\$2,289,687	\$0	0.0
Percentage Change	5.1%	7.2%	6.8%	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST	\$72,214,751	\$19,642,162	\$33,706,670	\$18,865,919	32.0
Request Above/(Below) Recommendation	(\$2,289,687)	\$0	(\$2,289,687)	\$0	0.0

DECISION ITEMS – DIVISION OF OCCUPATIONAL EDUCATION

This section includes the adjustments for R1, which provides funding increases for higher education institutions, as well as additional staff recommendations discussed at the beginning of the packet for funding for the institutions. Decisions about overall funding for the institutions affects support for the Area Technical Colleges, which receive appropriations in this section.

➔ LINE ITEMS FOR COLORADO FIRST/EXISTING INDUSTRY JOB TRAINING AND DISTRIBUTION OF STATE ASSISTANCE FOR CAREER AND TECHNICAL EDUCATION PURSUANT TO SECTION 23-8-102, C.R.S.

The line item for Colorado First/Existing Industry Job Training is set in the Governor's Office, and the line item for Distribution of State Assistance for Career and Technical Education is set in the Department of Education. **Staff requests permission to set these line items consistent with decisions made during figure setting presentations for these two other departments, including any subsequent Committee adjustments.**

COLORADO FIRST/EXISTING INDUSTRY: At the time this document was submitted, the Committee's decision on during figure setting for the Governor's Office of Economic Development,

for the Colorado First/Existing Industry Job Training program was **pending**. The Executive Request is for a continuation level of \$4,500,000, which is reappropriated in this department.

STATE ASSISTANCE FOR CAREER AND TECHNICAL EDUCATION: The Committee's decision on State Assistance for Career and Technical Education, representing the categorical program amount appropriated in the Department of Education that is transferred to this department, included an increase of 8.0 percent (increase \$2,289,687) for **a total of \$30,534,048 reappropriated funds**, based on figure setting decisions for the Department of Education on February 13, 2023. To the extent the Committee authorizes additional technical or substantive adjustments in the Department of Education, staff will make an aligned adjustment in the Department of Higher Education.

LINE ITEM DETAIL – DIVISION OF OCCUPATIONAL EDUCATION

(A) ADMINISTRATIVE COSTS

These FTE, located in the community college system, are responsible for approving occupational education programs and distributing funds to both higher education and K-12 entities. The source of reappropriated funds is indirect cost recoveries.

STATUTORY AUTHORITY: 23-8-101, C.R.S., et. seq.

REQUEST: The Department requests continuation of \$962,309 reappropriated funds and 9.0 FTE.

RECOMMENDATION: Staff recommends the request for \$962,309 reappropriated funds from indirect cost recoveries and 9.0 FTE.

(B) DISTRIBUTION OF STATE ASSISTANCE FOR CAREER AND TECHNICAL EDUCATION PURSUANT TO SECTION 23-8-102, C.R.S.

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

STATUTORY AUTHORITY: Section 23-8-102, C.R.S.

REQUEST: The Department requests a continuation level of \$28,244,361 reappropriated funds.

RECOMMENDATION: The staff recommendation is **\$30,534,048 reappropriated funds, based on figure setting for the Department of Education on February 13, 2023, pending additional technical or substantive Committee decisions.**

(C) AREA TECHNICAL COLLEGE SUPPORT

AREA TECHNICAL COLLEGE SUPPORT

This line provides state operating support for the three area technical colleges to provide post-secondary vocational training: Technical College of the Rockies, Emily Griffith Technical College, and Pickens Technical College. In addition to the General Fund shown in the Long Bill, the area technical colleges charge tuition and fees to students. These institutions operate within local school districts and provide vocational training to secondary students with funds from their local school districts, which may include Colorado Vocational Act dollars. The Division in consultation with the colleges determines the distribution of General Fund.

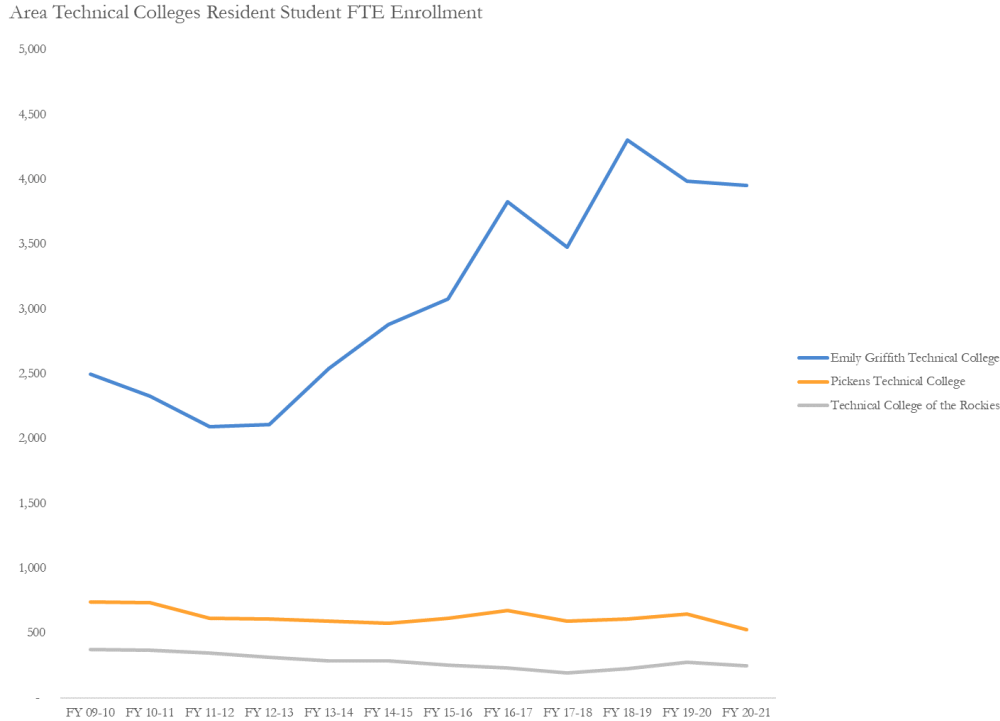
In FY 2022-23, the Committee approved a request for a temporary two-year increase of \$1,700,000 for Area Technical College support. Staff believes that continuing this higher level of funding is very likely to be justified beyond FY 2023-24, but the funding level will be reconsidered for FY 2024-25 based on the JBC's previous decision on this issue. (Staff had recommended ongoing support; the JBC initially approved this, but reverted to the original two-year limit based on an OSPB comeback.)

As staff noted during consideration of the FY 2022-23 budget amendment.

- Area technical colleges (driven by Emily Griffith) have expanded enrollment far more quickly than the community college system.
- Because of the above, *funding per student at the ATCs has fallen well below the amount per student at the community college system. Even the additional \$1.7 million approved on a temporary basis does not close this gap.*

The ATCs indicated the funds will be used for reducing waiting lists and expanding program offerings. The area technical colleges note that they have the lowest tuition rates of any public institution. They cite average out-of-pocket costs of \$1,500. The ATCs also report that they have the highest completion rates in the State, with completion rates well over 80%. Finally, the ATCs note that they serve a disproportionately disadvantaged population, with 41 percent of those served falling into underserved populations.

ATC representatives have noted that the fact that funding is currently considered time-limited creates some restrictions for the ATC in terms of the types of investments on which they use these funds.



COMPARISON OF FUNDING HISTORY AND ENROLLMENT - AREA TECHNICAL COLLEGES AND COMMUNITY COLLEGE SYSTEM						
	AREA TECHNICAL COLLEGES			COMMUNITY COLLEGE SYSTEM		
	GENERAL FUND APPROPRIATION	UNDERGRAD. RESIDENT STUDENT FTE	GENERAL FUND PER STUDENT FTE	GENERAL FUND APPROPRIATION ¹	UNDERGRAD. RESIDENT STUDENT FTE	GENERAL FUND PER STUDENT FTE
2012-13	\$7,765,822	3,031	\$2,562	\$117,720,293	55,475	\$2,122
2013-14	8,091,845	3,419	2,366	123,389,317	52,792	2,337
2014-15	8,983,694	3,736	2,405	137,465,925	50,001	2,749
2015-16	8,983,694	3,945	2,277	153,549,541	47,272	3,248
2016-17	8,983,694	4,735	1,897	153,330,147	46,856	3,272
2017-18	10,218,039	4,264	2,396	153,709,215	46,666	3,294
2018-19	12,311,435	5,132	2,399	172,072,047	46,278	3,718
2019-20	13,910,021	4,906	2,836	190,447,695	46,955	4,056
2020-21	5,842,209	4,725	1,236	82,214,681	43,083	1,908
2021-22	14,989,723	4,697	3,191	214,474,605	41,785	5,133
2022-23 ²	18,325,074	4,697	3,901	241,372,358	41,785	5,777
% Change FY 13 to FY 20	79.1%	61.8%	10.7%	61.8%	(15.4%)	91.1%
% Change FY 20 to FY 23 est. ³	31.74%	(4.26%)	37.57%	26.74%	(11.01%)	42.42%

¹ General Fund amounts reflect stipend and fee-for-service amounts reappropriated to the community college system.

² Area Technical College amounts include \$1.7 million in additional funding authorized for FY 2022-23 and FY 2023-24 only.

³ For purposes of this comparison, staff has assumed flat enrollment for both the community college system and the Area Technical Colleges for FY 2022-23, as no mid-year forecast is available for the ATCs.

STATUTORY AUTHORITY: Sections 23-71-303 and Section 23-18-304 (2), C.R.S.

REQUEST: The Department requests an appropriation of \$19,642,162 General Fund for this line item, including an increase of \$1,249,828 General Fund for Request R1.

RECOMMENDATION: The staff recommendation is reflected in the table below and is discussed earlier in this packet. *JBC Staff notes that the overall increase includes an increase on the \$1,700,000 provided to the Area Technical Colleges on a temporary basis. Staff has included this in the hope that the JBC will decide to continue the additional \$1.7 million for years beyond FY 2023-24. However, if the Committee decides to treat this funding as temporary and eliminate it in FY 2024-25, the increase provided on the FY 2022-23 base should also be removed in FY 2024-25.*

DIVISION OF OCCUPATIONAL EDUCATION, AREA TECHNICAL COLLEGE SUPPORT, AREA TECHNICAL COLLEGE OPERATING SUPPORT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$18,325,074	\$18,325,074	\$0	\$0	\$0	0.0
TOTAL	\$18,325,074	\$18,325,074	\$0	\$0	\$0	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$18,325,074	\$18,325,074	\$0	\$0	\$0	0.0
R1 State funding increase for higher education	1,249,828	1,249,828	0	0	0	0.0
SI Indirect cost adjustments	67,260	67,260	0	0	0	0.0
TOTAL	\$19,642,162	\$19,642,162	\$0	\$0	\$0	0.0
INCREASE/(DECREASE)	\$1,317,088	\$1,317,088	\$0	\$0	\$0	0.0
Percentage Change	7.2%	7.2%	0.0%	0.0%	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

(D) SPONSORED PROGRAMS

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

ADMINISTRATION

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

STATUTORY AUTHORITY: Section 23-60-301, C.R.S.

REQUEST: The Department requests a continuation level of funding of \$2,709,888 federal funds and 23.0 FTE for this line item.

RECOMMENDATION: Staff recommends the Department's request for a continuation level of funding of \$2,709,888 federal funds and 23.0 FTE.

PROGRAMS

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

STATUTORY AUTHORITY: Section 23-60-301, C.R.S.

REQUEST: The Department requests a continuation level of funding of \$16,156,031 federal funds for this line item.

RECOMMENDATION: **Staff recommends a continuation level of \$16,156,031 for this line item.** This line item is shown for informational purposes, so appropriations do not constrain spending. Recent actuals are close to this figure. This incorporates an adjustment based on increases in federal allocations in FY 2019-20.

(E) COLORADO FIRST CUSTOMIZED JOB TRAINING

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

STATUTORY AUTHORITY: SECTION 23-60-306, C.R.S.

REQUEST: The Department requests a continuation amount of \$4,500,000 reappropriated funds for this line item.

RECOMMENDATION: The staff recommendation is **pending** figure setting for the Governor's Office of Economic Development. The amount in the Department of Higher Education is transferred from the appropriation to the Governor's Office.

(8) AURARIA HIGHER EDUCATION CENTER

The Auraria Higher Education Center (AHEC) collects funds from the institutions with programs on the Auraria campus for operation and maintenance of 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 reappropriated funds is payments by the three institutions that share the AHEC campus: University of Colorado at Denver, Metropolitan State University of Denver, and the Community College of Denver. Institutions' base payments for support of AHEC are appropriated; however, individual institutions may contract with AHEC for specific additional services, and related AHEC expenditures do not require additional appropriation. AHEC also has two off-budget auxiliary enterprises, including one for student facilities and one for parking.

The Coronavirus Pandemic had significant impacts on revenue to AHEC, because students, faculty and staff stopped coming to the campus, sharply cutting parking and other revenue. Further, while institutions of higher education received federal relief payments (Higher Education Emergency Relief Funds) to compensate for lost revenue, including lost revenue to their auxiliary enterprises, AHEC was not eligible for such relief. In response the General Assembly approved S.B. 21-109, which for two years (FY 2020-21 and FY 2021-22) authorized payments by the General Assembly and other parties (institutions on the campus) to contribute to AHEC bond payments. For FY 2020-21, the General Assembly provided General Fund support of \$2.75 million for this purpose and required institutions on the campus to match this amount. For FY 2021-22, the JBC and General Assembly provided \$4,069,486 General Fund toward AHEC bond payments for its parking auxiliary enterprise and its student facilities auxiliary enterprise. This amount was provided through a Long Bill supplemental adjustment, and the amount was established to ensure that the contributions remained below the 10.0 percent mark for maintaining these entities' TABOR enterprise status.

AURARIA HIGHER EDUCATION CENTER				
	TOTAL FUNDS	GENERAL FUND	REAPPROPRIATED FUNDS	FTE
FY 2022-23 Appropriation				
FY 2022-23 Appropriation	\$24,139,958	\$0	\$24,139,958	211.4
TOTAL	\$24,139,958	\$0	\$24,139,958	211.4
FY 2023-24 RECOMMENDED APPROPRIATION				
FY 2022-23 Appropriation	\$24,139,958	\$0	\$24,139,958	211.4
T2 Auraria Higher Education Center	100,000	0	100,000	0.0
SI IHE employee FTE adjustments	0	0	0	11.3
TOTAL	\$24,239,958	\$0	\$24,239,958	222.7
INCREASE/(DECREASE)	\$100,000	\$0	\$100,000	11.3
Percentage Change	0.4%	0.0%	0.4%	5.3%
FY 2023-24 EXECUTIVE REQUEST				
Request Above/(Below) Recommendation	\$0	\$0	\$0	(11.3)

DECISION ITEMS – AURARIA HIGHER EDUCATION CENTER

→ RFI CONCERNING TABOR IMPLICATIONS OF AHEC REVENUE

RECOMMENDATION: Staff recommends a Request for Information to explore options for addressing the fact that payments by state institutions of higher education to the Auraria Higher Education Center are counted as revenue to the state's TABOR district and thus may be seen as a double-count of state General Fund revenue. The issue is similar to the indirect costs issue on which the JBC has already taken action. Specifically, the State pays the institutions for services through fee-for-service contracts. The three institutions on the Auraria Higher Education Center campus then pay Auraria for services, which is counted as revenue to the State's TABOR district. Data from Legislative Council Staff indicates that Auraria Higher Education Center Revenue was the source of **\$27,283,313 of nonexempt TABOR revenue** in FY 2021-22.

The resulting revenue “double count” is similar to the issue with indirect cost collections, but on a larger scale. However, the issue is also considerably more complicated for a number of reasons. Staff is not certain it can be resolved but believes that it deserves further exploration. Staff notes that any change to direct-fund the Auraria campus—similar to the action taken with indirect cost collections—would require a statutory change. Direct-funding could change the relationships between institutions on the campus and the Auraria Higher Education Center itself, which is something all parties involved and the General Assembly would want to consider carefully. Further, some types of changes might not have the desired impact on state institutional or state finances, if the institutions and the State must reflect state funding for the Center as an in-kind contribution. Given these complications, staff is simply recommending that the Department works with the institutions and the Attorney General to determine if there is a path forward that would be advantageous to the State.

N Department of Higher Education, Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Administration; Governing Boards; and Auraria Higher Education Center – The Department is requested to convene representatives of the Auraria Higher Education Center and higher education institutions operating on the Auraria campus, in consultation with the Attorney General, to explore changes to the structure and funding for the Auraria Higher Education Center that would reduce or eliminate the impact to the State's TABOR district of the current funding structure for the campus. The Department is requested to report on the results of these discussions by November 1, 2023.

ADDITIONAL BACKGROUND

As reflected in the table below, the Auraria Higher Education Center is unusual from a legal perspective in that it is comprised of both two separate small enterprises related to parking on the campus and the Tivoli student center and a general operations component that is funded by payments from the higher education institutions on the campus. The amount in the Long Bill does not incorporate all revenue and expenditures for AHEC. The Long Bill figure reflects solely the general support provided by the institutions to AHEC (typically on a student per-capita basis). In addition, AHEC has arrangements with individual institutions on the campus to accomplish particular tasks, and these amounts have been treated as "off budget". It receives revenue from its various auxiliary operations, including parking lots, which are also off budget, as they are for all of the state higher education governing boards. Finally, in recent years AHEC has received \$2.0 million in deferred

maintenance contributions from the institutions on the campus, which have also been treated as off budget.

The table below is based on data submitted by AHEC last year and has not been updated. However, the table nonetheless provides helpful background for understanding AHEC's basic revenue and expense profile.

AURARIA HIGHER EDUCATION CENTER BUDGET ACTUALS AND PROJECTIONS AS OF FEBRUARY 2022*						
SUMMARY OF FUNDS						
	2018-19 ACTUAL	2019-20 ACTUAL	2020-21 ACTUAL	2021-22 BUDGET	2022-23 BUDGET*	
REVENUES						
GENERAL FUND (AHEC General Fund – not state GF)						
Institutional Operating Support	\$20,901,970	\$21,514,461	\$21,514,461	\$22,493,228	\$23,168,025	
Institutional Support-Deferred Maintenance	1,580,655	2,554,186	1,921,231	2,000,000	2,060,000	
Other Income	922,807	813,752	639,674	618,700	759,278	
Auxiliary Support	<u>5,549,501</u>	<u>3,699,668</u>	<u>2,672,849</u>	<u>3,386,153</u>	<u>3,487,738</u>	
Total General Fund	\$28,954,933	\$28,582,067	\$26,748,214	\$28,498,081	\$29,475,040	
STUDENT REVENUE BOND FUND						
Student Bond Fees	\$5,386,516	\$5,338,423	\$5,319,493	\$4,908,861	\$5,056,127	
Tivoli Student Union Operations	3,888,223	3,355,114	2,164,017	3,537,571	3,329,028	
Tivoli Station (Bookstore)	8,560,506	6,986,931	3,283,065	0	0	
Starbucks	1,322,862	1,066,535	218,180	936,100	1,172,190	
Early Learning Center	<u>2,534,339</u>	<u>2,078,226</u>	<u>1,310,643</u>	<u>1,371,791</u>	<u>2,376,454</u>	
Total Revenue Bond Fund	\$21,692,445	\$18,825,228	\$12,295,398	\$10,754,323	\$11,933,800	
PARKING ENTERPRISE FUND						
	\$12,357,198	\$9,130,177	\$7,303,958	\$8,370,000	\$9,996,547	
GENERAL AUXILIARY						
Facilities Auxiliaries	\$5,570,092	\$11,854,954	\$2,008,596	\$4,139,870	\$2,381,733	
Other General Auxiliaries	<u>1,016,975</u>	<u>888,384</u>	<u>548,769</u>	<u>1,059,560</u>	<u>1,194,364</u>	
Total General Auxiliary	\$6,587,067	\$12,743,339	\$2,557,365	\$5,199,430	\$3,576,097	
TOTAL REVENUES	\$69,591,643	\$69,280,811	\$48,904,935	\$52,821,834	\$54,981,484	
EXPENDITURES						
AHEC GENERAL FUND						
Total General Fund	\$28,172,254	\$27,904,016	\$26,157,493	\$28,498,081	\$29,254,909	
STUDENT REVENUE BOND FUND						
Tivoli Student Union Operations	\$8,201,689	\$7,590,993	\$7,263,477	\$8,463,354	\$8,935,259	
Tivoli Station (Bookstore)	8,601,953	7,646,781	3,910,242	0	0	

AURARIA HIGHER EDUCATION CENTER BUDGET ACTUALS AND PROJECTIONS
AS OF FEBRUARY 2022*

<u>SUMMARY OF FUNDS</u>					
	2018-19 ACTUAL	2019-20 ACTUAL	2020-21 ACTUAL	2021-22 BUDGET	2022-23 BUDGET*
Starbucks	1,233,528	1,064,541	403,922	933,660	1,140,103
Early Learning Center	2,571,647	2,390,782	1,583,992	1,530,391	2,269,593
Deferred Maintenance	<u>535,555</u>	<u>542,676</u>	<u>118,148</u>	<u>0</u>	<u>0</u>
Total Student Revenue					
Bond Fund	\$21,144,372	\$19,235,774	\$13,279,780	\$10,927,405	\$12,344,955
<u>PARKING ENTERPRISE FUND</u>					
Total Parking Enterprise Fund	\$11,170,259	\$9,740,212	\$5,786,041	\$8,370,000	\$9,249,751
<u>GENERAL AUXILIARY</u>					
Facilities Auxiliaries	\$5,599,312	\$11,931,016	\$2,058,801	\$4,139,870	\$2,575,380
Other General Auxiliaries	<u>894,228</u>	<u>723,322</u>	<u>415,636</u>	<u>1,059,422</u>	<u>1,043,622</u>
Total General Auxiliaries	\$6,493,540	\$12,654,338	\$2,474,436	\$5,199,292	\$3,619,002
TOTAL EXPENDITURES	\$66,980,425	\$69,534,340	\$47,697,751	\$52,994,778	\$54,468,617
<i>*FY23 Budget is preliminary as of February 2022 and has not been updated</i>					
<i>*FY22 adjusted for ELC staffing increases (Mar-Jun)</i>					

FY23 Uncertainties/Challenges outlined in February 2022:

- Onsite enrollment to drive Student Fee and Parking Revenue (Auxiliary)
- Containing cost increases for State mandated increases - Salary, State Risk, Health Benefits. Indirect Cost Recovery
- Increased appropriation from the partners to cover state mandated cost increases and critical investments
- Enrollment to support our Tivoli Student Union Operations (including vendors, campus ID, bookstore and Starbucks)
- COVID space restrictions lifted in Early Learning Center (allowing us to increase class sizes from 8-10 to 16-18)
- Meeting the market rate salary levels to attract and retain top talent
- As shown in the projected budget numbers, we are not expecting a return to pre-pandemic levels in FY23. We are also working with each institution to get detailed forecasts for FY22/23 that breakout for actual onsite enrollment (vs hybrid/online). This will allow for much better accuracy as we forecast/project going forward.

→ STAFF AND FACULTY FTE ADJUSTMENT

As previously discussed for the governing boards, **the staff recommendation on employee FTE to be reflected in the Long Bill is based on FY 2022-23 estimated FTE in the budget data books submitted by the Department.** For AHEC, the recommended adjustment is 11.3 FTE, for a total of 222.7 FTE.

→ T2 AURARIA HIGHER EDUCATION CENTER SPENDING AUTHORITY

REQUEST: The Department requests an inflationary increase of \$100,000 in reappropriated funds for inflationary adjustments, bringing the Auraria Higher Education Center line item to \$24,239,958 reappropriated funds.

RECOMMENDATION: Staff recommends the request for an increase of \$100,000 reappropriated funds spending authority.

ANALYSIS:

Background: The three institutions that share the Auraria campus work with AHEC to determine fair rates and the allocation of costs among the institutions. These costs typically increase due to inflationary adjustments for salary and benefits, changes to the student population on the AHEC campus, and may be adjusted based on other agreements among the institutions to support AHEC operations.

For FY 2014-15, staff recommended an increase to the AHEC reappropriated funding in the Long Bill (not included in the executive request), to address the impact of inflationary cost increases on the AHEC budget, as AHEC had capped out its spending authority. Since that time, the Department has requested a technical adjustment for inflation of \$100,000 per year, which has been approved each year.

FY 2022-23 and FY 2023-24 Spending Estimates: The table below summarizes FY 2022-23 AHEC estimated revenue for the core operating contributions from the institutions compared to current and requested appropriations. As shown below, the current appropriation exceeds estimated revenue and spending for **FY 2022-23**. However, *AHEC recently indicated to staff that it would like substantially more spending authority than the official executive request. It has suggested \$25,819,548 or \$1.6 million more than the official request as its desired spending authority amount.*¹⁹ Because of the TABOR implications of AHEC receiving additional revenue from the institutions (described above), staff believes a further increase in payments from the institutions requires more careful consideration than staff has given such requests in the past. **Staff is therefore recommending the \$100,000 in the official request and has told AHEC that it should return with a more specific proposal and institutional agreement before staff will recommend a higher figure.**

FY 2022-23 INSTITUTIONAL OPERATING SUPPORT FOR AURARIA HIGHER EDUCATION CENTER	
TYPE	REAPPROPRIATED FUNDS
<u>Estimated FY 2022-23 Revenue</u>	
Metro State U. Denver	\$11,942,599
CU Denver	8,922,405
Community College of Denver	2,983,681
Total FY 2022-23 Estimated Operating*	\$23,848,685
<u>Comparison to Current Appropriations</u>	
Current FY 2022-23 appropriation	\$24,139,958
Appropriation above/(below) FY 22 estimate	\$291,273
AHEC FY 2022-23 Estimated Operating Expenses	
FY 2023-24 Requested Appropriation <u>Official</u> request	\$24,239,958
Request above/(below) FY 23 Estimate	\$391,273

¹⁹ Staff notes that institutions have already been making payments of \$2.0 million per year for deferred maintenance outside of the Long Bill appropriation but believes that the figure cited excludes these.

*Excludes additional payments by institutions for specific services and auxiliary revenue.

LINE ITEM DETAIL – AURARIA HIGHER EDUCATION CENTER

ADMINISTRATION

STATUTORY AUTHORITY: ARTICLE 70 OF TITLE 23, C.R.S.

REQUEST: The Department requests \$24,239,958 reappropriated funds and a continuation level of 211.4 FTE for this line item.

RECOMMENDATION: Staff recommends \$24,239,958 reappropriated funds and 222.7 FTE.

LINE ITEMS INCLUDED IN NUMBERS PAGES DUE TO PRIOR YEAR APPROPRIATIONS

AURARIA HIGHER EDUCATION CENTER BOND PAYMENTS

The Joint Budget Committee sponsored S.B. 20-109, which provided authority to use revenue other than auxiliary revenue to make bond payments for auxiliary facilities in FY 2020-21 and FY 2021-22. The bill also provided an appropriation of \$2,750,000 General Fund and \$2,750,000 from institutional funds paid by the institutions on the Auraria campus for Auraria Higher Education Center parking enterprise bond payments in FY 2020-21. During the 2022 legislative session, JBC and General Assembly approved a Long Bill supplemental that provided \$4,069,486 General Fund toward bond payments for AHEC's parking auxiliary and student services auxiliary (associated with operation of the Tivoli student center) for FY 2021-22.

STATUTORY AUTHORITY: Section 23-70-107 (2), C.R.S.

REQUEST/RECOMMENDATION: The Department did not request, and Staff does not recommend, any additional appropriations for this line item. The legal authority to make payments from sources other than auxiliary revenue for AHEC auxiliary enterprises has expired.

(9) HISTORY COLORADO

The State Historical Society, now known as History Colorado, is simultaneously a non-profit charitable “501 (c)(3)” organization and an institution of higher education authorized pursuant to Section 24-80-201, C.R.S. Founded in 1879, the agency operates the History Colorado Center in Denver and many other history museums, archeological and historic sites throughout the State. It is charged with preserving the state’s history and documenting it for the benefit of its citizens and it provides a wide variety of services related to this mission. In prior years, over 70 percent of History Colorado’s operating budget has been derived from limited gaming revenue deposited to the State Historical Fund. The 1990 Constitutional amendment that legalized limited stakes gaming in three cities specified that 28 percent of state gaming revenue after administrative expenses would be used for statewide historic preservation efforts. The General Assembly has authorized History Colorado to administer these funds, subject to annual appropriation.

HISTORY COLORADO						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 Appropriation						
FY 2022-23 Appropriation	\$44,284,365	\$6,722,085	\$36,154,257	\$422,283	\$985,740	145.9
TOTAL	\$44,284,365	\$6,722,085	\$36,154,257	\$422,283	\$985,740	145.9
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$44,284,365	\$6,722,085	\$36,154,257	\$422,283	\$985,740	145.9
HC1 History Colorado strategic initiatives	1,500,000	0	1,500,000	0	0	0.0
NP BA Operating expense inflation	0	0	0	0	0	0.0
SI History Colorado earned revenue	35,000	0	35,000	0	0	0.0
Annualize prior year legislation	(2,115,997)	(615,997)	(1,500,000)	0	0	(0.9)
SI History Colorado informational funds	(2,490,000)	0	(2,490,000)	0	0	0.0
Annualize prior year budget actions	349,265	122,932	203,472	0	22,861	0.0
TOTAL	\$41,562,633	\$6,229,020	\$33,902,729	\$422,283	\$1,008,601	145.0
INCREASE/(DECREASE)	(\$2,721,732)	(\$493,065)	(\$2,251,528)	\$0	\$22,861	(0.9)
Percentage Change	(6.1%)	(7.3%)	(6.2%)	0.0%	2.3%	(0.6%)
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$2,531,105	(\$10)	\$2,531,115	\$0	\$0	0.0

ADDITIONAL PROGRAM BACKGROUND

THE STATE HISTORICAL FUND

Constitutional Allocations: Article XVIII, Section 9 of the State Constitution, which provides for limited gaming in Central City, Black Hawk, and Cripple Creek, specifies that up to 40 percent of the adjusted gross proceeds from gaming, in addition to license fees, shall be paid by each licensee into the Limited Gaming Fund. For the portion of the revenue derived pre-Amendment 50²⁰, and after deductions for administrative expenses, the Limited Gaming Fund proceeds are distributed as follows:

50 percent to the General Fund or other fund as the General Assembly provides;
28 percent to the State Historical Fund;

12 percent to Gilpin and Teller counties in proportion to the gaming revenues generated in each;
10 percent to the governing bodies of Central City, Black Hawk, and Cripple Creek in proportion to the gaming revenues generated by each.

The Constitution further specifies that, of the amount distributed to the State Historical Fund:

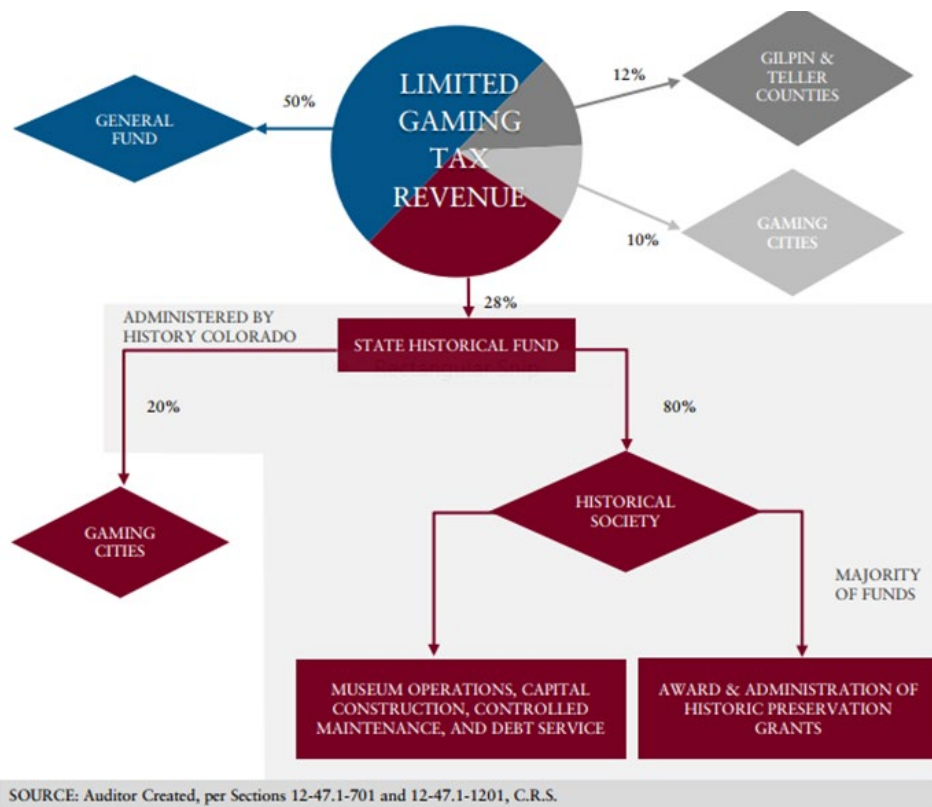
20 percent be used for the preservation and restoration of the three gaming cities; and
80 percent “shall be used for the historic preservation and restoration of historical sites and municipalities throughout the state in a manner to be determined by the general assembly.”

The Constitution and revenues determine the total amount for the State Historical Fund, but within this, the General Assembly has latitude in the use of the funds for statewide grants and other state historic preservation needs, including Historical Society operations and related capital construction projects. Pursuant to Section 44-30-1201, C.R.S.²¹:

- the statewide preservation program (a statewide grant program) must constitute the *majority share* of the 80 percent to be used for statewide preservation activities.
- *the minority share* may be used to support operations of the History Colorado center and regional history museums and facilities throughout the State.

²⁰ Amendment 50 provided for bets up to \$100 and provides distributions to higher education institutions.

²¹ Note that this statutory section was relocated from Title 12, Article 47.1.



Statutory Guidelines: Over the years, the General Assembly increased its reliance on the State Historical Fund for operation of History Colorado museums and to make various repairs and upgrades to the state Capitol. While consistent with the goals of the State Historical Fund to support historic preservation, these actions reduced the availability of moneys for statewide historic preservation grants.

As outlined Section 44-30-1201, C.R.S., the General Assembly has elected:

- To direct the “minority share” of revenue that does not go to gaming cities to museum operations and to include the costs of grant program administration in the calculation of “majority share”. “Majority” is interpreted as 50.1 percent for purposes of the agency’s budget.
- To direct a portion of the funds allocated for operations of the State Historical Society (from the “minority share”) to construction of the new Colorado history museum.
- Between FY 2014-15 and FY 2019-20, to transfer a portion of the moneys for the statewide grant program (“majority share”) to the Capitol Dome Restoration Fund and other improvements to the State Capitol building.

While limited gaming revenue deposited to the State Historical Fund has been the largest source of funding for the organization, History Colorado operations are also supported by earned revenue from entrance fees, memberships, gift shop sales, programs, donations, some federal grant funding, and the state General Fund.

FINANCIAL CHALLENGES

As a public facing organization, History Colorado was severely affected by the COVID-19 pandemic, which has had a devastating impact on its major revenue streams. However, even before the pandemic, History Colorado was struggling financially due to a combination of inadequate growth in its primary revenue stream--limited gaming revenues--and the financial burden created by Certificate of Participation payments for the new History Colorado Center.

As part of the decision to rebuild a new Judicial Center in 2008, the General Assembly authorized the Historical Society to execute a lease-purchase agreement for up to \$85.0 million in principal, with annual payments not to exceed \$4,998,000 to build a new museum. The resulting annual lease-purchase obligation, \$3.5 million in FY 2022-23 and FY 2023-24, represents over 30 percent of the revenue anticipated to be received from the share of limited gaming revenue available for museum operations.

At the time the COP's were authorized, History Colorado anticipated that it would be able to cover the lease-purchase payments through increases in earned revenue. It also anticipated that gaming revenue to the organization would continue to increase, as it had in prior years. These expectations were frustrated for several reasons:

- Voters adopted Amendment 50 in November 2008, which created a new category of “extended” limited gaming revenue and, from FY 2009-10, effectively redirected most increases in tax revenue that would previously have gone in part to History Colorado. An additional voter approved measure, Amendment 77, which was adopted in November 2020, has continued the practice of directing revenue from the expansion of limited gaming to community colleges, rather the beneficiaries of the formula adopted when limited gaming was legalized in 1990, including History Colorado.
- The Great Recession, combined with Limited Gaming Commission policies that reduced gaming tax rates, sharply depressed gaming revenue in FY 2008-09. Although tax rates and overall revenues partially rebounded, the compound average annual growth rate in revenue to History Colorado for the 10 years before the pandemic began was just 1.0 percent per year.
- The new facility did not result in sufficient new paying customers to cover the huge additional lease purchase payment. In the years through FY 2010-11, preceding the museum's move, earned revenue was typically \$1.5 to \$1.7 million per year. While earned revenue increased modestly, earned revenue for the History Colorado Center was just \$3.5 million in FY 2018-19, prior to the onset of the pandemic. History Colorado projects a similar level of earned revenue (\$3.5 to \$3.6 million) in FY 2022-23 and FY 2023-24.

As a result of these factors, the organization faced a serious structural imbalance beginning in FY 2013-14, the first full year of lease-purchase payments. Initially, the scale of the imbalance and the implications were not entirely clear to the museum's Board of Directors or other oversight entities, in part due to other problems at the organization: poor accounting and financial management practices. The institution was the subject of two highly critical audits from the Office of the State Auditor in 2014 which indicated that, among other issues, the organization was not following various standard government accounting practices.

As both financial and management problems became more clear, the organization, Governor and General Assembly worked together to modify the organization's oversight structure, ultimately giving the Governor (rather than the organization's membership), authority to select the Board of Directors (S.B. 15-225). JBC budget actions and bills also helped to highlight the key issues during the 2015 legislative session.

At the beginning of FY 2015-16, a new Board of Directors with an aggressive turn-around mandate took rapid steps to appoint a new interim management team. Through voluntary early retirements and furloughs and involuntary layoffs the organization reduced personnel (by 26.1 FTE or 20 percent as of June 30, 2016), flattened its management structure, and began to develop additional in-house exhibits, thus eliminating reliance on traveling exhibits from out-of-state.

The organization began rebuilding reserves in FY 2016-17, but its financial situation remained tenuous. During FY 2018-19 History Colorado engaged in a comprehensive strategic planning process under the leadership of Dan Ritchie, former President of the University of Denver. In light of the unanticipated decline in gaming revenue and the high costs of the certificates of participation payments, the resulting Strategic Plan noted that

“the Board of Directors and leadership have stabilized the finances on a year-to-year basis. However, any negative impact from an economic downturn, shift in gaming revenue, increasing State costs that are out of the organization's control, or urgent construction projects that impact operational revenue could bankrupt the organization.”

With the onset of the COVID-19 pandemic, the organization was faced with operational and financial threats beyond what even the drafters of the Strategic Plan could have envisioned. The shut-down of casinos reduced limited gaming revenues in late FY 2019-20, so that revenue to History Colorado for use in FY 2020-21 fell 45.7 percent. In addition, the History Colorado museums, including both the History Colorado Center and regional community museums and related in-person programs, closed in March 2020, largely eliminating the agency's access to its typical sources of earned revenue. Many of the facilities reopened in June, 2020 but still faced strict capacity limits and periodic closures (the History Colorado Center reopened in early December 2020). While the organization pivoted to provide additional and different services, such as expanded programs and care services for children, the disruption was immense.

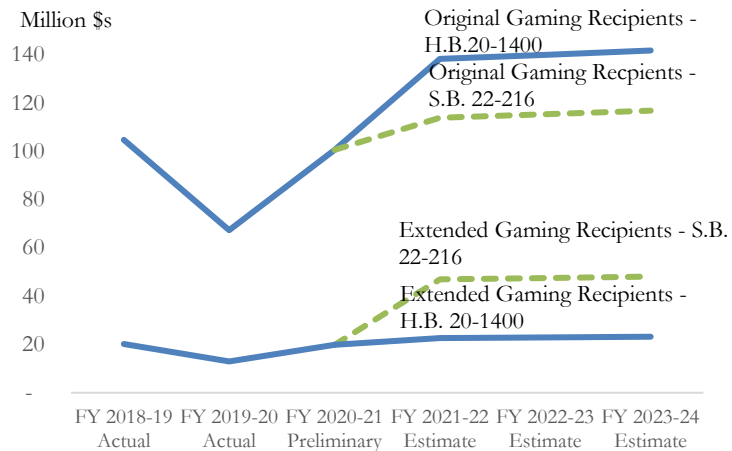
During the 2020 legislative session, the JBC and the General Assembly took multiple steps to assist History Colorado in balancing its budget. This included making up to \$3.0 million in additional cash funds available for museum operations between FY 2020-21 and FY 2021-22 and allowing appropriations for History Colorado COPs from any source (H.B. 20-1365); adding \$1.0 million in General Fund in the Long Bill for operational sustainability in FY 2020-21 for continuation in FY 2021-22; and modifying statutory formulas so that, as gaming revenue rebuilt, the share for History Colorado, as well as the General Fund, rebuilt more quickly (H.B. 20-1400).

Beginning in FY 2021-22, the JBC moved to take on responsibility for History Colorado's annual COP payments. By providing a General Fund appropriation of \$3.5 million starting in FY 2021-22, the General Assembly provided substantial relief to address History Colorado's financial challenges in the near-term and ongoing. This enabled History Colorado to again use its gaming revenue to support ongoing operations in a more robust manner. Gaming revenue available

for use in FY 2021-22 also rebounded more quickly than had been anticipated, so that revenue available for use in FY 2021-22 was restored to 95.2 percent of pre-pandemic gaming revenue. Because of this, through supplemental action during the 2022 session, the JBC and General Assembly added \$2,689,480 cash funds and 17.0 FTE for History Colorado operations and museum preservation projects. This enabled History Colorado to spend gaming revenue in FY 2021-22 that had been “freed up” as a result of General Fund support for COP payments.

During the 2022 legislative session, the JBC also sponsored S.B. 22-216 to make additional technical adjustments to the allocation of revenue between original limited gaming recipients (including the General Fund and History Colorado) and the recipients of the additional revenue available due to the passage of Amendment 50 in 2008 and Amendment 77 in 2020. As H.B. 20-1400 had been written, it would have directed a share of revenue to the General Fund and History Colorado that did not appear to be consistent with voter intent in adopting 2020 Amendment 77. Senate

RECIPIENTS OF GAMING TAX REVENUE
H.B. 20-1400 VERSUS S.B. 22-216



Bill 22-216 modified statutory language to reset the share of funding for the original recipients versus the extended gaming recipients going forward.²² The S.B. 22-216 limited gaming allocation changes put funding for History Colorado on a stable—but relatively slow—growth trajectory.

Staff notes that if the General Assembly fully covers History Colorado's COP payments going forward, this includes significant future year increases beyond the \$3.5 million authorized beginning in FY 2021-22.

²² Constitutional provisions adopted by voters in Amendment 50 and Amendment 77 specified that most of the additional revenue associated with the expansion of gaming (removal of limits on bets, removal of limits on games, and removal on limitations of hours of operation) would be directed to community colleges and related institutions with a two-year mission. However, as confirmed by an S.B. 22-216 work group during the summer of 2022, no data is available from casinos to determine how much revenue is related to “original” gaming activities versus “extended” gaming activities. As a result, the General Assembly makes this determination through statute. Cities and counties where limited gaming is located receive 22.0 percent of revenue in both formulas, but gaming cities also receive funding for historic preservation from revenue classified as relating to “original” limited gaming activities, which they do not receive in the “extended” gaming allocation. Revenue classified as associated with “original” gaming activities is counted as TABOR revenue. Revenue classified as “extended” gaming revenue does not.

Schedule of History Colorado COP payments (\$ in millions)			
Fiscal Years	Annual Payment	Increase in Annual Payment	Cumulative Increase in Annual Payments
2012-20	3.042		
2021-25	3.525	0.483	0.483
2026-30	3.827	0.302	0.785
2031-35	4.029	0.202	0.987
2036-38	4.532	0.503	1.490
2039-44	4.998	0.466	1.956
2045-46	4.848	(0.150)	1.806

Note: In this table, FY 2012-13 is reflected as 2012; FY 2021-22 as 2021

HISTORY COLORADO REVENUE AND PROJECTIONS

The chart below summarizes History Colorado's actual and projected revenue and expenditures for its museums and facilities. This *excludes* the statewide preservation grants portion of its operation, which uses the "majority share" of its gaming revenue (50.1 percent). As shown below, the FY 2022-23 and FY 2023-24 budget includes significant increases due primarily to increases in limited gaming revenue and the 2-year Strategic Initiatives Fund described further below. Earned revenue remains lower than JBC Staff (or History Colorado) would like.

HISTORY COLORADO CENTER & COMMUNITY MUSEUMS			
	FY22 ACTUAL	FY23 ESTIMATE	FY24 FORECAST/REQUEST
REVENUE			
Earned Revenue:			
History Colorado Center (HCC)	1,056,575	1,138,140	1,225,028
Admissions	325,615	380,272	410,694
Rentals	358,044	371,448	408,593
Gift Shop & Other Sales	167,694	140,326	147,342
Education & Other Programming Fees	205,222	246,094	258,399
Community Museums	1,073,329	1,050,555	1,082,072
Admissions	154,461	133,419	137,422
Rentals	570,986	587,598	605,226
Gift Shop & Other Sales	347,882	329,538	339,424
Philanthropy	932,108	1,121,686	1,164,625
Memberships	490,040	657,251	676,969
Donations (Development)	442,068	464,435	487,657
Other	22,445	160,000	160,000
Georgetown Loop Commissions & Facility Usage	22,445	160,000	160,000
Total Earned Revenue	3,084,457	3,470,381	3,631,724
Other Revenue:			
State Funds	16,677,455	18,022,957	18,385,314
Gaming Taxes (Minority Share)	9,990,496	11,382,337	11,666,895
SHF Administrative Cost Allocation	324,913	325,000	325,000
General Funds/Appropriated Funds (incl. Sust.)	2,644,439	2,526,659	2,602,459
COP Relief HC-01	3,525,209	3,525,84	3,525,208
Interest & Other Revenue	192,398	263,120	265,752
Federal Funds	2,383,673	2,073,055	2,350,000
Grants	1,520,211	779,209	900,000
OAHP Program Income	147,549	194,708	250,000

HISTORY COLORADO CENTER & COMMUNITY MUSEUMS				
		FY22 ACTUAL	FY23 ESTIMATE	FY24 FORECAST/REQUEST
	Federal Preservation Grant	715,913	1,099,138	1,200,000
Other		1,035,559	3,210,566	3,300,000
	State Grants - RISE Grant	43,970	110,566	-
	Fiscal Year Utilization of Restricted Donations	991,589	1,600,000	1,800,000
	SB22-216 Strategic Initiatives	-	1,500,000	1,500,000
Total Other Revenue		20,096,687	23,306,578	24,035,314
TOTAL REVENUES		23,181,144	26,776,959	27,667,038
EXPENSES				
Program Services Expenses:				
	History Colorado Center (HCC)	5,533,844	6,979,173	7,767,911
	Personnel	3,706,729	4,226,210	4,458,652
	Other Operating	835,526	1,486,955	1,509,259
	Restricted Donations Expenditures	991,589	1,266,008	1,800,000
	Community Museums	2,895,288	3,038,843	3,147,432
	Personnel	1,974,282	1,800,178	1,890,187
	Other Operating	921,006	1,238,665	1,257,245
	Preservation Services (OAHP)	1,799,034	2,495,487	2,515,012
	Grant	1,079,420	1,181,295	1,150,000
	Personnel	663,132	888,779	933,218
	Other Operating	56,482	425,413	431,794
Total Program Services Expenses:		10,228,166	12,513,503	13,430,355
Support Services Expense:				
	Administration & Facilities	3,932,848	5,431,950	5,602,894
	Personnel	2,325,750	2,556,132	2,683,939
	Other Operating (incl. IT)	1,607,098	2,875,818	2,918,955
	Philanthropy	714,578	932,915	969,273
	Personnel	555,593	638,984	670,933
	Other Operating	158,985	293,931	298,340
Total Support Services Expenses:		4,647,426	6,364,865	6,572,167
Other Operating Expense:				
	History Colorado Center (HCC)	3,525,209	3,525,841	3,525,208
	Rent (Certificates of Participation)	3,525,209	3,525,841	3,525,208
Other		2,612,761	4,351,436	3,971,489
	Capital Construction & Maintenance	459,104	385,000	700,000
	Federal Grants	1,603,252	889,775	800,000
	State Cost Allocation (POTS, IT, Legal, Risk)	528,988	925,228	971,489
	Other Operating	21,417	651,433	-
	SB22-216 Strategic Initiatives	-	1,500,000	1,500,000
Total Other Operating Expenses:		6,137,970	7,877,277	7,496,697
TOTAL EXPENSES		21,013,562	26,755,645	27,499,219
HISTORY COLORADO CENTER & COMMUNITY MUSEUMS				
SURPLUS (DEFICIT)		2,167,582	21,315	167,819

DECISION ITEMS – HISTORY COLORADO

→ HC1 HISTORY COLORADO STRATEGIC INITIATIVES

REQUEST: Senate Bill 22-216 (Reallocation of Limited Gaming Tax Revenues) included a provision to deposit \$3,000,000 into a new State Historical Society Strategic Initiatives Fund. The transfer was from limited gaming funds that would otherwise have gone to the General Fund. The Strategic Initiatives Fund is to be used “for programs and activities that strengthen the [historical] society's financial position and expand its impact on the people of the state.” History Colorado received spending authority for the first \$1,500,000 in FY 2022-23 in S.B. 22-216 and is requesting spending authority for the balance of money in the fund, an additional \$1,500,000, for FY 2023-24.

RECOMMENDATION: Staff recommends the request to provide **\$1,500,000 spending authority from the History Colorado Strategic Initiatives Fund for FY 2023-24.** Staff anticipates that any residual amount remaining in the Fund (e.g., from reversions or interest) will be appropriated in FY 2024-25. The staging of appropriations was intended to ensure that the General Assembly had additional visibility into the ways History Colorado is using the funds. Staff believes that expenditure plans outlined below represent a thoughtful effort to increase History Colorado’s impact and earned revenue.

ANALYSIS:

Use of Strategic Initiatives Fund: The table below summarizes History Colorado’s current and proposed use of the funds.

STRATEGIC INITIATIVES FUND				
TOTAL INVESTMENT	PROGRAM		FY 2022-23	FY2022-24
\$500,000	Hands-On History Expansion – Expand K-8 fifth-school-day in school districts with 4 day weeks and shortages of childcare		\$160,000	\$340,000
250,000	Museum of Memory – work with Colorado communities to co-author shared history		160,000	90,000
70,000	Kids Free Admission at statewide museums – pilot to build capacity to make free admission permanent at History Colorado museums for youth under age 18		70,000	0
250,000	Colorado History Comprehensive Curriculum – pilot in San Luis Valley to develop curriculum based on local history. Plan is to replicate statewide.		100,000	150,000
300,000	Preservation access, traditionally marginalized communities – Few Colorado sites on National Register relate to traditionally marginalized communities. Investment would support labor, consultation, and research to add sites representative of these groups		200,000	100,000
368,000	Affiliates Program – support history related programming by local organizations with tools, services, programs, exhibits; similar to Smithsonian Affiliates program		100,000	268,000
300,000	A/V Upgrades for Accessible, Hybrid Events – equipment upgrades to enable hybrid meetings and programs in History Colorado museum spaces		300,000	0
230,000	Licensing <i>What's Your Story?</i> This exhibit helps middle school students connect with the lives of significant Coloradans. To enable museums in other states to license it, Colorado will create a version with custom-built interactive technological components		155,000	75,000
500,000	Marquee Exhibition – Funds blockbuster exhibitions, including marketing, to attract new patrons		100,000	400,000
232,000	Section 106 Compliance to support Infrastructure Bill – Funds initial costs of employees needed for three years to provide required historic preservation reviews associated with new federal infrastructure grants and projects		155,000	77,000

STRATEGIC INITIATIVES FUND			
TOTAL INVESTMENT	PROGRAM	FY 2022-23	FY2022-24
\$3,000,000		\$1,500,000	\$1,500,000

History Colorado Goals and Performance: As staff has noted previously, History Colorado's plans and performance should receive ongoing scrutiny by the JBC and General Assembly. History Colorado's 2019 Strategic Plan promised that, with additional resources, History Colorado would "engage 1 million people annually by 2025". The plan was to double the number of people History Colorado engaged with from 563,750 in FY 2018-19. The pandemic has significantly affected implementation, but History Colorado continues to identify this as its central goal. The following tables are from its FY 2022-23 Performance Plan. As shown, performance increased in FY 2021-22 but remains short of History Colorado's goal.

SPI 1 – Engage One Million People Annually by 2025

The big idea of this plan is **Double Our Impact! History Colorado focuses on human-to-human interaction and engagement because it is the best opportunity for the organization to generate a meaningful relationship with audiences and Colorado residents.**

Measure	Base	FY 17	FY 18	FY19	FY20	FY 21	FY 22 End	FY 22 Goal
Interpersonal Engagement*	571,860	507,496	550,971	553,288	454,115	280,565	465,248	531,363
Independent Engagement**	1,028,319	55,161	178,230	316,172	1,150,488	1,196,423	1,860,515	1,656,480
Social Engagement***	533,988	n/a	187,457	539,840	874,668	946,778	766,661	1,041,567

*Due to Covid-19, human to interpersonal engagement continues to be below base levels. Over the last quarter, there has been an uptick in museum visitors and at the end of April, Georgetown Loop will be operating again.

** At the end of the fiscal year 2021-22, there was a consistently higher trend in Independent engagement than we have in previous years as staff work to build higher quality online engagement and feedback remains positive for the public to receive this resource.

*** Social engagement did not reach the goal this year because of a change in staff and change in algorithms with every social media platform.

→ ADDITIONAL SPENDING AUTHORITY FOR CASH FUNDS

REQUEST: History Colorado has *informally* requested additional spending authority from earned revenue. Specifically, it has requested an additional \$35,000 cash funds spending authority in its Collections and Exhibits line item.

Collections and Curatorial Services - \$35,000: History Colorado notes that it has no spending authority for earned revenue in this line item; instead it includes only gaming revenue. History Colorado notes that about once a year sells items related to an exhibit (or sells the exhibit itself) and has some costs related to this. At present there is only gaming revenue in the line item. Adding spending authority from cash funds would assist the organization so they do not dip into funds allocated in the line item for other purposes. These are funds that History Colorado is already earning; it simply doesn't have related spending authority in the line item where it wishes to spend the funds.

RECOMMENDATION: Staff recommends increasing spending authority for cash revenue from the Enterprise Services Cash Fund, as requested, by \$35,000 in the Collections and Exhibits line item.

Staff notes that for FY 2022-23, History Colorado has an appropriation of \$3,976,572 from the Enterprise Services Fund and \$1,265,962 from the Community Museums Cash Fund (a total of \$5.2 million in cash funds spending authority), but its actual earned revenue expenditures are projected to be under \$3.5 million. The adjustment simply adds a small amount of spending authority in a line item that has none.

→ HISTORY COLORADO INFORMATIONAL FUNDS ADJUSTMENTS

REQUEST: History Colorado did not request an adjustment to its informational line items.

RECOMMENDATION: Staff recommends adjustments to line items shown for informational purposes, based on limited gaming revenue received in August 2022.

- Increase the amount shown for Statewide Preservation Grants to \$9,000,000 from the current \$8,690,000.
- Increase the amount shown for Gaming Cities Distribution to \$5,700,000 from the current \$5,500,000.

ANALYSIS:

Because limited gaming revenue receipts are difficult to project until the end of the fiscal year, staff has conservatively based the following figures on FY 2021-22 limited gaming revenue distributed to History Colorado in FY 2022-23.

- The distribution to the State Historical Fund in August 2022 was \$28,512,871, representing 28.0 percent of limited gaming revenue distributed to the original limited gaming recipients.
- Of this amount, the Constitution allocates 20.0 percent for historic preservation in the Cities of Central, Black Hawk, and Cripple Creek (\$5,702,574).
- Of the remaining 80.0 percent, pursuant to statute, the “minority share” of 49.9 percent is directed to the Museum and Preservation Operations Account of the State Historical Fund (Operations Account; estimated at \$11,382,338) and is appropriated in multiple History Colorado line items.
- The “majority share” of 50.1 percent is deposited in the State Historical Fund Preservation Grants Program Account (Preservation Grants Program Account; \$11,427,959). Approximately \$2.4 million of this is appropriated in various administration line items. The remainder is continuously appropriated for preservation grants. Staff estimates that this should be approximately \$9.0 million, although actual expenditures will vary.

GAMING DISTRIBUTIONS TO HISTORY COLORADO IN AUGUST 2022	
	AMOUNT
Total to Historical Society (History Colorado) ¹	\$28,512,871
Distribution to Gaming Cities for Historical Preservation (20.0%)	5,702,574
Remaining for History Colorado (80.0%)	22,810,297
Museum and Preservation Operations Account (49.9% of Remaining 80.0%)	11,382,338
Preservation Grants Program Account (50.1% of Remaining 80.0%)	11,427,959

¹Source: Division of Gaming

→ CUMBRES AND TOLTEC RAILROAD INFORMATIONAL FUNDS ADJUSTMENT

REQUEST: The Cumbres and Toltec Railroad Commission did not request an adjustment to this line item but provided the information needed to make an adjustment.

RECOMMENDATION: Staff recommends reducing the amount shown for informational purposes as support from the State of New Mexico for the Cumbres and Toltec Railroad by \$3,000,000. This will leave a total of \$1,462,800 cash funds from New Mexico shown for informational purposes in the Cumbres and Toltec Railroad line item.

ANALYSIS: The State of Colorado and the State of New Mexico jointly own the Cumbres and Toltec Railroad, a historic train which snakes along the border of the two states and operates as a tourist attraction. Both states contribute annual operating support for the Railroad Commission, which oversees railroad operations, and both states contribute to ongoing capital upgrades at the railroad. Estimated contributions from New Mexico are included in the Colorado budget for informational purposes. In FY 2022-23, New Mexico made a one-time contribution of \$3.0 million in federal funds from the American Rescue Plan Act, in addition to its usual base level of support. In FY 2023-24, funding from New Mexico is currently anticipated to return to \$1,462,800, which is similar to Colorado’s requested and recommended General Fund contribution of \$1,365,000 for FY 2023-24.

LINE ITEM DETAIL – HISTORY COLORADO

(A) CENTRAL ADMINISTRATION

CENTRAL ADMINISTRATION

This line item includes funding for the President’s Office and staff. The source of cash funds, as adjusted under the HC1 proposed reorganization, is limited gaming revenue deposited in the Museum and Preservation Operations Account of the State Historical Fund (“minority share”).

STATUTORY AUTHORITY: Sections 24-80-201 through 502, 24-80.1-102 through 109, and 44-30-1201, C.R.S.

REQUEST: The Department requests an appropriation of \$2,335,300 total funds, including \$2,218,958 cash funds (limited gaming revenue deposited to the Museum Operations and Preservation Account of the State Historical Fund) and \$116,342 federal funds, and 12.0 FTE. The request includes an increase of \$76,115 cash funds for the Statewide operating expenses inflation request.

RECOMMENDATION: The staff recommendation is reflected in the table below. The recommendation does not include the operating expense inflation request, consistent with Committee common policy.

HISTORY COLORADO, CENTRAL ADMINISTRATION, CENTRAL ADMINISTRATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$2,259,185	\$0	\$2,142,843	\$0	\$116,342	12.0
TOTAL	\$2,259,185	\$0	\$2,142,843	\$0	\$116,342	12.0
FY 2023-24 RECOMMENDED APPROPRIATION						

HISTORY COLORADO, CENTRAL ADMINISTRATION, CENTRAL ADMINISTRATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 Appropriation	\$2,259,185	\$0	\$2,142,843	\$0	\$116,342	12.0
NP BA Operating expense inflation	0	0		0	0	0.0
TOTAL	\$2,259,185	\$0	\$2,142,843	\$0	\$116,342	12.0
INCREASE/(DECREASE)	\$0	\$0	\$0	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
	\$2,335,300	\$0	\$2,218,958	\$0	\$116,342	12.0
Request Above/(Below) Recommendation	\$76,115	\$0	\$76,115	\$0	\$0	0.0

COLLECTIONS AND CURATORIAL SERVICES

This line item was created in FY 2022-23 to align History Colorado's budget with its internal administrative structure and responsibilities. History Colorado is required by statute to preserve the state's collection of artifacts. The source of cash funds is limited gaming revenue deposited in the Museum and Preservation Operations Account of the State Historical Fund (Operations Account).

STATUTORY AUTHORITY: Sections 24-80-201 through 502, 24-80.1-102 through 109, and 44-30-1201, C.R.S.

REQUEST: The Department requests a continuation of \$1,371,746 cash funds from gaming revenue deposited in the Operations Account, and 16.5 FTE.

RECOMMENDATION: The staff recommendation is reflected in the table below and includes the base funding plus \$35,000 cash funds spending authority from earned revenue, as described above.

HISTORY COLORADO, CENTRAL ADMINISTRATION, COLLECTIONS AND CURATORIAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$1,371,746	\$0	\$1,371,746	\$0	\$0	16.5
TOTAL	\$1,371,746	\$0	\$1,371,746	\$0	\$0	16.5
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$1,371,746	\$0	\$1,371,746	\$0	\$0	16.5
SI History Colorado earned revenue	35,000	0	35,000	0	0	0.0
TOTAL	\$1,406,746	\$0	\$1,406,746	\$0	\$0	16.5
INCREASE/(DECREASE)	\$35,000	\$0	\$35,000	\$0	\$0	0.0
Percentage Change	2.6%	0.0%	2.6%	0.0%	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
	\$1,371,746	\$0	\$1,371,746	\$0	\$0	16.5
Request Above/(Below) Recommendation	(\$35,000)	\$0	(\$35,000)	\$0	\$0	0.0

FACILITIES MANAGEMENT

This line item includes funding for financial oversight and facilities management for all History Colorado facilities throughout the State. This includes budget, accounting, procurement, asset management planning, maintenance, historic preservation, remodeling, controlled maintenance, and capital construction oversight. The source of cash funds is gaming revenues deposited in the Operations Account of the State Historical Fund (Operations Account).

STATUTORY AUTHORITY: Sections 24-80-201 through 502, 24-80.1-102 through 109, and 44-30-1201, C.R.S.

REQUEST: The Department requests a continuation appropriation of \$1,830,385 cash funds, including \$150,000 from the Enterprise Services Cash Fund and \$1,680,385 from gaming revenue deposited in the Operations Account, and 10.0 FTE.

RECOMMENDATION: Staff recommends the request for a continuation appropriation of \$1,830,385 cash funds, including \$150,000 from the Enterprise Services Cash Fund and \$1,680,385 from gaming revenue deposited in the Operations Account, and 10.0 FTE.

HISTORICAL SITE MAINTENANCE AND OPERATIONS

This line item was created in FY 2022-23 to better align History Colorado's budget with its internal administrative structure and responsibilities. The source of cash funds is limited gaming revenue deposited in the Museum and Preservation Operations Account of the State Historical Fund (Operations Account) and the Community Museums Cash Fund, which holds revenue earned by the community museums.

STATUTORY AUTHORITY: Sections 24-80-201 through 502, 24-80.1-102 through 109, and 44-30-1201, C.R.S.

REQUEST: The Department requests a continuation appropriation of \$727,844 cash funds and 5.0 FTE, including \$427,844 from the Operations Account and \$300,000 from the Community Museums Cash Fund.

RECOMMENDATION: Staff recommends the request for a continuation appropriation of \$727,844 cash funds and 5.0 FTE, including \$427,844 from the Operations Account and \$300,000 from the Community Museums Cash Fund.

AMERICA 250 – COLORADO 150 COMMISSION

Senate Bill 22-011 created the America 250-Colorado 150 Commission to develop programs and plan for the official observance of the 250th anniversary of the founding of the United States and the 150th anniversary of Colorado statehood. The Commission is directed to develop and promote plans for related activities between July 1, 2025 and December 31, 2026.

STATUTORY AUTHORITY: Section 24-80-215, C.R.S.

REQUEST: The Department requests \$151,493 General Fund and 1.0 FTE, which includes an increase of \$2,604 and 0.1 FTE to annualize the impact of S.B. 22-011.

RECOMMENDATION: Staff recommends \$151,503 General Fund and 1.0 FTE, which includes an increase of \$2,614 and 0.1 FTE to annualize the impact of S.B. 22-011. The additional \$10 in the staff recommendation ensures that the FY 2023-24 appropriation aligns with the FY 2023-24 amount in the fiscal note.

LEASE PURCHASE OF COLORADO HISTORY MUSEUM

Senate Bill 08-206 authorized the State to enter into lease-purchase agreements for both a new state justice center and a new Colorado state museum. For the history museum, the bill authorized lease purchase (certificate of participation/COP) payments from FY 2011-12 through July 1, 2045 in an annual amount not to exceed \$4,998,000. The bill's fiscal note estimated \$84,000,000 to be financed through COPs out of the \$113.0 million project budget. The museum was financed with a combination of \$25.0 million transferred from the Judicial Branch and money from the State Historical Fund from the "minority share" now known as the Operations Account of the State Historical Fund. The financing included \$11.0 million in up-front transfers from the State Historical Fund and ongoing COP payments from this source. These COP payments strained History Colorado's resources, and the General Assembly authorized the use of other funds to make lease purchase payments through H.B. 20-1365. It then appropriated General Fund to support the COP payments beginning in FY 2021-22. COP payments grew to \$3,525,209 in FY 2021-2022 and *are scheduled to grow to \$3,827,364 in FY 2026-27, \$4,028,812 million in FY 2031-2032, \$4,532,410 in FY 2036-2037, and \$4,998,000 in FY 2039-40, with the final payment in FY 2044-45.*

STATUTORY AUTHORITY: Section 44-30-1201(5)(d), C.R.S.

REQUEST: The request is for a continuation of \$3,525,209 General Fund.

RECOMMENDATION: **Staff recommends the request for continuation funding of \$3,525,209 General Fund.** The amount is consistent with the COP payment schedule and Committee intent expressed in FY 2021-22.

HISTORY COLORADO STRATEGIC PLAN INITIATIVES

Senate Bill 22-216 (Reallocation of Limited Gaming Tax Revenues) included a provision to deposit \$3,000,000 into a new State Historical Society Strategic Initiatives Fund. The transfer was from limited gaming funds that would otherwise have gone to the General Fund. The Strategic Initiatives Fund is to be used "for programs and activities that strengthen the [historical] society's financial position and expand its impact on the people of the state." History Colorado received spending authority for the first \$1,500,000 in FY 2022-23.

STATUTORY AUTHORITY: Section 24-80-217, C.R.S.

REQUEST: Through Request HC1, History Colorado requests \$1,500,000 spending authority for this line item from the State Historical Society Strategic Initiatives Fund.

RECOMMENDATION: As reflected in the table below and discussed previously, staff recommends the request.

HISTORY COLORADO, CENTRAL ADMINISTRATION, HISTORY COLORADO STRATEGIC PLAN INITIATIVES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$1,500,000	\$0	\$1,500,000	\$0	\$0	0.0
TOTAL	\$1,500,000	\$0	\$1,500,000	\$0	\$0	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$1,500,000	\$0	\$1,500,000	\$0	\$0	0.0
HC1 History Colorado strategic initiatives	1,500,000	0	1,500,000	0	0	0.0
Annualize prior year legislation	(1,500,000)	0	(1,500,000)	0	0	0.0
TOTAL	\$1,500,000	\$0	\$1,500,000	\$0	\$0	0.0
INCREASE/(DECREASE)	\$0	\$0	\$0	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

(B) HISTORY COLORADO MUSEUMS

HISTORY COLORADO CENTER

This line item funds the staff for the History Colorado Center in Denver and associated operating expenses. The function of the line item was narrowed in FY 2022-23, and costs associated with collections and curatorial services and statewide programming were moved to other line items. The sources of cash funds are gaming revenues deposited in the in the Operations Account of the State Historical Fund (Operations Account) and museum admission fees, user charges, and other earned revenue deposited to the Enterprise Services Fund. Reappropriated funds are from indirect cost recoveries from the State Historical Fund program.

STATUTORY AUTHORITY: Sections 24-80-201 through 502, 24-80.1-102 through 109, and 44-30-1201, C.R.S.

REQUEST: The Department requests an appropriation of \$1,257,265 total funds, including \$854,276 cash funds (\$545,580 from the Enterprise Services Cash Fund and \$308,696 from the Operations Account), \$325,000 reappropriated funds, and \$77,989 federal funds, and 7.0 FTE. The request includes an increase of \$203,472 cash funds from the Operations Account to annualize prior year salary survey.

RECOMMENDATION: Staff recommends the request, as reflected in the table below.

HISTORY COLORADO, HISTORY COLORADO MUSEUMS, HISTORY COLORADO CENTER						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$1,053,793	\$0	\$650,804	\$325,000	\$77,989	7.0
TOTAL	\$1,053,793	\$0	\$650,804	\$325,000	\$77,989	7.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$1,053,793	\$0	\$650,804	\$325,000	\$77,989	7.0
Annualize prior year budget actions	203,472	0	203,472	0	0	0.0
TOTAL	\$1,257,265	\$0	\$854,276	\$325,000	\$77,989	7.0
INCREASE/(DECREASE)	\$203,472	\$0	\$203,472	\$0	\$0	0.0
Percentage Change	19.3%	0.0%	31.3%	0.0%	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

COMMUNITY MUSEUMS

This line item funds the staff and associated operating expenses for regional museums and facilities across the state: the El Pueblo Center, Ute Indian Museum, Trinidad History Museum, Fort Garland, the Byers-Evans House, Healy House/Dexter Cabin, the Grant-Humphreys Mansion, and the Georgetown Loop railroad. The sources of cash funds are gaming revenues deposited in the in the Museum and Preservation Operations Account of the State Historical Fund (Operations Account) and amounts in the Community Museums Cash Fund, which receives earned revenue from museum admission charges, gift shop revenue, and user fees at the community museums. This line item also receives General Fund support.

STATUTORY AUTHORITY: Sections 24-80-201 through 502, 24-80.1-102 through 109, and 44-30-1201, C.R.S.

REQUEST: The Department requests an appropriation of \$2,951,334 total funds, including \$1,187,308 General Fund, \$1,761,023 cash funds (\$932,596 from the Operations Account and \$828,427 from the Community Museums Cash Fund), and \$3,003 federal funds, and 19.0 FTE. This includes an increase of \$122,932 General Fund to annualize prior year salary survey.

RECOMMENDATION: Staff recommends the request, as reflected in the table below.

HISTORY COLORADO, HISTORY COLORADO MUSEUMS, COMMUNITY MUSEUMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$2,828,402	\$1,064,376	\$1,761,023	\$0	\$3,003	19.0
TOTAL	\$2,828,402	\$1,064,376	\$1,761,023	\$0	\$3,003	19.0

HISTORY COLORADO, HISTORY COLORADO MUSEUMS, COMMUNITY MUSEUMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$2,828,402	\$1,064,376	\$1,761,023	\$0	\$3,003	19.0
Annualize prior year budget actions	122,932	122,932	0	0	0	0.0
TOTAL	\$2,951,334	\$1,187,308	\$1,761,023	\$0	\$3,003	19.0
INCREASE/(DECREASE)	\$122,932	\$122,932	\$0	\$0	\$0	0.0
Percentage Change	4.3%	11.5%	0.0%	0.0%	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

STATEWIDE PROGRAMMING

This line item was added in FY 2022-23 to better align its budget with its internal administrative structure and responsibilities. The cash funds include limited gaming revenue deposited in the Museum and Preservation Operations Account of the State Historical Fund (Operations Account).

STATUTORY AUTHORITY: Sections 24-80-201 through 502, 24-80.1-102 through 109, and 44-30-1201, C.R.S.

REQUEST: The Department requests a continuation appropriation of \$4,485,31 cash funds from the Operations Account and 34.5 FTE.

RECOMMENDATION: Staff recommends the Department's request for a continuation appropriation of \$4,485,31 cash funds from the Operations Account and 34.5 FTE.

(C) OFFICE OF ARCHEOLOGY AND HISTORIC PRESERVATION

PROGRAM COSTS

The Office of Archeology and Historic Preservation documents, studies and protects Colorado's historic places, fulfilling statutory responsibilities assigned to the State Archaeologist and the State Historic Preservation Officer to raise public appreciation of cultural resources. This includes encouraging study of the state's archeological resources, coordinating with federal and state agencies regarding the effects of their actions on historic properties, and preservation planning including designating sites to the State Register of Historic Properties and National Register of Historic Places. This office is also responsible for promulgating rules and other activities related to the issuance of tax credits for costs incurred in the preservation of historic structures. The sources of cash funds are gaming revenues deposited in the in the Operations Account of the State Historical Fund (Operations Account) and user charges and other earned revenue deposited to the Enterprise Services Fund. Reappropriated funds are transferred from the Governor's Office of Economic Development and International Trade for administrative responsibilities related to historic preservation tax credits.

STATUTORY AUTHORITY: Sections 24-80-201 through 502, 24-80.1-102 through 109, 44-30-1201, and 39-22-514, C.R.S.

REQUEST: The Department requests an appropriation of \$1,826,938 total funds, including \$918,388 cash funds (\$858,388 from the Operations Account and \$60,000 from the Enterprise Services Fund), \$97,283 reappropriated funds transferred from the Governor’s Office, and \$811,267 federal funds, and 23.0 FTE. The request includes an increase of \$22,861 federal funds to annualize prior year salary.

RECOMMENDATION: Staff recommends the request, as reflected in the table below.

HISTORY COLORADO, OFFICE OF ARCHEOLOGY AND HISTORIC PRESERVATION, PROGRAM COSTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$1,804,077	\$0	\$918,388	\$97,283	\$788,406	23.0
TOTAL	\$1,804,077	\$0	\$918,388	\$97,283	\$788,406	23.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$1,804,077	\$0	\$918,388	\$97,283	\$788,406	23.0
Annualize prior year budget actions	22,861	0	0	0	22,861	0.0
TOTAL	\$1,826,938	\$0	\$918,388	\$97,283	\$811,267	23.0
INCREASE/(DECREASE)	\$22,861	\$0	\$0	\$0	\$22,861	0.0
Percentage Change	1.3%	0.0%	0.0%	0.0%	2.9%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

NATIVE AMERICAN BOARDING SCHOOL RESEARCH PROGRAM

House Bill. 22-1327 (Native American Boarding School Research) included a one-time appropriation of \$618,611 General Fund and 1.0 FTE to History Colorado for FY 2022-23 to research and make recommendations to promote Coloradans' understanding of the physical and emotional abuse and deaths that occurred at federal Indian boarding schools in Colorado.

REQUEST/RECOMMENDATION: This was a one-time appropriation. History Colorado does not request, and staff does not recommend, an appropriation for FY 2023-24.

(D) STATE HISTORICAL FUND PROGRAM

The State Historical Fund was created by voters through the passage of the 1990 constitutional amendment legalizing limited stakes gaming in Black Hawk, Central City, and Cripple Creek. The amendment requires 28 percent of tax revenue generated be used for historic preservation efforts. This section includes funding for a statewide preservation grant program supported with gaming revenue and funding for a direct distribution for historic preservation to gaming cities, as required by the Constitution.

ADMINISTRATION

The majority of the revenue generated from gaming is to be used for the preservation and restoration of historical sites and municipalities throughout the state. The Historical Society has statutory authority to expend some of these funds to cover the reasonable costs of administration, subject to appropriation by the General Assembly. The source of cash funds is gaming revenues deposited in the Preservation and Grant Programs Account of the State Historical Fund (Preservation Grant Program Account).

STATUTORY AUTHORITY: Sections 24-80-201 through 502, 24-80.1-102 through 109, and 44-30-1201, C.R.S.

REQUEST: The Department requests a continuation appropriation of \$1,767,493 cash funds from the Preservation Grant Program Account and 17.0 FTE.

RECOMMENDATION: Staff recommends the request for a continuation appropriation of \$1,767,493 cash funds from the Preservation Grant Program Account and 17.0 FTE.

GRANTS

The majority of the revenue generated from gaming is to be used for the preservation and restoration of historical sites and municipalities throughout the state. These funds are distributed as grants statewide. Funding is from the “majority share” of gaming revenue deposited to the State Historical Fund (50.1 percent of State Historical Fund revenue, excluding the 20.0 percent distribution to gaming cities). The source of cash funds is gaming revenues deposited in the Preservation Grant Programs Account of the State Historical Fund (Preservation Grant Program Account). Amounts distributed as grants are continuously appropriated to History Colorado.

STATUTORY AUTHORITY: Sections 24-80-201 through 502, 24-80.1-102 through 109, and 44-30-1201, C.R.S.

REQUEST: The request is for a continuation amount of \$8,690,000 cash funds shown for informational purposes. This is a rough estimate of new grants to be made available during the year.

RECOMMENDATION: As discussed above and reflected in the table below, the staff recommendation increases the amount in this line item to \$9,000,000 cash funds, representing a rough estimate of new grants to be made available during the year, based on the revenue available for Statewide Preservation Grants. This amount is shown in the Long Bill for informational purposes only.

HISTORY COLORADO, STATE HISTORICAL FUND PROGRAM, GRANTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$8,690,000	\$0	\$8,690,000	\$0	\$0	0.0
TOTAL	\$8,690,000	\$0	\$8,690,000	\$0	\$0	0.0

HISTORY COLORADO, STATE HISTORICAL FUND PROGRAM, GRANTS

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$8,690,000	\$0	\$8,690,000	\$0	\$0	0.0
SI History Colorado informational funds	310,000	0	310,000	0	0	0.0
TOTAL	\$9,000,000	\$0	\$9,000,000	\$0	\$0	0.0
INCREASE/(DECREASE)	\$310,000	\$0	\$310,000	\$0	\$0	0.0
Percentage Change	3.6%	0.0%	3.6%	0.0%	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	(\$310,000)	\$0	(\$310,000)	\$0	\$0	0.0

GAMING CITIES DISTRIBUTION

Twenty percent of revenue generated from gaming and deposited to the State Historical Fund is returned to the gaming cities, pursuant to the state Constitution. Section 44-30-1201, C.R.S., establishes standards for the use and administration of the funds by the gaming cities to ensure that expenditures are used as intended for historic restoration and preservation.

STATUTORY AUTHORITY: Sections 44-30-1201 and 1202, C.R.S.

REQUEST: History Colorado requests a continuing appropriation of \$5,500,000 cash funds for this line item, which represents the anticipated gaming revenue to be allocated to the State Historical Fund and the share allocated to gaming cities based on constitutional provisions.

RECOMMENDATION: This line item is continuously appropriated based on Constitutional provisions, so the amount shown does not affect spending. However, as previously discussed, the Staff recommendation adjusts the amount shown to reflect the distribution made in August 2022.

HISTORY COLORADO, STATE HISTORICAL FUND PROGRAM, GAMING CITIES DISTRIBUTION

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$5,500,000	\$0	\$5,500,000	\$0	\$0	0.0
TOTAL	\$5,500,000	\$0	\$5,500,000	\$0	\$0	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$5,500,000	\$0	\$5,500,000	\$0	\$0	0.0
SI History Colorado informational funds	200,000	0	200,000	0	0	0.0
TOTAL	\$5,700,000	\$0	\$5,700,000	\$0	\$0	0.0
INCREASE/(DECREASE)	\$200,000	\$0	\$200,000	\$0	\$0	0.0
Percentage Change	3.6%	0.0%	3.6%	0.0%	0.0%	0.0%

HISTORY COLORADO, STATE HISTORICAL FUND PROGRAM, GAMING CITIES DISTRIBUTION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 EXECUTIVE REQUEST	\$5,500,000	\$0	\$5,500,000	\$0	\$0	0.0
Request Above/(Below) Recommendation	(\$200,000)	\$0	(\$200,000)	\$0	\$0	0.0

INDIRECT COST ASSESSMENTS FOR HISTORY COLORADO ADMINISTRATION

History Colorado maintains an indirect cost collection plan to ensure that the State Historical Fund Program, which receives 50.1 percent of gaming revenue, contributes an appropriate share to central overhead and facilities maintenance costs. Through FY 2019-20, the associated revenue was deposited and spent from the Enterprise Services (earned revenue) Fund. Beginning in FY 2020-21, collections are reflected in this line item and reappropriated to the History Colorado Center line item.

STATUTORY AUTHORITY: Section 44-30-1201, C.R.S.

REQUEST: History Colorado requested continuation of \$325,000 cash funds for this line item.

RECOMMENDATION: **Staff recommends continuation funding of \$325,000 cash funds,** as requested.

(E) CUMBRES-TOLTEC RAILROAD COMMISSION

This line item funds the state's portion of a cooperative agreement with New Mexico to operate the Cumbres and Toltec Scenic Railroad, pursuant to Section 24-60-1901, C.R.S. The Cumbres and Toltec Railroad is jointly owned by the State of New Mexico and the State of Colorado. The 64-mile track represents the last remaining portion of an 1880 Denver and Rio Grande line from Alamosa to Durango that was called the San Juan Extension. In 1970 Colorado and New Mexico jointly purchased the portion of track between the small towns of Antonito, Colorado and Chama, New Mexico before it was ripped up by the Denver and Rio Grande.

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

The railroad has undergone a variety of management changes but is now successfully operated by an LLC formed by the Railroad Commission.

Until the pandemic, the Railroad was carrying approximately 40,000 passengers per year over its 5 month summer operating season. It was also working toward becoming fully self-sufficient, and was expecting that it would no longer require capital support from the State by FY 2023-24. Due to the impact of the pandemic on tourism, self-sufficiency has been delayed. The railroad now projects self-sustainability in 2028. Earned revenue plummeted during the pandemic, and funding from Colorado

and New Mexico was curtailed. Funding was subsequently restored by both states, with New Mexico providing an additional infusion of \$3.0 million in ARPA funds in FY 2022-23, but the Railroad indicates that it will take time to rebuild workforce, ridership, and revenue. Its current capital investment model reflects a reduced need for support from Colorado beginning in FY 2024-25 and capital support ending in FY 2027-28, although ongoing support is assumed for Commission Operations of approximately \$250,000 per year.

C&TS Capital Investment Model (02/28/2023)											
	Actuals		Upgrade Phase Projections				Recovery Phase Projections				
	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28
<i>Number of Riders</i>	40,578	41,870	38,760	16,687	31,217	34,025	37,250	44,363	46,138	47,983	50,130
Train Operations	[-----000-----]										
Train Operations Revenues	[-----000-----]										
Ticket Revenues	\$4,239	\$4,754	\$4,015	\$2,184	\$4,007	\$4,636	\$5,214	\$5,606	\$6,034	\$6,462	\$6,918
Retail Sales (gross)	\$443	\$458	\$390	\$194	\$368	\$470	\$512	\$553	\$587	\$617	\$648
Interest/Other Rev	\$28	\$27	\$25	\$74	\$1,155	\$70	\$93	\$96	\$99	\$101	\$105
Total Revenue	\$4,710	\$5,239	\$4,430	\$2,452	\$5,530	\$5,176	\$5,819	\$6,255	\$6,720	\$7,180	\$7,671
Less Operating Expenses	\$4,222	\$4,704	\$4,250	\$3,118	\$4,659	\$5,118	\$5,596	\$5,764	\$5,952	\$6,057	\$6,176
Net Operating Income	\$488	\$535	\$180	-\$666	\$871	\$58	\$223	\$491	\$768	\$1,123	\$1,495
Contingency Fund Alloc. 20%	\$98	\$107	\$36	\$0	\$12	\$12	\$45	\$98	\$0	\$0	\$0
Net After Contingency	\$390	\$428	\$144	-\$666	\$859	\$46	\$178	\$393	\$768	\$1,123	\$1,495
Capital Investments	[-----000-----]										
Capital Funding Allocations	[-----000-----]										
Track	\$500	\$900	\$650	\$425	\$900	\$1,015	\$765	\$764	\$550	\$525	\$500
Locomotive Fleet	\$250	\$450	\$550	\$310	\$450	\$1,460	\$460	\$460	\$550	\$650	\$550
Passenger Cars	\$146	\$220	\$625	\$175	\$375	\$1,595	\$1,035	\$995	\$713	\$413	\$213
Historic Car Fleet	\$200	\$200	\$171	\$271	\$225	\$175	\$50	\$50	\$50	\$50	\$50
Structures/Others	\$0	\$14	\$0	\$0	\$48	\$75	\$100	\$100	\$308	\$175	\$205
	\$1,096	\$1,784	\$1,996	\$1,181	\$1,998	\$4,320	\$2,410	\$2,369	\$2,171	\$1,813	\$1,518
Funded from Operations	\$390	\$428	\$144	-\$666	\$859	\$46	\$178	\$393	\$768	\$1,123	\$1,495
Net Capital Needs	\$706	\$1,356	\$1,852	\$1,847	\$1,139	\$4,274	\$2,232	\$1,976	\$1,403	\$690	\$23
Capital Outlays	[-----000-----]										
	[-----Appropriated-----]		[-----Projected Requests-----]								
Colorado	\$1,096	\$1,091	\$1,250	\$0	\$850	\$1,125	\$1,125	\$1,073	\$700	\$350	\$0
New Mexico	\$0	\$750	\$1,000	\$1,000	\$1,100	\$4,474	\$1,100	\$1,100	\$700	\$350	\$0
Balance	\$390	\$485	\$398	-\$847	\$811	\$1,325	-\$7	\$197	-\$3	\$10	-\$23

REQUEST: The Executive Branch requests continuation of \$1,365,000 General Fund for this line item and \$4,482,800 informational cash funds consisting primarily of \$4,462,800 from the State of New Mexico

RECOMMENDATION: Staff recommends the request for a continuation of \$1,365,000 General Fund, which, as reflected in Long Bill footnote 42a, includes \$240,000 General Fund for annual Commission

operating expenses and \$1,125,000 for capital projects. As specified in the footnote, funding for the capital projects is not assumed to continue after FY 2024-25.

As discussed above, Staff also recommends reducing the cash funds amount shown for informational purposes from the State of New Mexico by \$3,000,000 to \$1,462,800 for FY 2023-24, including \$1,100,000 for capital support and \$362,800 for Commission operations, based on information from the Commission about anticipated New Mexico appropriations for FY 2023-24. Finally, as reflected at the end of this packet, staff recommends continuing, with modifications, Footnote 42a. This footnote allows for roll-forward of capital-related appropriations and reflects the General Assembly's expectations related to the use of the Colorado appropriation.

HISTORY COLORADO, CUMBRES AND TOLTEC RAILROAD COMMISSION, CUMBRES AND TOLTEC RAILROAD COMMISSION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
FY 2022-23 Appropriation	\$5,847,800	\$1,365,000	\$4,482,800	\$0	\$0	0.0
TOTAL	\$5,847,800	\$1,365,000	\$4,482,800	\$0	\$0	0.0
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$5,847,800	\$1,365,000	\$4,482,800	\$0	\$0	0.0
SI History Colorado informational funds	(3,000,000)	0	(3,000,000)	0	0	0.0
TOTAL	\$2,847,800	\$1,365,000	\$1,482,800	\$0	\$0	0.0
INCREASE/(DECREASE)	(\$3,000,000)	\$0	(\$3,000,000)	\$0	\$0	0.0
Percentage Change	(51.3%)	0.0%	(66.9%)	0.0%	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$3,000,000	\$0	\$3,000,000	\$0	\$0	0.0

LINE ITEMS INCLUDED IN NUMBERS PAGES DUE TO PRIOR YEAR APPROPRIATIONS

HISTORY COLORADO SUSTAINABILITY

This line item was added in FY 2020-21 to help address financial challenges resulting from the COVID-19 pandemic. Funding of \$1,000,000 General Fund was provided for two years: FY 2020-21 and FY 2021-22.

STATUTORY AUTHORITY: Sections 24-80-201 through 502, 24-80.1-102 through 109, and 44-30-1201, C.R.S.

REQUEST/RECOMMENDATION: The Department did not request, and staff does not recommend, funding for this line item.

LONG BILL FOOTNOTES AND REQUESTS FOR INFORMATION

LONG BILL FOOTNOTES

FOOTNOTES TO BE CONTINUED – OTHER THAN TUITION FOOTNOTES

Staff recommends **continuing the following footnotes or continuing with modifications to years and amounts.** However, the changes to highlighted amounts may be further refined based on Committee figure setting decisions.

- 33 Department of Health Care Policy and Financing, Grand Totals; Department of Higher Education, College Opportunity Fund Program, Fee-for-service Contracts with State Institutions, Fee-for-service Contracts with State Institutions for Specialty Education Programs; and Governing Boards, Regents of the University of Colorado -- The Department of Higher Education shall transfer \$800,000 to the Department of Health Care Policy and Financing for administrative costs and family medicine residency placements associated with care provided by the faculty of the health sciences center campus at the University of Colorado that are eligible for payment pursuant to Section 25.5-4-401, C.R.S. If the federal Centers for Medicare and Medicaid services continues to allow the Department of Health Care Policy and Financing to make supplemental payments to the University of Colorado School of Medicine, the Department of Higher Education shall transfer the amount approved, up to **\$84,874,594**, to the Department of Health Care Policy and Financing pursuant to Section 23-18-304(1)(c), C.R.S. If permission is discontinued, or is granted for a lesser amount, the Department of Higher Education shall transfer any portion of the **\$84,874,594** that is not transferred to the Department of Health Care Policy and Financing to the Regents of the University of Colorado.

COMMENT: A version of this footnote has appeared in the Long Bill since FY 2017-18. It enables the University of Colorado to draw down additional federal Medicaid matching funds to raise payments to doctors for clinical services offered by University of Colorado School of Medicine faculty, to support family medicine residency placements, related administrative costs, and a range of services that are based on a memorandum of understanding between the University of Colorado and the Department of Health Care Policy and Financing. Prior to FY 2020-21, this authority was limited to the amount transferred from the Department of Higher Education. In FY 2020-21, when state revenues and higher education appropriations declined, the amount available from the transfer was enhanced by an intergovernmental transfer.

- 35 Department of Higher Education, Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Special Purpose, Institute of Cannabis Research Hosted at CSU - Pueblo -- Of the appropriation in this line item, \$500,000 remains available until the close of the ~~2023-24~~ 2024-25 fiscal year.

COMMENT: This footnote was first added in the FY 2021-22 Long Bill based on information from the institute indicating that it routinely faces a technical problem with spending for research, because research projects often extend beyond a year or may be temporarily delayed by any number of

intervening factors. The institute noted that the federal National Institutes of Health allows roll-forward of up to 25.0 percent of research grants with little additional inquiry.

- 36 Department of Higher Education, Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Tuition/Enrollment Contingency -- The Colorado Commission on Higher Education may transfer spending authority from this line item to the Governing Boards if tuition revenue increases beyond appropriated levels. The spending authority for this line item is in addition to the funds appropriated directly to the Governing Boards. It is the General Assembly's intent that the Colorado Commission on Higher Education transfer spending authority from this line item to allow institutions to receive and expend tuition revenue beyond appropriated levels that results from higher than expected enrollment and not to support tuition increases that exceed the assumptions outlined in the footnotes for each governing board.

COMMENT: This footnote, which is attached to a \$75.0 million cash funds line item, is associated with the General Assembly's authority to appropriate tuition. The legislative authority to appropriate tuition enables the General Assembly to limit tuition increases. This line item and footnote limits the risk of an unintended consequence in which spending authority is restricted based on an institution's enrollment, rather than a tuition rate that exceeds the amount approved by the General Assembly. Versions of this footnote have been included in many Long Bills. Between FY 2010-11 and FY 2015-16 the General Assembly suspended statutory provisions that authorized the General Assembly to appropriate tuition. The suspension was then allowed to lapse, and this footnote was included in the FY 2016-17 Long Bill and has been included in the Long Bill since that time.

- 37 Department of Higher Education, Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Indirect Cost Assessments -- The intent of this change is to eliminate a double-count of revenue under which the Department disburses funds to the institutions and then counts indirect cost assessments received from the institutions as revenue to the State's TABOR district. This change is expected to enable the State to retain an additional ~~\$7,321,029~~ \$4,722,632 in General Fund revenue under the State's Referendum C cap.

COMMENT: This footnote was included, with supplemental modifications, for FY 2022-23. Staff recommends continuation, as modified, for one additional year.

- 38 Department of Higher Education, Colorado Commission on Higher Education Financial Aid, Work Study - Two percent of the Work Study appropriation remains available for expenditure until the close of the 2023-24 state fiscal year.

COMMENT: This footnote has been included in the Long Bill for at least 10 years. It provides flexibility for the Department to roll forward work-study funds because employment by some students in the summer of the academic year may occur in the next state fiscal year.

Staff will recommend modifying OR **discontinuing** the following footnote depending upon the amount of funding the Committee approves for the boards. If the Committee approves the staff funding recommendation/Governor's request, this footnote should be discontinued.

- 34 Department of Higher Education, Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Administration; College Opportunity Fund Program Fee-for-service Contracts with State Institutions; Governing Boards; Local District College Grants Pursuant to Section 23-71-301, C.R.S.; and Division of Occupational Education, Area Technical Colleges -- Of the total funding allocated to the Higher Education institutions for FY 2022-23, \$50,000,000 allocated to institutions is based on institutions' share of first generation, underrepresented minority, and Pell-eligible students in FY 2019-20 and their improvement in retaining underrepresented minority students in FY 2019-20 compared to prior years. It is the General Assembly's intent that this funding be used to prioritize retention of first generation, underrepresented minority, and low income students in FY 2022-23 and future years consistent with the goals of Colorado's Higher Education Master Plan, including the development, enhancement, and expansion of programs to recruit and retain such students as well as steps to reduce the cost of higher education through tuition rate freezes, reductions, and need-based scholarships for Colorado resident students.

COMMENT: This footnote was first added in the FY 2021-22 Long Bill, associated with a funding increase provided under the new higher education funding model that took effect in FY 2021-22. Information about how the funds distributed were used was incorporated into an associated JBC request for information.

- 42 Department of Higher Education, History Colorado, Central Administration; History Colorado Museums; and Office of Archaeology and Historic Preservation -- In addition to the transfer authority provided in Section 24-75-108, C.R.S., History Colorado may transfer up to 10.0 percent of the total amount appropriated in these sections between the sections and among the line items within the sections.

COMMENT: This footnote added flexibility in the History Colorado budget starting in FY 2015-16, associated with a reorganization at that time. History Colorado has requested that this flexibility continue.

- 42a Department of Higher Education, History Colorado, Cumbres and Toltec Railroad Commission -- The amount in this line item is calculated based on the following assumptions: (1) This line item includes \$240,000 General Fund for annual Commission operating expenses and other routine ongoing costs including controlled maintenance; (2) the balance of the General Fund appropriation, totaling \$1,125,000, is for capital projects including locomotive boiler repair, passenger car upgrades, and track, bridge, and tunnel upgrades; and (3) the General Fund amount above the \$240,000 ongoing operating support is based on an analysis of the Railroad's capital outlay needs over a three year period and is not assumed to continue after FY 2024-25. The amount in this line item for capital projects remains available for expenditure until the close of the ~~2024-25~~ 2025-26 state fiscal year

COMMENT: This footnote explains components in a line item and authorizes roll forward for capital-expenditures.

TUITION FOOTNOTES

Tuition footnotes will follow the following format. However, specifics will be modified for some institutions based on Committee decisions about tuition caps and exceptions.

39 Department of Higher Education, Governing Boards, Trustees of Adams State University, Trustees of Colorado Mesa University, Trustees of Metropolitan State University of Denver, Trustees of Western Colorado University, Board of Governors of the Colorado State University System, Trustees of Fort Lewis College, Regents of the University of Colorado, Colorado School of Mines, University of Northern Colorado, and State Board for Community Colleges and Occupational Education State System Community Colleges -- The amounts in these line items are calculated based on the assumption that no undergraduate student with in-state classification will pay more tuition in ~~FY 2022-23~~ FY 2023-24 than ~~two~~ FOUR percent over what a student would have paid in ~~FY 2021-22~~ FY 2022-23 for the same credit hours and course of study. These amounts are also calculated based on the assumption that each governing board will increase tuition rates for graduate and nonresident students based on its assessment of market conditions. The General Assembly intends to adjust the amounts in these line items through supplemental action during ~~FY 2022-23~~ FY 2023-24 based on updated enrollment estimates and tuition rate information.

FOOTNOTES TO BE DISCONTINUED

39a Department of Higher Education, Governing Boards, Board of Governors of the Colorado State University System -- It is the General Assembly's intent that \$75,000 General Fund in this line item be spent for the Beef Sticks for Backpacks Program.

COMMENT: This program distributes beef sticks into kids backpack programs throughout Colorado. Colorado State University reports that the program has incurred roughly \$115,000 in expenses. The \$75,000 appropriation is on-track to be spent on personnel (administrative professional and hourly student staff) with CSU Ram Country Meats.

39b Department of Higher Education, Governing Boards, Board of Governors of the Colorado State University System -- It is the General Assembly's intent that \$100,000 General Fund in this line item be spent for the AgNext Climate Change Program

COMMENT: The AgNext program works to identify and scale innovations that foster the health of animals and ecosystems while promoting profitable agricultural industries. Colorado State University reports that the program has incurred roughly \$500,000 in expenses. The \$100,000 appropriation is on-track to be spent on personnel dedicated to the program involved in installation of equipment and increasing wifi capacity in a feedlot to get data to enhance the program's capability.

40 Department of Higher Education, Governing Boards, Regents of the University of Colorado -- The amount in this line item is calculated based on the following assumptions. In accordance

with the resident tuition guarantee at the University of Colorado Boulder, each undergraduate resident student with in-state classification who entered in FY 2019-20, FY 2020-21, or FY 2021-22 is assumed to have no increase in tuition through FY 2022-23, FY 2023-24, and FY 2024-25, respectively, for the same credit hours and course of study. A new undergraduate student at the University of Colorado Boulder with in-state classification is assumed to pay no more than 4.3 percent over what a student would have paid in FY 2021-22 for the same credit hours and course of study, except as provided below for students in Natural Sciences and Environmental Design programs, and to pay the same tuition rate through FY 2025-26 so long as the student is continuously enrolled and making academic progress. A new undergraduate student enrolled in Natural Sciences at the University of Colorado Boulder campus is assumed to be assessed tuition at the same rate as a new student enrolled in Engineering, and a new undergraduate student enrolled in Environmental Design at the University of Boulder campus is assumed to be assessed tuition at the same rate as a new student enrolled in Media, Communication, and Information. The amount in this line item is also calculated based on the assumption that no undergraduate student with in-state classification enrolled at the University of Colorado Denver or the University of Colorado Colorado Springs will pay more in tuition in FY 2022-23 than two percent over what a student would have paid in FY 2021-22 for the same credit hours and course of study; except that mandatory student fees of up to a total of \$420 for 30 credit hours at the University of Colorado Denver and \$240 for 30 credit hours at the University of Colorado Colorado Springs may be incorporated into resident tuition rates, with no resulting effective combined tuition and mandatory fee increase to any student, and any incorporated fees shall never be reestablished as a student fee. This amount is also calculated based on the assumption that each governing board will increase tuition rates for graduate and nonresident students based on its assessment of market conditions. The General Assembly intends to adjust the amount in this line item through supplemental action during FY 2022-23 based on updated enrollment estimates and tuition rate information.

COMMENT: The above details provided for exceptions to common policy for one year for the CU system.

41 Department of Higher Education, Governing Boards, Trustees of the Colorado School of Mines -- The cash funds appropriation from tuition in this line item is for informational purposes only. Pursuant to the provisions of Section 23-41-104.6 (5)(c), C.R.S., the Board of Trustees has authority to establish resident and non-resident tuition rates for the Colorado School of Mines. The General Assembly intends to adjust the amount in this line item through supplemental action during FY 2022-23 based on updated enrollment estimates and tuition rate information.

COMMENT: The Colorado School of Mines was previously treated as not subject to tuition appropriations. Under current law, this ends in FY 2023-24.

REQUESTS FOR INFORMATION

NEW REQUESTS

- N Department of Higher Education, Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Administration; Governing Boards; and Auraria Higher Education Center – The Department is requested to convene representatives of the Auraria Higher Education Center and higher education institutions operating on the Auraria campus, in consultation with the Attorney General, to explore changes to the structure and funding for the Auraria Higher Education Center that would reduce or eliminate the impact to the State’s TABOR district of the current funding structure for the campus. The Department is requested to report on the results of these discussions by November 1, 2023.

REQUESTS TO BE CONTINUED

- 1 Department of Higher Education, Colorado Commission on Higher Education, Administration -- The Department should continue its efforts to provide data on the efficiency and effectiveness of state financial aid in expanding access to higher education for Colorado residents. The Department is requested to provide to the Joint Budget Committee by December 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. The Department is requested to provide more in-depth data on the financial aid awarded at the state's public institutions, by institution. This should include further information on the use of institutional aid, including the extent to which such aid is awarded to residents versus non-residents, for financial need versus merit, and the extent to which merit-based aid is awarded to students who qualify on the basis of need, whether or not the aid was classified as merit-based.

COMMENT: The JBC has requested this information since at least FY 2008-09.

- 2 Department of Higher Education, Colorado Commission on Higher Education, Administration -- The Department is requested to submit a report by November 1 of each year demonstrating that its annual funding request for centrally-appropriated amounts is similar to the amount that would be provided if Department staff were enrolled in state plans. The Department is further requested to submit, as part of the annual request for common policy benefits adjustments, templates that reflect the benefit selection for each member of the Department's staff in a manner that will enable health benefits for these staff to be calculated consistent with common policy. The templates are expected to contain July data on health benefits actually selected by Department staff and relate staff benefit elections to comparable state plan premiums.

COMMENT: A version of this RFI has been requested since FY 2016-17 because the Department's benefit structure differs from that of all other state departments. It has used the Colorado Community

College System's benefits for at least 20 years. The Department submitted the requested report as required. The table below shows this comparison. As can be seen, the Department pays the entire cost of health insurance for employees and families enrolled in some of its plans (Kaiser HMO and Anthem Blue Cross high deductible), which is not an option under any of the state plans. For other Department plans, costs to employees are often higher than state plans. The benefits associated with state and Department plans also differ, although the Department notes that differences in deductibles, copays, and out-of-pocket maximums generally "balance out".

- 3 Department of Higher Education, Colorado Commission on Higher Education, Special Purpose, Tuition/Enrollment Contingency – *[Dates have been updated]* The Department is requested to provide information on the amount of Tuition Enrollment Contingency funds distributed to any governing board and whether the governing board complied with Colorado Commission on Higher Education tuition policy and intended limits on undergraduate rates expressed in Long Bill footnotes. This information, as it applies to actual expenditures in FY 2022-23 should be provided by November 1, 2023, and as it applies to actual expenditures in FY 2023-24 should be provided by November 1, 2024.

COMMENT: This request has been included since FY 2016-17, when the General Assembly again began to appropriate tuition and provide a tuition/enrollment contingency line item. The Department has reported that by May 15, governing boards apply for tuition contingency funding with information on the tuition contingency fund requested, the undergraduate resident tuition rate for the year, the reason for needing additional spending authority, and a variation analysis from the most recent tuition appropriation. Any Board that has complied with the tuition limit in the Long Bill and that does not request more than its proportionate share of tuition contingency funding is automatically approved. If a governing board needs spending authority over their proportionate share, CDHE staff determine if there is spending authority remaining. As a last resort, a June 1331 supplemental may be submitted to the Joint Budget Committee.

- 4 Department of Higher Education, Division of Occupational Education, Area Technical Colleges -- In collaboration with the Area Technical Colleges, the Department is requested to submit a report by November 1, 2023, on the impact of the additional funding of \$1,700,000 General Fund provided for the Area Technical Colleges for FY 2022-23 and FY 2023-24 as of the date the report was submitted.

COMMENT: This request was added in FY 2022-23, based on the addition of \$1.7 million General Fund for two years only. The report is not due until 2023.

REQUEST TO BE MODIFIED

- 2 Department of Higher Education, Colorado Commission on Higher Education, Administration; and Governing Boards -- The Department is requested to coordinate the following annual data submissions to the Joint Budget Committee and Legislative Council Staff to support tuition, fee, and stipend revenue estimates used for appropriations and informational amounts included in the Long Bill.

By November 10, ~~2022~~ 2023 [*other dates below are also updated*]: Submit budget data books for each of the governing boards that provide detail on education and general revenue and expenditures for each institution for the most recent actual year (FY 2022-23) and the current estimate year (FY 2023-24).

- Include estimate-year FY 2023-24 full time equivalent (FTE) enrollment data for resident undergraduate and graduate students and non-resident undergraduate and graduate students, in addition to actual year FY 2022-23 student FTE data. The FY 2023-24 student FTE estimates should be those used to develop the FY 2023-24 revenue and expenditure estimates in the data books.
- Identify actual FY 2022-23 and budgeted FY 2023-24 student FTE eligible for the College Opportunity Fund (COF) stipend in the budget data book submission.
- As part of the submission, the Department is requested to identify actual and estimated expenditures of federal stimulus funds used to support institutional operations. The submission should address: (1) Coronavirus Relief Funds and any other funds allocated through the State; (2) Higher Education Emergency Relief funds allocated directly by the federal government for institutional use; (3) the portion of such funds used for education and general purposes; and, separately, the portion used for other purposes that are not typically reflected in the state budget.
- The Department is requested to provide separately the actual and estimated revenue from mandatory fees using the definitions established by the Department of Higher Education for mandatory fees.

By December 15, 2023: Submit fall 2023 student FTE census data. This should include resident undergraduate and graduate and non-resident undergraduate and graduate FTE figures for each governing board and institutional break-outs for those governing boards that oversee multiple institutions.

By February 15, 2024: Submit revised estimate year FY 2023-24 and request year FY 2024-25 revenue and enrollment data for each governing board, along with the comparable FY 2022-23 actual data for context. Include data at the institutional level for the University of Colorado and Colorado State University Systems.

- For each year, include FTE enrollment and revenue estimates for resident undergraduate and graduate students and non-resident undergraduate and graduate students. The data should clearly separate revenue associated with each of these four categories, where applicable.
- Include annotations explaining assumptions, including tuition and fee rate and enrollment assumptions for the FY 2024-25 request year.
- Consistent with the requirements of Section 23-18-202 (2)(a)(I), C.R.S., also include an update on the number of student FTE estimated to be eligible for COF stipends in FY 2023-24 based on the most recent data available (different from the figures used to establish initial stipend appropriations).
- Include actual and estimated expenditures of federal stimulus funds used to support institutional operations, if applicable, indicating ~~The submission should address: (1) if applicable, Coronavirus Relief Funds and any other funds allocated through the State that were not fully expended prior to FY 2021-22; (2) Higher Education Emergency Relief funds allocated directly by the federal government for institutional use; (3) the portion of such funds~~

used for education and general purposes; and, separately, the portion used for other purposes that are not typically reflected in the state budget.

- Include actual and estimated revenue from mandatory fees using the definitions established by the Department of Higher Education for mandatory fees.

To further improve the quality of the 2024 session forecast, complete additional survey materials to be distributed by Legislative Council Staff addressing:

- Current year incoming, first-time student undergraduate fall resident and nonresident class size (FTE).
- Estimated current year graduating (outgoing) undergraduate resident and nonresident class size (FTE).
- Occurrence of tuition guarantees for current year and out-year and impacted student populations (undergrads and grads, resident and nonresident, and among campuses, as applicable)
- Number of concurrent enrollment students in current year FTE estimate.
Whether concurrent enrollment student tuition is reflected in current year tuition revenue estimates and in the forecast.

COMMENT: A version of this request has been included as a formal RFI since FY 2016-17 although the key elements of the request have been requested from the Department for many more years. The responses include data that is critical for figure setting. Legislative Council Staff has requested some additions for FY 2024-25.

REQUEST TO BE CONTINUED OR DISCONTINUED PENDING OTHER COMMITTEE DECISIONS

- 1 Department of Higher Education, Colorado Commission on Higher Education and Special Purpose Programs, Administration; College Opportunity Fund Program Fee-for-service Contracts with State Institutions; Governing Boards; Local District College Grants Pursuant to Section 23-71-301, C.R.S.; and Division of Occupational Education, Area Technical Colleges -- Of the total funding allocated to the Higher Education institutions for FY 2022-23, \$50,000,000 allocated to institutions is based on institutions' share of first generation, underrepresented minority, and Pell-eligible students in FY 2019-20 and their improvement in retaining underrepresented minority students in FY 2019-20 compared to prior years. The General Assembly has expressed its intent that this funding be used to prioritize retention of first generation, underrepresented minority, and low income students in FY 2022-23 and future years consistent with the goals of Colorado's Higher Education Master Plan. It has indicated that this may include the development, enhancement, and expansion of programs to recruit and retain such students as well as steps to reduce the cost of higher education through tuition rate freezes, reductions, and need-based scholarships for Colorado resident students. The General Assembly anticipates that the Colorado Commission on Higher Education may incorporate conditions in fee-for-service contracts with state institutions and grants with local district colleges and area technical colleges to ensure that the additional \$50.0 million in funding allocated to the institutions is used to supplement and not supplant existing institutional efforts to recruit and retain first generation, underrepresented

minority, and low-income students, including reducing the financial barriers to students pursuing higher education through tuition rate freezes, reductions, and need-based scholarships for Colorado resident students. The Commission is requested to coordinate and submit a report to the Joint Budget Committee by November 1, 2022 that describes how these funds will be used for FY 2022-23 and future years. The institutions are requested to provide the information to the Department by a date and in a format specified by the Department, and the Department is requested to forward this information to the Joint Budget Committee with an executive summary developed by the Department. The report should specifically address the steps institutions will take with these funds to reduce and eliminate the retention rate gap and increase enrollment, and ultimately successful completion, of the targeted student groups.

COMMENT: This RFI was first added in the FY 2021-22 Long Bill, associated with a funding increase provided under the new higher education funding model that took effect in FY 2021-22. The Department submitted a response as requested. Responses from the institutions generally indicated:

- Most institutions are implementing a range of initiatives intended to recruit and retain first generation, underrepresented minority, and low income. This includes both financial aid initiatives and student support initiatives.
- Institutions are not consistently separating out the expenditures for many of these initiatives and tying it to this funding as opposed to other institutional revenue from the State and tuition. Thus, JBC staff believes the responses may be helpful from the perspective of understanding the types of initiatives implemented by institutions, but not necessarily for understanding the costs of these initiatives.

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

Appendix A: Numbers Pages

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
--	----------------------	----------------------	-----------------------------	-----------------------	------------------------------

DEPARTMENT OF HIGHER EDUCATION
Angie Paccione, Executive Director

(1) DEPARTMENT ADMINISTRATIVE OFFICE

re not included in this section. Cash funds are primarily from the State Historical Fund. Reappropriated funds are from indirect cost recoveries.

Health, Life, and Dental	<u>1,182,675</u>	<u>2,229,056</u>	<u>2,529,583</u>	<u>3,290,461</u>	<u>3,039,168</u> *
General Fund	85,156	193,876	357,979	438,767	398,784
Cash Funds	354,075	1,349,702	1,386,746	1,559,830	1,348,318
Reappropriated Funds	339,958	448,564	311,122	457,049	457,049
Federal Funds	403,486	236,914	473,736	834,815	835,017
Short-term Disability	<u>12,186</u>	<u>20,907</u>	<u>24,197</u>	<u>36,754</u>	<u>33,127</u> *
General Fund	1,528	1,627	3,421	9,639	9,089
Cash Funds	3,663	13,046	13,220	14,573	11,659
Reappropriated Funds	3,911	4,292	3,877	5,202	5,118
Federal Funds	3,084	1,942	3,679	7,340	7,261
S.B. 04-257 Amortization Equalization Disbursement	<u>371,868</u>	<u>694,391</u>	<u>702,217</u>	<u>945,375</u>	<u>920,326</u> *
General Fund	48,848	54,911	115,734	161,518	144,270
Cash Funds	116,562	443,336	345,027	417,545	416,785
Reappropriated Funds	115,027	134,794	123,491	153,680	150,852
Federal Funds	91,431	61,350	117,965	212,632	208,419

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
S.B. 06-235 Supplemental Amortization Equalization					
Disbursement	<u>371,868</u>	<u>694,391</u>	<u>702,217</u>	<u>945,375</u>	<u>920,326</u> *
General Fund	48,848	54,911	115,734	161,518	144,270
Cash Funds	116,562	443,336	345,027	417,545	416,785
Reappropriated Funds	115,027	134,794	123,491	153,680	150,852
Federal Funds	91,431	61,350	117,965	212,632	208,419
Salary Survey	<u>0</u>	<u>454,454</u>	<u>567,669</u>	<u>1,789,980</u>	<u>1,537,942</u>
General Fund	0	35,936	148,115	558,687	527,690
Cash Funds	0	290,148	226,814	511,588	484,705
Reappropriated Funds	0	88,219	115,193	271,784	207,868
Federal Funds	0	40,151	77,547	447,921	317,679
PERA Direct Distribution	<u>0</u>	<u>478,077</u>	<u>404,354</u>	<u>77,268</u>	<u>77,268</u> *
General Fund	0	25,556	0	10,314	10,314
Cash Funds	0	233,519	187,201	27,889	27,889
Reappropriated Funds	0	152,559	119,488	17,972	17,972
Federal Funds	0	66,443	97,665	21,093	21,093
Workers' Compensation	<u>59,290</u>	<u>55,914</u>	<u>50,413</u>	<u>41,726</u>	<u>42,199</u>
General Fund	0	0	0	0	0
Cash Funds	37,588	36,117	31,023	24,963	25,246
Reappropriated Funds	21,702	19,797	19,390	16,763	16,953
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
Legal Services	<u>131,281</u>	<u>188,360</u>	<u>151,211</u>	<u>175,565</u>	<u>161,956</u> *
General Fund	0	0	0	0	0
Cash Funds	81,373	123,685	50,897	63,447	58,866
Reappropriated Funds	49,908	64,675	100,314	112,118	103,090
Federal Funds	0	0	0	0	0
Administrative Law Judge Services	<u>0</u>	<u>0</u>	<u>322</u>	<u>29</u>	<u>0</u> *
General Fund	0	0	0	0	0
Cash Funds	0	0	322	29	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Payment to Risk Management and Property Funds	<u>162,244</u>	<u>278,935</u>	<u>321,508</u>	<u>329,833</u>	<u>292,071</u> *
General Fund	0	0	0	0	0
Cash Funds	154,315	259,235	281,825	307,619	271,606
Reappropriated Funds	7,929	19,700	39,683	22,214	20,465
Federal Funds	0	0	0	0	0
Leased Space	<u>424,927</u>	<u>424,927</u>	<u>424,927</u>	<u>463,170</u>	<u>424,927</u> *
General Fund	0	0	0	0	0
Cash Funds	112,960	112,960	112,960	123,126	112,960
Reappropriated Funds	311,967	311,967	311,967	340,044	311,967
Federal Funds	0	0	0	0	0
Payments to OIT	<u>359,245</u>	<u>163,961</u>	<u>458,868</u>	<u>752,239</u>	<u>715,886</u> *
General Fund	85,073	151,167	183,564	269,726	256,108
Cash Funds	215,544	12,794	189,547	354,765	339,749
Reappropriated Funds	58,628	0	85,757	127,748	120,029
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
IT Accessibility	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,227,543</u>	<u>3,227,543</u> *
FTE	0.0	0.0	0.0	14.0	14.0
General Fund	0	0	0	911,188	2,827,543
Cash Funds	0	0	0	2,316,355	400,000
CORE Operations	<u>274,875</u>	<u>237,213</u>	<u>257,323</u>	<u>262,644</u>	<u>169,301</u> *
General Fund	0	0	0	0	0
Cash Funds	106,792	92,160	92,160	87,401	60,635
Reappropriated Funds	168,083	145,053	165,163	175,243	108,666
Federal Funds	0	0	0	0	0
Statewide training	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,541</u>	<u>0</u> *
General Fund	0	0	0	0	0
Cash Funds	0	0	0	2,735	0
Reappropriated Funds	0	0	0	806	0
Federal Funds	0	0	0	0	0
Temporary Employees Related to Authorized Leave	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Reappropriated Funds	0	0	0	0	0
TOTAL - (1) Department Administrative Office	3,350,459	5,920,586	6,594,809	12,341,503	11,562,040
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>14.0</u>	<u>14.0</u>
General Fund	269,453	517,984	924,547	2,521,357	4,318,068
Cash Funds	1,299,434	3,410,038	3,262,769	6,229,410	3,975,203
Reappropriated Funds	1,192,140	1,524,414	1,518,936	1,854,303	1,670,881
Federal Funds	589,432	468,150	888,557	1,736,433	1,597,888

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
--	----------------------	----------------------	-----------------------------	-----------------------	------------------------------

(2) COLORADO COMMISSION ON HIGHER EDUCATION AND HIGHER EDUCATION SPECIAL PURPOSE PROGRAMS

s proprietary institutions, higher education lease purchase payments and capital-related outlays, and a large number of special purpose programs that rely on various funding sources.

(A) Administration

Administration	3,156,620	3,420,396	4,113,797	4,520,604	4,520,604 *
FTE	30.6	30.6	34.0	36.8	36.8
General Fund	0	132,400	3,613,517	734,632	734,632
Cash Funds	39,698	139,545	395,100	202,082	202,082
Reappropriated Funds	3,067,693	3,130,632	105,180	3,583,890	3,583,890
Federal Funds	49,229	17,819	0	0	0
SUBTOTAL - (A) Administration	3,156,620	3,420,396	4,113,797	4,520,604	4,520,604
FTE	<u>30.6</u>	<u>30.6</u>	<u>34.0</u>	<u>36.8</u>	<u>36.8</u>
General Fund	0	132,400	3,613,517	734,632	734,632
Cash Funds	39,698	139,545	395,100	202,082	202,082
Reappropriated Funds	3,067,693	3,130,632	105,180	3,583,890	3,583,890
Federal Funds	49,229	17,819	0	0	0

(B) Division of Private Occupational Schools

Division of Private Occupational Schools	836,310	882,169	1,069,500	1,103,019	1,092,842 *
FTE	10.4	10.4	10.3	10.3	10.3
Cash Funds	836,310	882,169	1,069,500	1,103,019	1,092,842
SUBTOTAL - (B) Division of Private Occupational Schools	836,310	882,169	1,069,500	1,103,019	1,092,842
FTE	<u>10.4</u>	<u>10.4</u>	<u>10.3</u>	<u>10.3</u>	<u>10.3</u>
Cash Funds	836,310	882,169	1,069,500	1,103,019	1,092,842

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
(C) Special Purpose					
Western Interstate Commission for Higher Education (WICHE)	<u>159,000</u>	<u>159,000</u>	<u>164,000</u>	<u>169,000</u>	<u>169,000</u> *
Reappropriated Funds	159,000	159,000	164,000	169,000	169,000
WICHE - Optometry	<u>376,600</u>	<u>376,600</u>	<u>385,500</u>	<u>385,500</u>	<u>385,500</u>
General Fund	0	0	0	0	0
Reappropriated Funds	376,600	376,600	385,500	385,500	385,500
Distribution to Higher Education Competitive Research Authority	<u>1,748,478</u>	<u>990,909</u>	<u>2,800,000</u>	<u>2,800,000</u>	<u>2,800,000</u>
Cash Funds	1,748,478	990,909	2,800,000	2,800,000	2,800,000
Veterinary School Capital Outlay Support	<u>419,232</u>	<u>426,360</u>	<u>285,000</u>	<u>285,000</u>	<u>285,000</u>
Cash Funds	285,000	285,000	143,640	143,640	143,640
Reappropriated Funds	134,232	141,360	141,360	141,360	141,360
Colorado Geological Survey at the Colorado School of Mines	<u>2,735,028</u>	<u>3,210,643</u>	<u>2,295,019</u>	<u>2,326,746</u>	<u>2,411,693</u> *
FTE	15.5	15.5	15.5	15.5	15.5
General Fund	567,208	622,086	634,528	666,255	666,786
Cash Funds	1,744,091	2,061,267	1,660,491	1,660,491	1,744,907
Reappropriated Funds	0	0	0	0	0
Federal Funds	423,729	527,290	0	0	0
Institute of Cannabis Research at CSU-Pueblo	<u>1,195,585</u>	<u>1,559,187</u>	<u>2,800,000</u>	<u>3,939,828 0.9</u>	<u>2,800,000 0.0</u> *
Cash Funds	1,195,585	1,559,187	2,800,000	3,939,828	2,800,000

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
GEAR-UP	<u>6,114,699</u>	<u>5,453,379</u>	<u>5,000,000</u>	<u>5,054,686</u>	<u>5,000,000</u>
FTE	29.1	29.1	29.1	29.1	29.1
Federal Funds	6,114,699	5,453,379	5,000,000	5,054,686	5,000,000
Prosecution Fellowship Program	<u>0</u>	<u>356,496</u>	<u>356,496</u>	<u>356,496</u>	<u>356,496</u>
General Fund	0	356,496	356,496	356,496	356,496
Rural Teacher Recruitment, Retention, and Professional Development	<u>709,175</u>	<u>1,134,729</u>	<u>1,209,357</u>	<u>1,209,357</u>	<u>1,209,357</u>
FTE	0.8	0.8	0.8	0.8	0.8
General Fund	709,175	1,134,729	1,209,357	1,209,357	1,209,357
Open Educational Resources Initiatives	<u>1,331,622</u>	<u>1,110,982</u>	<u>1,108,200</u>	<u>1,108,200</u>	<u>1,108,200</u>
FTE	1.0	1.0	1.0	1.0	1.0
General Fund	1,331,622	1,110,982	1,108,200	1,108,200	1,108,200
Forest Restoration and Wildfire Risk Mitigation Grant Program Cash Fund at Colorado State University	<u>1,000,000</u>	<u>8,000,000</u>	<u>8,000,000</u>	<u>8,000,000</u>	<u>8,000,000</u>
General Fund	1,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Healthy Forests and Vibrant Communities Fund at Colorado State University	<u>0</u>	<u>2,000,000</u>	<u>2,895,407</u>	<u>2,102,655</u>	<u>2,102,655</u>
General Fund	0	2,000,000	2,895,407	2,102,655	2,102,655
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
Colorado Student Leaders Institute Pilot	<u>148,912</u>	<u>275,583</u>	<u>218,825</u>	<u>218,825</u>	<u>218,825</u>
FTE	1.0	0.0	1.0	1.0	0.0
General Fund	148,912	275,583	218,825	218,825	218,825
S.B. 21-185 Strategies for Educator Preparation					
Programs	<u>0</u>	<u>0</u>	<u>59,132</u>	<u>59,132</u>	<u>0</u>
FTE	0.0	0.0	1.0	1.0	0.0
General Fund	0	0	59,132	59,132	0
Financial Aid Assessment Tool	<u>153,911</u>	<u>115,000</u>	<u>474,069</u>	<u>154,069</u>	<u>154,069</u>
FTE	0.5	0.5	1.5	1.5	0.5
General Fund	0	0	320,000	0	0
Reappropriated Funds	153,911	115,000	154,069	154,069	154,069
Growing Great Teachers - Teacher Mentor Grants	<u>0</u>	<u>499,112</u>	<u>548,477</u>	<u>548,477</u>	<u>548,477</u>
FTE	0.0	0.0	0.5	0.5	0.5
General Fund	0	499,112	548,477	548,477	548,477
Center for Substance Use Disorder, Prevention, Treatment, and Recovery Support Strategies at the University of Colorado Health Sciences Center	<u>0</u>	<u>0</u>	<u>4,250,000</u>	<u>4,250,000</u>	<u>4,250,000</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	4,250,000	4,250,000	4,250,000
Online Platform for Public Benefits for Higher Education Students	<u>0</u>	<u>0</u>	<u>171,000</u>	<u>45,000</u>	<u>45,000</u>
General Fund	0	0	171,000	45,000	45,000

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
Inclusive Higher Education Grant Program	<u>0</u>	<u>0</u>	<u>450,000</u>	<u>450,000</u>	<u>450,000</u>
General Fund	0	0	450,000	450,000	450,000
H.B. 22-1366 Financial Aid Toolkit	<u>0</u>	<u>0</u>	<u>680,000</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	2.0	0.0	0.0
General Fund	0	0	680,000	0	0
H.B. 22-1349 Student Success Data System	<u>0</u>	<u>0</u>	<u>3,000,000</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	1.0	0.0	0.0
Cash Funds	0	0	3,000,000	0	0
S.B. 22-192 Allocations to IHEs for Student Access to Nondegree Credential Programs	<u>0</u>	<u>0</u>	<u>1,800,000</u>	<u>0</u>	<u>0</u>
General Fund	0	0	1,800,000	0	0
S.B. 22-192 Appropriation to Credentials to Support Colorado Jobs Cash Fund	<u>0</u>	<u>0</u>	<u>1,000,000</u>	<u>0</u>	<u>0</u>
Cash Funds	0	0	1,000,000	0	0
S.B. 22-192 Development and Implementation of Stackable Credentials	<u>0</u>	<u>0</u>	<u>475,275</u>	<u>475,275</u>	<u>462,875</u>
FTE	0.0	0.0	1.5	1.5	1.5
Cash Funds	0	0	0	0	462,875
Reappropriated Funds	0	0	475,275	475,275	0
H.B. 22-1220 Temporary Educator Loan Forgiveness Program	<u>0</u>	<u>0</u>	<u>10,000,000</u>	<u>0</u>	<u>0</u>
Cash Funds	0	0	10,000,000	0	0

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
Institute of Cannabis Research - Governing Board	<u>0</u>	<u>1,164,773</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Funds	0	1,164,773	0	0	0
H.B. 21-1330 COSI FAFSA Completion Grant					
Program	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
H.B. 21-1330 Colorado Re-Engaged and Associate					
Degree Completion Programs	<u>0</u>	<u>64,737</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0	0.0
Cash Funds	0	64,737	0	0	0
H.B. 21-1264 Career and Technical Education					
Equipment, Facility, and Instruction Capacity					
Funding	<u>0</u>	<u>507,135</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Funds	0	507,135	0	0	0
S.B. 21-185 Appropriation to the Educator Loan					
Forgiveness Fund	<u>0</u>	<u>2,500,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	2,500,000	0	0	0
S.B. 21-185 Educator Loan Forgiveness Program					
Administration	<u>0</u>	<u>102,440</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	102,440	0	0	0

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
SUBTOTAL - (C) Special Purpose	16,092,242	30,007,065	50,425,757	33,938,246	32,757,147
<i>FTE</i>	<u>47.9</u>	<u>46.9</u>	<u>54.9</u>	<u>53.0</u>	<u>48.9</u>
General Fund	3,756,917	16,601,428	18,451,422	14,764,397	14,705,796
Cash Funds	4,973,154	6,633,008	25,654,131	12,793,959	12,201,422
Reappropriated Funds	823,743	791,960	1,320,204	1,325,204	849,929
Federal Funds	6,538,428	5,980,669	5,000,000	5,054,686	5,000,000

(D) Lease Purchase Payments and Capital-related Outlays

University of Colorado, Lease Purchase of Academic

Facilities at Fitzsimons	<u>14,153,707</u>	<u>22,317,006</u>	<u>11,540,613</u>	<u>11,542,514</u>	<u>11,542,514</u> *
General Fund	0	5,157,255	4,589,105	4,591,006	4,358,109
General Fund Exempt	7,653,707	0	0	0	0
Cash Funds	6,500,000	17,159,751	6,951,508	6,951,508	7,184,405

Appropriation to the Higher Education Federal
Mineral Lease Revenues Fund for Lease Purchase of

Academic Facilities	<u>16,933,244</u>	<u>17,072,238</u>	<u>16,631,232</u>	<u>16,432,169</u>	<u>16,832,169</u> *
General Fund	0	17,072,238	16,631,232	16,432,169	16,832,169
General Fund Exempt	16,933,244	0	0	0	0

Lease Purchase of Academic Facilities Pursuant to

Section 23-19.9-102	<u>17,430,405</u>	<u>17,424,119</u>	<u>17,439,900</u>	<u>17,432,169</u>	<u>17,432,169</u> *
Cash Funds	497,161	360,000	808,668	1,000,000	600,000
Reappropriated Funds	16,933,244	17,064,119	16,631,232	16,432,169	16,832,169

Annual Depreciation-Lease Equivalent Payment

General Fund	0	4,689,433	7,406,847	10,984,897	10,984,897
--------------	---	-----------	-----------	------------	------------

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
--	----------------------	----------------------	-----------------------------	-----------------------	------------------------------

SUBTOTAL - (D) Lease Purchase Payments and					
Capital-related Outlays	48,517,356	61,502,796	53,018,592	56,391,749	56,791,749
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	0	26,918,926	28,627,184	32,008,072	32,175,175
General Fund Exempt	24,586,951	0	0	0	0
Cash Funds	6,997,161	17,519,751	7,760,176	7,951,508	7,784,405
Reappropriated Funds	16,933,244	17,064,119	16,631,232	16,432,169	16,832,169

(E) Tuition/Enrollment Contingency

Tuition/Enrollment Contingency	<u>60,000,000</u>	<u>150,000</u>	<u>75,000,000</u>	<u>75,000,000</u>	<u>75,000,000</u>
Cash Funds	60,000,000	150,000	75,000,000	75,000,000	75,000,000

SUBTOTAL - (E) Tuition/Enrollment					
Contingency	60,000,000	150,000	75,000,000	75,000,000	75,000,000
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Cash Funds	60,000,000	150,000	75,000,000	75,000,000	75,000,000

(F) Indirect Cost Assessments

Indirect Cost Assessments	<u>66,156</u>	<u>60,429</u>	<u>3,795,585</u>	<u>7,855,261</u>	<u>9,538,602</u>
General Fund	0	0	0	0	0
Cash Funds	66,156	60,429	424,628	424,628	336,028
Reappropriated Funds	0	0	3,261,353	7,321,029	9,131,490
Federal Funds	0	0	109,604	109,604	71,084

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
SUBTOTAL - (F) Indirect Cost Assessments	66,156	60,429	3,795,585	7,855,261	9,538,602
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	0	0	0	0	0
Cash Funds	66,156	60,429	424,628	424,628	336,028
Reappropriated Funds	0	0	3,261,353	7,321,029	9,131,490
Federal Funds	0	0	109,604	109,604	71,084
TOTAL - (2) Colorado Commission on Higher Education and Higher Education Special Purpose Programs	128,668,684	96,022,855	187,423,231	178,808,879	179,700,944
<i>FTE</i>	<u>88.9</u>	<u>87.9</u>	<u>99.2</u>	<u>100.1</u>	<u>96.0</u>
General Fund	3,756,917	43,652,754	50,692,123	47,507,101	47,615,603
General Fund Exempt	24,586,951	0	0	0	0
Cash Funds	72,912,479	25,384,902	110,303,535	97,475,196	96,616,779
Reappropriated Funds	20,824,680	20,986,711	21,317,969	28,662,292	30,397,478
Federal Funds	6,587,657	5,998,488	5,109,604	5,164,290	5,071,084

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
--	----------------------	----------------------	-----------------------------	-----------------------	------------------------------

(3) COLORADO COMMISSION ON HIGHER EDUCATION FINANCIAL AID

Financial aid programs assist students in covering the cost of higher education. This section includes state appropriations for need based grants, merit based grants, work study, and various special purpose financial aid programs.

(A) Need Based Grants

Need Based Grants	<u>167,532,879</u>	<u>182,779,739</u>	<u>204,932,006</u>	<u>217,459,830</u>	<u>217,692,064</u> *
General Fund	0	181,922,854	24,499,567	36,331,232	35,146,706
General Fund Exempt	166,213,358	0	179,968,585	179,968,585	179,968,585
Reappropriated Funds	1,319,521	856,885	463,854	1,160,013	2,576,773
SUBTOTAL - (A) Need Based Grants	167,532,879	182,779,739	204,932,006	217,459,830	217,692,064
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	0	181,922,854	24,499,567	36,331,232	35,146,706
General Fund Exempt	166,213,358	0	179,968,585	179,968,585	179,968,585
Reappropriated Funds	1,319,521	856,885	463,854	1,160,013	2,576,773

(B) Work Study

Work Study	<u>18,560,939</u>	<u>20,931,058</u>	<u>23,129,178</u>	<u>23,129,178</u>	<u>23,129,178</u>
General Fund	0	20,931,058	23,129,178	23,129,178	23,129,178
General Fund Exempt	18,560,939	0	0	0	0
SUBTOTAL - (B) Work Study	18,560,939	20,931,058	23,129,178	23,129,178	23,129,178
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	0	20,931,058	23,129,178	23,129,178	23,129,178
General Fund Exempt	18,560,939	0	0	0	0

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
(D) Special Purpose					
Veterans'/Law Enforcement/POW Tuition Assistance					
General Fund	<u>1,143,700</u>	<u>1,269,536</u>	<u>1,143,700</u>	<u>1,643,700</u>	<u>1,643,700</u> *
Native American Students/Fort Lewis College					
General Fund	<u>21,790,595</u>	<u>24,045,076</u>	<u>25,563,965</u>	<u>22,955,945</u>	<u>22,264,858</u> *
General Fund Exempt	0	24,045,076	25,563,965	22,955,945	22,264,858
Colorado Opportunity Scholarship Initiative Fund					
FTE	<u>17,142,194</u>	<u>18,648,162</u>	<u>7,000,000</u>	<u>10,000,000</u>	<u>10,000,000</u> *
General Fund	0.0	0.0	0.0	0.0	0.0
Cash Funds	6,000,000	7,000,000	7,000,000	10,000,000	10,000,000
Tuition Assistance for Career and Technical Education Certificate Programs					
General Fund	<u>339,035</u>	<u>398,467</u>	<u>450,000</u>	<u>450,000</u>	<u>450,000</u>
S.B. 21-106 Fourth-year Innovation Pilot Program					
FTE	<u>0</u>	<u>27,958</u>	<u>368,792</u>	<u>368,792</u>	<u>368,792</u>
General Fund	0.0	0.0	0.7	0.7	0.7
Displaced Aurarian Scholarship					
General Fund	<u>0</u>	<u>0</u>	<u>2,000,000</u>	<u>0</u>	<u>0</u>
State Aid for Foster Students Program					
FTE	<u>0</u>	<u>0</u>	<u>2,610,575</u>	<u>2,605,519</u>	<u>2,605,519</u>
General Fund	0.0	0.0	3.7	4.0	4.0
	0	0	2,610,575	2,605,519	2,605,519

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
H.B. 22-1220 Student Educator Stipend Program	0	0	<u>39,000,000</u>	0	0
FTE	0.0	0.0	0.5	0.0	0.0
Cash Funds	0	0	39,000,000	0	0
H.B. 22-1220 Educator Test Stipend Program	0	0	<u>3,000,000</u>	0	0
FTE	0.0	0.0	0.5	0.0	0.0
Cash Funds	0	0	3,000,000	0	0
H.B. 21-1330 COSI Student Financial Aid and Support Services at IHEs	0	<u>3,021,975</u>	0	0	0
Cash Funds	0	3,021,975	0	0	0
S.B. 21-232 COSI Displaced Workers Program	<u>1,950,000</u>	<u>942,916</u>	0	0	0
Cash Funds	1,950,000	942,916	0	0	0
H.B. 18-1002 Rural Teaching Fellowship Program	<u>485,463</u>	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	485,463	0	0	0	0
SUBTOTAL - (D) Special Purpose	42,850,987	48,354,090	81,137,032	38,023,956	37,332,869
FTE	<u>0.0</u>	<u>0.0</u>	<u>5.4</u>	<u>4.7</u>	<u>4.7</u>
General Fund	7,968,198	32,741,037	39,137,032	38,023,956	37,332,869
General Fund Exempt	21,790,595	0	0	0	0
Cash Funds	13,092,194	15,613,053	42,000,000	0	0

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
TOTAL - (3) Colorado Commission on Higher Education Financial Aid	228,944,805	252,064,887	309,198,216	278,612,964	278,154,111
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>5.4</u>	<u>4.7</u>	<u>4.7</u>
General Fund	7,968,198	235,594,949	86,765,777	97,484,366	95,608,753
General Fund Exempt	206,564,892	0	179,968,585	179,968,585	179,968,585
Cash Funds	13,092,194	15,613,053	42,000,000	0	0
Reappropriated Funds	1,319,521	856,885	463,854	1,160,013	2,576,773

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
--	----------------------	----------------------	-----------------------------	-----------------------	------------------------------

(4) COLLEGE OPPORTUNITY FUND PROGRAM

This section includes General Fund appropriations for student stipend payments and for fee-for-service contracts between the Colorado Commission on Higher Education and the governing boards that oversee the state higher education institutions.

(A) Stipends

Stipends for eligible full-time equivalent students

attending state institutions	<u>138,734,896</u>	<u>309,684,418</u>	<u>360,947,808</u>	<u>382,541,574</u>	<u>382,541,574</u> *
General Fund	1,102,960	309,684,418	5,767,444	27,361,210	27,361,210
General Fund Exempt	137,631,936	0	355,180,364	355,180,364	355,180,364

Stipends for eligible full-time equivalent students

attending participating private institutions	<u>734,400</u>	<u>1,725,840</u>	<u>1,655,048</u>	<u>1,766,896</u>	<u>1,846,140</u> *
General Fund	0	1,725,840	0	111,848	191,092
General Fund Exempt	734,400	0	1,655,048	1,655,048	1,655,048

SUBTOTAL - (A) Stipends	139,469,296	311,410,258	362,602,856	384,308,470	384,387,714
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	1,102,960	311,410,258	5,767,444	27,473,058	27,552,302
General Fund Exempt	138,366,336	0	356,835,412	356,835,412	356,835,412

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

Fee-for-service Contracts with State Institutions

Pursuant to Section 23-18-303, C.R.S.	<u>142,168,976</u>	<u>431,204,984</u>	<u>460,385,402</u>	<u>498,771,983</u>	<u>498,771,984</u> *
General Fund	11,086,191	431,204,984	102,857,823	141,244,404	141,244,405
General Fund Exempt	131,082,785	0	357,527,579	357,527,579	357,527,579

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
Fee-for-service Contracts with State Institutions for					
Specialty Education Programs	<u>59,832,736</u>	<u>144,449,274</u>	<u>160,728,834</u>	<u>171,650,963</u>	<u>172,101,436</u> *
General Fund	2,357,099	144,449,274	26,032,871	36,955,000	37,405,473
General Fund Exempt	57,475,637	0	134,695,963	134,695,963	134,695,963
Limited Purpose Fee-for-Service Contracts with State					
Institutions	<u>3,693,028</u>	<u>5,702,806</u>	<u>6,817,806</u>	<u>6,817,806</u>	<u>6,817,806</u>
General Fund	1,193,028	5,702,806	6,817,806	6,817,806	6,817,806
General Fund Exempt	2,500,000	0	0	0	0
SUBTOTAL - (B) Fee-for-service Contracts with					
State Institutions	205,694,740	581,357,064	627,932,042	677,240,752	677,691,226
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	14,636,318	581,357,064	135,708,500	185,017,210	185,467,684
General Fund Exempt	191,058,422	0	492,223,542	492,223,542	492,223,542
TOTAL - (4) College Opportunity Fund Program	345,164,036	892,767,322	990,534,898	1,061,549,222	1,062,078,940
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	15,739,278	892,767,322	141,475,944	212,490,268	213,019,986
General Fund Exempt	329,424,758	0	849,058,954	849,058,954	849,058,954

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
--	----------------------	----------------------	-----------------------------	-----------------------	------------------------------

(5) GOVERNING BOARDS

h funds are primarily from tuition and student fees. Reappropriated funds are initially appropriated as General Fund in the College Opportunity Fund Program section.

(A) Trustees of Adams State University

Trustees of Adams State College	<u>41,022,805</u>	<u>44,781,187</u>	<u>46,225,871</u>	<u>50,732,101</u>	<u>47,950,170</u> *
FTE	326.2	307.5	353.8	353.8	325.5
Cash Funds	24,569,860	25,658,833	25,200,276	28,107,423	25,326,527
Reappropriated Funds	7,257,708	19,067,430	21,025,595	22,624,678	22,623,643
Federal Funds	9,195,237	54,924	0	0	0

SUBTOTAL - (A) Trustees of Adams State					
University	41,022,805	44,781,187	46,225,871	50,732,101	47,950,170
<i>FTE</i>	<u>326.2</u>	<u>307.5</u>	<u>353.8</u>	<u>353.8</u>	<u>325.5</u>
Cash Funds	24,569,860	25,658,833	25,200,276	28,107,423	25,326,527
Reappropriated Funds	7,257,708	19,067,430	21,025,595	22,624,678	22,623,643
Federal Funds	9,195,237	54,924	0	0	0

(B) Trustees of Colorado Mesa University

Trustees of Colorado Mesa University	<u>108,362,250</u>	<u>115,642,455</u>	<u>119,393,030</u>	<u>123,986,469</u>	<u>126,796,749</u> *
FTE	564.6	746.8	784.6	784.6	825.3
Cash Funds	77,629,604	77,136,991	79,097,043	80,565,257	83,451,034
Reappropriated Funds	13,700,035	35,977,002	40,295,987	43,421,212	43,345,715
Federal Funds	17,032,611	2,528,462	0	0	0

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
SUBTOTAL - (B) Trustees of Colorado Mesa					
University	108,362,250	115,642,455	119,393,030	123,986,469	126,796,749
<i>FTE</i>	<u>564.6</u>	<u>746.8</u>	<u>784.6</u>	<u>784.6</u>	<u>825.3</u>
Cash Funds	77,629,604	77,136,991	79,097,043	80,565,257	83,451,034
Reappropriated Funds	13,700,035	35,977,002	40,295,987	43,421,212	43,345,715
Federal Funds	17,032,611	2,528,462	0	0	0

(C) Trustees of Metropolitan State College of Denver

Trustees of Metropolitan State College of Denver	<u>212,649,144</u>	<u>211,363,883</u>	<u>215,902,456</u>	<u>229,356,672</u>	<u>223,219,361</u> *
FTE	1,262.0	1,450.9	1,186.4	1,186.4	1,413.4
Cash Funds	147,427,508	136,659,177	133,348,072	139,337,601	133,193,581
Reappropriated Funds	26,923,391	72,489,051	82,554,384	90,019,071	90,025,780
Federal Funds	38,298,245	2,215,655	0	0	0

SUBTOTAL - (C) Trustees of Metropolitan State College of Denver					
College of Denver	212,649,144	211,363,883	215,902,456	229,356,672	223,219,361
<i>FTE</i>	<u>1,262.0</u>	<u>1,450.9</u>	<u>1,186.4</u>	<u>1,186.4</u>	<u>1,413.4</u>
Cash Funds	147,427,508	136,659,177	133,348,072	139,337,601	133,193,581
Reappropriated Funds	26,923,391	72,489,051	82,554,384	90,019,071	90,025,780
Federal Funds	38,298,245	2,215,655	0	0	0

(D) Trustees of Western State College

Trustees of Western State College	<u>39,834,590</u>	<u>43,895,243</u>	<u>46,797,300</u>	<u>44,699,782</u>	<u>48,785,864</u> *
FTE	167.0	266.6	300.2	300.2	302.0
Cash Funds	22,224,826	23,053,509	28,458,288	25,090,387	29,157,104
Reappropriated Funds	6,436,427	16,694,441	18,339,012	19,609,395	19,628,760
Federal Funds	11,173,337	4,147,293	0	0	0

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
SUBTOTAL - (D) Trustees of Western State					
College	39,834,590	43,895,243	46,797,300	44,699,782	48,785,864
<i>FTE</i>	<u>167.0</u>	<u>266.6</u>	<u>300.2</u>	<u>300.2</u>	<u>302.0</u>
Cash Funds	22,224,826	23,053,509	28,458,288	25,090,387	29,157,104
Reappropriated Funds	6,436,427	16,694,441	18,339,012	19,609,395	19,628,760
Federal Funds	11,173,337	4,147,293	0	0	0

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

Board of Governors of the Colorado State University

System	<u>695,503,096</u>	<u>740,556,759</u>	<u>806,110,500</u>	<u>825,225,009</u>	<u>839,416,499</u> *
FTE	5,534.2	4,829.2	4,902.6	4,902.6	5,162.6
General Fund	0	0	5,175,000	175,000	0
Cash Funds	536,757,369	552,356,417	597,781,082	608,615,246	623,055,261
Reappropriated Funds	72,628,333	184,714,063	203,154,418	216,434,763	216,361,238
Federal Funds	86,117,394	3,486,279	0	0	0

SUBTOTAL - (E) Board of Governors of the Colorado State University System	695,503,096	740,556,759	806,110,500	825,225,009	839,416,499
<i>FTE</i>	<u>5,534.2</u>	<u>4,829.2</u>	<u>4,902.6</u>	<u>4,902.6</u>	<u>5,162.6</u>
General Fund	0	0	5,175,000	175,000	0
Cash Funds	536,757,369	552,356,417	597,781,082	608,615,246	623,055,261
Reappropriated Funds	72,628,333	184,714,063	203,154,418	216,434,763	216,361,238
Federal Funds	86,117,394	3,486,279	0	0	0

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
--	----------------------	----------------------	-----------------------------	-----------------------	------------------------------

(F) Trustees of Fort Lewis College

Trustees of Fort Lewis College	<u>65,578,691</u>	<u>66,323,407</u>	<u>63,874,952</u>	<u>72,672,897</u>	<u>67,426,560</u> *
FTE	421.0	440.9	448.4	448.4	457.0
Cash Funds	47,332,361	50,139,954	46,760,502	54,346,279	49,097,856
Reappropriated Funds	5,937,304	15,375,659	17,114,450	18,326,618	18,328,704
Federal Funds	12,309,026	807,794	0	0	0

SUBTOTAL - (F) Trustees of Fort Lewis College	65,578,691	66,323,407	63,874,952	72,672,897	67,426,560
FTE	<u>421.0</u>	<u>440.9</u>	<u>448.4</u>	<u>448.4</u>	<u>457.0</u>
Cash Funds	47,332,361	50,139,954	46,760,502	54,346,279	49,097,856
Reappropriated Funds	5,937,304	15,375,659	17,114,450	18,326,618	18,328,704
Federal Funds	12,309,026	807,794	0	0	0

(G) Regents of the University of Colorado

Regents of the University of Colorado	<u>1,443,227,174</u>	<u>1,563,444,358</u>	<u>1,603,263,504</u>	<u>1,659,041,566</u>	<u>1,639,938,240</u> *
FTE	9,754.0	9,688.8	10,036.2	10,036.2	9,907.4
General Fund	0	39,578,805	0	0	0
Cash Funds	1,219,624,953	1,268,474,019	1,325,190,953	1,362,241,740	1,342,789,394
Reappropriated Funds	101,023,613	253,392,350	278,072,551	296,799,826	297,148,846
Federal Funds	122,578,608	1,999,184	0	0	0

SUBTOTAL - (G) Regents of the University of Colorado	1,443,227,174	1,563,444,358	1,603,263,504	1,659,041,566	1,639,938,240
FTE	<u>9,754.0</u>	<u>9,688.8</u>	<u>10,036.2</u>	<u>10,036.2</u>	<u>9,907.4</u>
General Fund	0	39,578,805	0	0	0
Cash Funds	1,219,624,953	1,268,474,019	1,325,190,953	1,362,241,740	1,342,789,394
Reappropriated Funds	101,023,613	253,392,350	278,072,551	296,799,826	297,148,846
Federal Funds	122,578,608	1,999,184	0	0	0

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
(H) Trustees of the Colorado School of Mines					
Trustees of the Colorado School of Mines	<u>200,038,871</u>	<u>215,463,319</u>	<u>227,648,218</u>	<u>243,374,129</u>	<u>239,742,045</u> *
FTE	991.4	1,030.6	1,014.8	1,014.8	1,102.7
Cash Funds	175,956,206	187,885,859	197,573,022	211,082,840	207,447,381
Reappropriated Funds	10,655,931	27,577,460	30,075,196	32,291,289	32,294,664
Federal Funds	13,426,734	0	0	0	0
SUBTOTAL - (H) Trustees of the Colorado School of Mines					
FTE	<u>991.4</u>	<u>1,030.6</u>	<u>1,014.8</u>	<u>1,014.8</u>	<u>1,102.7</u>
Cash Funds	175,956,206	187,885,859	197,573,022	211,082,840	207,447,381
Reappropriated Funds	10,655,931	27,577,460	30,075,196	32,291,289	32,294,664
Federal Funds	13,426,734	0	0	0	0
(I) University of Northern Colorado					
University of Northern Colorado	<u>149,295,236</u>	<u>162,517,193</u>	<u>142,312,546</u>	<u>154,040,440</u>	<u>147,817,339</u> *
FTE	1,073.4	1,089.5	1,216.1	1,216.1	1,203.3
Cash Funds	97,086,971	92,864,054	85,436,647	93,415,892	87,205,425
Reappropriated Funds	19,816,875	51,724,570	56,875,899	60,624,548	60,611,914
Federal Funds	32,391,390	17,928,569	0	0	0
SUBTOTAL - (I) University of Northern Colorado					
FTE	<u>1,073.4</u>	<u>1,089.5</u>	<u>1,216.1</u>	<u>1,216.1</u>	<u>1,203.3</u>
Cash Funds	97,086,971	92,864,054	85,436,647	93,415,892	87,205,425
Reappropriated Funds	19,816,875	51,724,570	56,875,899	60,624,548	60,611,914
Federal Funds	32,391,390	17,928,569	0	0	0

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
(J) State Board for Community Colleges and Occupational Education State System Community Colleges					
State Board for Community Colleges and Occupational Education State System Community Colleges	<u>517,849,677</u>	<u>575,194,771</u>	<u>583,187,045</u>	<u>573,439,683</u>	<u>591,062,705</u> *
FTE	5,672.0	5,384.2	5,752.2	5,752.2	5,542.2
Cash Funds	297,487,658	287,510,120	341,814,687	313,808,755	331,472,983
Reappropriated Funds	82,214,681	214,474,605	241,372,358	259,630,928	259,589,722
Federal Funds	138,147,338	73,210,046	0	0	0
SUBTOTAL - (J) State Board for Community Colleges and Occupational Education State System Community Colleges					
FTE	<u>5,672.0</u>	<u>5,384.2</u>	<u>5,752.2</u>	<u>5,752.2</u>	<u>5,542.2</u>
Cash Funds	297,487,658	287,510,120	341,814,687	313,808,755	331,472,983
Reappropriated Funds	82,214,681	214,474,605	241,372,358	259,630,928	259,589,722
Federal Funds	138,147,338	73,210,046	0	0	0
TOTAL - (5) Governing Boards					
FTE	<u>25,765.8</u>	<u>25,235.0</u>	<u>25,995.3</u>	<u>25,995.3</u>	<u>26,241.4</u>
General Fund	0	39,578,805	5,175,000	175,000	0
Cash Funds	2,646,097,316	2,701,738,933	2,860,660,572	2,916,611,420	2,912,196,546
Reappropriated Funds	346,594,298	891,486,631	988,879,850	1,059,782,328	1,059,958,986
Federal Funds	480,669,920	106,378,206	0	0	0

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
--	----------------------	----------------------	-----------------------------	-----------------------	------------------------------

(6) LOCAL DISTRICT COLLEGE GRANTS PURSUANT TO SECTION 23-71-301, C.R.S.

by boards elected by tax district residents. Students from the districts pay discounted tuition rates.

Colorado Mountain College	<u>11,091,138</u>	<u>10,420,958</u>	<u>11,519,695</u>	<u>12,315,700</u>	<u>13,337,753</u> *
General Fund	0	9,668,008	10,766,746	11,562,751	11,562,751
General Fund Exempt	3,784,218	0	0	0	0
Cash Funds	742,699	752,950	752,949	752,949	1,775,002
Federal Funds	6,564,221	0	0	0	0
Aims Community College	<u>13,775,404</u>	<u>14,167,427</u>	<u>13,584,483</u>	<u>14,528,963</u>	<u>16,340,673</u> *
General Fund	0	11,483,011	12,711,777	13,656,257	13,656,257
General Fund Exempt	4,474,589	0	0	0	0
Cash Funds	917,534	2,684,416	872,706	872,706	2,684,416
Federal Funds	8,383,281	0	0	0	0

TOTAL - (6) Local District College Grants					
Pursuant to Section 23-71-301, C.R.S.	24,866,542	24,588,385	25,104,178	26,844,663	29,678,426
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	0	21,151,019	23,478,523	25,219,008	25,219,008
General Fund Exempt	8,258,807	0	0	0	0
Cash Funds	1,660,233	3,437,366	1,625,655	1,625,655	4,459,418
Federal Funds	14,947,502	0	0	0	0

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
--	----------------------	----------------------	-----------------------------	-----------------------	------------------------------

(7) DIVISION OF OCCUPATIONAL EDUCATION

These funds consistent with state and federal law. Most reappropriated funds are from transfers from the Governor's Office of Economic Development and the Department of Education.

(A) Administrative Costs

Administrative Costs	<u>962,309</u>	<u>962,309</u>	<u>962,309</u>	<u>962,309</u>	<u>962,309</u>
FTE	9.0	9.0	9.0	9.0	9.0
Reappropriated Funds	962,309	962,309	962,309	962,309	962,309
SUBTOTAL - (A) Administrative Costs	962,309	962,309	962,309	962,309	962,309
FTE	9.0	9.0	9.0	9.0	9.0
Reappropriated Funds	962,309	962,309	962,309	962,309	962,309

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

Distributions of State Assistance for Career and Technical Education	<u>27,778,242</u>	<u>28,244,361</u>	<u>28,244,361</u>	<u>28,244,361</u>	<u>30,534,048</u>
Reappropriated Funds	27,778,242	28,244,361	28,244,361	28,244,361	30,534,048
SUBTOTAL - (B) Distribution of State Assistance for Career and Technical Education pursuant to Section 23-8-102, C.R.S.	27,778,242	28,244,361	28,244,361	28,244,361	30,534,048
FTE	0.0	0.0	0.0	0.0	0.0
Reappropriated Funds	27,778,242	28,244,361	28,244,361	28,244,361	30,534,048

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
(C) Area Technical College Support					
Area Technical College Operating Support	<u>15,203,037</u>	<u>14,989,723</u>	<u>18,325,074</u>	<u>19,642,162</u>	<u>19,642,162</u> *
General Fund	0	14,989,723	18,325,074	19,642,162	19,642,162
General Fund Exempt	5,842,209	0	0	0	0
Federal Funds	9,360,828	0	0	0	0
SUBTOTAL - (C) Area Technical College Support					
Support	15,203,037	14,989,723	18,325,074	19,642,162	19,642,162
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	0	14,989,723	18,325,074	19,642,162	19,642,162
General Fund Exempt	5,842,209	0	0	0	0
Federal Funds	9,360,828	0	0	0	0
(D) Sponsored Programs					
Administration	<u>3,285,445</u>	<u>2,839,099</u>	<u>2,709,888</u>	<u>2,709,888</u>	<u>2,709,888</u>
FTE	24.0	25.0	23.0	23.0	23.0
Federal Funds	3,285,445	2,839,099	2,709,888	2,709,888	2,709,888
Programs	<u>16,297,602</u>	<u>18,219,232</u>	<u>16,156,031</u>	<u>16,156,031</u>	<u>16,156,031</u>
Reappropriated Funds	0	2,206,150	0	0	0
Federal Funds	16,297,602	16,013,082	16,156,031	16,156,031	16,156,031
SUBTOTAL - (D) Sponsored Programs					
FTE	<u>24.0</u>	<u>25.0</u>	<u>23.0</u>	<u>23.0</u>	<u>23.0</u>
Reappropriated Funds	0	2,206,150	0	0	0
Federal Funds	19,583,047	18,852,181	18,865,919	18,865,919	18,865,919

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
(E) Colorado First Customized Job Training					
Colorado First Customized Job Training	<u>3,500,000</u>	<u>4,500,000</u>	<u>4,500,000</u>	<u>4,500,000</u>	<u>4,500,000</u>
Reappropriated Funds	<u>3,500,000</u>	<u>4,500,000</u>	<u>4,500,000</u>	<u>4,500,000</u>	<u>4,500,000</u>
SUBTOTAL - (E) Colorado First Customized					
Job Training	3,500,000	4,500,000	4,500,000	4,500,000	4,500,000
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Reappropriated Funds	3,500,000	4,500,000	4,500,000	4,500,000	4,500,000
TOTAL - (7) Division of Occupational					
Education	67,026,635	69,754,724	70,897,663	72,214,751	74,504,438
<i>FTE</i>	<u>33.0</u>	<u>34.0</u>	<u>32.0</u>	<u>32.0</u>	<u>32.0</u>
General Fund	0	14,989,723	18,325,074	19,642,162	19,642,162
General Fund Exempt	5,842,209	0	0	0	0
Reappropriated Funds	32,240,551	35,912,820	33,706,670	33,706,670	35,996,357
Federal Funds	28,943,875	18,852,181	18,865,919	18,865,919	18,865,919

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
(8) AURARIA HIGHER EDUCATION CENTER					
olitan State University of Denver, and the University of Colorado at Denver. Reappropriated funds are from the three governing boards that share the AHEC campus.					
Administration	<u>23,514,460</u>	<u>22,493,238</u>	<u>24,139,958</u>	<u>24,239,958</u>	<u>24,239,958</u> *
FTE	200.4	209.1	211.4	211.4	222.7
Reappropriated Funds	23,514,460	22,493,238	24,139,958	24,239,958	24,239,958
Auraria Higher Education Center Bond Payments	<u>5,500,000</u>	<u>4,069,486</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	2,750,000	4,069,486	0	0	0
Cash Funds	2,750,000	0	0	0	0
TOTAL - (8) Auraria Higher Education Center	29,014,460	26,562,724	24,139,958	24,239,958	24,239,958
FTE	<u>200.4</u>	<u>209.1</u>	<u>211.4</u>	<u>211.4</u>	<u>222.7</u>
General Fund	2,750,000	4,069,486	0	0	0
Cash Funds	2,750,000	0	0	0	0
Reappropriated Funds	23,514,460	22,493,238	24,139,958	24,239,958	24,239,958

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
--	----------------------	----------------------	-----------------------------	-----------------------	------------------------------

(9) HISTORY COLORADO

ing revenues that are deposited to various State Historic Fund accounts, museum revenues, gifts, and grants.

(A) Central Administration

Central Administration	<u>1,236,555</u>	<u>969,462</u>	<u>2,259,185</u>	<u>2,335,300</u>	<u>2,259,185</u> *
FTE	10.0	14.0	12.0	12.0	12.0
Cash Funds	1,162,460	969,462	2,142,843	2,218,958	2,142,843
Federal Funds	74,095	0	116,342	116,342	116,342
Collections and Curatorial Services	<u>0</u>	<u>0</u>	<u>1,371,746</u>	<u>1,371,746</u>	<u>1,406,746</u>
FTE	0.0	0.0	16.5	16.5	16.5
Cash Funds	0	0	1,371,746	1,371,746	1,406,746
Federal Funds	0	0	0	0	0
Facilities Management	<u>1,353,825</u>	<u>1,342,569</u>	<u>1,830,385</u>	<u>1,830,385</u>	<u>1,830,385</u>
FTE	8.0	8.0	10.0	10.0	10.0
Cash Funds	1,353,825	1,342,569	1,830,385	1,830,385	1,830,385
Historical Site Maintenance and Operations	<u>0</u>	<u>0</u>	<u>727,844</u>	<u>727,844</u>	<u>727,844</u>
FTE	0.0	0.0	5.0	5.0	5.0
Cash Funds	0	0	727,844	727,844	727,844
America 250 - Colorado 150 Commission	<u>0</u>	<u>0</u>	<u>148,889</u>	<u>151,493</u>	<u>151,503</u>
FTE	0.0	0.0	0.9	1.0	1.0
General Fund	0	0	148,889	151,493	151,503
Lease Purchase of Colorado History Museum	<u>3,017,481</u>	<u>3,525,209</u>	<u>3,525,209</u>	<u>3,525,209</u>	<u>3,525,209</u>
General Fund	0	3,525,209	3,525,209	3,525,209	3,525,209
Cash Funds	3,017,481	0	0	0	0

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
History Colorado Strategic Plan Initiatives	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,500,000</u> *
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	1,000,000	1,000,000	0	0	0
Cash Funds	0	0	1,500,000	1,500,000	1,500,000
SUBTOTAL - (A) Central Administration	6,607,861	6,837,240	11,363,258	11,441,977	11,400,872
FTE	<u>18.0</u>	<u>22.0</u>	<u>44.4</u>	<u>44.5</u>	<u>44.5</u>
General Fund	1,000,000	4,525,209	3,674,098	3,676,702	3,676,712
Cash Funds	5,533,766	2,312,031	7,572,818	7,648,933	7,607,818
Federal Funds	74,095	0	116,342	116,342	116,342

(B) History Colorado Museums

History Colorado Center	<u>4,219,425</u>	<u>5,658,509</u>	<u>1,053,793</u>	<u>1,257,265</u>	<u>1,257,265</u>
FTE	45.0	55.0	7.0	7.0	7.0
Cash Funds	3,616,419	4,136,601	650,804	854,276	854,276
Reappropriated Funds	0	0	325,000	325,000	325,000
Federal Funds	603,006	1,521,908	77,989	77,989	77,989
Community Museums	<u>2,156,508</u>	<u>2,354,906</u>	<u>2,828,402</u>	<u>2,951,334</u>	<u>2,951,334</u>
FTE	20.5	23.5	19.0	19.0	19.0
General Fund	1,450,707	731,481	1,064,376	1,187,308	1,187,308
Cash Funds	596,336	1,598,430	1,761,023	1,761,023	1,761,023
Federal Funds	109,465	24,995	3,003	3,003	3,003
Statewide Programming	<u>0</u>	<u>0</u>	<u>4,485,931</u>	<u>4,485,931</u>	<u>4,485,931</u>
FTE	0.0	0.0	34.5	34.5	34.5
Cash Funds	0	0	4,485,931	4,485,931	4,485,931

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
SUBTOTAL - (B) History Colorado Museums	6,375,933	8,013,415	8,368,126	8,694,530	8,694,530
<i>FTE</i>	<u>65.5</u>	<u>78.5</u>	<u>60.5</u>	<u>60.5</u>	<u>60.5</u>
General Fund	1,450,707	731,481	1,064,376	1,187,308	1,187,308
Cash Funds	4,212,755	5,735,031	6,897,758	7,101,230	7,101,230
Reappropriated Funds	0	0	325,000	325,000	325,000
Federal Funds	712,471	1,546,903	80,992	80,992	80,992

(C) Office of Archeology and Historic Preservation

Program Costs	<u>1,278,879</u>	<u>1,493,634</u>	<u>1,804,077</u>	<u>1,826,938</u>	<u>1,826,938</u>
<i>FTE</i>	20.0	20.0	23.0	23.0	23.0
Cash Funds	543,483	490,447	918,388	918,388	918,388
Reappropriated Funds	90,852	96,427	97,283	97,283	97,283
Federal Funds	644,544	906,760	788,406	811,267	811,267
 Native American Boarding School Research Program	 <u>0</u>	 <u>0</u>	 <u>618,611</u>	 <u>0</u>	 <u>0</u>
<i>FTE</i>	0.0	0.0	1.0	0.0	0.0
General Fund	0	0	618,611	0	0

SUBTOTAL - (C) Office of Archeology and Historic Preservation	1,278,879	1,493,634	2,422,688	1,826,938	1,826,938
<i>FTE</i>	<u>20.0</u>	<u>20.0</u>	<u>24.0</u>	<u>23.0</u>	<u>23.0</u>
General Fund	0	0	618,611	0	0
Cash Funds	543,483	490,447	918,388	918,388	918,388
Reappropriated Funds	90,852	96,427	97,283	97,283	97,283
Federal Funds	644,544	906,760	788,406	811,267	811,267

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
(D) State Historical Fund Program					
Administration	<u>1,066,402</u>	<u>1,300,665</u>	<u>1,767,493</u>	<u>1,767,493</u>	<u>1,767,493</u>
FTE	17.0	17.0	17.0	17.0	17.0
Cash Funds	1,066,402	1,300,665	1,767,493	1,767,493	1,767,493
Grants	<u>8,112,130</u>	<u>5,950,172</u>	<u>8,690,000</u>	<u>8,690,000</u>	<u>9,000,000</u>
Cash Funds	8,112,130	5,950,172	8,690,000	8,690,000	9,000,000
Gaming Cities Distribution	<u>2,851,391</u>	<u>5,005,258</u>	<u>5,500,000</u>	<u>5,500,000</u>	<u>5,700,000</u>
Cash Funds	2,851,391	5,005,258	5,500,000	5,500,000	5,700,000
Indirect Cost Assessments for History Colorado					
Administration	<u>324,913</u>	<u>324,913</u>	<u>325,000</u>	<u>325,000</u>	<u>325,000</u>
Cash Funds	324,913	324,913	325,000	325,000	325,000
SUBTOTAL - (D) State Historical Fund					
Program	12,354,836	12,581,008	16,282,493	16,282,493	16,792,493
FTE	17.0	17.0	17.0	17.0	17.0
Cash Funds	12,354,836	12,581,008	16,282,493	16,282,493	16,792,493

(E) Cumbres and Toltec Railroad Commission

Cumbres and Toltec Railroad Commission	<u>317,627</u>	<u>767,151</u>	<u>5,847,800</u>	<u>5,847,800</u>	<u>2,847,800</u>
General Fund	317,627	767,151	1,365,000	1,365,000	1,365,000
Cash Funds	0	0	4,482,800	4,482,800	1,482,800

JBC Staff Figure Setting - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
SUBTOTAL - (E) Cumbres and Toltec Railroad					
Commission	317,627	767,151	5,847,800	5,847,800	2,847,800
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	317,627	767,151	1,365,000	1,365,000	1,365,000
Cash Funds	0	0	4,482,800	4,482,800	1,482,800
TOTAL - (9) History Colorado					
	26,935,136	29,692,448	44,284,365	44,093,738	41,562,633
<i>FTE</i>	<u>120.5</u>	<u>137.5</u>	<u>145.9</u>	<u>145.0</u>	<u>145.0</u>
General Fund	2,768,334	6,023,841	6,722,085	6,229,010	6,229,020
Cash Funds	22,644,840	21,118,517	36,154,257	36,433,844	33,902,729
Reappropriated Funds	90,852	96,427	422,283	422,283	422,283
Federal Funds	1,431,110	2,453,663	985,740	1,008,601	1,008,601
TOTAL - Department of Higher Education					
	4,327,332,291	5,136,556,506	5,512,892,740	5,675,274,426	5,673,637,022
<i>FTE</i>	<u>26,208.6</u>	<u>25,703.5</u>	<u>26,489.2</u>	<u>26,502.5</u>	<u>26,755.8</u>
General Fund	33,252,180	1,258,345,883	333,559,073	411,268,272	411,652,600
General Fund Exempt	574,677,617	0	1,029,027,539	1,029,027,539	1,029,027,539
Cash Funds	2,760,456,496	2,770,702,809	3,054,006,788	3,058,375,525	3,051,150,675
Reappropriated Funds	425,776,502	973,357,126	1,070,449,520	1,149,827,847	1,155,262,716
Federal Funds	533,169,496	134,150,688	25,849,820	26,775,243	26,543,492

ADDITIONAL APPENDICES

Higher Education Funding Model

FY 2022-23 and FY 2023-24 Adjustments to Governing Boards

Tuition and Enrollment Forecast February 2023

Letter from CSU System on Specialty Education Bill, February 24, 2023

Letter from CU System on S.B. 22-172 Rural Healthcare, March 2, 2023

Letter from Western Colorado University on Engineering Tuition, February 20, 2023

Letter from University of Northern Colorado on Tuition Flexibility, March 7, 2023

Bill Draft LLS 23-630.01 - Postgraduate Student Exchange Program (WICHE)

FY 2023-24 Funding Formula Breakdown	
Master Plan and Base Adjustment Funding Change	3.3%
Performance Funding Change	3.5%
Governing Boards Total State Funding Change	56,077,871
SEP Funding Change	10,922,129
CMC/Aims/ATCs Total Funding Change	2,850,375

Total Model Output																	
	Adams	Mesa	Metro	Western	CSU System	FLC	CU System	Mines	UNC	CCCS	Sub-total, GBs	CSU SEP	CU SEP	CMC	AIMS	ATC	Total
Base FY 2022-23 State Funding	21,009,471	40,143,534	82,497,655	18,120,398	121,953,222	17,111,407	195,434,221	30,209,496	56,984,728	241,771,555	825,235,687	80,407,269	80,321,565	10,766,151	12,787,311	18,392,334	1,027,910,316
					202,360,491		275,755,786										
Step 1: Master Plan and Base Adjustment																	
FY 2023-24 Funding Change	623,201	1,468,686	4,086,746	320,126	2,867,502	416,625	4,781,368	587,402	1,513,827	10,334,516	27,000,000	2,630,759	2,627,955	352,246	418,374	601,759	33,631,094
FY 2023-24 Percent Change	3.0%	3.7%	5.0%	1.8%	2.4%	2.4%	2.4%	1.9%	2.7%	4.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%
Step 2: Performance Funding																	
FY 2023-24 Funding Change	925,971	1,368,496	3,076,379	923,235	4,253,200	735,672	7,387,102	1,497,766	2,048,358	6,861,691	29,077,871	2,833,217	2,830,198	379,354	450,572	648,069	36,219,281
FY 2023-24 Percent Change	4.4%	3.4%	3.7%	5.1%	3.5%	4.3%	3.8%	5.0%	3.6%	2.8%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
FY 2023-24 State Funding Change	925,971	1,368,496	3,076,379	923,235	4,253,200	735,672	7,387,102	1,497,766	2,048,358	6,861,691	29,077,871	2,833,217	2,830,198	379,354	450,572	648,069	36,219,281
FY 2023-24 State Funding Total (including SEP)	21,935,442	41,512,030	85,574,034	19,043,634	126,206,421	17,847,079	202,821,323	31,707,262	59,033,086	248,633,246	854,313,557	83,240,487	83,151,763	11,145,505	13,237,883	19,040,403	1,064,129,598
Step 3: Temporary Funding																	
FY 2023-24 Funding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		42,980,715															

Step 1: Master Plan and Base Adjustment																	
	Adams	Mesa	Metro	Western	CSU System	FLC	CU System	Mines	UNC	CCCS	Total, GBs	CSU SEP	CU SEP	CMC	AIMS	ATC	Total
SEP change, pursuant to Section 23-18-304, C.R.S.												2,833,217	2,830,198	379,354	450,572	648,069	7,141,410
SEP total, pursuant to Section 23-18-304, C.R.S.												83,240,487	83,151,763	11,145,505	13,237,883	19,040,403	209,816,040
FY 2022-23 Percent change												3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
Total Step 1:	27,000,000																
20.00%	\$ 5,400,000	First Generation (SFTE)	62,101	380,489	1,033,250	25,689	353,131	51,749	610,030	44,564	263,336	2,575,661	5,400,000				5,400,000
20.00%	\$ 5,400,000	First Generation (Headcount, per statute)	43,413	324,150	998,028	11,289	304,878	38,393	508,627	30,313	198,017	2,942,891	5,400,000				5,400,000
20.00%	\$ 5,400,000	Race/Ethnicity distribution - Headcount calibrated to GF	198,632	218,591	769,974	123,105	634,331	105,694	1,083,323	111,906	357,241	1,797,204	5,400,000				5,400,000
20.00%	\$ 5,400,000	Pell distribution - Headcount calibrated to GF	176,427	296,890	728,981	68,918	762,429	116,699	1,246,467	142,664	397,670	1,462,853	5,400,000				5,400,000
20.00%	\$ 5,400,000	Race/Ethnicity Retention	142,629	248,566	556,514	91,125	812,734	104,089	1,332,920	257,955	297,562	1,555,906	5,400,000				5,400,000
FY 2022-23 Sub-Total	623,201	1,468,686	4,086,746	320,126	2,867,502	416,625	4,781,368	587,402	1,513,827	10,334,516	27,000,000	2,630,759	2,627,955	352,246	418,374	601,759	33,631,094
FY 2022-23 Percent Change	3.0%	3.7%	5.0%	1.8%	2.4%	2.4%	2.4%	1.9%	2.7%	4.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%

Step 2: Performance Funding																		
Active Cells	State Funding Increase	Adams	Mesa	Metro	Western	CSU System	FLC	CU System	Mines	UNC	CCCS	Total, GBs	CSU SEP	CU SEP	CMC	AIMS	ATC	Total
103.5%																		
10.0%	Resident Enrollment	2,218,133	4,193,803	8,362,394	1,934,624	12,564,872	1,777,485	20,385,160	3,257,816	5,754,978	24,982,091	85,431,356						
5.0%	Credential Production	1,092,251	2,054,231	4,303,294	968,488	6,317,716	879,915	10,237,431	1,638,321	2,907,637	12,316,394	42,715,678						
20.0%	Pell	4,284,748	8,355,968	17,183,839	3,569,193	25,684,521	3,587,356	40,525,326	6,308,465	11,975,650	49,387,646	170,862,711						
20.0%	Race/Ethnicity	4,331,937	8,195,722	17,226,011	4,018,707	25,033,617	3,626,007	40,352,706	6,393,400	11,867,898	49,816,706	170,862,711						
20.0%	Retention Rate	4,396,433	8,266,331	17,028,742	3,852,573	25,401,036	3,418,255	40,774,492	6,255,459	11,734,043	49,735,347	170,862,711						
10.0%	Grad. Rate - 100%	2,309,582	4,220,933	8,683,634	1,880,986	12,423,283	1,846,660	20,206,430	3,110,122	5,861,109	24,888,617	85,431,356						
10.0%	Grad Rate - 150%	2,170,028	4,142,232	8,549,099	1,842,444	12,523,496	1,789,163	20,269,510	3,115,504	6,010,333	25,019,548	85,431,356						
5.0%	1st Generation	1,132,329	2,082,810	4,237,021	976,619	6,257,881	922,238	10,070,270	1,628,175	2,921,438	12,486,897	42,715,678						
100%	Performance FY 2022-23 Funding Change	925,971	1,368,496	3,076,379	923,235	4,253,200	735,672	7,387,102	1,497,766	2,048,358	6,861,691	29,077,871						
	Performance FY 2022-23 Total Funding	21,935,442	41,512,030	85,574,034	19,043,634	126,206,421	17,847,079	202,821,323	31,707,262	59,033,086	248,633,246	854,313,557						
	Performance FY 2022-23 Percent Change	4.4%	3.4%	3.7%	5.1%	3.5%	4.3%	3.8%	5.0%	3.6%	2.8%	3.5%						

Step 3: Temporary Funding																	
	Adams	Mesa	Metro	Western	CSU System	FLC	CU System	Mines	UNC	CCCS	Total, GBs	CSU SEP	CU SEP	CMC	AIMS	ATC	Total
Temporary Funding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Funding FY 2023-24	22,558,643	42,980,715	89,660,780	19,363,760	129,073,924	18,263,704	207,602,692	32,294,664	60,546,914	258,967,762	881,313,557	85,871,246	85,779,718	11,497,751	13,656,257	19,642,162	1,097,760,691
Total Funding Change over FY 2022-23	1,549,173	2,837,181	7,163,125	1,243,362	7,120,702	1,152,297	12,168,471	2,085,168	3,562,185	17,196,207	56,077,871	5,463,977	5,458,153	731,600	868,946	1,249,828	69,850,375
Total Percent Change over FY 2022-23	7.4%	7.1%	8.7%	6.9%	5.8%	6.7%	6.2%	6.9%	6.3%	7.1%	6.8%	6.8%	6.8%	6.8%	6.8%	6.8%	6.8%

HIGHER EDUCATION FUNDING MODEL BACKGROUND

BRIEF HISTORY OF FUNDING ALLOCATION MODELS IN COLORADO

Colorado, like other states, needs a mechanism for dividing funds among its higher education institutions. Colorado has gone through numerous higher education funding models over the decades. Funding has been based on “mandated cost increases”, inflationary adjustments, and various “base plus” (or minus) approaches. With the advent of S.B. 04-189 it launched the student stipend/ “money follows the student” method; however for practical purposes, funding for each governing board through FY 2014-15 was usually determined using a “base plus” allocation model, with allocations in the 2000s often shaped by negotiations among the governing boards.

In 2014, the General Assembly adopted H.B. 14-1319 (Outcomes-based Funding for Higher Education), under which all funding was required to be allocated based on specific metrics using the most recent actual data available. This included factors such as the number of undergraduate resident students who qualified for a student stipend and the number degrees and certificates earned. The model was quite prescriptive and complex, with weighting related to factors such as Pell-eligibility.

The H.B. 14-1319 model was also significantly affected by enrollment. During the period when it was in effect, most of the state’s higher education institutions were shrinking in enrollment, while enrollment at the state’s larger, wealthier research institutions was growing. Unhappiness with the results of the H.B. 14-1319 model led the Department and General Assembly to adjust it repeatedly over the years to better support institutions facing declining enrollment. Dissatisfaction with this pattern led to a study over the 2019 interim and several competing proposals for how to reform the model.

The Joint Budget Committee sponsored H.B. 20-1366 (Concerning a Higher Education Funding Allocation Model), and this was adopted with broad support by the General Assembly. The bill was proposed, negotiated and supported by the governing boards and the Governor’s Office with extensive stakeholder input. It creates a funding mechanism that ties most funding to performance but also to the prior year’s base funding. It also provides the General Assembly more transparent flexibility to adjust funding for individual boards or groups of boards.

HOUSE BILL 20-1366 (SECTIONS 23-18-301 THROUGH 306, C.R.S.)

House Bill 20-1366 required the Department of Higher Education submit a budget request for FY 2021-22 consistent with the model created by the bill, and FY 2021-22 will be the first year the model is in effect. Under the model, funding for institutions is based on 3 components:

- Performance funding;
- Ongoing additional funding;
- Temporary additional funding.

Performance funding is calculated based on an institution's change over time in performance on each performance funding metric compared to other institutions' change in performance and adjusted based on each institution's share of funding in the previous state fiscal year. This portion of the model includes all base funding for the institutions as well as any desired increases or decreases to the overall base.

STATUTORY PERFORMANCE FUNDING METRICS

- Resident student full-time equivalent enrollment;
- Credential completion;
- Resident Pell-eligible student population share;
- Resident underrepresented minority student population share;
- Retention rate;
- One-hundred-percent-of-time graduation rate;
- One-hundred-fifty-percent-of-time graduation rate; and
- Resident first-generation undergraduate student population share.

The Joint Budget Committee determines the amount of funding allocated to each performance funding metric for a fiscal year after considering recommendations from the commission and department that are developed in collaboration with the institutions.

The calculations for the performance section of the model are outlined below. As shown, the calculation is based on:

- The governing board’s own *change* in performance compared to itself - Specifically, its average performance on a metric over the most recent 4 year period divided by its average performance over the 3-year period that began the same year (rows 2-4 below)
- How the governing board’s change in performance *compared* to the change in the average performance of other boards. In the chart below, all institutions improved their performance, but Board C improved less than the others, so it loses funding under the model.
- The institution’s percentage share of total funding for the prior fiscal year (row 1).

	A	B	C	D	
	Board A	Board B	Board C	TOTAL	
1	Governing Board’s share of total funding in prior fiscal year (e.g., FY 2022-23) ¹	10.0%	20.0%	70.0%	100.0%
<u>Calculate governing board change compared to itself</u>					
2	Average enrollment for 3 years actual years (FY 2018-19 to FY 2020-21)	100	500	900	1,500
3	Average enrollment over 4 actual years (FY 2018-19 to FY 2021-22)	105	550	910	1,565
4	4 year average as a percent of 3 year average	105.0%	110.0%	101.1%	104.3%
<u>Calibrate to FY 2022-23 share of funding</u>					
6	Multiply Row 1 x Row 4 for each column	10.5%	22.0%	70.8%	103.3%
7	Adjust so that total is 100% (e.g., A6/G6, B6/G6, etc.) = New share of funding for FY 2023-24	10.2%	21.3%	68.5%	100.0%

¹For FY 2021-22 only, statute requires use of the FY 2019-20 share of funding, skipping FY 2020-21. However, those shares were ultimately the same for FY 2019-20 and FY 2020-21. The table thus shows the fiscal years that would be used under normal circumstances.

Ongoing additional funding is base building and may be awarded to an institution to make progress toward the commission's higher education master plan goals.

- The statute includes a formula that may be used to recognize an institution's additional costs associated with educating and providing services to first-generation undergraduate students.
- Other mechanisms for distributing ongoing additional funding may also be used.

Temporary additional funding which is not base building, may be awarded to an institution for a specified period of time to address Commission master plan goals or other areas the commission identifies. This component has not been used thus far.

Specialty Education Programs, Local District and Area Technical colleges: Under both the prior model and the new model, minimum funding for specialty education programs (medical school, veterinary school, agricultural extension programs and forest service), as well as funding for local district colleges (Colorado Mountain College and Aims Community College), and the three area technical colleges is based on their previous year's funding, increased or decreased by the average percentage change in state funding for all institutions.

In the H.B. 20-1366 model (different from the prior model) this average percentage change does not include amounts newly awarded to institutions for Ongoing Additional Funding or Temporary Additional Funding. However, funding for these entities may be further adjusted if desired.

Colorado Opportunity Fund Student Stipends: In a change from the prior model, which based a significant share of total funding on the number of undergraduate resident students enrolled at each governing board who received a student stipend, the new funding structure is essentially unrelated to the number of student stipends. Instead, after funding is allocated to the boards, the JBC is to determine a share of the total that can be allocated as stipends, and the balance is incorporated into institutional “fee-for-service” contracts.

Process: The Colorado Commission on Higher Education, in conjunction with the Department of Higher Education and in collaboration with the institutions, is required to make funding recommendations to the Joint Budget Committee for these components as part of the annual budget request process.

- The Joint Budget Committee may adjust the amounts allocated through the various portions of the model and determines the amount allocated to each performance funding metric. The Joint Budget Committee uses this to develop the higher education funding in the Long Bill.
- By July 1, 2022, the Commission, in conjunction with the department and in collaboration with the institutions, was to identify and make recommendations to the Joint Budget Committee concerning ways to better measure success for students who are not first-time, full-time students. The Department submitted a memo dated June 6, 2022 from the Colorado Commission on Higher Education that included the following proposal to delay a related submission.

“First-time, full-time student cohorts have been used in the graduation rate metrics thus far because the federal database only reports on timely graduation rates for this subset of students. The [Department] collects and manages its own data which could be used to derive variable for time completion of all students, including part-time students, transfer students and returning students. However, it will take more time for the Department staff to create this variable...The Commission...requests the

Department work to generate a more inclusive variable as part of a comprehensive review process beginning this July....The Commission plans to develop initial recommendations by July 2023. The Department and institutions are supportive of the Commission's recommendation..."

How Was the Model Expected to be Used? How Has it Been Used?

- Based on copies of the model provided to legislative staff working on the bill, staff anticipated that the largest share of funding would be allocated through the **performance funding portion** of the model. Under most circumstances, funding shares will change over time, but only gradually, so this section of the model supports institutions' base funding needs. The institutions have typically included inflationary adjustments in requests for the performance funding portion of the model. **While the model appears is focused on funding increases, it can be used for decreases**, as the total funding allocated in the performance section of the model can be reduced below the existing base.
- The **ongoing additional funding** and **temporary additional funding** components were expected to be used to provide disproportionate increases to certain institutions over others. This was expected to be used to help the State achieve its Master Plan goals and address individual institution needs.

The model has been used largely as expected thus far for increases:

- For FY 2021-22, the Joint Budget Committee used a version of the funding model that directed all base funding and a 4.7 percent increase in funding through the Performance portion of the model. It also directed a 4.9 percent increase through the Ongoing Additional Funding section.
- For FY 2022-23, the JBC used a model that directed all base funding and a 6.0 percent increase through the Performance portion of the model and an additional 5.4 percent from the Ongoing Additional Funding section. In both years, the following components were included in Ongoing Additional Funding.

ONGOING ADDITIONAL FUNDING COMPONENTS FY 2021-22 AND FY 2022-23 BUDGETS

- First-generation student headcount (as defined in statute)
- First generation student FTE enrollment
- Underrepresented Minority (URM) distribution - Headcount calibrated to current General Fund allocations
- Pell distribution – Headcount of low-income students eligible for a Pell grant calibrated to current General Fund allocations
- URM Retention - Allocation based on improvement over time in retention of Underrepresented Minority students

Outcome Results

Performance outcomes do not shift funding in this model very much. However, having a model based on outcomes ensures that outcomes data is available, comparable, and "clean". Performance Results for Fall 2022 – Funding Model Data

The table below shows the raw 4 year average data (FY 2018-19 through FY 2021-22) used for the model. This is helpful for understanding characteristics of the governing boards. For example, it shows which institutions serve the most resident students who are Pell-eligible, underrepresented minorities, and "first generation" students (community colleges, Metropolitan State University of Denver, Colorado Mesa University, and Adams State University), and the poor graduation rates for "first-time full-time" students at these institutions. The data also show the relatively poor graduation rates at almost all institutions, including those that serve more affluent traditional students.

4 year averages for Performance FY 2018-19 to FY 2021-22										
	Adams	Mesa	Metro	Western	CSU System	FLC	CU System	Mines	UNC	CCCS
Resident Enrollment	1,520	6,357	13,388	1,596	19,247	1,305	36,895	3,640	6,586	44,627
Credential Production	588	2,046	3,398	364	5,830	328	11,566	1,070	2,405	19,522
PELL	41.4%	34.0%	40.6%	21.4%	27.7%	30.7%	29.7%	21.5%	31.1%	29.6%
Race/Ethnicity	43.2%	25.6%	41.2%	25.8%	24.1%	26.2%	25.2%	15.8%	27.9%	34.1%
Retention Rate	57.9%	73.9%	64.0%	68.8%	82.2%	61.5%	81.5%	91.7%	70.9%	56.0%
Grad. Rate - 100%	17.8%	9.8%	31.9%	27.3%	43.3%	23.2%	41.2%	63.3%	19.8%	22.3%
Grad. Rate - 150%	33.1%	29.5%	50.8%	49.4%	65.7%	43.2%	63.6%	82.6%	35.9%	30.3%
1st Generation*	523	3,810	9,982	353	6,001	562	10,362	655	2,925	35,523

*1st Generation data is based on 2022 headcount only, due to data limitations

The following chart shows how institutions' performances have changed in comparison to other institutions based on the most recent data. It uses the performance model to show how the higher education governing boards performed once the impact of budget "calibration" is excluded, i.e., if funding were related solely to each institution's performance against itself in comparison to the performance of other governing boards, using 4 year performance through 2022 versus 3 year performance through 2021. The table was created as if funding for all the institutions were equal in FY 2022-23 and thus each of the ten governing boards would receive 10.0% of total funding if their performance was equal. In this scenario, once performance is incorporated into the FY 2023-24 model, Adams State University would receive 10.04 percent of funding (an improvement of 0.04 percent), Colorado School of Mines would receive 10.10 percent of funding (an improvement of 0.10 percent), and the community college system would receive 9.89 percent (a reduction of 0.11 percent of funding). As shown, smaller schools have been performing well, with Western and the Colorado School of Mines demonstrating particularly strong performances. The community college system is performing poorly, and other schools fall somewhere in the middle.

FY 2023-24 Performance Model Results WITHOUT Calibration to Current Budget											
Weights		Adams	Mesa	Metro	Western	CSU System	FLC	CU System	Mines	UNC	CCCS
10.0%	Resident Enrollment	10.14%	10.03%	9.73%	10.25%	9.89%	9.97%	10.01%	10.35%	9.70%	9.92%
5.0%	Credential Production	9.98%	9.83%	10.02%	10.26%	9.95%	9.88%	10.06%	10.42%	9.80%	9.81%
20.0%	PELL	9.86%	10.06%	10.07%	9.52%	10.18%	10.14%	10.03%	10.10%	10.16%	9.88%
20.0%	Race/Ethnicity	9.86%	9.77%	9.99%	10.61%	9.82%	10.14%	9.88%	10.12%	9.96%	9.86%
20.0%	Retention Rate	10.11%	9.95%	9.97%	10.27%	10.06%	9.65%	10.08%	10.01%	9.95%	9.94%
10.0%	Grad. Rate - 100%	10.51%	10.05%	10.06%	9.92%	9.74%	10.32%	9.88%	9.84%	9.83%	9.84%
10.0%	Grad. Rate - 150%	9.98%	9.97%	10.01%	9.83%	9.92%	10.10%	10.02%	9.97%	10.19%	10.00%
5.0%	1st Generation	10.26%	10.15%	9.76%	10.26%	9.76%	10.26%	9.76%	10.26%	9.76%	9.76%
	Weighted Total	10.04%	9.96%	9.98%	10.11%	9.95%	10.03%	9.98%	10.10%	9.96%	9.89%

	Rate	Gov. Boards	Adams	Mesa	Metro	Western	CSU Sys	Ft. Lewis	CU	Mines	UNC	CCs
--	------	-------------	-------	------	-------	---------	---------	-----------	----	-------	-----	-----

FY 2023-24 Governing Board Detail

\$ 104
FY 2022-23 Long Bill + Tuition 30

Stipend-eligible SFTE assumption		115,688.4	852.8	5,868.1	11,631.0	1,332.1	16,639.1	1,117.0	28,968.4	2,852.6	5,438.5	40,988.8
State-operated Stipends @	\$	360,947,808	2,660,736	18,308,472	36,288,720	4,156,152	51,913,992	3,485,040	90,381,408	8,900,112	16,968,120	127,885,056
FFS per Section 303.5	\$	464,287,879	18,348,735	21,835,062	46,208,935	13,964,246	70,039,230	13,626,367	105,052,813	21,309,384	40,016,608	113,886,499
Specialty education	\$	160,728,834					80,407,269		80,321,565			
imited purpose FFS/special grant	\$	6,817,806	65,000	365,000	365,000	265,000	1,416,068	65,000	3,589,778	0	65,000	621,960
SUBTOTAL State Funds (Long Bill/landscape bills only)	\$	992,782,327	21,074,471	40,508,534	82,862,655	18,385,398	203,776,559	17,176,407	279,345,564	30,209,496	57,049,728	242,393,515
Resident	\$	1,323,836,359	11,634,806	57,108,728	95,588,689	12,024,383	227,392,358	8,823,422	542,427,893	67,989,987	51,502,955	249,343,138
Nonresident	\$	1,208,625,616	<u>9,425,964</u>	<u>15,366,003</u>	<u>10,344,676</u>	<u>10,581,955</u>	<u>286,903,514</u>	<u>32,258,744</u>	<u>689,557,749</u>	<u>111,961,060</u>	<u>18,026,399</u>	<u>24,199,552</u>
Tuition	\$	2,532,461,975	\$21,060,770	\$72,474,731	\$105,933,365	\$22,606,338	\$514,295,872	\$41,082,166	\$1,231,985,642	\$179,951,047	\$69,529,354	\$273,542,690
State/Tuition	\$	3,525,244,302	\$ 42,135,241	\$ 112,983,265	\$ 188,796,020	\$ 40,991,736	\$ 718,072,431	\$ 58,258,573	\$ 1,511,331,206	\$ 210,160,543	\$ 126,579,082	\$ 515,936,205
Marijuana CF	\$	3,900,000	\$ -	\$ -	\$ -	\$ -	\$ 900,000	\$ -	\$ 3,000,000	\$ -	\$ -	\$ -
Tobacco	\$	15,206,425							15,206,425			
Gaming	\$	12,139,419	5,506	659,347								11,474,566
SPARC Cash Fund	\$	900,159										900,159
Mandatory Fees (all)		250,202,594	4,134,000	5,962,965	27,414,707	5,851,950	82,585,210	5,678,336	70,148,886	17,621,975	15,907,293	14,897,272
TOTAL	\$	3,807,592,899	\$ 46,274,747	\$ 119,605,577	\$ 216,210,727	\$ 46,843,686	\$ 801,557,641	\$ 63,936,909	\$ 1,599,686,517	\$ 227,782,518	\$ 142,486,375	\$ 543,208,202
Total CF in base Long Bill	\$	2,814,810,572	\$ 25,200,276	\$ 79,097,043	\$ 133,348,072	\$ 28,458,288	\$ 597,781,082	\$ 46,760,502	\$ 1,320,340,953	\$ 197,573,022	\$ 85,436,647	\$ 300,814,687

Amounts NOT included above or in calculations below

<i>FY 2022-23 REGULAR sup adjustment (all treated as one-time only)</i>												
<i>FFS per Section 303.5 adjustments/other sp</i>		(3,902,477)	\$ (48,876)	\$ (212,547)	\$ (308,271)	\$ (46,386)	\$ (622,141)	\$ (61,957)	\$ (1,273,013)	\$ (134,300)	\$ (173,829)	\$ (1,021,157)
<i>FY 2022-23 Floor Amendments-GF appropriations (treated as one-time)</i>												
<i>Direct GF CSU agnext and climtate change</i>		175,000					\$ 175,000					
<i>FY 2022-23 Other Legislation -2022 Session</i>												
<i>HB 22-1323 Direct GF - CSU Tree Nursery</i>		5,000,000					\$ 5,000,000					
<i>SB 22-147 Behavioral Health-care - CF AR</i>		4,600,000						\$ 4,600,000				
<i>SB 22-181 Behavioral Health care - CF AR1</i>		15,000,000									\$ 15,000,000	
<i>HB 22-1302 Healthcare Practice - CF ARP</i>		250,000						\$ 250,000				
<i>SB 22-226 Healthcare Workforce - CF - AR</i>		26,000,000									\$ 26,000,000	

	Rate	Gov. Boards	Adams	Mesa	Metro	Western	CSU Sys	Ft. Lewis	CU	Mines	UNC	CCs
Recommended Adjustments for - FY 2023-24												
	\$	116										
		30										
Final Action												
Stipend-eligible SFTE assumption		(5,762.7)	(54.9)	(74.0)	(1,155.6)	90.2	(836.9)	(42.0)	(1,914.1)	36.9	(505.4)	(1,306.8)
State-operated Stipends @ FFS per Section 303		21,593,766	115,934	1,855,053	165,718	793,417	3,077,731	255,859	3,767,394	1,155,175	199,121	10,208,364
Specialty education		34,484,105	1,433,238	982,128	6,997,407	449,945	4,042,971	896,438	8,401,077	929,993	3,363,065	6,987,843
Limited purpose FFS		11,561,286	-	-	-	-	5,737,791	-	5,823,495	-	-	-
<i>and for annualization of SB21-213</i>		-	-	-	-	-	-	-	-	-	-	-
SUBTOTAL State Funds	\$	67,639,157	\$ 1,549,172	\$ 2,837,181	\$ 7,163,125	\$ 1,243,362	\$ 12,858,493	\$ 1,152,297	\$ 17,991,966	\$ 2,085,168	\$ 3,562,186	\$ 17,196,207
Resident		25,594,904	153,427	2,026,292	(1,457,727)	150,455	7,663,981	123,732	4,423,003	1,315,417	1,222,599	9,973,725
Nonresident Tuition	\$	44,357,622	<u>(32,627)</u>	<u>1,040,045</u>	<u>(67,499)</u>	<u>423,756</u>	<u>16,516,408</u>	<u>1,942,680</u>	<u>16,562,330</u>	<u>6,620,525</u>	<u>391,299</u>	<u>960,705</u>
State/Tuition	\$	137,591,683	\$ 1,669,972	\$ 5,903,518	\$ 5,637,899	\$ 1,817,573	\$ 37,038,882	\$ 3,218,709	\$ 38,977,299	\$ 10,021,110	\$ 5,176,084	\$ 28,130,637
Marijuana CF		-	-	-	-	-	-	-	-	-	-	-
Tobacco		1,463,108	-	-	-	-	-	-	1,463,108	-	-	-
Gaming		19,923,830	5,451	1,126,611	-	-	-	-	-	-	-	18,791,768
SPARC Cash Fund		(6,781)	-	-	-	-	-	-	-	-	-	(6,781)
Mandatory Fees (all)		6,053,291	-	161,043	1,370,735	124,605	1,093,790	270,942	-	1,938,417	154,880	938,879
TOTAL	\$	165,025,131	\$ 1,675,423	\$ 7,191,172	\$ 7,008,634	\$ 1,942,178	\$ 38,132,672	\$ 3,489,651	\$ 40,440,407	\$ 11,959,527	\$ 5,330,964	\$ 47,854,503

	Rate	Gov. Boards	Adams	Mesa	Metro	Western	CSU Sys	Ft. Lewis	CU	Mines	UNC	CCs
	\$ 116											
Final FY 2023-24 Long Bill	30											
<i>Total Stipends + FFS per 303 to allocate</i>			22,558,643	42,980,715	89,660,780	19,363,760	129,073,924	18,263,704	207,602,692	32,294,664	60,546,914	258,967,762
assumption (based on FY 22		109,925.7	797.9	5,794.1	10,475.4	1,422.3	15,802.2	1,075.0	27,054.3	2,889.5	4,933.1	39,682.0
State-operated Stipends @ \$3,480	\$	382,541,574	2,776,670	20,163,525	36,454,438	4,949,569	54,991,723	3,740,899	94,148,802	10,055,287	17,167,241	138,093,420
FFS per Section 303.5	\$	498,771,984	19,781,973	22,817,190	53,206,342	14,414,191	74,082,201	14,522,805	113,453,890	22,239,377	43,379,673	120,874,342
Specialty education	\$	172,290,120					86,145,060		86,145,060			
Limited purpose FFS	\$	6,817,806	65,000	365,000	365,000	265,000	1,416,068	65,000	3,589,778	0	65,000	621,960
ed for annualization of SB21-213	\$	(188,684)							-188,684			
SUBTOTAL State Funds	\$	1,060,232,800	22,623,643	43,345,715	90,025,780	19,628,760	216,635,052	18,328,704	297,148,846	32,294,664	60,611,914	259,589,722
Resident	\$	1,349,431,263	11,788,233	59,135,020	94,130,962	12,174,838	235,056,339	8,947,154	546,850,896	69,305,404	52,725,554	259,316,863
Nonresident	\$	1,252,983,238	9,393,337	16,406,048	10,277,177	11,005,711	303,419,922	34,201,424	706,120,079	118,581,585	18,417,698	25,160,257
Tuition	\$	2,602,414,501	\$21,181,570	\$75,541,068	\$104,408,139	\$23,180,549	\$538,476,261	\$43,148,578	\$1,252,970,975	\$187,886,989	\$71,143,252	\$284,477,120
State/Tuition	\$	3,662,647,301	\$ 43,805,213	\$ 118,886,783	\$ 194,433,919	\$ 42,809,309	\$ 755,111,313	\$ 61,477,282	\$ 1,550,119,821	\$ 220,181,653	\$ 131,755,166	\$ 544,066,842
Marijuana CF	\$	3,900,000	\$ -	\$ -	\$ -	\$ -	900,000	\$ -	3,000,000	\$ -	\$ -	\$ -
Tobacco	\$	16,669,533							16,669,533			
Gaming	\$	32,063,249	10,957	1,785,958								30,266,334
SPARC Cash Fund	\$	893,378										893,378
Mandatory Fees (all)		256,255,886	4,134,000	6,124,008	28,785,442	5,976,555	83,679,000	5,949,278	70,148,886	19,560,392	16,062,173	15,836,151
TOTAL in LB	\$	3,972,429,347	\$ 47,950,170	\$ 126,796,749	\$ 223,219,361	\$ 48,785,864	\$ 839,690,313	\$ 67,426,560	\$ 1,639,938,240	\$ 239,742,045	\$ 147,817,339	\$ 591,062,705
CF in Long Bill	\$	2,912,196,547	\$ 25,326,527	\$ 83,451,034	\$ 133,193,581	\$ 29,157,104	\$ 623,055,261	\$ 49,097,856	\$ 1,342,789,394	\$ 207,447,381	\$ 87,205,425	\$ 331,472,983

Forecast Summary

Legislative Council Staff Forecast

COF FTE	ASU	CMU	MSU	WSCU	CSU	Ft. Lewis	CU	Mines	UNC	CCCOES	Total
2022-23	709	5,908	10,189	1,408	15,481	1,080	26,999	3,005	4,459	42,297	111,534
2023-24	709	5,843	9,935	1,394	15,357	1,047	26,783	2,950	4,303	42,297	110,618

2022-23 Enrollment (FTE)	ASU	CMU	MSU	WSCU	CSU	Ft. Lewis	CU	Mines	UNC	CCCOES	Total
Resident	1,463	6,247	11,221	1,662	18,376	1,247	39,526	3,980	5,203	43,146	132,071
Undergraduate	873	6,025	11,221	1,455	16,363	1,222	30,171	3,256	4,571	43,039	118,194
Graduate	590	223	0	207	2,014	26	9,355	724	632	107	13,877
Nonresident	822	1,179	446	563	9,479	1,566	19,026	2,987	854	1,817	38,739
Undergraduate	257	1,135	446	426	7,851	1,545	14,609	2,435	700	1,766	31,170
Graduate	565	44	0	137	1,628	20	4,417	552	154	51	7,569
Total (Fee-Eligible)	2,285	7,426	11,666	2,225	27,856	2,813	58,552	6,967	6,057	44,963	170,810

2023-24 Enrollment (FTE)	ASU	CMU	MSU	WSCU	CSU	Ft. Lewis	CU	Mines	UNC	CCCOES	Total
Resident	1,472	6,210	10,940	1,648	18,284	1,214	38,991	3,937	5,023	43,146	130,864
Undergraduate	864	5,977	10,940	1,441	16,283	1,185	29,800	3,198	4,411	43,039	117,136
Graduate	608	234	0	207	2,001	29	9,191	739	612	107	13,728
Nonresident	824	1,192	437	567	9,652	1,661	19,108	3,072	823	1,791	39,127
Undergraduate	241	1,147	437	430	8,045	1,638	14,674	2,508	676	1,740	31,535
Graduate	582	46	0	137	1,607	22	4,434	563	148	51	7,591
Total (Fee-Eligible)	2,295	7,403	11,377	2,215	27,936	2,875	58,099	7,008	5,846	44,936	169,991

2022-23 Tuition Revenue	ASU	CMU	MSU	WSCU	CSU	Ft. Lewis	CU	Mines	UNC	CCCOES	Total
Resident	11,634,806	57,108,728	95,588,689	12,024,383	227,392,358	8,823,422	542,427,893	67,989,987	51,502,955	249,343,138	1,323,836,359
Undergraduate	5,659,711	53,509,800	95,588,689	8,490,668	194,312,600	8,577,239	383,607,265	54,640,410	41,318,739	247,902,649	1,093,607,770
Graduate	5,975,095	3,598,928	0	3,533,715	33,079,757	246,184	158,820,628	13,349,577	10,184,216	1,440,489	230,228,589
Nonresident	9,425,964	15,366,003	10,344,676	10,581,955	286,903,514	32,258,744	689,557,749	111,961,060	18,026,399	24,199,552	1,208,625,616
Undergraduate	3,746,256	14,588,681	10,344,676	8,242,691	224,226,133	32,079,862	563,081,217	90,612,229	13,968,615	23,397,825	984,288,185
Graduate	5,679,708	777,322	0	2,339,263	62,677,381	178,882	126,476,531	21,348,831	4,057,785	801,727	224,337,431

Institutions' Forecasts

2022-23 Enrollment (FTE)	ASU	CMU	MSU	WSCU	CSU	Ft. Lewis	CU	Mines	UNC	CCCOES	Total
Resident	1,491	6,264	11,260	1,459	18,423	1,205	39,216	3,994	5,181	42,981	131,473
Undergraduate	904	6,043	11,260	1,459	16,322	1,180	29,889	3,267	4,551	42,874	117,749
Graduate	587	221	0	0	2,101	25	9,326	727	630	107	13,724
Nonresident	810	1,182	498	426	9,415	1,534	19,005	2,968	841	1,851	38,531
Undergraduate	247	1,137	498	426	7,782	1,515	14,371	2,419	688	1,800	30,883
Graduate	563	45	0	0	1,633	19	4,634	549	153	52	7,648
Total (Fee-Eligible)	2,301	7,446	11,758	1,885	27,838	2,739	58,221	6,962	6,022	44,832	170,004

2023-24 Enrollment (FTE)	ASU	CMU	MSU	WSCU	CSU	Ft. Lewis	CU	Mines	UNC	CCCOES	Total
Resident	1,491	6,264	11,035	1,459	18,383	1,145	38,728	3,951	5,076	43,175	130,706
Undergraduate	904	6,043	11,035	1,459	16,294	1,112	29,529	3,209	4,446	43,069	117,099
Graduate	587	221	0	0	2,089	33	9,199	742	630	107	13,607
Nonresident	810	1,182	488	426	9,586	1,704	19,138	3,111	844	1,824	39,114
Undergraduate	247	1,137	488	426	7,974	1,682	14,469	2,553	691	1,772	31,439
Graduate	563	45	0	0	1,612	22	4,670	558	153	52	7,674
Total (Fee-Eligible)	2,301	7,446	11,523	1,885	27,969	2,849	57,866	7,062	5,920	44,999	169,820

2022-23 Tuition Revenue	ASU	CMU	MSU	WSCU	CSU	Ft. Lewis	CU	Mines	UNC	CCCOES	Total
-------------------------	-----	-----	-----	------	-----	-----------	----	-------	-----	--------	-------

Resident	11,569,145	55,390,820	95,938,932	8,485,136	223,038,528	8,552,136	543,508,663	68,232,152	51,497,518	248,312,212	1,314,525,242
Undergraduate	5,646,145	51,976,697	95,938,932	8,485,136	190,357,556	8,291,371	382,180,989	54,828,098	41,128,291	246,866,693	1,085,699,908
Graduate	5,923,000	3,414,123	0	0	32,680,972	260,765	161,327,674	13,404,054	10,369,227	1,445,519	228,825,334
Nonresident	9,294,261	15,688,023	9,546,220	8,259,724	274,655,054	32,140,919	684,897,534	111,205,810	17,668,811	24,235,404	1,187,591,760
Undergraduate	3,632,261	14,853,177	9,546,220	8,259,724	212,698,198	31,910,950	559,878,516	90,836,468	13,592,429	23,412,462	968,620,405
Graduate	5,662,000	834,846	0	0	61,956,856	229,969	125,019,018	20,369,342	4,076,382	822,942	218,971,355

USER-DEFINED ASSUMPTIONS

2023-24 Tuition Rate Increase Assumptions

(Rate Increase per FTE)

	ASU	CMU	MSU	WSCU	CSU Ft. Collins	CSU Pueblo	Ft. Lewis	CU	Mines	UNC	CCCOES
Resident Undergrad	0.0%	4.0%	1.0%	2.8%	3.9%		4.0%	1.5%	3.0%	6.0%	4.0%
Nonresident Undergrad	0.0%	5.5%	1.4%	4.1%	4.0%		0.0%	1.5%	3.0%	6.0%	5.5%
Resident Grad	0.5%	4.0%	1.0%	0.0%	4.0%		4.0%	4.0%	3.0%	6.0%	4.0%
Nonresident Grad	0.5%	5.5%	1.4%	0.0%	4.0%		0.0%	4.0%	3.0%	6.0%	5.5%

2022-23 Tuition Revenue Base Legislative Council *Choose Legislative Council or the institutions' tuition forecast.*

2023-24 Enrollment Assumptions per FTE *Grow tuition while accounting for prior year enrollment (per FTE) based on the Legislative Council forecast, or assume flat enrollment growth (Flat).*

TUITION ASSUMPTIONS

2022-23 Tuition Revenue	ASU	CMU	MSU	WSCU	CSU	Ft. Lewis	CU	Mines	UNC	CCCOES	Total
Resident	11,634,806	57,108,728	95,588,689	12,024,383	227,392,358	8,823,422	542,427,893	67,989,987	51,502,955	249,343,138	1,323,836,359
Undergraduate	5,659,711	53,509,800	95,588,689	8,490,668	194,312,600	8,577,239	383,607,265	54,640,410	41,318,739	247,902,649	1,093,607,770
Graduate	5,975,095	3,598,928	-	3,533,715	33,079,757	246,184	158,820,628	13,349,577	10,184,216	1,440,489	230,228,589
Nonresident	9,425,964	15,366,003	10,344,676	10,581,955	286,903,514	32,258,744	689,557,749	111,961,060	18,026,399	24,199,552	1,208,625,616
Undergraduate	3,746,256	14,588,681	10,344,676	8,242,691	224,226,133	32,079,862	563,081,217	90,612,229	13,968,615	23,397,825	984,288,185
Graduate	5,679,708	777,322	-	2,339,263	62,677,381	178,882	126,476,531	21,348,831	4,057,785	801,727	224,337,431

2023-24 Tuition Revenue	ASU	CMU	MSU	WSCU	CSU	Ft. Lewis	CU	Mines	UNC	CCCOES	Total
<i>Based on Legislative Council Enrollment Forecast and Assumed Rate Increases</i>											
Resident	11,788,233	59,135,020	94,130,962	12,174,838	235,056,339	8,947,154	546,850,896	69,305,404	52,725,554	259,316,863	1,349,431,263
Undergraduate	5,603,113	55,204,991	94,130,962	8,641,122	200,884,512	8,652,718	384,571,053	55,266,589	42,264,939	257,818,755	1,113,038,754
Graduate	6,185,120	3,930,029	-	3,533,715	34,171,827	294,436	162,279,842	14,038,816	10,460,616	1,498,109	236,392,509
Nonresident	9,393,337	16,406,048	10,277,177	11,005,711	303,419,922	34,201,424	706,120,079	118,581,585	18,417,698	25,160,257	1,252,983,239



February 24, 2023

The Honorable Senator Rachel Zenzinger
Chair, Joint Budget Committee
Colorado General Assembly
200 E. 14th Avenue, Third Floor
Denver, CO 80203

Dear Chair Zenzinger,

On behalf of Chancellor Tony Frank, I am writing to request your consideration of a request for a small amendment to CRS 23-18-304 (1)(a)(I). This amendment would have no fiscal impact to the State of Colorado and would be effective starting in FY 2023-24.

At the present time, the appropriations we receive for Specialty Education Services (also known as the "SEP" funding) are limited to supporting the Professional Veterinary Medical program, CSU Extension, the Colorado Agricultural Experiment Station, and the Colorado State Forest Service.

We are requesting an expansion of the allowed programs eligible for use of these funds to include the partnership we have with the University of Colorado School of Medicine. A cohort of these students attends classes at CSU Fort Collins and this change would allow SEP dollars to be used in a like manner at both institutions. The reasons for this request are 1) like most programs around the State, this program has experienced cost pressures beyond prior trends and 2) the revenues supporting the program were affected by the pandemic.

We expect the use of this new flexibility to impact existing programs supported by the current SEP only minimally. Their continuing missions remain among the most important work CSU provides to the State.

Prior to sending this letter, we briefly outlined this issue to your staff. We offer the amendment language below for your reference. Please reach out to me at henry.sobanet@colostate.edu if you or your staff have any questions.

Proposed Language in CRS 23-18-304 (1)(a)(I)

For the 2015-16 state fiscal year and each fiscal year thereafter, the board of regents of the university of Colorado may annually negotiate a fee-for-service contract with the department for the delivery of specialty education services provided by the health sciences center campus of the university of Colorado, established pursuant to section 23-20-101. For the 2015-16 state fiscal year and each fiscal



year thereafter, the board of governors of the Colorado state university system may annually negotiate fee-for-service contracts with the department for the delivery of specialty education services pursuant to part 3 and parts 5 to 8 of article 31 of this title, **FOR THE DELIVERY OF HEALTH SCIENCES PROGRAMS WITH THE BOARD OF REGENTS OF THE UNIVERSITY OF COLORADO**, and the veterinary medicine program at Colorado state university, established pursuant to section 23-31-101. (NOTE: REMAINING TEXT OF THIS SECTION LEFT OUT FOR BREVITY.)

With thanks for your consideration,

Henry Sobanet
CFO and Senior Vice Chancellor

CC:

Representative Shannon Bird, Joint Budget Committee Vice Chair
Senator Jeff Bridges, Joint Budget Committee
Representative Emily Sirota, Joint Budget Committee
Senator Barbara Kirkmeyer, Joint Budget Committee
Representative Rod Bockenfeld, Joint Budget Committee
Ms. Amanda Bickel, Joint Budget Committee Staff



University of Colorado
Anschutz Medical Campus
School of Medicine

Mark Deutchman, MD
Department of Family Medicine
Mail Stop F496, AO1 12631 E. 17th Ave
Aurora, CO 80045-0508
Office: 303-724-9725 Fax: -9746
<https://medschool.cuanschutz.edu/ruralprogram>



March 2, 2023

Dear Members of the Joint Budget Committee,

I am writing this note as Director of the rural program office that is responsible for providing guidance, technical support and performance reporting regarding the Colorado Rural Healthcare Workforce Initiative. The Initiative involves the 15 programs named in SB22-172. All of the participating programs are very grateful for the Colorado Legislature’s confidence and support in establishing this initiative.

For the current fiscal year, each program received \$65,000 to start or continue their work. Several of the programs are new and will not be able to spend their funds by the end of FY 2022-23, by June 30, 2023. We respectfully request that unspent funds from this initial start-up year, can be rolled forward and carried into FY 2023-24. Much of this situation results from the fact that the new startup programs do not yet have students enrolled and the legislation requires that 40 percent of the funds be spent on scholarships. Until students are enrolled, it is not possible to award scholarships. The table below shows the participating programs and their anticipated unspent funds. The total unspent funds represent about 28 percent of the total FY 2022-23 appropriation.

Colorado Rural Healthcare Workforce Initiative Participating Programs		Funds that will not be able to be spent in FY 2022-23 because of start-up year
1.	Adams State nursing	\$65,000
2.	Colorado Mesa University nursing	\$50,900
3.	Colorado State Pueblo nursing	\$26,000
4.	Metro State nursing	\$42,500
5.	University of Northern Colorado nursing	0
6.	Colorado Mountain College nursing	0
7.	Morgan Community College nursing	\$50,000
8.	Ft. Lewis/University of Colorado nursing	\$33,000
9.	Trinidad State nursing	0
10.	University of Colorado, Colorado Springs nursing	\$21,700
11.	Western Colorado University Master of Behavioral Science in Rural Community Health	0
12.	University of Colorado School of Dental Medicine	\$38,000
13.	Colorado School of Public Health (CU, CSU,UNC)	0
14.	University of Colorado School of Medicine, Physician Assistant program	\$6,000
15.	University of Colorado School of Medicine, MD program	0
16.	Rural Program Office	0
17.	Total	\$333,100

Thank you for considering this request.

Mark Deutchman MD
Professor, Dept. of Family Medicine
Director, Rural Program, School of Medicine; Associate Dean for Rural Health



February 20, 2023

Amanda Bickel
Chief Legislative Budget and Policy Analyst
Joint Budget Committee, Colorado General Assembly
Electronically Submitted

Dear Amanda,

At their February 3, 2023 meeting, the Western Colorado University Board of Trustees provisionally approved tuition, fee, room and board rates for FY2023-24. Part of their approval included the creation of a differential tuition rate for Western's computer science and engineering program in partnership with the University of Colorado-Boulder. As a reminder, this partnership program provides students the opportunity to receive a bachelor's degree in either computer science or mechanical engineering from CU-Boulder's College of Engineering and Applied Science while taking all coursework at Western. For the first two years of the program, students are enrolled as Western students taking pre-requisites and general education coursework. In the final two years, students enroll at CU-Boulder, taking CU coursework delivered by CU faculty on Western's campus. This partnership was made possible by Western alum, Paul Rady, who provided a generous \$80 million gift to construct a state-of-the-art academic building and provide programmatic support.

The purpose of implementing this tuition differential is to ensure equity across different student populations. It is important that partnership students have access to the same co- and extra-curricular opportunities as all students, even when classified as CU students. However, under the current pricing structure, partnership students do not pay for the fees that support the co- and extra-curricular opportunities in years 3 and 4 of their program. The proposed differential would allow Western to front-load fees for years 3 and 4. This has the double advantage of smoothing pricing over all four years and avoiding the administrative challenge of trying to collect Western fees from a CU student. Overall pricing for a CU computer science/engineering degree will remain less under Western's partnership program versus attending at the Boulder campus, particularly for nonresident students.

Because the resident tuition differential will be above any limitation on tuition increases, we are requesting that this differential be noted in an appropriate manner so that Western does not violate any tuition restrictions approved by the General Assembly.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Brad Baca".

Brad Baca
President

Attachment: Tuition/Fee Schedule and Comparison

Attachment: Tuition/Fee Schedule and Comparison

Rady School CS&E Resident Student Cost of Attendance: Full Academic Year			
	FY2022-23 Actual	FY2023-24 Approved	\$ Change
Tuition (student share)	\$ 6,936.00	\$ 10,272.00	\$ 3,336.00
Mandatory Fees	\$ 3,877.10	\$ 3,955.25	\$ 78.15
Total	\$ 10,813.10	\$ 14,227.25	\$ 3,414.15

Rady School CS & E Nonresident UG Student Cost of Attendance: Full Academic Year			
	FY2022-23 Actual	FY2023-24 Approved	\$ Change
Tuition (student share)	\$ 18,960.00	\$ 22,296.00	\$ 3,336.00
Mandatory Fees	\$ 3,877.10	\$ 3,955.25	\$ 78.15
Total	\$ 22,837.10	\$ 26,251.25	\$ 3,414.15

Rady School CS&E Resident Student Four Year Cost of Attendance					
	Year 1	Year 2	Year 3	Year 4	Total
Tuition	\$10,272	\$10,272	\$15,072	\$15,072	\$50,688
Mandatory Fees	\$3,877	\$3,877	\$160	\$160	\$8,074
Total	\$14,149	\$14,149	\$15,232	\$15,232	\$58,762

CU Boulder Resident Student Four Year Cost of Attendance					
	Year 1	Year 2	Year 3	Year 4	Total
Tuition	\$14,592	\$14,592	\$14,592	\$14,592	\$58,368
Mandatory Fees	\$1,568	\$1,568	\$1,568	\$1,568	\$6,272
Total	\$16,160	\$16,160	\$16,160	\$16,160	\$64,640
Rady School Savings	\$2,014	\$2,014	\$928	\$928	\$5,878

Rady School CS&E Nonresident Student Four Year Cost of Attendance					
	Year 1	Year 2	Year 3	Year 4	Total
Tuition	\$22,296	\$22,296	\$42,050	\$42,050	\$128,692
Mandatory Fees	\$3,877	\$3,877	\$160	\$160	\$8,074
Total	\$26,173	\$26,173	\$42,210	\$42,210	\$136,766

CU Boulder Nonresident Student Four Year Cost of Attendance					
	Year 1	Year 2	Year 3	Year 4	Total
Tuition	\$40,826	\$40,826	\$40,826	\$40,826	\$163,304
Mandatory Fees	\$1,568	\$1,568	\$1,568	\$1,568	\$6,272
Total	\$42,394	\$42,394	\$42,394	\$42,394	\$169,576
Rady School Savings	\$16,224	\$16,224	\$184	\$184	\$32,810

To: Joint Budget Committee Members
From: Andy Feinstein
RE: UNC FY 2023-24 Tuition Rates
Date: March 7, 2023
CC: Dale Pratt, UNC; Amanda Bickel, JBC

As an integral and important part of UNC's financial planning process for fiscal year 2023-24 (FY24), I am requesting tuition rate flexibility above the contemplated 4% cap, up to a maximum of 6%. Underlying this request are the following key elements:

- All Pell-eligible students, which includes students with an expected family contribution (EFC) of up to \$6,656 and can include annual household incomes of up to \$72,000, will receive increases in financial aid sufficient to cover the increases in tuition and fees, and more in most cases.
- We have successfully responded to recent years of financial pressures with prudent and effective reductions in operating expenses, aligning limited resources with critical needs, and will continue to do so in FY24 and beyond.
- In collaboration with other Colorado institutions, we have advocated for an increase in state funding to higher education that would cover increases in base core minimum costs. However, inflationary pressures experienced by UNC in fiscal 2022-23 (FY23), which are expected to continue into FY24 and beyond, will exceed base core minimum cost increases.
- UNC is the most affordable research institution in Colorado and will continue to be so even with an increase in tuition of up to 6%.

Affordability

UNC has consistently offered generous institutional aid to students from low- and middle-income families. In fact, in prior years, 30% of UNC's undergraduate resident students have paid no out-of-pocket net tuition and fees costs after institutional, Pell, and other grants and scholarships are applied. 47% of undergraduate students have paid no out-of-pocket tuition costs.

For FY24, UNC is implementing a new need-based financial aid awarding structure that will increase institutional grants to many undergraduate students. After these financial aid changes, 75% of degree-seeking undergraduate students attending UNC with resident, full-time status and an expected family contribution (EFC) of less than \$16,641 (250% of the Pell cut-off), which can include annual household incomes of up to \$132,000, will experience no out-of-pocket financial impact from a tuition increase of even as much as 6% (with a 5% increase in mandatory fees).

Within Colorado, UNC's tuition and fee rates are among the lowest of the public four-year institutions and lower than all other research universities, even before considering the discounting available for UNC students through grant and scholarship aid. An increase in tuition of up to 6% would not materially change that comparative position for UNC.

Resident UG Tuition & Fees	FY23 Tuition & Fees	FY24 with 4% Increase	UNC with 6% Increase*
Colorado School of Mines	\$23,160	\$24,086	
University of Colorado-Boulder	\$13,106	\$13,630	
Colorado State University	\$12,492	\$12,992	
University of Colorado-Denver	\$11,800	\$12,272	
University of Colorado-Colorado Springs	\$11,030	\$11,471	
University of Northern Colorado	\$10,904	\$11,366	\$11,532
Colorado State University-Pueblo	\$10,913	\$11,350	
Western State University	\$10,813	\$11,246	
Metropolitan State University of Denver	\$10,261	\$10,671	
Colorado Mesa University	\$9,962	\$10,360	
Adams State University	\$9,775	\$10,166	
Fort Lewis College	\$9,216	\$9,585	

*UNC fee rate increase of 5%

FY23 Source: CDHE Tuition and Fees Report

Efficiency and Budget Management

UNC has been committed to a response to fiscal pressures that is prudent and highly flexible, driven by a focus from leaders on carefully implementing substantial reductions in operating expenses and aligning resources with critical needs to ensure a “Students First” focus in keeping with our strategic priorities. In fact, the fiscal health of UNC has significantly improved and stabilized over the past several years. However, fixed costs of operations cannot be reduced continually without risks to critical services and support for infrastructure.

The fiscal 2021-21 IPEDS data for UNC’s national peer institutions shows a calculated Composite Financial Index (CFI) range of 2.86 to 7.21, with UNC’s CFI for that period at 3.15, the highest index score for UNC in more than 10 years. Even with that substantial improvement achieved through strong, responsive fiscal management, UNC remains at the low end of the peer range while continuing to experience persistent financial headwinds.

Meanwhile, UNC has successfully adapted to dramatic shifts in demand for enhanced student support services focused on academic success and student well-being and to meet changing needs for enhanced academic technology.

In addition, historically unprecedented employee turnover rates in the last three years continue to strain resources needed for the service and support of students and campus operations. UNC’s strategic plan, *Rowing, Not Drifting 2030*, includes a vision element to Enhance & Invest in our employees with the objective of sustaining “. . . a strong team of highly-skilled, knowledgeable, and dedicated faculty and staff across the institution.” In order to meet that objective, we have committed to a multi-year compensation plan to assure our employees that we will make fiscally responsible progress to achieving and sustaining compensation parity with our national peer averages as soon as possible.

We are eagerly anticipating the benefits of UNC’s new Strategic Enrollment Management (SEM) plan, which is in the early stages of implementation and is expected to have significant implications for all aspects of UNC’s support for student recruitment, matriculation, retention, and completion. The SEM plan is already showing an early impact on sustaining and improving enrollments.

Early enrollment indicators for fall 2023 show a strong likelihood that, with the potential for more than 1,300 new-first-time undergraduate students, we will enroll our largest cohort of new students since fall 2016 and

see a return to overall growth in undergraduate student enrollment within the next two fiscal years.

State Funding

As stated in the CDHE's Tuition and Fees Report for FY23, "According to the State Higher Education Executive Officer's (SHEEO) annual State Higher Education Finance (SHEF), Colorado is among the lowest in every measure of state support." The report also states that, "Colorado appropriates general fund on a per-FTE basis \$3,865 below the national average." In its concluding paragraph, the report goes on to say, ". . . the importance of General Fund support for institutions of higher education tuition setting cannot be overstated. As the NCHEMS Cost Driver Study Report finds, Colorado institutions have so far managed to become lean and efficient."

We are grateful for the increased investments in Colorado higher education that the Joint Budget Committee has emphatically supported in recent years. Toward the continuation of that trend, UNC firmly supports the unified request from Colorado institutions for FY24 to address base core minimum cost increases. The value of that support, as quoted above, cannot be overstated. However, recent improvements in state funding support have not yet risen to the point of fully reversing the cumulative, detrimental impacts of more than a decade of underfunding for higher education in Colorado, and UNC must be diligent in efforts to address the additional cost factors we are and will be absorbing above and beyond the base core minimum cost increases.

Request

We are requesting that the Joint Budget Committee approve tuition flexibility for an increase in UNC's undergraduate resident tuition rates above 4% and up to 6%. With that flexibility, UNC's Board of Trustees will continue to consider the financial outlook for FY24 and set tuition rates as fall 2023 enrollment indicators continue to develop, and after more insight into the state's budget and other financial factors becomes available.

First Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

DRAFT
3/3/23

DRAFT

LLS NO. 23-0630.01 Jane Ritter x4342

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: CO Commn Policies Postgraduate Student Exch Prog

A BILL FOR AN ACT

101 **CONCERNING POLICIES TO BE ESTABLISHED BY THE COLORADO**
102 **COMMISSION ON HIGHER EDUCATION RELATED TO**
103 **POSTGRADUATE STUDENT EXCHANGE PROGRAMS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)

Joint Budget Committee. If the Colorado commission on higher education (commission) enters into a professional student exchange program through the western interstate commission on higher education (WICHE), then, subject to available appropriations, the commission shall establish policies to maximize the benefit of the exchange program to

*Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words indicate deletions from existing law.*

Colorado residents. The policies may include, but need not be limited to:

- Policies for Colorado residents seeking postsecondary optometry degrees at institutions in other states in which, beginning in the 2024-25 academic year, the commission shall ensure that any student who enters the postsecondary optometry program, as a part of the student's post-educational service commitment, shall agree to provide services to Coloradans enrolled in programs established pursuant to the "Colorado Medical Assistance Act"; and
- Policies that promote the provision of services in underserved areas. Such policies may include reducing the service requirement for an individual to meet the individual's post-educational service requirement by serving in areas that have insufficient access to optometry services.

The bill aligns Colorado law with the current operation of WICHE professional student exchange programs.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 23-1-108, **amend**
3 (10) as follows:

4 **23-1-108. Duties and powers of the commission with regard to**
5 **systemwide planning - reporting - definitions.** (10) (a) The
6 commission may enter INTO, on behalf of the state of Colorado, ~~into~~
7 agreements with another state or with the western interstate commission
8 for higher education on behalf of another state for the granting of full or
9 partial waivers of the ~~nonresident~~ tuition to residents of such other states
10 who are postgraduate or professional students at or are eligible for
11 admission as postgraduate students to any of the ~~state-supported~~
12 institutions of higher education in Colorado. ~~if the agreement provides~~
13 ~~that, under substantially the same circumstances, such other state will~~
14 ~~grant reciprocal waivers to residents of Colorado who are postgraduate~~
15 ~~or professional students of universities or colleges in such other states.~~
16 SUBJECT TO AVAILABLE APPROPRIATIONS, THE COMMISSION MAY ALSO

1 ENTER INTO, ON BEHALF OF THE STATE OF COLORADO, AGREEMENTS WITH
2 ANOTHER STATE OR WITH THE WESTERN INTERSTATE COMMISSION FOR
3 HIGHER EDUCATION FOR RECIPROCAL FULL OR PARTIAL TUITION WAIVERS
4 OR MAY GRANT TUITION SUBSIDIES TO COLORADO RESIDENTS WHO ARE
5 POSTGRADUATE OR PROFESSIONAL STUDENTS AT OR ARE ELIGIBLE FOR
6 ADMISSION AS POSTGRADUATE STUDENTS AT INSTITUTIONS IN OTHER
7 STATES THAT OFFER PROFESSIONAL TRAINING IN A SUBJECT THAT IS
8 DETERMINED TO BE A STATE NEED AND FOR WHICH APPROPRIATE TRAINING
9 IS NOT AVAILABLE WITHIN THE STATE. IF AN AGREEMENT PROVIDES FOR A
10 TUITION SUBSIDY TO A COLORADO RESIDENT TO ATTEND AN OUT-OF-STATE
11 INSTITUTION, THE AGREEMENT MUST INCLUDE A REQUIREMENT THAT THE
12 STUDENT FULFILL A POST-EDUCATIONAL SERVICE REQUIREMENT OR REPAY
13 THE SUBSIDY. The commission, in consultation with the affected Colorado
14 institutions, shall establish regulations governing the administration of
15 agreements and the granting of waivers. In 1996 and in each subsequent
16 even-numbered year, the commission shall report to the governor and the
17 general assembly on these programs, INCLUDING REPORTING ON ANY
18 CHANGES IMPLEMENTED AND THE IMPACT OF THOSE CHANGES.

19 (b) IF THE COMMISSION ENTERS INTO A PROFESSIONAL STUDENT
20 EXCHANGE PROGRAM THROUGH THE WESTERN INTERSTATE COMMISSION
21 ON HIGHER EDUCATION CREATED PURSUANT TO SECTION 24-60-601, THE
22 COMMISSION SHALL ESTABLISH POLICIES TO MAXIMIZE THE BENEFIT OF THE
23 EXCHANGE PROGRAM TO COLORADO RESIDENTS. THE POLICIES MAY
24 INCLUDE, BUT NEED NOT BE LIMITED TO:

25 (I) POLICIES IN WHICH, IF THE COMMISSION CONTINUES TO
26 PARTICIPATE IN A PROGRAM FOR COLORADO RESIDENTS SEEKING
27 POSTSECONDARY OPTOMETRY DEGREES AT INSTITUTIONS IN OTHER

1 STATES, THE COMMISSION SHALL ENSURE THAT ANY STUDENT WHO ENTERS
2 THE POSTSECONDARY OPTOMETRY PROGRAM BEGINNING IN THE 2024-25
3 ACADEMIC YEAR AND THEREAFTER, AS A PART OF THE STUDENT'S
4 POST-EDUCATIONAL SERVICE COMMITMENT, SHALL AGREE TO PROVIDE
5 SERVICES TO COLORADANS ENROLLED IN PROGRAMS ESTABLISHED
6 PURSUANT TO THE "COLORADO MEDICAL ASSISTANCE ACT", ARTICLES 4,
7 5, AND 6 OF TITLE 25.5; AND

8 (II) POLICIES THAT PROMOTE THE PROVISION OF SERVICES IN
9 UNDERSERVED AREAS. SUCH POLICIES MAY INCLUDE REDUCING THE
10 SERVICE REQUIREMENT FOR AN INDIVIDUAL TO MEET THE INDIVIDUAL'S
11 POST-EDUCATIONAL SERVICE REQUIREMENT BY SERVING IN AREAS THAT
12 HAVE INSUFFICIENT ACCESS TO OPTOMETRY SERVICES. THE COMMISSION
13 SHALL COLLABORATE WITH THE DEPARTMENT OF PUBLIC HEALTH AND
14 ENVIRONMENT TO IDENTIFY AREAS THAT ARE UNDERSERVED IN
15 OPTOMETRY OR OTHER MEDICALLY RELATED FIELDS.

16 **SECTION 2. Act subject to petition - effective date.** This act
17 takes effect at 12:01 a.m. on the day following the expiration of the
18 ninety-day period after final adjournment of the general assembly; except
19 that, if a referendum petition is filed pursuant to section 1 (3) of article V
20 of the state constitution against this act or an item, section, or part of this
21 act within such period, then the act, item, section, or part will not take
22 effect unless approved by the people at the general election to be held in
23 November 2024 and, in such case, will take effect on the date of the
24 official declaration of the vote thereon by the governor.

Table 1. Legislative Council Staff 2023 Forecast
Colorado Public Higher Education Enrollment by Governing Board
Student Full-Time Equivalents (FTEs)

Total Enrollment - All Students																						
Fiscal Year	Adams State University		Colorado Mesa University		Metro State University of Denver		Western State Colorado University		Colorado State University		Fort Lewis College		University of Colorado		Colorado School of Mines		University of Northern Colorado		CCCOES		TOTAL	
	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.
1994-95	1,820		3,494		11,923		1,417		19,009.5		2,764		28,787		2,132		8,920		32,960		113,274	
1995-96	1,834	0.7%	3,589	2.7%	11,767	-1.3%	1,460	3.0%	19,058	0.3%	2,913	5.4%	28,679	-0.4%	2,217	4.0%	8,685	-2.6%	33,129	0.5%	113,379	0.1%
1996-97	1,869	1.9%	3,667	2.2%	11,988	1.9%	1,525	4.5%	19,126	0.4%	2,935	0.8%	28,898	0.8%	2,247	1.3%	8,502	-2.1%	33,332	0.6%	114,134	0.7%
1997-98	1,798	-3.8%	3,663	-0.1%	12,166	1.5%	1,478	-3.1%	18,988	-0.7%	2,866	-2.4%	29,655	2.6%	2,247	0.0%	8,593	1.1%	33,810	1.4%	115,311	1.0%
1998-99	2,239	24.5%	4,187	14.3%	12,317	1.2%	2,198	48.7%	23,542	24.0%	3,998	39.5%	37,216	25.5%	3,087	37.4%	9,949	15.8%	37,013	9.5%	135,822	17.8%
1999-00	2,269	1.4%	4,142	-1.1%	12,370	0.4%	2,179	-0.9%	25,153	6.8%	4,138	3.5%	39,317	5.6%	3,423	10.9%	10,614	6.7%	37,471	1.2%	141,145	3.9%
2000-01	2,054	-9.5%	4,313	4.1%	12,280	-0.7%	2,072	-4.9%	25,013	-0.6%	4,019	-2.9%	40,039	1.8%	3,220	-5.9%	10,614	0.0%	37,719	0.7%	141,413	0.2%
2001-02	2,300	12.0%	4,461	3.4%	13,227	7.7%	2,094	1.1%	25,674	2.6%	4,169	3.7%	41,492	3.6%	3,322	3.2%	10,625	0.1%	39,655	5.1%	147,096	4.0%
2002-03	2,327	1.2%	4,652	4.3%	14,188	7.3%	2,141	2.2%	26,447	3.0%	4,080	-2.1%	44,154	6.4%	3,427	3.2%	10,931	2.9%	43,879	10.7%	156,325	6.3%
2003-04	2,317	-0.4%	4,798	3.1%	14,628	3.1%	2,165	1.1%	26,878	1.6%	3,941	-3.4%	45,926	4.0%	3,535	3.2%	10,999	0.6%	46,575	6.1%	161,875	3.6%
2004-05	2,176	-6.1%	4,991	4.0%	15,053	2.9%	2,058	-4.9%	27,224	1.3%	3,860	-2.1%	46,393	1.0%	3,805	7.6%	11,302	2.8%	45,632	-2.0%	162,596	0.4%
2005-06	2,183	0.3%	4,687	-6.1%	15,088	0.2%	2,010	-2.3%	26,655	-2.1%	3,712	-3.8%	46,199	-0.4%	3,924	3.1%	11,262	-0.4%	44,619	-2.2%	160,438	-1.3%
2006-07	2,055	-5.9%	4,850	3.5%	15,176	0.6%	1,918	-4.6%	26,199	-1.7%	3,719	0.2%	46,360	0.3%	4,041	3.0%	11,041	-2.0%	43,446	-2.6%	158,898	-1.0%
2007-08	1,981	-3.6%	4,968	2.4%	15,637	3.0%	1,876	-2.2%	26,283	0.3%	3,702	-0.5%	47,297	2.0%	4,213	4.3%	10,642	-3.6%	44,770	3.0%	161,452	1.6%
2008-09	1,988	0.3%	5,073	2.1%	16,165	3.4%	1,875	-0.1%	26,830	2.1%	3,530	-4.6%	48,957	3.5%	4,486	6.5%	9,909	-6.9%	48,004	7.2%	166,816	3.3%
2009-10	2,252	13.3%	5,909	16.5%	17,321	7.2%	1,851	-1.3%	27,772	3.5%	3,507	-0.7%	50,865	3.9%	4,867	8.5%	10,160	2.5%	57,052	18.8%	181,555	8.8%
2010-11	2,427	7.8%	6,730	13.9%	17,789	2.7%	1,855	0.2%	28,215	1.6%	3,578	2.0%	51,258	0.8%	5,052	3.8%	10,260	1.0%	63,357	11.1%	190,521	4.9%
2011-12	2,583	6.4%	7,299	8.5%	17,333	-2.6%	1,798	-3.1%	28,465	0.9%	3,545	-0.9%	51,558	0.6%	5,276	4.4%	10,316	0.5%	62,340	-1.6%	190,514	0.0%
2012-13	2,579	-0.2%	7,633	4.6%	16,926	-2.3%	1,792	-0.3%	28,359	-0.4%	3,602	1.6%	51,333	-0.4%	5,455	3.4%	10,193	-1.2%	59,034	-5.3%	186,905	-1.9%
2013-14	2,575	-0.1%	7,784	2.0%	16,565	-2.1%	1,823	1.7%	28,261	-0.3%	3,598	-0.1%	51,761	0.8%	5,524	1.3%	9,632	-5.5%	56,082	-5.0%	183,604	-1.8%
2014-15	2,536	-1.5%	7,414	-4.8%	16,111	-2.7%	2,028	11.2%	28,506	0.9%	3,545	-1.5%	53,196	2.8%	5,748	4.1%	9,144	-5.1%	53,015	-5.5%	181,241	-1.3%
2015-16	2,483	-2.1%	7,752	4.6%	15,420	-4.3%	2,099	3.5%	29,116	2.1%	3,470	-2.1%	54,208	1.9%	5,809	1.1%	8,940	-2.2%	50,247	-5.2%	179,544	-0.9%
2016-17	2,518	1.4%	7,829	1.0%	15,299	-0.8%	2,196	4.6%	29,736	2.1%	3,168	-8.7%	56,548	4.3%	5,822	0.2%	8,990	0.6%	49,862	-0.8%	181,968	1.4%
2017-18	2,405	-4.5%	7,786	-0.5%	15,251	-0.3%	2,119	-3.5%	29,883	0.5%	2,958	-6.6%	58,313	3.1%	6,014	3.3%	8,989	0.0%	49,682	-0.4%	183,400	0.8%
2018-19	2,269	-5.7%	7,743	-0.5%	15,108	-0.9%	2,170	2.4%	29,857	-0.1%	2,910	-1.6%	59,560	2.1%	5,916	-1.6%	8,693	-3.3%	49,007	-1.4%	183,231	-0.1%
2019-20	2,261	-0.3%	7,673	-0.9%	14,588	-3.4%	2,193	1.1%	29,651	-0.7%	2,885	-0.8%	59,749	0.3%	6,405	8.3%	8,321	-4.3%	49,400	0.8%	183,126	-0.1%
2020-21	2,342	3.6%	7,436	-3.1%	13,640	-6.5%	2,158	-1.6%	27,953	-5.7%	2,916	1.1%	59,652	-0.2%	6,559	2.4%	7,423	-10.8%	45,148	-8.6%	175,227	-4.3%
2021-22	2,332	-0.4%	7,406	-0.4%	12,236	-10.3%	2,259	4.7%	27,556	-1.4%	2,969	1.8%	58,750	-1.5%	6,795	3.6%	6,692	-9.8%	43,712	-3.2%	170,707	-2.6%
2022-23	2,285	-2.0%	7,426	0.3%	11,666	-4.7%	2,225	-1.5%	27,856	1.1%	2813.031	-5.3%	58,552	-0.3%	6,967	2.5%	6,057	-9.5%	44,963	2.9%	170,810	0.1%
2023-24 CAAGR*	2,295	0.4%	7,403	-0.3%	11,377	-2.5%	2,215	-0.5%	27,936	0.3%	2,875	2.2%	58,099	-0.8%	7,008	0.6%	5,846	-3.5%	44,936	-0.1%	169,991	-0.5%
		-1.3%		-0.6%		-4.1%		2.2%		-0.1%		-2.5%		1.3%		2.7%		-5.4%		-2.4%		-0.9%

Total Resident Enrollment																						
Fiscal Year	Adams State University		Colorado Mesa University		Metro State University of Denver		Western State Colorado University		Colorado State University		Fort Lewis College		University of Colorado		Colorado School of Mines		University of Northern Colorado		CCCOES		TOTAL	
	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.
1994-95	1,820		3,494		11,923		1,417		19,010		2,764		28,787		2,132		8,920		32,960		113,274	
1995-96	1,834	0.7%	3,589	2.7%	11,767	-1.3%	1,460	3.0%	19,058	0.3%	2,913	5.4%	28,679	-0.4%	2,217	4.0%	8,685	-2.6%	33,129	0.5%	113,379	0.1%
1996-97	1,869	1.9%	3,667	2.2%	11,988	1.9%	1,525	4.5%	19,126	0.4%	2,935	0.8%	28,898	0.8%	2,247	1.3%	8,502	-2.1%	33,332	0.6%	114,134	0.7%
1997-98	1,798	-3.8%	3,663	-0.1%	12,166	1.5%	1,478	-3.1%	18,988	-0.7%	2,866	-2.4%	29,655	2.6%	2,247	0.0%	8,593	1.1%	33,810	1.4%	115,311	1.0%
1998-99	1,899	5.6%	3,779	3.2%	11,909	-2.1%	1,501	1.6%	19,338	1.8%	2,703	-5.7%	30,094	1.5%	2,364	5.2%	8,831	2.8%	34,936	3.3%	117,430	1.8%
1999-00	1,894	-0.2%	3,703	-2.0%	11,943	0.3%	1,499	-0.1%	19,600	1.4%	2,756	2.0%	30,517	1.4%	2,425	2.6%	9,261	4.9%	35,475	1.5%	119,143	1.5%
2000-01	1,718	-9.3%	3,884	4.9%	11,846	-0.8%	1,432	-4.5%	19,538	-0.3%	2,672	-3.0%	30,811	1.0%	2,310	-4.8%	9,297	0.4%	35,938	1.3%	119,515	0.3%
2001-02	1,920	11.7%	4,030	3.7%	12,761	7.7%	1,499	4.7%	20,068	2.7%	2,800	4.8%	31,782	3.2%	2,414	4.5%	9,337	0.4%	37,805	5.2%	124,493	4.2%
2002-03	1,966	2.4%	4,209	4.5%	13,720	7.5%	1,550	3.4%	20,846	3.9%	2,784	-0.6%	34,072	7.2%	2,527	4.7%	9,698	3.9%	41,914	10.9%	133,384	7.1%
2003-04	1,994	1.4%	4,334	3.0%	14,178	3.3%	1,618	4.4%	21,454	2.9%	2,727	-2.0%	35,707	4.8%	2,654	5.0%	9,844	1.5%	44,573	6.3%	139,195	4.4%
2004-05	1,893	-5.0%	4,508	4.0%	14,627	3.2%	1,545	-4.5%	21,956	2.3%	2,733	0.2%	36,384	1.9%	2,939	10.7%	10,129	2.9%	43,511	-2.4%	140,327	0.8%
2005-06	1,933	2.1%	4,229	-6.2%	14,686	0.4%	1,514	-2.0%	21,590	-1.7%	2,656	-2.8%	36,635	0.7%	3,054	3.9%	10,121	-0.1%	42,454	-2.4%	138,970	-1.0%
2006-07	1,822	-5.7%	4,411	4.3%	14,744	0.4%	1,452	-4.1%	21,206	-1.8%	2,644	-0.5%	36,544	-0.2%	3,102	1.6%	9,865	-2.5%	40,876	-3.7%	136,760	-1.6%
2007-08	1,703	-6.5%	4,460	1.1%	15,135	2.7%	1,428	-1.7%	21,224	0.1%	2,621	-0.9%	36,960	1.1%	3,136	1.1%	9,545	-3.2%	41,928	2.6%	138,222	1.1%
2008-09	1,712	0.5%	4,555	2.1%	15,621	3.2%	1,453	1.8%	21,773	2.6%	2,426	-7.4%	37,499	1.5%	3,244	3.5%	8,838	-7.4%	44,920	7.1%	142,041	2.8%
2009-10	1,931	12.8%	5,294	16.2%	16,775	7.4%	1,422	-2.1%	22,597	3.8%	2,407	-0.8%	39,190	4.5%	3,457	6.6%	9,083	2.8%	53,405	18.9%	155,561	9.5%
2010-11	2,032	5.3%	5,894	11.3%	17,223	2.7%	1,397	-1.8%	23,054	2.0%	2,398	-0.4%	39,100	-0.2%	3,508	1.5%	9,169	0.9%	58,994	10.5%	162,769	4.6%
2011-12	2,063	1.5%	6,351	7.8%	16,783	-2.6%	1,343	-3.9%	22,791	-1.1%	2,289	-4.5%	38,817	-0.7%	3,522	0.4%	9,143	-0.3%	58,796	-0.3%	161,897	-0.5%
2012-13	1,984	-3.8%	6,606	4.0%	16,266	-3.1%	1,336	-0.5%	22,342	-2.0%	2,227	-2.7%	38,275	-1.4%	3,581	1.7%	8,921	-2.4%	55,475	-5.6%	157,013	-3.0%
2013-14	1,912	-3.7%	6,714	1.6%	16,068	-1.2%	1,341	0.4%	21,881	-2.1%	2,144	-3.7%	38,291	0.0%	3,500	-2.3%	8,313	-6.8%	52,792	-4.8%	152,955	-2.6%
2014-15	1,858	-2.8%	6,331	-5.7%	15,528	-3.4%	1,502	12.0%	21,452	-2.0%	1,978	-7.7%	38,754	1.2%	3,528	0.8%	7,858	-5.5%	50,001	-5.3%	148,789	-2.7%
2015-16	1,825	-1.8%	6,598	4.2%	14,892	-4.1%	1,534	2.1%	21,539													

2022-23	1,463	-4.1%	6,247	1.1%	11,221	-4.7%	1,662	0.4%	18,376	-0.1%	1,247	0.1%	39,526	-1.3%	3,980	2.5%	5,203	-9.0%	43,146	3.0%	132,071	-0.2%
2023-24	1,472	0.6%	6,210	-0.6%	10,940	-2.5%	1,648	-0.9%	18,284	-0.5%	1,214	-2.6%	38,991	-1.4%	3,937	-1.1%	5,023	-3.5%	43,146	0.0%	130,864	-0.9%
CAAGR*		-2.9%		-0.9%		-4.2%		2.3%		-2.0%		-6.1%		0.2%		1.3%		-5.4%		-2.2%		-1.7%

Resident Undergraduate Enrollment

Fiscal Year	Adams State University		Colorado Mesa University		Metro State University of Denver		Western State Colorado University		Colorado State University		Fort Lewis College		University of Colorado		Colorado School of Mines		University of Northern Colorado		CCCOES		TOTAL	
	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.
1994-95	1,626		3,494		11,923		1,417		16,637		2,764		21,036		1,690		7,537		32,960		101,084	
1995-96	1,640	0.9%	3,589	2.7%	11,767	-1.3%	1,460	3.0%	16,703	0.4%	2,913	5.4%	20,704	-1.6%	1,742	3.1%	7,273	-3.5%	33,129	0.5%	100,920	-0.2%
1996-97	1,682	2.6%	3,667	2.2%	11,988	1.9%	1,525	4.5%	16,915	1.3%	2,935	0.8%	20,969	1.3%	1,814	4.1%	7,120	-2.1%	33,332	0.6%	101,947	1.0%
1997-98	1,615	-4.0%	3,654	-0.4%	12,166	1.5%	1,478	-3.1%	16,892	-0.1%	2,866	-2.4%	21,750	3.7%	1,850	2.0%	7,204	1.2%	33,810	1.4%	103,285	1.3%
1998-99	1,605	-0.6%	3,765	3.0%	11,909	-2.1%	1,501	1.6%	17,184	1.7%	2,703	-5.7%	22,080	1.5%	1,948	5.3%	7,541	4.7%	34,936	3.3%	105,172	1.8%
1999-00	1,631	1.6%	3,685	-2.1%	11,943	0.3%	1,499	-0.1%	17,425	1.4%	2,756	2.0%	22,792	3.2%	2,015	3.4%	7,901	4.8%	35,475	1.5%	107,122	1.9%
2000-01	1,459	-10.5%	3,867	4.9%	11,846	-0.8%	1,432	-4.5%	17,374	-0.3%	2,672	-3.0%	23,047	1.1%	2,017	0.1%	8,019	1.5%	35,938	1.3%	107,671	0.5%
2001-02	1,627	11.5%	4,012	3.7%	12,761	7.7%	1,499	4.7%	17,918	3.1%	2,800	4.8%	23,693	2.8%	2,123	5.3%	8,092	0.9%	37,805	5.2%	112,330	4.3%
2002-03	1,592	-2.2%	4,188	4.4%	13,720	7.5%	1,550	3.4%	18,585	3.7%	2,784	-0.6%	25,445	7.4%	2,156	1.6%	8,312	2.7%	41,914	10.9%	120,246	7.0%
2003-04	1,566	-1.6%	4,313	3.0%	14,178	3.3%	1,618	4.4%	19,125	2.9%	2,727	-2.0%	26,503	4.2%	2,303	6.8%	8,609	3.6%	44,573	6.3%	125,515	4.4%
2004-05	1,503	-4.0%	4,490	4.1%	14,627	3.2%	1,545	-4.5%	19,575	2.4%	2,733	0.2%	27,324	3.1%	2,468	7.2%	8,875	3.1%	43,511	-2.4%	126,651	0.9%
2005-06	1,551	3.2%	4,216	-6.1%	14,686	0.4%	1,514	-2.0%	19,314	-1.3%	2,656	-2.8%	27,677	1.3%	2,656	7.6%	8,922	0.5%	42,454	-2.4%	125,646	-0.8%
2006-07	1,485	-4.3%	4,370	3.7%	14,744	0.4%	1,452	-4.1%	18,953	-1.9%	2,644	-0.5%	27,789	0.4%	2,686	1.1%	8,831	-1.0%	40,876	-3.7%	123,830	-1.4%
2007-08	1,440	-3.0%	4,390	0.5%	15,135	2.7%	1,428	-1.7%	18,960	0.0%	2,621	-0.9%	28,082	1.1%	2,683	-0.1%	8,629	-2.3%	41,928	2.6%	125,296	1.2%
2008-09	1,383	-4.0%	4,484	2.1%	15,621	3.2%	1,453	1.8%	19,420	2.4%	2,426	-7.4%	28,464	1.4%	2,744	2.3%	7,937	-8.0%	44,920	7.1%	128,852	2.8%
2009-10	1,558	12.7%	5,218	16.4%	16,775	7.4%	1,422	-2.1%	20,158	3.8%	2,407	-0.8%	29,736	4.5%	2,866	4.4%	8,188	3.2%	53,405	18.9%	141,733	10.0%
2010-11	1,612	3.5%	5,841	11.9%	17,223	2.7%	1,397	-1.8%	20,524	1.8%	2,398	-0.4%	29,319	-1.4%	2,867	0.0%	8,264	0.9%	58,994	10.5%	148,439	4.7%
2011-12	1,630	1.1%	6,311	8.0%	16,783	-2.6%	1,343	-3.9%	20,352	-0.8%	2,289	-4.5%	29,051	-0.9%	2,873	0.2%	8,295	0.4%	58,796	-0.3%	147,723	-0.5%
2012-13	1,578	-3.2%	6,562	4.0%	16,266	-3.1%	1,336	-0.5%	19,976	-1.8%	2,227	-2.7%	28,889	-0.6%	2,938	2.3%	8,077	-2.6%	55,475	-5.6%	143,324	-3.0%
2013-14	1,519	-3.7%	6,666	1.6%	16,068	-1.2%	1,341	0.4%	19,550	-2.1%	2,130	-4.4%	29,150	0.9%	2,896	-1.4%	7,554	-6.5%	52,792	-4.8%	139,666	-2.6%
2014-15	1,448	-4.7%	6,261	-6.1%	15,528	-3.4%	1,358	1.3%	19,239	-1.6%	1,962	-7.9%	29,588	1.5%	2,947	1.8%	7,099	-6.0%	50,001	-5.3%	135,431	-3.0%
2015-16	1,390	-4.0%	6,515	4.1%	14,892	-4.1%	1,372	1.0%	19,267	0.1%	1,857	-5.4%	29,990	1.4%	2,896	-1.7%	6,899	-2.8%	47,272	-5.5%	132,350	-2.3%
2016-17	1,306	-6.0%	6,520	0.1%	14,771	-0.8%	1,390	1.3%	19,413	0.8%	1,647	-11.3%	30,945	3.2%	2,839	-2.0%	6,877	-0.3%	46,856	-0.9%	132,564	0.2%
2017-18	1,216	-6.9%	6,409	-1.7%	14,732	-0.3%	1,310	-5.8%	19,065	-1.8%	1,479	-10.2%	31,600	2.1%	2,887	1.7%	6,834	-0.6%	46,666	-0.4%	132,198	-0.3%
2018-19	1,138	-6.4%	6,435	0.4%	14,570	-1.1%	1,344	2.6%	18,695	-1.9%	1,361	-8.0%	32,278	2.1%	2,751	-4.7%	6,642	-2.8%	46,278	-0.8%	131,491	-0.5%
2019-20	1,015	-10.8%	6,369	-1.0%	14,067	-3.5%	1,373	2.2%	18,267	-2.3%	1,292	-5.1%	32,272	0.0%	2,950	7.2%	6,405	-3.6%	46,955	1.5%	130,965	-0.4%
2020-21	992	-2.3%	6,103	-4.2%	13,139	-6.6%	1,389	1.2%	17,123	-6.3%	1,256	-2.8%	31,816	-1.4%	2,983	1.1%	5,682	-11.3%	43,083	-8.2%	123,566	-5.6%
2021-22	972	-2.0%	6,006	-1.6%	11,774	-10.4%	1,470	5.8%	16,382	-4.3%	1,212	-3.5%	30,308	-4.7%	3,146	5.5%	5,056	-11.0%	41,785	-3.0%	118,111	-4.4%
2022-23	873	-10.2%	6,025	0.3%	11,221	-4.7%	1,455	-1.0%	16,363	-0.1%	1,222	0.8%	30,171	-0.5%	3,256	3.5%	4,571	-9.6%	43,039	3.0%	118,194	0.1%
2023-24	864	-1.0%	5,977	-0.8%	10,940	-2.5%	1,441	-1.0%	16,283	-0.5%	1,185	-3.0%	29,800	-1.2%	3,198	-1.8%	4,411	-3.5%	43,039	0.0%	117,136	-0.9%
CAAGR*		-6.1%		-1.2%		-4.2%		0.8%		-2.0%		-6.3%		0.2%		1.1%		-5.8%		-2.2%		-1.9%

Resident Graduate Enrollment																						
Fiscal Year	Adams State University		Colorado Mesa University		Metro State University of Denver		Western State Colorado University		Colorado State University		Fort Lewis College		University of Colorado		Colorado School of Mines		University of Northern Colorado		CCCOES		TOTAL	
	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.
1994-95	194		0				0		2,373		0		7,751		442		1,383				12,190	
1995-96	194	-0.2%	0				0		2,355	-0.8%	0		7,975	2.9%	475	7.5%	1,412	2.2%			12,459	2.2%
1996-97	187	-3.6%	0				0		2,211	-6.1%	0		7,929	-0.6%	433	-8.9%	1,382	-2.2%			12,187	-2.2%
1997-98	183	-2.0%	9				0		2,096	-5.2%	0		7,905	-0.3%	397	-8.1%	1,389	0.5%			12,026	-1.3%
1998-99	294	60.6%	14	57.5%			0		2,154	2.8%	0		8,014	1.4%	416	4.7%	1,290	-7.1%			12,258	1.9%
1999-00	263	-10.4%	18	29.9%			0		2,175	1.0%	0		7,725	-3.6%	410	-1.4%	1,360	5.4%			12,021	-1.9%
2000-01	259	-1.5%	17	-2.8%			0		2,164	-0.5%	0		7,764	0.5%	293	-28.7%	1,278	-6.1%			11,844	-1.5%
2001-02	293	13.0%	18	1.2%			0		2,150	-0.6%	0		8,089	4.2%	291	-0.4%	1,245	-2.6%			12,163	2.7%
2002-03	374	27.5%	21	22.3%			0		2,261	5.2%	0		8,627	6.7%	371	27.3%	1,386	11.3%			13,138	8.0%
2003-04	428	14.4%	21	0.0%			0		2,329	3.0%	0		9,204	6.7%	351	-5.3%	1,235	-10.9%			13,680	4.1%
2004-05	390	-8.8%	18	-15.9%			0		2,381	2.3%	0		9,060	-1.6%	471	34.2%	1,254	1.5%			13,676	0.0%
2005-06	382	-2.1%	13	-27.8%			0		2,276	-4.4%	0		8,958	-1.1%	398	-15.6%	1,199	-4.4%			13,324	-2.6%
2006-07	337	-11.8%	41	215.4%			0		2,253	-1.0%	0		8,755	-2.3%	416	4.7%	1,034	-13.8%			12,930	-3.0%
2007-08	263	-22.0%	70	70.7%			0		2,264	0.5%	0		8,878	1.4%	453	8.7%	916	-11.4%			12,926	0.0%
2008-09	329	25.0%	71	1.8%			0		2,353	3.9%	0		9,035	1.8%	500	10.5%	901	-1.6%			13,189	2.0%
2009-10	373	13.3%	76	7.0%			0		2,439	3.7%	0		9,454	4.6%	591	18.3%	895	-0.7%			13,828	4.8%
2010-11	420	12.8%	53	-31.1%			0		2,530	3.7%	0		9,781	3.5%	641	8.5%	905	1.1%			14,330	3.6%
2011-12	433	3.0%	40	-23.8%			0		2,439	-3.6%	0		9,766	-0.2%	649	1.2%	848	-6.4%			14,174	-1.1%
2012-13	406	-6.1%	44	9.4%			0		2,366	-3.0%	0		9,386	-3.9%	643	-1.0%	844	-0.4%			13,689	-3.4%
2013-14	393	-3.4%	48	8.6%			0		2,331	-1.5%	14		9,141	-2.6%	604	-6.0%	759	-10.1%			13,289	-2.9%
2014-15	410	4.5%	70	47.4%			144		2,213	-5.1%	16	18.2%	9,166	0.3%	581	-3.7%	759	0.0%			13,359	0.5%
2015-16	435	6.1%	83	18.6%			162	12.7%	2,272	2.7%	6	-63.1%	9,069	-1.1%	560	-3.7%	712	-6.2%			13,299	-0.4%
2016-17	492	13.1%	64	-22.9%			240	48.1%	2,244	-1.2%	5	-16.7%	9,497	4.7%	560	0.0%	648	-9.0%			13,750	3.4%
2017-18	432	-12.2%	84	31.3%			218	-9.2%	2,319	3.3%	9	80.0%	9,659	1.7%	588	5.0%	642	-0.9%	59		14,010	1.9%
2018-19	416	-3.6%	87	3.8%			180	-17.2%	2,178	-6.1%	16	81.1%	9,539	-1.2%	582	-1.1%	615	-4.2%	99	67.8%	13,713	-2.1%
2019-20	467	12.2%	101	15.8%			221	22.5%	2,211	1.5%	19	16.6%	9,573	0.4%	657	12.9%	612	-0.5%	100	1.0%	13,961	1.8%
2020-21	528	13.1%	152	50.5%			222	0.5%	2,192	-0.9%	30	57.9%	10,297	7.6%	755	14.9%	675	10.3%	100	0.0%	14,951	7.1%
2021-22	554	4.9%	174	14.5%			185	-16.7%	2,020	-7.8%	34	13.3%	9,726	-5.5%	738	-2.3%	661	-2.1%	109	9.0%	14,201	-5.0%
2022-23	590	6.5%	223	28.0%			207	11.8%	2,014	-0.3%	26	-25.0%	9,355	-3.8%	724	-1.9%	632	-4.4%	107	-1.7%	13,877	-2.3%
2023-24	608	3.0%	234	5.0%			207	0.0%	2,001	-0.6%	29	15.0%	9,191	-1.8%	739	2.1%	612	-3.1%	107	0.0%	13,728	-1.1%
CAAGR*		5.0%		19.4%						-1.7%				0.1%		2.3%		-2.4%				0.4%

NOTE: Graduate student FTE reflect 30 credit hours, while undergraduate student FTE reflect 24 credit hours.

Total Nonresident Enrollment																						
Fiscal Year	Adams State University		Colorado Mesa University		Metro State University of Denver		Western State Colorado University		Colorado State University		Fort Lewis College		University of Colorado		Colorado School of Mines		University of Northern Colorado		CCCOES		TOTAL	
	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.
1994-95	0		0		0		0		0		0		0		0		0		0		0	
1995-96	0		0		0		0		0		0		0		0		0		0		0	
1996-97	0		0		0		0		0		0		0		0		0		0		0	
1997-98	0		0		0		0		0		0		0		0		0		0		0	
1998-99	340		408		408		697		4,204		1,295		7,122		723		1,118		2,077		18,392	
1999-00	375	10.3%	439	7.7%	427	4.7%	680	-2.4%	5,553	32.1%	1,382	6.7%	8,800	23.6%	998	38.0%	1,353	21.0%	1,996	-3.9%	22,002	19.6%
2000-01	336	-10.4%	429	-2.4%	434	1.6%	640	-5.9%	5,475	-1.4%	1,347	-2.5%	9,228	4.9%	911	-8.7%	1,318	-2.6%	1,781	-10.8%	21,898	-0.5%
2001-02	380	13.2%	432	0.8%	466	7.4%	595	-7.0%	5,606	2.4%	1,369	1.6%	9,711	5.2%	907	-0.4%	1,289	-2.2%	1,850	3.9%	22,604	3.2%
2002-03	362	-4.9%	443	2.5%	468	0.4%	591	-0.7%	5,600	-0.1%	1,296	-5.3%	10,083	3.8%	901	-0.7%	1,233	-4.3%	1,965	6.2%	22,941	1.5%
2003-04	324	-10.5%	464	4.7%	450	-3.8%	547	-7.4%	5,424	-3.1%	1,214	-6.3%	10,219	1.3%	881	-2.2%	1,156	-6.3%	2,002	1.9%	22,680	-1.1%
2004-05	283	-12.5%	483	4.3%	426	-5.3%	513	-6.2%	5,267	-2.9%	1,127	-7.2%	10,009	-2.1%	866	-1.8%	1,173	1.5%	2,121	5.9%	22,268	-1.8%
2005-06	250	-11.7%	458	-5.2%	402	-5.6%	496	-3.3%	5,065	-3.8%	1,056	-6.3%	9,565	-4.4%	870	0.5%	1,141	-2.7%	2,165	2.1%	21,469	-3.6%
2006-07	233	-7.0%	439	-4.3%	432	7.5%	466	-6.0%	4,993	-1.4%	1,075	1.8%	9,816	2.6%	939	7.9%	1,176	3.0%	2,570	18.7%	22,138	3.1%
2007-08	278	19.7%	508	15.9%	502	16.2%	448	-3.9%	5,059	1.3%	1,081	0.6%	10,337	5.3%	1,078	14.8%	1,097	-6.7%	2,842	10.6%	23,230	4.9%
2008-09	276	-0.9%	518	1.8%	544	8.4%	422	-5.8%	5,057	0.0%	1,104	2.1%	11,458	10.8%	1,242	15.3%	1,071	-2.4%	3,084	8.5%	24,775	6.7%
2009-10	321	16.4%	614	18.7%	546	0.4%	429	1.7%	5,175	2.3%	1,100	-0.4%	11,675	1.9%	1,409	13.4%	1,077	0.6%	3,647	18.3%	25,994	4.9%
2010-11	395	22.9%	837	36.2%	566	3.7%	458	6.8%	5,161	-0.3%	1,180	7.3%	12,158	4.1%	1,544	9.5%	1,091	1.3%	4,363	19.6%	27,752	6.8%
2011-12	521	31.9%	948	13.4%	550	-2.8%	455	-0.7%	5,674	9.9%	1,256	6.4%	12,741	4.8%	1,755	13.7%	1,174	7.6%	3,544	-18.8%	28,617	3.1%
2012-13	594	14.2%	1,027	8.3%	660	20.0%	456	0.2%	6,016	6.0%	1,375	9.5%	13,058	2.5%	1,874	6.8%	1,272	8.4%	3,559	0.4%	29,892	4.5%
2013-14	664	11.7%	1,071	4.2%	497	-24.7%	482	5.7%	6,379	6.0%	1,454	5.7%	13,470	3.2%	2,024	8.0%	1,319	3.7%	3,290	-7.6%	30,649	2.5%
2014-15	678	2.2%	1,083	1.1%	583	17.3%	526	9.1%	7,054	10.6%	1,567	7.8%	14,441	7.2%	2,219	9.7%	1,286	-2.5%	3,014	-8.4%	32,452	5.9%
2015-16	658	-3.0%	1,154	6.6%	528	-9.4%	565	7.5%	7,577	7.4%	1,607	2.5%	15,149	4.9%	2,353	6.0%	1,329	3.3%	2,975	-1.3%	33,895	4.4%
2016-17	720	9.4%	1,245	7.9%	528	0.0%	566	0.2%	8,079	6.6%	1,516	-5.6%	16,106	6.3%	2,423	3.0%	1,465	10.2%	3,006	1.0%	35,654	5.2%
2017-18	757	5.1%	1,293	3.9%	519	-1.7%	591	4.4%	8,499	5.2%	1,470	-3.0%	17,054	5.9%	2,539	4.8%	1,513	3.3%	2,957	-1.6%	37,192	4.3%
2018-19	715	-5.6%	1,222	-5.5%	538	3.6%	646	9.3%	8,984	5.7%	1,532	4.2%	17,743	4.0%	2,583	1.7%	1,436	-5.1%	2,630	-11.1%	38,027	2.2%
2019-20	779	9.0%	1,203	-1.5%	521	-3.1%	599	-7.3%	9,173	2.1%	1,574	2.7%	17,904	0.9%	2,798	8.3%	1,304	-9.2%	2,345	-10.8%	38,200	0.5%
2020-21	822	5.5%	1,181	-1.8%	501	-3.8%	547	-8.7%	8,638	-5.8%	1,630	3.6%	17,539	-2.0%	2,821	0.8%	1,066	-18.3%	1,965	-16.2%	36,710	-3.9%
2021-22	806	-1.9%	1,226	3.8%	462	-7.8%	604	10.4%	9,154	6.0%	1,723	5.7%	18,716	6.7%	2,911	3.2%	975	-8.5%	1,818	-7.5%	38,395	4.6%
2022-23	822	2.0%	1,179	-3.8%	446	-3.5%	563	-6.8%	9,479	3.6%	1,566	-9.1%	19,026	1.7%	2,987	2.6%	854	-12.4%	1,817	-0.1%	38,739	0.9%

2023-24	824	0.1%	1,192	1.1%	437	-2.0%	567	0.8%	9,652	1.8%	1,661	6.1%	19,108	0.4%	3,072	2.8%	823	-3.6%	1,791	-1.5%	39,127	1.0%
CAAGR*		2.4%		1.2%		-1.4%		1.8%		4.7%		1.5%		4.0%		4.7%		-5.1%		-6.5%		2.8%

CAAGR = Compound average annual growth rate between FY 2013-14 and FY 2023-24.

NOTE: Graduate student FTE reflect 30 credit hours, while undergraduate student FTE reflect 24 credit hours.

Nonresident Undergraduate Enrollment																						
Fiscal Year	Adams State University		Colorado Mesa University		Metro State University of Denver		Western State Colorado University		Colorado State University		Fort Lewis College		University of Colorado		Colorado School of Mines		University of Northern Colorado		CCCOES		TOTAL	
	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.
1994-95	0		0		0		0		0		0		0		0		0		0		0	
1995-96	0		0		0		0		0		0		0		0		0		0		0	
1996-97	0		0		0		0		0		0		0		0		0		0		0	
1997-98	0		0		0		0		0		0		0		0		0		0		0	
1998-99	340		408		408		697		4,204		1,295		7,122		723		1,118		2,077		18,392	
1999-00	340	0.0%	438	7.4%	427	4.7%	680	-2.4%	4,215	0.3%	1,382	6.7%	7,254	1.9%	675	-6.6%	1,115	-0.3%	1,996	-3.9%	18,522	0.7%
2000-01	306	-10.0%	426	-2.7%	434	1.6%	640	-5.9%	4,149	-1.6%	1,347	-2.5%	7,728	6.5%	678	0.4%	1,070	-4.0%	1,781	-10.8%	18,559	0.2%
2001-02	349	14.1%	428	0.5%	466	7.4%	595	-7.0%	4,303	3.7%	1,369	1.6%	8,068	4.4%	661	-2.5%	1,046	-2.2%	1,850	3.9%	19,135	3.1%
2002-03	333	-4.6%	440	2.8%	468	0.4%	591	-0.7%	4,304	0.0%	1,296	-5.3%	8,370	3.7%	628	-5.0%	992	-5.2%	1,965	6.2%	19,387	1.3%
2003-04	305	-8.4%	461	4.8%	450	-3.8%	547	-7.4%	4,158	-3.4%	1,214	-6.3%	8,611	2.9%	626	-0.3%	938	-5.4%	2,002	1.9%	19,312	-0.4%
2004-05	267	-12.5%	482	4.6%	426	-5.3%	513	-6.2%	4,071	-2.1%	1,127	-7.2%	8,504	-1.2%	638	1.9%	978	4.3%	2,121	5.9%	19,127	-1.0%
2005-06	230	-13.9%	457	-5.2%	402	-5.6%	496	-3.3%	3,845	-5.6%	1,056	-6.3%	8,051	-5.3%	679	6.4%	955	-2.4%	2,165	2.1%	18,336	-4.1%
2006-07	215	-6.5%	436	-4.6%	432	7.5%	466	-6.0%	3,823	-0.6%	1,075	1.8%	8,166	1.4%	745	9.7%	981	2.7%	2,570	18.7%	18,909	3.1%
2007-08	257	19.5%	507	16.3%	502	16.2%	448	-3.9%	3,845	0.6%	1,081	0.6%	8,466	3.7%	840	12.8%	903	-8.0%	2,842	10.6%	19,691	4.1%
2008-09	262	1.9%	515	1.6%	544	8.4%	422	-5.8%	3,846	0.0%	1,104	2.1%	9,338	10.3%	936	11.4%	883	-2.2%	3,084	8.5%	20,934	6.3%
2009-10	261	-0.4%	613	19.0%	546	0.4%	429	1.7%	3,890	1.1%	1,100	-0.4%	9,359	0.2%	1,043	11.4%	871	-1.4%	3,647	18.3%	21,759	3.9%
2010-11	282	8.0%	834	36.1%	566	3.7%	458	6.8%	3,760	-3.3%	1,180	7.3%	9,714	3.8%	1,141	9.4%	895	2.8%	4,363	19.6%	23,193	6.6%
2011-12	338	19.9%	947	13.5%	550	-2.8%	455	-0.7%	4,298	14.3%	1,256	6.4%	10,262	5.6%	1,312	15.0%	960	7.3%	3,544	-18.8%	23,922	3.1%
2012-13	323	-4.4%	1,026	8.3%	660	20.0%	456	0.2%	4,575	6.4%	1,375	9.5%	10,418	1.5%	1,433	9.2%	1,047	9.1%	3,559	0.4%	24,872	4.0%
2013-14	331	2.5%	1,068	4.1%	497	-24.7%	482	5.7%	4,843	5.9%	1,454	5.7%	10,751	3.2%	1,585	10.6%	1,073	2.5%	3,290	-7.6%	25,374	2.0%
2014-15	332	0.3%	1,079	1.0%	583	17.3%	487	1.0%	5,388	11.3%	1,567	7.8%	11,455	6.5%	1,713	8.1%	1,090	1.6%	3,014	-8.4%	26,708	5.3%
2015-16	311	-6.3%	1,148	6.4%	528	-9.4%	513	5.3%	5,871	9.0%	1,605	2.4%	11,923	4.1%	1,875	9.5%	1,131	3.8%	2,975	-1.3%	27,880	4.4%
2016-17	303	-2.6%	1,242	8.2%	528	0.0%	516	0.6%	6,333	7.9%	1,514	-5.7%	12,846	7.7%	1,967	4.9%	1,250	10.5%	3,006	1.0%	29,505	5.8%
2017-18	288	-5.0%	1,287	3.6%	519	-1.7%	523	1.4%	6,740	6.4%	1,459	-3.6%	13,571	5.6%	2,038	3.6%	1,282	2.6%	2,924	-2.7%	30,631	3.8%
2018-19	315	9.4%	1,199	-6.8%	538	3.6%	547	4.6%	7,275	7.9%	1,518	4.1%	14,169	4.4%	2,116	3.8%	1,230	-4.0%	2,596	-11.2%	31,503	2.8%
2019-20	326	3.5%	1,168	-2.6%	521	-3.1%	492	-10.1%	7,478	2.8%	1,559	2.7%	14,317	1.0%	2,262	6.9%	1,103	-10.3%	2,284	-12.0%	31,510	0.0%
2020-21	300	-8.0%	1,154	-1.2%	501	-3.8%	428	-13.0%	7,068	-5.5%	1,603	2.8%	13,755	-3.9%	2,321	2.6%	895	-18.9%	1,905	-16.6%	29,930	-5.0%
2021-22	280	-6.7%	1,183	2.5%	462	-7.8%	460	7.5%	7,544	6.7%	1,689	5.4%	14,452	5.1%	2,362	1.8%	803	-10.3%	1,766	-7.3%	31,001	3.6%
2022-23	257	-8.2%	1,135	-4.0%	446	-3.5%	426	-7.5%	7,851	4.1%	1,545	-8.5%	14,609	1.1%	2,435	3.1%	700	-12.8%	1,766	0.0%	31,170	0.5%
2023-24	241	-6.2%	1,147	1.0%	437	-2.0%	430	1.0%	8,045	2.5%	1,638	6.0%	14,674	0.4%	2,508	3.0%	676	-3.5%	1,740	-1.5%	31,535	1.2%
CAAGR*		-3.5%		0.8%		-1.4%		-1.3%		5.8%		1.3%		3.5%		5.2%		-5.0%		-6.8%		2.4%

Nonresident Graduate Enrollment

Fiscal Year	Adams State University		Colorado Mesa University		Metro State University of Denver		Western State Colorado University		Colorado State University		Fort Lewis College		University of Colorado		Colorado School of Mines		University of Northern Colorado		CCCOES		TOTAL	
	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.
1994-95	0		0				0		0		0		0		0		0				0	
1995-96	0		0				0		0		0		0		0		0				0	
1996-97	0		0				0		0		0		0		0		0				0	
1997-98	0		0				0		0		0		0		0		0				0	
1998-99	0		0				0		0		0		0		0		0				0	
1999-00	35		1				0		1,338		0		1,546		323		238				3,480	
2000-01	30	-14.3%	3	100.0%			0		1,326	-0.8%	0		1,500	-3.0%	233	-27.9%	248	4.2%			3,339	-4.1%
2001-02	31	4.2%	4	50.0%			0		1,303	-1.8%	0		1,643	9.5%	246	5.9%	243	-2.0%			3,469	3.9%
2002-03	29	-8.0%	3	-33.3%			0		1,296	-0.5%	0		1,713	4.3%	273	10.7%	241	-0.5%			3,554	2.5%
2003-04	19	-34.8%	3	0.0%			0		1,266	-2.3%	0		1,608	-6.1%	255	-6.4%	218	-9.8%			3,368	-5.2%
2004-05	16	-13.3%	1	-50.0%			0		1,196	-5.5%	0		1,505	-6.4%	228	-10.8%	195	-10.3%			3,141	-6.7%
2005-06	20	23.1%	1	0.0%			0		1,220	2.0%	0		1,514	0.6%	191	-15.9%	186	-4.5%			3,133	-0.3%
2006-07	18	-12.5%	3	100.0%			0		1,170	-4.1%	0		1,650	9.0%	194	1.3%	195	4.7%			3,229	3.1%
2007-08	21	21.4%	1	-50.0%			0		1,214	3.7%	0		1,871	13.4%	238	22.6%	194	-0.6%			3,539	9.6%
2008-09	14	-35.3%	3	100.0%			0		1,211	-0.2%	0		2,120	13.3%	306	28.9%	188	-3.2%			3,841	8.5%
2009-10	60	336.4%	1	-50.0%			0		1,285	6.1%	0		2,316	9.3%	366	19.6%	206	10.0%			4,235	10.3%
2010-11	113	87.5%	3	100.0%			0		1,401	9.0%	0		2,444	5.5%	403	9.9%	196	-4.8%			4,559	7.6%
2011-12	183	62.2%	1	-50.0%			0		1,376	-1.8%	0		2,479	1.4%	443	9.9%	214	8.9%			4,695	3.0%
2012-13	271	48.6%	1	0.0%			0		1,441	4.7%	0		2,640	6.5%	441	-0.3%	225	5.3%			5,020	6.9%
2013-14	333	22.6%	3	100.0%			0		1,536	6.6%	0		2,719	3.0%	439	-0.6%	246	9.4%			5,275	5.1%
2014-15	346	4.1%	4	50.0%			39		1,666	8.5%	0		2,986	9.8%	506	15.4%	196	-20.3%			5,744	8.9%
2015-16	347	0.2%	6	60.0%			52	34.2%	1,706	2.4%	2		3,226	8.0%	478	-5.6%	198	0.9%			6,015	4.7%
2016-17	417	20.2%	3	-50.0%			50	-3.8%	1,746	2.3%	2	14.3%	3,260	1.1%	456	-4.6%	215	8.6%			6,149	2.2%
2017-18	469	12.5%	6	100.0%			68	36.0%	1,759	0.7%	11	450.0%	3,483	6.8%	501	9.9%	231	7.4%	33		6,561	6.7%
2018-19	400	-14.8%	22	271.7%			99	45.3%	1,709	-2.8%	14	27.3%	3,573	2.6%	467	-6.7%	206	-11.0%	34	3.0%	6,524	-0.6%
2019-20	453	13.4%	35	57.0%			107	8.3%	1,695	-0.8%	15	7.1%	3,587	0.4%	536	14.7%	201	-2.2%	61	79.4%	6,690	2.5%
2020-21	522	15.2%	27	-22.9%			119	11.2%	1,570	-7.4%	27	80.0%	3,784	5.5%	500	-6.7%	171	-14.9%	60	-1.6%	6,780	1.3%
2021-22	526	0.8%	43	59.3%			144	21.0%	1,610	2.5%	34	25.9%	4,264	12.7%	549	9.8%	172	0.6%	52	-13.3%	7,394	9.1%
2022-23	565	7.5%	44	1.7%			137	-4.7%	1,628	1.1%	20	-40.0%	4,417	3.6%	552	0.5%	154	-10.6%	51	-1.8%	7,569	2.4%
2023-24	582	3.0%	46	5.0%			137	0.0%	1,607	-1.3%	22	10.0%	4,434	0.4%	563	2.1%	148	-4.0%	51	0.0%	7,591	0.3%
CAAGR*		6.4%		38.2%						0.5%				5.6%		2.8%		-5.5%				4.1%

NOTE: Graduate student FTE reflect 30 credit hours, while undergraduate student FTE reflect 24 credit hours.

Table 1. Legislative Council Staff 2020 Forecast
Colorado Public Higher Education Enrollment by Governing Board
Student Full-Time Equivalents (FTEs)

(Continued)

COF Authorizations																						
Fiscal Year	Adams State University		Colorado Mesa University		Metro State University of Denver		Western State Colorado University		Colorado State University		Fort Lewis College		University of Colorado		Colorado School of Mines		University of Northern Colorado		CCCOES		TOTAL	
	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.
2005-06	1,407		4,056		14,223		1,498		19,053		2,512		26,539		2,544		8,925		34,138		114,894	
2006-07	1,436	2.1%	4,358	7.5%	14,943	5.1%	1,426	-4.8%	19,071	0.1%	2,563	2.0%	27,369	3.1%	2,659	4.5%	8,761	-1.8%	34,389	0.7%	116,975	1.8%
2007-08	1,375	-4.3%	4,381	0.5%	15,319	2.5%	1,398	-2.0%	19,150	0.4%	2,540	-0.9%	27,596	0.8%	2,652	-0.3%	8,287	-5.4%	40,526	17.8%	123,224	5.3%
2008-09	1,352	-1.7%	4,502	2.8%	16,014	4.5%	1,429	2.2%	19,764	3.2%	2,343	-7.7%	27,919	1.2%	2,688	1.4%	7,850	-5.3%	44,111	8.8%	127,973	3.9%
2009-10	1,471	8.8%	5,228	16.1%	17,216	7.5%	1,385	-3.1%	20,363	3.0%	2,406	2.7%	28,656	2.6%	2,792	3.9%	8,003	2.0%	52,248	18.4%	139,768	9.2%
2010-11	1,489	1.2%	5,728	9.6%	17,251	0.2%	1,298	-6.3%	20,654	1.4%	2,395	-0.5%	27,213	-5.0%	2,731	-2.2%	8,081	1.0%	56,248	7.7%	143,087	2.4%
2011-12	1,505	1.1%	6,163	7.6%	16,304	-5.5%	1,256	-3.3%	20,706	0.3%	2,137	-10.8%	27,014	-0.7%	2,723	-0.3%	7,895	-2.3%	54,835	-2.5%	140,538	-1.8%
2012-13	1,439	-4.4%	6,398	3.8%	15,566	-4.5%	1,218	-3.0%	19,965	-3.6%	2,288	7.0%	27,382	1.4%	2,766	1.6%	7,739	-2.0%	53,350	-2.7%	138,112	-1.7%
2013-14	1,365	-5.1%	6,472	1.1%	15,143	-2.7%	1,264	3.8%	19,671	-1.5%	2,056	-10.2%	27,511	0.5%	2,698	-2.5%	7,216	-6.8%	49,791	-6.7%	133,186	-3.6%
2014-15	1,285	-5.9%	6,089	-5.9%	14,351	-5.2%	1,319	4.4%	19,132	-2.7%	1,796	-12.6%	27,712	0.7%	2,762	2.4%	6,861	-4.9%	47,339	-4.9%	128,646	-3.4%
2015-16	1,225	-4.7%	6,340	4.1%	13,826	-3.7%	1,340	1.6%	19,084	-0.3%	1,701	-5.3%	28,081	1.3%	2,737	-0.9%	6,700	-2.3%	45,055	-4.8%	126,087	-2.0%
2016-17	1,125	-8.2%	6,350	0.2%	13,711	-0.8%	1,333	-0.5%	19,234	0.8%	1,512	-11.1%	28,738	2.3%	2,637	-3.6%	6,584	-1.7%	44,979	-0.2%	126,204	0.1%
2017-18	1,050	-6.6%	6,225	-2.0%	13,839	0.9%	1,296	-2.8%	18,862	-1.9%	1,389	-8.1%	29,276	1.9%	2,790	5.8%	6,708	1.9%	44,873	-0.2%	126,308	0.1%
2018-19	1,125	7.1%	6,296	1.1%	13,606	-1.7%	1,333	2.9%	18,228	-3.4%	1,285	-7.5%	29,538	0.9%	2,637	-5.5%	6,584	-1.8%	45,717	1.9%	126,350	0.0%
2019-20	1,015	-9.8%	6,160	-2.2%	13,157	-3.3%	1,346	1.0%	17,879	-1.9%	1,204	-6.3%	29,719	0.6%	2,857	8.4%	6,246	-5.1%	46,343	1.4%	125,925	-0.3%
2020-21	853	-16.0%	6,127	-0.5%	11,611	-11.8%	1,332	-1.0%	16,639	-6.9%	1,118	-7.1%	31,127	4.7%	2,853	-0.1%	5,439	-12.9%	42,409	-8.5%	119,508	-5.1%
2021-22	789	-7.5%	5,872	-4.2%	10,692	-7.9%	1,422	6.8%	15,802	-5.0%	1,071	-4.2%	27,053	-13.1%	2,889	1.3%	4,933	-9.3%	41,065	-3.2%	111,588	-6.6%
2022-23	709	-10.2%	5,908	0.6%	10,189	-4.7%	1,408	-1.0%	15,481	-2.0%	1,080	0.8%	26,999	-0.2%	3,005	4.0%	4,459	-9.6%	42,297	3.0%	111,534	0.0%
2023-24	709	0.0%	5,843	-1.1%	9,935	-2.5%	1,394	-1.0%	15,357	-0.8%	1,047	-3.0%	26,783	-0.8%	2,950	-1.8%	4,303	-3.5%	42,297	0.0%	110,618	-0.8%
CAAGR*		-7.0%		-1.1%		-4.6%		1.1%		-2.7%		-7.2%		-0.3%		1.0%		-5.6%		-1.8%		-2.0%

Local District College Enrollment

Fiscal Year	Resident Enrollment						Nonresident Enrollment						Total Enrollment							
	Aims Community College		Colorado Mountain College		TOTAL		Year	Aims Community College		Colorado Mountain College		TOTAL		Year	Aims Community College		Colorado Mountain College		TOTAL	
Enrollment	% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment		% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment		% chg.	Enrollment	% chg.	Enrollment	% chg.	Enrollment
1994-95	3,760		2,547		6,307		1994-95	0		0		0		1994-95	3,760		2,547		6,307	
1995-96	3,630	-3.5%	2,464	-3.3%	6,094	-3.4%	1995-96	0		0		0		1995-96	3,630	-3.5%	2,464	-3.3%	6,094	-3.4%
1996-97	3,717	2.4%	2,477	0.5%	6,194	1.6%	1996-97	0		0		0		1996-97	3,717	2.4%	2,477	0.5%	6,194	1.6%
1997-98	3,636	-2.2%	2,483	0.2%	6,119	-1.2%	1997-98	0		0		0		1997-98	3,636	-2.2%	2,483	0.2%	6,119	-1.2%
1998-99	3,554	-2.3%	2,442	-1.7%	5,996	-2.0%	1998-99	276		636		912		1998-99	3,830	5.3%	3,078	24.0%	6,908	12.9%
1999-00	3,582	0.8%	2,387	-2.3%	5,969	-0.5%	1999-00	266	-3.6%	540	-15.1%	806	-11.6%	1999-00	3,848	0.5%	2,927	-4.9%	6,775	-1.9%
2000-01	3,576	-0.2%	2,445	2.4%	6,021	0.9%	2000-01	236	-11.3%	594	10.0%	830	3.0%	2000-01	3,812	-0.9%	3,039	3.8%	6,851	1.1%
2001-02	3,745	4.7%	2,412	-1.3%	6,157	2.3%	2001-02	208	-11.9%	542	-8.8%	750	-9.6%	2001-02	3,953	3.7%	2,954	-2.8%	6,907	0.8%
2002-03	3,505	-6.4%	2,340	-3.0%	5,845	-5.1%	2002-03	159	-23.6%	517	-4.6%	676	-9.9%	2002-03	3,664	-7.3%	2,857	-3.3%	6,521	-5.6%
2003-04	3,171	-9.5%	2,284	-2.4%	5,455	-6.7%	2003-04	116	-27.0%	531	2.7%	647	-4.3%	2003-04	3,287	-10.3%	2,815	-1.5%	6,102	-6.4%
2004-05	2,954	-6.8%	2,277	-0.3%	5,231	-4.1%	2004-05	136	17.2%	561	5.6%	697	7.7%	2004-05	3,090	-6.0%	2,838	0.8%	5,928	-2.9%
2005-06	2,848	-3.6%	2,193	-3.7%	5,041	-3.6%	2005-06	113	-16.9%	542	-3.4%	655	-6.0%	2005-06	2,961	-4.2%	2,735	-3.6%	5,696	-3.9%
2006-07	2,930	2.9%	2,155	-1.7%	5,085	0.9%	2006-07	120	6.2%	561	3.5%	681	4.0%	2006-07	3,050	3.0%	2,716	-0.7%	5,766	1.2%
2007-08	2,856	-2.5%	2,113	-1.9%	4,969	-2.3%	2007-08	106	-11.7%	563	0.4%	669	-1.8%	2007-08	2,962	-2.9%	2,676	-1.5%	5,638	-2.2%
2008-09	3,031	6.1%	2,143	1.4%	5,174	4.1%	2008-09	119	12.3%	623	10.7%	742	10.9%	2008-09	3,150	6.3%	2,766	3.4%	5,916	4.9%
2009-10	3,471	14.5%	2,543	18.7%	6,014	16.2%	2009-10	113	-5.0%	610	-2.1%	723	-2.6%	2009-10	3,584	13.8%	3,153	14.0%	6,737	13.9%
2010-11	3,562	2.6%	2,889	13.6%	6,451	7.3%	2010-11	130	15.0%	623	2.1%	753	4.1%	2010-11	3,692	3.0%	3,512	11.4%	7,204	6.9%
2011-12	3,611	1.4%	2,950	2.1%	6,561	1.7%	2011-12	113	-13.1%	552	-11.4%	665	-11.7%	2011-12	3,724	0.9%	3,502	-0.3%	7,226	0.3%
2012-13	3,486	-3.5%	3,040	3.1%	6,526	-0.5%	2012-13	104	-8.0%	540	-2.2%	644	-3.2%	2012-13	3,590	-3.6%	3,580	2.2%	7,170	-0.8%
2013-14	3,330	-4.5%	2,930	-3.6%	6,260	-4.1%	2013-14	80	-23.1%	591	9.4%	671	4.2%	2013-14	3,410	-5.0%	3,521	-1.6%	6,931	-3.3%
2014-15	3,160	-5.1%	2,795	-4.6%	5,955	-4.9%	2014-15	71	-11.3%	574	-2.9%	645	-3.9%	2014-15	3,231	-5.2%	3,369	-4.3%	6,600	-4.8%
2015-16	3,260	3.2%	2,946	5.4%	6,206	4.2%	2014-15	96	35.2%	417	-27.4%	513	-20.5%	2014-15	3,356	3.9%	3,363	-0.2%	6,719	1.8%
2016-17	3,354	2.9%	2,809	-4.7%	6,163	-0.7%	2016-17	113	17.7%	386	-7.4%	499	-2.7%	2016-17	3,467	3.3%	3,195	-5.0%	6,662	-0.8%
2017-18	3,627	8.1%	3,058	8.9%	6,685	8.5%	2017-18	42	-62.8%	297	-23.1%	339	-32.1%	2017-18	3,669	5.8%	3,355	5.0%	7,024	5.4%
2018-19	3,657	0.8%	2,962	-3.1%	6,619	-1.0%	2018-19	125	197.6%	250	-15.8%	375	10.6%	2018-19	3,782	3.1%	3,212	-4.3%	6,994	-0.4%
2019-20	3,759	2.8%	2,884	-2.6%	6,643	0.4%	2019-20	116	-7.2%	229	-8.4%	345	-8.0%	2019-20	3,875	2.5%	3,113	-3.1%	6,988	-0.1%
2020-21	3,282	-12.7%	2,832	-1.8%	6,114	-8.0%	2019-21	71	-38.8%	230	0.4%	301	-12.8%	2019-21	3,353	-13.5%	3,062	-1.6%	6,415	-8.2%
2021-22	3,713	13.1%	3,713	31.1%	7,426	21.5%	2021-22	78	9.9%	263	14.3%	341	13.3%	2021-22	3,791	13.1%	3,976	29.8%	7,767	21.1%
2022-23	3,858	3.9%	2,941	-20.8%	6,799	-8.5%	2022-23	76	-2.8%	270	2.6%	346	1.4%	2022-23	3,934	3.8%	3,211	-19.3%	7,144	-8.0%
2023-24	3,858	0.0%	2,941	0.0%	6,799	0.0%	2023-24	76	0.0%	270	0.0%	346	0.0%	2023-24	3,934	0.0%	3,211	0.0%	7,144	0.0%
CAAGR*		1.6%		0.0%		0.9%	CAAGR*		-0.6%		-8.3%		-7.1%	CAAGR*		1.6%		-1.0%		0.3%

CAAGR = Compound average annual growth rate between FY 2013-14 and FY 2023-24.

NOTE: Graduate student FTE reflect 30 credit hours, while undergraduate student FTE reflect 24 credit hours.