



FY 2025-26 Budget Briefing Summary

Higher Education

The Department of Higher Education is responsible for higher education and vocational training programs in the state. The Department's FY 2025-26 appropriation represents 9.9 percent of statewide General Fund appropriations.

Summary of Request

Department of Higher Education

Item	Total Funds	General Fund [1]	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 (Long Bill)	\$6,492,016,560	\$1,685,201,835	\$3,430,837,406	\$1,349,232,021	\$26,745,298	28,036.3
Other legislation	-67,135,627	-852,966	-3,000,000	-63,282,661	0	-1.4
Total	\$6,424,880,933	\$1,684,348,869	\$3,427,837,406	\$1,285,949,360	\$26,745,298	28,034.9
FY 2026-27 Requested Appropriation						
FY 2025-26 Appropriation	\$6,424,880,933	\$1,684,348,869	\$3,427,837,406	\$1,285,949,360	\$26,745,298	28,034.9
R1 IHE operating and tuition	90,470,112	4,682,965	81,986,812	3,800,335	0	0.0
R2 FLC Native American tuition waiver	333,205	333,205	0	0	0	0.0
R3 Financial aid caseload adjustments	2,752,886	2,752,886	0	0	0	0.0
R4 FY23-24 funding formula data adj	441,656	220,828	0	220,828	0	0.0
R5 Additional staff support	508,897	508,897	0	0	0	4.0
R6 LPFFS reductions	-9,788,334	-4,894,167	0	-4,894,167	0	0.0
R7 Rural teacher benefits platform	-1,258,097	-1,258,097	0	0	0	-0.8
R8 HED prev proposed reductions	-384,850	-300,000	0	-84,850	0	0.0
R9 MTCF balancing (statewide R7)	-1,275,000	0	-1,275,000	0	0	0.0
HC R1 Limited gaming transfer	1,000,000	0	1,000,000	0	0	0.0
HC R2 LB central approps restructure	0	0	0	0	0	0.0
HC R3 HSMO, comm museums reduct	-36,796	-36,796	0	0	0	0.0
HC R4 Cumbres and Toltec reduction	-48,213	-48,213	0	0	0	0.0
Prior year actions	8,334,457	-767,226	9,332,291	-230,608	0	-3.0
Compensation common policies	1,955,345	605,359	1,342,783	0	7,203	0.0
Impacts driven by other agencies	182,436	44,366	174,766	-36,696	0	1.1
Operating common policies	-395,783	-16,721	-445,697	66,635	0	0.0
Total	\$6,517,672,854	\$1,686,176,155	\$3,519,953,361	\$1,284,790,837	\$26,752,501	28,036.2
Increase/-Decrease	\$92,791,921	\$1,827,286	\$92,115,955	-\$1,158,523	\$7,203	1.3

Item	Total Funds	General Fund [1]	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Percentage Change	1.4%	0.1%	2.7%	-0.1%	0.0%	0.0%

[1] Includes General Fund Exempt.

Changes are assumed to be ongoing unless otherwise noted.

R1 IHE operating and tuition: The Department requests adjustments of General Fund and tuition for institutions of higher education (IHEs) for the current year and budget year.

Current Year (supplemental): Previous reductions of \$9.5 million General Fund to fee for service contracts with IHEs included in the Governor’s August 28, 2025 Executive Order.

Year 1: A net total funds increase (including the current year reduction) of \$90.5 million, including net increases of \$4.7 million General Fund for state support and \$82.0 million cash funds from student tuition.

The General Fund adjustment includes the FY 25-26 reduction of \$9.5 million and increases that include:

- \$10.6 million for the IHEs to cover classified employees under the collective bargaining agreement;
- \$2.2 million for specialty education programs;
- \$0.5 million for local district colleges and area technical colleges; and
- \$0.7 million for financial aid.

The tuition adjustment is a 2.6 percent increase for in-state undergraduate and 3.0 percent for other students.

R2 FLC Native American tuition waiver: The Department requests an adjustment for the state responsibility for Native American student tuition costs at Fort Lewis College.

Year 1: A General Fund increase of \$333,205 on the base of \$21.3 million, for 78 resident and 1,122 nonresident Native American students enrolled during the FY 2024-25 school year.

The Department identifies this item as an evidence-informed request.

R3 Financial aid caseload adjustments: The Department requests adjustments for financial aid programs as required by statute based on the operating increase identified in R1, totaling \$3.4 million, of which R1 includes \$0.7 million.

Year 1: A General Fund increase of \$2.8 million, including \$2.5 million for State Aid for Foster Students, \$0.14 million for Postsecondary Assistance for Students who were Homeless in High School; and \$0.02 million for Private College Opportunity Fund.

The Department identifies this item as an evidence-based proven request.

R4 FY23-24 funding formula data adjustments: The Department requests adjustments related to a data error included in the funding formula in FY 2023-24 to restore funding for affected institutions.

Year 1: A General Fund increase of \$0.22 million, including \$0.19 million for Colorado Mesa University and \$0.03 million for the University of Northern Colorado.

R5 Additional staff support: The Department requests funding for five new positions for finance and compliance staff and one-time funding to contract for the creation and implementation of a fiscal training program.

Year 1: A General Fund increase of \$0.5 million, including \$448,897 for 4.0 FTE and \$60,000 of one-time funding for the contract training program.

Year 2: A General Fund total cost of \$525,446 and 5.0 FTE for future years.

R6 LPFFS reductions [requires legislation]: The Department requests:

- a 50 percent reduction in limited purpose fee for service (LPFFS) contracts with IHEs for the current year consistent with the Governor’s Executive Order;
- discontinuing the Colorado Rural Healthcare Workforce Initiative, Cyber Coding Cryptology for State Record, and Food System Advisory Council for FY 2026-27; and
- creating a separate line item and sunset provision for two continuing programs that include Career Pathways Funding and Improve Healthcare Access for Older Coloradans.

Current year (supplemental): Previous reductions of \$3.0 million General Fund to limited purpose fee for service contracts with IHEs included in the Governor’s August 28, 2025 Executive Order.

Year 1: A General Fund decrease of \$1.9 million for the discontinuation of the three programs.

R7 Rural teacher and benefits platform [requires legislation]: The Department requests the elimination of the Rural Teacher Recruitment, Retention, and Professional Development program and the Online Platform for Public Benefits for Higher Education Students program.

Year 1: A General Fund decrease of \$1.3 million, including \$1,213,097 and 0.8 FTE for the Rural Teacher program and \$45,000 for the Online Platform program.

R8 HED previously proposed reductions (submitted as NP 1, 2, and 3 related to statewide R6) [requires legislation]: The Department requests reconsideration of three reductions denied for FY 2025-26 that include: reducing Teacher Mentor Grant Funding (\$300,000 GF); PSEP Program (WICHE – Optometry) roll-off (\$84,850 RF); and discontinue limited gaming funds support for CHECRA (\$2.1 million CF) with no appropriations adjustments.

Year 1: A total funds decrease of \$0.4 million, including a General Fund decrease of \$0.3 million and a reappropriated funds decrease of \$84,850 from indirect cost recoveries. Requested action includes legislation to eliminate the \$2.1 million limited gaming funds transfer to CHECRA.

These items were submitted as “non-prioritized requests” and did not include request narratives. The associated schedule 13s identify adjustments for the budget year. It is unclear to staff whether the requested appropriation impacts change in future years.

R9 MTCF balancing (submitted as NP9 related to statewide R7): The Department requests adjustments to Marijuana Tax Cash Fund (MTCF) appropriations.

Year 1: A net reduction of \$1.3 million cash funds from the MTCF, including a \$2.0 million reduction for elimination of the current appropriation to the University of Colorado School of Public Health for research on marijuana concentrates and a \$725,000 increase and restoration of funding for the Institute of Cannabis Research at CSU-Pueblo.

HC R1 Limited gaming transfer [requires legislation]: History Colorado requests legislation to redirect \$1.0 million of limited gaming funds that are currently dedicated to the Travel and Tourism Promotion Cash Fund in the Governor’s Office of Economic Development and International Trade (OEDIT) to the History Colorado operating cash fund. History Colorado requests an equivalent increase in cash funds spending authority across several operating line items.

Year 1: An increase of \$1.0 million cash funds from the State Historical Fund Operations Account originating from limited gaming funds.

Line item adjustments include \$650,000 for Statewide Programming, Community Museums, and the Office of Archeology and Historic Preservation, \$150,000 for History Colorado Center and Facilities Management, and \$100,000 increases for Central Administration and Collections and Curatorial Services.

HC R2 Long Bill central appropriations restructure: History Colorado requests the budget neutral transfer of centrally appropriated compensation and operating common policies from the Department of Higher Education to the History Colorado budget.

HC R3 HSMO and community museums reductions: History Colorado requests a 2.5 percent General Fund reduction for Historical Site Maintenance and Operations (HSMO) and Community Museums.

Year 1: A decrease of \$36,796 General Fund, including \$33,944 for Community Museums (\$1.4 million GF base appropriation) and \$2,852 for Historical Site Maintenance (\$0.1 million GF base appropriation).

HC R4 Cumbres and Toltec reduction: History Colorado and the Cumbres and Toltec Railroad request a 3.5 percent General Fund reduction for the appropriation to the Cumbres and Toltec Railroad Commission.

Year 1: A decrease of \$48,213 General Fund (\$1.4 million GF base appropriation).

Prior year actions: The request includes a net increase of \$8.3 million total funds, including an increase of \$9.3 million cash funds, for the impact of prior year budget decisions and legislation.

Prior year actions

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Fitzsimmons COP	\$10,304,490	\$1,021,872	\$9,282,618	\$0	\$0	0.0
HC COP	302,156	302,156	\$0	\$0	\$0	0.0
CO Geological Survey	93,907	25,961	67,946	0	0	0.0
HC COP sequestration	6,512	0	6,512	0	0	0.0
FY26 Financial aid staff	1,058	1,058	0	0	0	0.0
HC FY26 comm museum adjust	0	20,410	-20,410	0	0	0.0
SB 21-215 Open ed resources	-1,112,677	-1,112,677	0	0	0	-1.0
Path4Ward	-559,975	-559,975	0	0	0	-1.0
SB 21-185 Supp educ wrkforc in CO	-239,778	-119,889	0	-119,889	0	0.0
SB 24-104 Career, tech ed, apprent	-221,438	-110,719	0	-110,719	0	0.0
SB 22-181 BH-care workforce	-93,409	-93,409	0	0	0	-1.0
HB 23-1220 Stud RepubRiv Econ Imp	-66,983	-66,983	0	0	0	0.0
HC Hist tax credit adjust	-61,531	-61,531	0	0	0	0.0
HB 24-1364 Ed-based wrkfrc ready	-10,000	-10,000	0	0	0	0.0
NWC COP	-4,375	0	-4,375	0	0	0.0
SB 23-219 Supp stud and fac schools	-3,500	-3,500	0	0	0	0.0
Total	\$8,334,457	-\$767,226	\$9,332,291	-\$230,608	\$0	-3.0

Compensation common policies: The request includes a net increase of \$2.0 million total funds for employee compensation common policies. A common policy refers to general policies applied consistently to all departments.

Compensation common policies

Item	Total Funds	General Fund	Cash Funds	Federal Funds	FTE
Salary survey	\$777,668	\$254,062	\$437,770	\$85,836	0.0
Health, life, and dental	798,446	232,380	602,815	-36,749	0.0
Unfunded liability amortization payments	257,008	77,205	212,830	-33,027	0.0
Step plan	104,799	34,526	58,568	11,705	0.0
Paid family and medical leave insurance	11,565	3,474	9,577	-1,486	0.0
PERA direct distribution	4,059	3,172	19,732	-18,845	0.0
Short-term disability	1,799	540	1,490	-231	0.0
Shift differential	1	0	1	0	0.0
Total	\$1,955,345	\$605,359	\$1,342,783	\$7,203	0.0

Impacts driven by other agencies: The request includes a net increase of \$0.18 million for requests from other state agencies. These are also called “non-prioritized requests.” The amount shown in the table below applies only to this department and does not necessarily reflect the total value of the request.

Impacts driven by other agencies

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	FTE
NP IT accessibility	\$200,623	\$20,000	\$180,623	\$0	0.9
NP SB24-205 AI compliance	23,952	22,660	\$1,292	\$0	0.2
NP State accounting system (CORE) staff	9,453	3,025	6,428	0	0.0
NP Statewide enable AI	871	0	871	0	0.0
NP IT operating offset	-45,870	0	-9,174	-36,696	0.0
NP IT efficiencies	-6,593	-1,319	-5,274	0	0.0
Total	\$182,436	\$44,366	\$174,766	-\$36,696	1.1

Operating common policies: The request includes a net decrease of \$0.4 million for operating common policies.

Operating common policies

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	FTE
Office of Information Technology services	\$277,424	\$11,582	\$229,146	\$36,696	0.0
Legal services	90,935	-5,789	96,724	0	0.0
State accounting system (CORE)	77,197	0	49,965	27,232	0.0
Workers' compensation	19,701	0	13,923	5,778	0.0
Risk management & property	-838,526	0	-835,455	-3,071	0.0
Capitol Complex leased space	-22,514	-22,514	0	0	0.0
Total	-\$395,783	-\$16,721	-\$445,697	\$66,635	0.0

Issues Presented

This is a summary of the briefing issues presented to the Joint Budget Committee by JBC staff.

Budget Reduction Options

The Executive Budget Request includes budget year reductions of \$16.0 million General Fund for the Department of Higher Education representing 1.0 percent of current General Fund appropriations in this section of the budget.¹ The request also includes current year reductions, included in the Governor's Executive Order, of \$12.5 million General Fund representing 0.7 percent of current General Fund appropriations. The current year request includes a transfer that make an additional \$9.2 million General Fund available; representing an additional 0.5 percent of current General Fund appropriations. This issue brief reviews these proposals and additional options identified by staff.

Department Request for Formula Funding for Institutions and Financial Aid

This issue brief provides additional information on the Department's R1, R3, and R4 requests related to institution operating support and financial aid.

R6/S2 LPFFS Reductions

This issue brief provides additional information on the Department's R6/S2 Limited Purpose Fee For Service Reductions.

MTCF Adjustments

This issue brief provides additional information on the Department's Marijuana Tax Cash Fund (MTCF) adjustments included in the Statewide R7 MTCF Balancing request.

Informational Overview for Notable Items

This issue brief provides notice and updates for particular higher education policy and program items that may be of interest in the budget process.

For More Information

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To read the entire briefing: Go to leg.colorado.gov/content/budget/budget-documents to use the budget document search tool. Select this department's name under Department/Topic, "Briefing" under Type, and select a Start date and End date to show documents released in November and December of 2025.

¹ Current FY 2025-26 appropriations do not include mid-year reductions in executive orders.