



MEMORANDUM

TO: House Education Committee and Senate Education Committee
FROM: Dr. Kim Hunter Reed, Executive Director
DATE: December 1, 2017
SUBJECT: The Governor's Budget Request

As you know, the Governor's Budget request was released on November 1. **We are pleased to report that it reflects a significant general fund increase of \$86.9 million for higher education and additional funding for capital construction.** This \$86.9 million includes an investment for public postsecondary education aligned with our Master Plan focus on increasing student completion and affordability as well as some technical adjustments. **The overall request reflects a 9.7 % increase in state funding over last year.**

Invest in Affordability and Innovation

The Governor's proposal strongly supports this goal by increasing state operating dollars in order to keep tuition increases low for students. The executive budget includes:

- **\$59 million in increased operating funds for public postsecondary institutions. This request is intended to be the first in a multi-year plan to address affordability.** The request includes:
 - \$56.8 million in funding to be allocated through the outcomes-based funding formula (including additional formula funding for Pell student enrollment and completion); and
 - \$2.2 for Local District Colleges and Area Technical Colleges.
- **\$86 million in additional cash funds spending authority tied to a statewide goal of a 3% undergraduate tuition increase.**

Financial Aid

- **\$13.9 million in additional financial aid, with increases provided in both need-based aid and work-study.**



- **\$1.5 million to create a new statewide Emergency Completion and Retention Grant Program** designed to increase completion for students faced with emergency financial needs that could derail their academic persistence, with priority given to students close to earning a credential.
- **\$4 million increase to the Colorado Opportunity Scholarship Initiative (COSI)**, bringing the total annual appropriation to \$9 million General Fund in FY 2018-19. This increase would allow for a significant increase in state-community matching scholarships and sustain the current student support grants which have been proven to enhance student success.

Increase Student Completion

- **\$5 million to create a new Colorado Occupational Credential Capacity Grant Program** that targets increasing capacity in short-term high-demand certificate programs. This request is to be run through an RFP process, with priority given to programs that increase certificate attainment of target populations in high-demand areas. The request is designed to specifically address the certificate shortage identified in our Master Plan.

Additional Items

The request also includes targeted funding to address the rural educator shortage as well as a general fund adjustment tied to the Fort Lewis College Native American Tuition Waiver.

