

Joint Budget Committee



Staff Figure Setting FY 2025-26

Department of Higher Education

(Department Administrative Office, Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Division of Occupational Education except Area Technical Colleges, Auraria Higher Education Center, and History Colorado)

JBC Working Document - Subject to Change

Staff Recommendation Does Not Represent Committee Decision

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How to Use this Document: The Department Overview contains a table summarizing the staff recommended changes. Brief explanations of each change follow the table. Each division description includes a similar table but does not repeat the brief explanations. Sections following the Department Overview and the division summary tables provide more details about the changes.

To find decision items, look at the Decision Items Affecting Multiple Divisions or the most relevant division. This applies to both decision items requested by the department and recommended by the staff. Decision items appear in the requested priority order within sections.

Department Overview

Note: This overview describes all sections of the Department of Higher Education for context. However, this briefing packet addresses only the Department Administrative Office, Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Division of Occupational Education (except Area Technical Colleges), Auraria Higher Education Center, and History Colorado.

The Department of Higher Education is responsible for the following:

- Distribute state appropriations for governing boards. General Fund appropriations are provided for the College Opportunity Fund Program, fee-for-service contracts with state institutions, state subsidies for Local District Colleges and Area Technical Colleges, and financial aid programs.
- Monitor cash funds tuition spending authority provided to each state governing board. If necessary, the Department may reallocate spending authority based on end-of-year enrollment and revenue received.
- Coordinate and establish statewide policies under the Colorado Commission on Higher Education. The Department reviews degree programs, executes enrollment policies, and enforces admission standards. It also proposes financial aid allocations, and it facilitates budget requests for operations and capital construction.
- Conduct data collection, research, and data analysis. The Department also produces requested or required reports via a central repository for higher education data.
- Oversee and allocate funding for vocational and occupational education programs. This programming is provided in both higher education and K-12 settings.
- Regulate private occupational schools. This function is overseen by the Colorado State Board of Private Occupational Schools.
- Oversee statutorily-authorized state enterprises. Examples include the CollegeInvest and CollegeAssist enterprises.
- Allocate grants to nonprofits and other entities. These grants increase the availability of pre-collegiate and postsecondary support. They also provide student scholarships. This function is overseen by the Colorado Opportunity Scholarship Initiative (COSI) board.
- Administer various programs supported through federal and private grants. Such programs include the federally-funded Gear Up program which provides services to middle school students. It is designed to increase higher education participation.

History Colorado is overseen by a separately appointed board. It is funded primarily through limited gaming revenues and General Fund, among other sources. The organization collects, preserves, exhibits, and interprets items and properties of historical significance through the State Historical Society.

Summary of Staff Recommendations

Department of Higher Education						
Item	Total Funds	General Funds	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$6,242,497,351	\$1,664,318,129	\$3,231,817,454	\$1,319,354,348	\$27,007,420	27,547.5
LB Supp Tuition	53,081,050	0	53,081,050	0	0	0.0
LB Supp Fees	21,021,949	0	21,021,949	0	0	0.0
LBsup Financial aid & COF priv. stipend	0	0	0	0	0	0.0
LBsup Educator stipends	-920,000	0	0	-920,000	0	0.0
S.B. 25-094 (Supplemental)	453,984	5,944	448,040	0	0	0.0
Total	\$6,316,134,334	\$1,664,324,073	\$3,306,368,493	\$1,318,434,348	\$27,007,420	27,547.5
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$6,316,134,334	\$1,664,324,073	\$3,306,368,493	\$1,318,434,348	\$27,007,420	27,547.5
R1 State funding & tuition for higher ed	115,999,710	-12,663,566	140,818,152	-12,154,876	0	0.0
R2 Ft. Lewis Native Am. Tuition Waiver	-720,972	-720,972	0	0	0	0.0
R3 Financial aid staff	87,555	87,555	0	0	0	1.0
R4 COF statute realignment	0	0	0	0	0	0.0
R5 PSEP optometry program roll-off	-84,850	0	0	-84,850	0	0.0
R6 DTAP realignment	0	0	0	0	0	0.0
R7 Reduce limited purpose FFS funding	-6,526,000	-3,263,000	0	-3,263,000	0	0.0
R9 End limited gaming support CHECRA	0	0	0	0	0	0.0
R10 Inclusive higher ed grants	-450,000	-450,000	0	0	0	0.0
R11 Reduce teacher mentor grants	0	0	0	0	0	0.0
R12 CUSOM refinance	0	0	0	0	0	0.0
R13 AHEC enterprise	399,242	0	0	399,242	0	0.0
BA2 DPOS spending authority	126,000	0	126,000	0	0	0.0
HC1 CENT and HSMO spending authority	239,168	0	239,168	0	0	3.0
HC2 Cumbres and Toltec RR operations	1,365,000	1,365,000	0	0	0	0.0
HC3 Historic tax credit spending auth.	50,000	0	0	50,000	0	0.0
HC4 Community museum refinance	0	-20,410	20,410	0	0	0.0
Impacts driven by other agencies	-11,360,024	-8,523,844	-2,836,180	0	0	0.0
Annualize FY 21-213 FMAP adjustment	4,391,812	2,195,906	0	2,195,906	0	0.0
Centrally appropriated line items	3,679,863	2,488,790	1,311,963	132,572	-253,462	0.0
SI student fee adjustments	2,510,808	0	2,510,808	0	0	0.0
SI Higher Ed limited gaming adjustment	1,793,824	0	1,793,824	0	0	0.0
Technical adjustments for COPs	201,658	200,000	-198,342	200,000	0	0.0
CO Geological Survey inflation	85,526	85,526	0	0	0	0.0
SI IHE employee FTE adjustments	0	0	0	0	0	488.7
SI Financial aid adjustments	0	0	0	0	0	0.0
SI Fitzsimons COP adjustment	-9,457,802	-4,358,109	-5,099,693	0	0	0.0
Annualize prior year legislation	-8,431,331	-2,645,480	-1,516,483	-4,269,368	0	-3.3
Annualize prior year budget actions	-3,358,509	-2,062,122	-1,208,387	-88,000	0	-0.6
SI Tobacco MSA revenue adjustment	-1,426,342	0	-1,426,342	0	0	0.0
SI General Fund reductions	-606,496	-606,496	0	0	0	0.0
Tech. adj. capitol complex lease	0	0	0	0	0	0.0

Department of Higher Education						
Item	Total Funds	General Funds	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Total	\$6,404,642,174	\$1,635,432,851	\$3,440,903,391	\$1,301,551,974	\$26,753,958	28,036.3
Changes from FY 2024-25	\$88,507,840	-\$28,891,222	\$134,534,898	-\$16,882,374	-\$253,462	488.8
Percentage Change	1.4%	-1.7%	4.1%	-1.3%	-0.9%	0.0
FY 2025-26 Executive Request	\$6,216,770,585	\$1,632,951,550	\$3,294,138,863	\$1,262,926,214	\$26,753,958	27,323.6
Staff Rec. Above/-Below Request	\$187,871,589	\$2,481,301	\$146,764,528	\$38,625,760	\$0	712.7

Description of Incremental Changes

R3 Financial aid staff: The recommendation includes \$87,554 General Fund in FY 2025-26, and \$88,612 in FY 2026-27 and ongoing to support 1.0 FTE dedicated to coordinating the Colorado Application for Student Financial Aid (CASFA).

R5 PSEP optometry program roll-off: The recommendation includes a reduction of \$84,850 reappropriated funds in FY 2025-26 to begin the first phase towards elimination of the Professional Student Exchange Program (PSEP) for Optometry. Each year, funding for the program will decrease until the final reduction in FY 2027-28.

R9 End limited gaming support CHECRA [requires legislation]: The recommendation does not approve the request but rather preserves the \$2.1 million portion of limited gaming revenue allocated by statute to the Innovative Higher Education Research Fund in FY 2025-26 and FY 2026-27 with the recommendation to maintain funding for current awards and discontinue future rounds of grant funding. The fund is appropriated to the Colorado Higher Education Competitive Research Authority (CHECRA).

R10 Inclusive higher ed grants [requires legislation]: The recommendation includes a reduction of \$450,000 General Fund in FY 2025-26 and ongoing, eliminating funding for the Inclusive Higher Ed Grants program. Statute requires an appropriation to the grant program each year through FY 2026-27. This request would require legislation to end the grant program early.

R11 Reduce teacher mentor grants: The recommendation does not reduce funding for the Teacher Mentor Grants Program. The proposed reduction would cut the program in half but would not impact current award recipients. The recommendation is to not approve the request.

R13 AHEC enterprise [requires legislation]: The recommendation includes a Request for Information to continue exploring alternative options to addressing the impact of AHEC funding on TABOR revenue calculations.

BA1 DPOS spending authority [requires legislation]: The recommendation includes an increase of \$126,000 cash funds from the Private Occupational Schools Cash Fund and the sweeping of excess uncommitted reserves to the General Fund, bringing the fund into compliance with Sections 23-64-122 and 24-75-402, C.R.S. This would be a one-time cash fund sweep.

HC1 CENT and HSMO spending authority: The recommendation includes \$239,168 cash fund spending authority from the State Historical Museum Operations fund and 3.0 FTE in FY 2025-

26 and ongoing to support staffing decisions critical to the functioning of the History Colorado operations.

HC2 Cumbres and Toltec RR operations: The recommendation includes \$1,365,000 General Fund in FY 2025-26 and ongoing to support the Cumbres and Toltec Scenic Railroad operations. Of the amount requested, \$280,000 would support railroad operating costs, and \$1,085,000 would support necessary capital projects and maintenance.

HC3 Historic tax credit spending authority: The recommendation includes an increase of \$50,000 reappropriated funds in FY 2025-26 and ongoing from revenue derived from Historic Tax Credit application fees. These funds are reappropriated from the Office of Economic Development and International Trade (OEDIT) and reappropriated to History Colorado.

HC4 Community museum refinance: The recommendation includes refinancing \$20,410 General Fund with \$20,410 Cash Funds from the Community Museums Cash Fund to support community museum operations. This refinancing would occur only in FY 2025-26.

Impacts driven by other agencies:

Impacts driven by other agencies						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
NP1 DNR R10 Sev. tax restructure	\$0	\$1,836,180	-\$1,836,180	\$0	\$0	0.0
NP2 DNR R11 CSFS move	-10,360,024	-10,360,024	0	0	0	0.0
NP3 MTCF reduction	-1,000,000	0	-1,000,000	0	0	0.0
Total	-\$11,360,024	-\$8,523,844	-\$2,836,180	\$0	\$0	0.0

Centrally appropriated line items: The recommendations include changes related to centrally appropriated line items as shown in the table below. JBC staff requests permission to make modifications to these line items based on Committee decisions in other budget areas which impact centrally appropriated items.

Centrally appropriated line items						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Capitol Complex leased space	\$968,045	\$968,045	0	0	0	0.0
Salary survey	570,711	194,789	\$297,078	\$0	\$78,844	0.0
Leased space	550,000	550,000	\$0	\$0	\$0	0.0
Step Plan - HC	546,261	481,565	58,908	0	5,788	0.0
Risk management & property - HC	254,454	0	254,454	0	0	0.0
Risk management & property	250,608	0	252,292	-1,684	0	0.0
Health, life, and dental - HC	219,467	68,865	137,013	0	13,589	0.0
NP SWICAP adjustment	194,922	0	13,147	181,775	0	0.0
Health, life, and dental	90,659	167,674	171,849	-24,042	-224,822	0.0
Step Plan	56,567	33,519	9,595	0	13,453	0.0
Legal services - HC	24,927	0	24,927	0	0	0.0
Legal services	23,473	16,347	7,126	0	0	0.0
PERA direct distribution -HC	7,439	2,221	4,951	0	267	0.0
AED and SAED adjustment - HC	3,895	-14,081	16,882	0	1,094	0.0
Health, life, and dental true-up	3,500	2,826	18	0	656	0.0
Paid Family & Medical Leave Ins.- HC	176	-633	760	0	49	0.0

Centrally appropriated line items						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Short-term disability - HC	56	-211	251	0	16	0.0
Statewide IT common policy reduction	-21,391	-21,391	0	0	0	0.0
AED and SAED adjustment	-12,662	35,096	59,206	-8,972	-97,992	0.0
PERA direct distribution	-10,695	7,146	21,717	-3,292	-36,266	0.0
BANP Short-term disability - HC	-9,676	-1,444	-7,519	0	-713	0.0
Workers' compensation	-8,258	0	-3,217	-5,041	0	0.0
BANP Short-term disability	-6,644	-3,940	-1,126	0	-1,578	0.0
CORE adjustment	-5,633	0	0	-5,633	0	0.0
Health, life, and dental true-up HC	-3,607	865	-4,505	0	33	0.0
CORE adjustment - HC	-3,348	0	-3,348	0	0	0.0
Workers' compensation - HC	-2,048	0	-2,048	0	0	0.0
ALJ services	-574	-574	0	0	0	0.0
Paid Family & Medical Leave Insurance	-571	1,579	2,664	-404	-4,410	0.0
Short-term disability	-190	527	888	-135	-1,470	0.0
Total	\$3,679,863	\$2,488,790	\$1,311,963	\$132,572	-\$253,462	0.0

Technical adjustments for COPs: The recommendation includes changes related to certain lease purchase payments to reflect actual anticipated costs related to Certificates of Participation (COPs).

Technical adjustments for COPs					
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	FTE
SI Lease purchase payment adjustments	\$201,658	\$200,000	-\$198,342	\$200,000	0.0
Total	\$201,658	\$200,000	-\$198,342	\$200,000	0.0

CO Geological Survey: The recommendation includes \$85,526 General Fund to provide an inflationary increase to the Colorado Geological Survey which does not receive increases related to centrally appropriated line items or provider rate increases. The recommendation also refinances Severance Tax Cash Fund with General Fund related to impacts driven by other agencies.

SI Fitzsimons COP adjustment: The recommendation includes a reduction of \$9.5 million total funds, including a reduction of \$4,358,109 General Fund and \$5,099,693 cash funds, resulting in a total appropriation of \$2.1 million cash funds in FY 2025-26 only. This is from the Fitzsimons Trust Fund for lease purchase payments for the facilities at Fitzsimons for which payment is reduced due to refinancing. Statutory allocations to the Fitzsimons Trust Fund from Tobacco Master Settlement revenues would remain in the Trust Fund to generate General Fund relief in FY 2026-27 when the required lease purchase payment increases.

Annualize prior year legislation: The recommendations include changes related to the annualization of prior year legislation as shown in the table below.

Annualize prior year legislation					
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	FTE
SB24-048 Substance use disorders recovery	\$217,650	\$108,825	0	\$108,825	0.2

Annualize prior year legislation					
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	FTE
HB24-1392 cap schls in early HS graduation	30,958	30,958	\$0	\$0	0.3
SB24-104 Career & tech ed	30,948	15,474	\$0	15,474	0.0
SB24-143 Credential quality apprenticeships	14,397	14,397	0	0	0.3
HB24-1314 Historic preservation tax cred.	7,112	7,112	0	0	0.1
HB24-1290 Student educator stipends	-3,277,000	0	0	-3,277,000	-1.0
SB24-221 Rural healthcare workforce	-1,733,344	-866,677	0	-866,667	0.0
SB23-005 Forestry and wildfire mitigation	-1,266,418	-1,016,418	0	-250,000	0.0
HB21-1149 SPARC Program	-893,378	0	-893,378	0	0.0
S.B. 25-094 (Supplemental)	-453,984	-5,944	-448,040	0	0.0
HB24-1006 Assist rural community wildfire	-300,000	-300,000	0	0	-0.4
FY25 supp for FY 2023-24 overexpenditure	-243,424	-243,424	0	0	0.0
SB22-007 Wildfire risk mitigation	-203,473	-203,473	0	0	0.0
HB23-1069 Biochar study	-175,065	0	-175,065	0	-1.5
HB23-1220 Republican River groundwater	-71,121	-71,121	0	0	0.0
SB22-192 Stackable credentials	-61,849	-61,849	0	0	-1.5
HB24-1024 Extended outreach campaigns	-40,000	-40,000	0	0	0.0
HB24-1403 Homeless youth	-13,340	-13,340	0	0	0.2
Total	-\$8,431,331	-\$2,645,480	-\$1,516,483	-\$4,269,368	-3.3

Annualize prior year budget actions: The recommendations include changes related to the annualization of prior year budget actions as shown in the table below.

Annualize prior year budget actions						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY24-25 HC BA1 CO heritage for all	\$12,637	\$0	\$12,637	\$0	\$0	0.3
FY24-25 HC4 Adobe maint. mgr	7,222	7,222	\$0	\$0	\$0	0.1
Cumbres & Toltec re-auth.	-1,365,000	-1,365,000	0	0	0	0.0
FY24-25 HC8 Strategic initiatives	-1,218,415	0	-1,218,415	0	0	0.0
FY24-25 HC5 Cumbres & Toltec	-500,000	-500,000	0	0	0	0.0
FY24-25 CU online training	-196,472	-108,472	0	-88,000	0	0.0
FY24-25 BA2 Dept staffing	-89,202	-89,202	0	0	0	-1.0
FY24-25 Human resources staff	-6,670	-6,670	0	0	0	0.0
FY24-25 HC7 COP sequestration	-2,609	0	-2,609	0	0	0.0
Total	-\$3,358,509	-\$2,062,122	-\$1,208,387	-\$88,000	\$0	-0.6

SI General Fund reductions: The recommendations eliminate funding for the Prosecution Fellowship Program and reduce General Fund for the Center for Substance Use Disorder, Prevention, Treatment, and Recovery Support Strategies at the University of Colorado Health Sciences Center.

SI General Fund reductions						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
SI Eliminate funding for prosecution fellowship	-356,496	-356,496	0	0	0	0.0
SI Reduce funding for Center for SUD	-250,000	-250,000	0	0	0	0.0
Total	-\$606,496	-\$606,496	\$0	\$0	\$0	0.0

Technical adjustment Capitol complex leased space: The recommendation includes a net-zero adjustment to reflect Capitol complex leased space appropriations in a separate line item for History Colorado.

Major Differences from the Request

Differences between requests and recommendations are relatively minor except for that regarding the Auraria Higher Education Center. Staff does not recommend approval of the request, therefore not achieving a \$31.4 million difference.

<u>Department Items</u>	FY 2025-26 Request	FY 2025-26 Recommendation	Difference
R3 Financial Aid Staff (GF)	175,109	87,555	-87,555
R5 PSEP Program Rolloff (RF)	-84,850	-84,850	0
R9 Discontinue Limited Gaming Funding Support of CHECRA (CF)	0	0	0
R10 Inclusive Higher Ed Grant Program Reduction (GF)	-450,000	-450,000	0
R11 Reduce Teacher Mentor Grant Funding (GF)	-300,000	0	300,000
R13 AHEC enterprise (RF)	-31,435,042	0	31,435,042
BA2 DPOS Spending Authority Increase	126,000	126,000	0
SI General Fund relief	0	-606,496	-606,496
SI Fitzsimons COP payment	0	-9,457,802	-9,457,802
Technical adjustments for COP payments	0	201,658	201,658
<u>History Colorado Items</u>			
HC1 CENT and HSMO Staffing (CF)	496,613	239,168	-257,445
HC2 Cumbres & Toltec Operating (GF)	1,365,000	1,365,000	0
HC3 Historic Tax Credit Spending Authority (RF)	50,000	50,000	0
HC4 Community Museum Reduction (GF)	-20,410	-20,410	0

(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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$10,201,284	\$2,757,850	\$5,333,904	\$555,890	\$1,553,640	0.0
Total FY 2024-25	\$10,201,284	\$2,757,850	\$5,333,904	\$555,890	\$1,553,640	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$10,201,284	\$2,757,850	\$5,333,904	\$555,890	\$1,553,640	0.0
Centrally appropriated line items	2,463,039	1,467,638	1,298,066	-49,203	-253,462	0.0
Annualize prior yr budget actions	-1,419,244	-442,299	-694,663	-6,466	-275,816	0.0
Total FY 2025-26	\$11,245,079	\$3,783,189	\$5,937,307	\$500,221	\$1,024,362	0.0
Changes from FY 2024-25	\$1,043,795	\$1,025,339	\$603,403	-\$55,669	-\$529,278	0.0
Percentage Change	10.2%	37.2%	11.3%	-10.0%	-34.1%	0.0%
FY 2025-26 Executive Request	\$10,061,269	\$2,814,953	\$5,704,353	\$517,601	\$1,024,362	0.0
Staff Rec. Above/-Below Request	\$1,183,810	\$968,236	\$232,954	-\$17,380	\$0	0.0

Decision Items

None.

Line Item Detail

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.

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

Request: The Department requests \$3,650,933 total funds, including \$1,196,726 General Fund, \$1,921,555 cash funds from various cash funds, and \$532,652 federal funds in FY 2025-26. The request includes changes related to centrally appropriated items.

Recommendation: Staff recommendation is outlined in the table below and includes changes related to centrally appropriated items. Staff requests permission to adjust this line item in accordance with any decisions the Committee may make regarding common policies or decisions that affect this line item, but are not addressed in this document.

Department Administrative Office, Health, Life, and Dental						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$3,340,914	\$956,496	\$1,617,180	\$24,042	\$743,196	0.0
Total FY 2024-25	\$3,340,914	\$956,496	\$1,617,180	\$24,042	\$743,196	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$3,340,914	\$956,496	\$1,617,180	\$24,042	\$743,196	0.0
Centrally appropriated line items	310,019	240,230	304,375	-24,042	-210,544	0.0
Total FY 2025-26	\$3,650,933	\$1,196,726	\$1,921,555	\$0	\$532,652	0.0
Changes from FY 2024-25	\$310,019	\$240,230	\$304,375	-\$24,042	-\$210,544	0.0
Percentage Change	9.3%	25.1%	18.8%	-100.0%	-28.3%	n/a
FY 2025-26 Executive Request	\$3,650,933	\$1,196,726	\$1,921,555	\$0	\$532,652	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Short-term disability

This line item funds the Department's share of state's short-term disability which is administered by the Department of Personnel. Short-term disability is equal to 0.19 percent of salaries.

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

Request: The Department requests \$14,279 total funds, including \$4,712 General Fund, \$7,561 cash funds, and \$2,006 federal funds in FY 2025-26. The request includes changes related to centrally appropriated items.

Recommendation: Staff recommendation is outlined in the table below and includes changes related to centrally appropriated items. Staff requests permission to adjust this line item in accordance with any decisions the Committee may make regarding common policies or decisions that affect this line item, but are not addressed in this document.

Department Administrative Office, Short-term Disability						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$30,733	\$9,780	\$15,067	\$135	\$5,751	0.0
Total FY 2024-25	\$30,733	\$9,780	\$15,067	\$135	\$5,751	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$30,733	\$9,780	\$15,067	\$135	\$5,751	0.0
Centrally appropriated line items	-16,454	-5,068	-7,506	-135	-3,745	0.0
Total FY 2025-26	\$14,279	\$4,712	\$7,561	\$0	\$2,006	0.0
Changes from FY 2024-25	-\$16,454	-\$5,068	-\$7,506	-\$135	-\$3,745	0.0
Percentage Change	-53.5%	-51.8%	-49.8%	-100.0%	-65.1%	n/a
FY 2025-26 Executive Request	\$14,279	\$4,712	\$7,561	\$0	\$2,006	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Unfunded Liability Amortization Equalization Disbursement Payments

This line item provides funding for amortization and supplemental amortization payments to increase the funded status of the Public Employees' Retirement Association (PERA).

Statutory authority: Section 24-51-411, C.R.S.

Request: The Department requests \$2,040,033 total funds, including \$673,063 General Fund, \$1,080,452 cash funds, and \$286,518 federal funds in FY 2025-26. The request includes changes related to centrally appropriated items.

Recommendation: Staff recommendation is outlined in the table below and includes changes related to centrally appropriated items. Staff requests permission to adjust this line item in accordance with any decisions the Committee may make regarding common policies or decisions that affect this line item, but are not addressed in this document.

Department Administrative Office, Unfunded Liability Amortization Equalization Disbursement Payments						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$2,048,800	\$652,048	\$1,004,364	\$8,972	\$383,416	0.0
Total FY 2024-25	\$2,048,800	\$652,048	\$1,004,364	\$8,972	\$383,416	0.0
FY 2025-26 Recommended Appropriation						

Department Administrative Office, Unfunded Liability Amortization Equalization Disbursement Payments						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation	\$2,048,800	\$652,048	\$1,004,364	\$8,972	\$383,416	0.0
Centrally appropriated line items	-8,767	21,015	76,088	-8,972	-96,898	0.0
Total FY 2025-26	\$2,040,033	\$673,063	\$1,080,452	\$0	\$286,518	0.0
Changes from FY 2024-25	-\$8,767	\$21,015	\$76,088	-\$8,972	-\$96,898	0.0
Percentage Change	-0.4%	3.2%	7.6%	-100.0%	-25.3%	n/a
FY 2025-26 Executive Request	\$2,040,033	\$673,063	\$1,080,452	\$0	\$286,518	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

PERA Direct Distribution

This line item is included as a common policy allocation payment for the state portion of the PERA Direct Distribution created in Section 24-51-414, C.R.S., enacted in S.B. 18-200.

Statutory authority: Section 24-51-414 (2), C.R.S.

Request: The Department requests \$543,714 total funds, including \$215,554 General Fund, \$215,554 cash funds, and \$89,711 federal funds in FY 2025-26. The request includes changes related to centrally appropriated items.

Recommendation: Staff recommendation is outlined in the table below and includes changes related to centrally appropriated items. Staff requests permission to adjust this line item in accordance with any decisions the Committee may make regarding common policies or decisions that affect this line item, but are not addressed in this document.

Department Administrative Office, PERA Direct Distribution						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$546,970	\$206,187	\$211,781	\$3,292	\$125,710	0.0
Total FY 2024-25	\$546,970	\$206,187	\$211,781	\$3,292	\$125,710	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$546,970	\$206,187	\$211,781	\$3,292	\$125,710	0.0
Centrally appropriated line items	-3,256	9,367	26,668	-3,292	-35,999	0.0
Total FY 2025-26	\$543,714	\$215,554	\$238,449	\$0	\$89,711	0.0
Changes from FY 2024-25	-\$3,256	\$9,367	\$26,668	-\$3,292	-\$35,999	0.0
Percentage Change	-0.6%	4.5%	12.6%	-100.0%	-28.6%	n/a
FY 2025-26 Executive Request	\$543,714	\$215,554	\$0	\$0	\$89,711	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Salary Survey

This line item pays for department staff salary increases related to the annual compensation survey which compares state employee compensation to the market for comparable jobs. Salary survey increases may include across-the-board increases, movement to minimum related to salary range adjustments, and specified classification increases.

Statutory authority: Section 24-50-104, C.R.S.

Request: The Department requests \$569,961 total funds, including \$194,789 General Fund, \$296,328 cash funds, and \$78,844 federal funds in FY 2025-26. The request includes changes related to centrally appropriated items.

Recommendation: Staff recommendation is outlined in the table below and includes changes related to centrally appropriated items. Staff requests permission to adjust this line item in accordance with any decisions the Committee may make regarding common policies or decisions that affect this line item, but are not addressed in this document.

Department Administrative Office, Salary Survey						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$740,313	\$237,170	\$360,864	\$3,265	\$139,014	0.0
Total FY 2024-25	\$740,313	\$237,170	\$360,864	\$3,265	\$139,014	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$740,313	\$237,170	\$360,864	\$3,265	\$139,014	0.0
Centrally appropriated line items	569,961	194,789	296,328	0	78,844	0.0
Annualize prior year budget actions	-740,313	-237,170	-360,864	-3,265	-139,014	0.0
Total FY 2025-26	\$569,961	\$194,789	\$296,328	\$0	\$78,844	0.0
Changes from FY 2024-25	-\$170,352	-\$42,381	-\$64,536	-\$3,265	-\$60,170	0.0
Percentage Change	-23.0%	-17.9%	-17.9%	-100.0%	-43.3%	n/a
FY 2025-26 Executive Request	\$569,961	\$194,789	\$296,328	\$0	\$78,844	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Step Pay Plan

This line item provides detail on the amount of funding appropriated to each department as a result of the step pay plan. The step pay plan takes effect in FY 2024-25 and is a result of negotiations between the State of Colorado and Colorado Workers for Innovative and New Solutions (COWINS).

Statutory authority: Section 24-50-104, C.R.S.

Request: The Department requests \$131,676 total funds, including \$43,932 General Fund, \$68,503 cash funds, and \$19,241 federal funds in FY 2025-26. The request includes changes related to centrally appropriated items and the annualization of prior year budget actions.

Recommendation: Staff recommendation is outlined in the table below and includes changes related to centrally appropriated items. Staff requests permission to adjust this line item in accordance with any decisions the Committee may make regarding common policies or decisions that affect this line item, but are not addressed in this document.

Department Administrative Office, Step Pay Plan						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$678,931	\$205,129	\$333,799	\$3,201	\$136,802	0.0
Total FY 2024-25	\$678,931	\$205,129	\$333,799	\$3,201	\$136,802	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$678,931	\$205,129	\$333,799	\$3,201	\$136,802	0.0
Centrally appropriated line items	131,676	43,932	68,503	0	19,241	0.0
Annualize prior year budget actions	-678,931	-205,129	-333,799	-3,201	-136,802	0.0
Total FY 2025-26	\$131,676	\$43,932	\$68,503	\$0	\$19,241	0.0
Changes from FY 2024-25	-\$547,255	-\$161,197	-\$265,296	-\$3,201	-\$117,561	0.0
Percentage Change	-80.6%	-78.6%	-79.5%	-100.0%	-85.9%	n/a
FY 2025-26 Executive Request	\$131,676	\$43,932	\$68,503	\$0	\$19,241	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Paid Family and Medical Leave Insurance

Colorado Proposition 118, Paid Family Medical Leave Initiative, was approved by voters in November 2020 and created a paid family and medical leave insurance program for all Colorado employees administered by the Colorado Department of Labor and Employment. This requires employers and employees in Colorado to pay a payroll premium (.90 percent with a minimum of half paid by the employer) to finance paid family and medical leave insurance benefits beginning January 1, 2023. It will finance up to 12 weeks of paid family and medical leave to eligible employees beginning January 1, 2024.

Statutory authority: Section 24-50-104, C.R.S.

Request: The Department requests \$91,802 total funds, including \$30,288 General Fund, \$48,621 cash funds, and \$12,893 federal funds in FY 2025-26. The request includes changes related to centrally appropriated items.

Recommendation: Staff recommendation is outlined in the table below and includes changes related to centrally appropriated items. Staff requests permission to adjust this line item in accordance with any decisions the Committee may make regarding common policies or decisions that affect this line item, but are not addressed in this document.

Department Administrative Office, Paid Family and Medical Leave Insurance						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$92,197	\$29,342	\$45,197	\$404	\$17,254	0.0
Total FY 2024-25	\$92,197	\$29,342	\$45,197	\$404	\$17,254	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$92,197	\$29,342	\$45,197	\$404	\$17,254	0.0
Centrally appropriated line items	-395	946	3,424	-404	-4,361	0.0
Total FY 2025-26	\$91,802	\$30,288	\$48,621	\$0	\$12,893	0.0
Changes from FY 2024-25	-\$395	\$946	\$3,424	-\$404	-\$4,361	0.0
Percentage Change	-0.4%	3.2%	7.6%	-100.0%	-25.3%	n/a
FY 2025-26 Executive Request	\$91,802	\$30,288	\$48,621	\$0	\$12,893	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Shift Differential

This line item provides additional funds for employees working outside the traditional business hours of 8am to 5pm.

Statutory authority: Section 24-50-104 (1)(a), C.R.S.

Request: The Department requests \$5,747 cash funds from the Historical Fund operations account for FY 2025-26. This maintains level funding from FY 2024-25.

Recommendation: Staff recommends approval of the request.

Worker's Compensation

This line item is used to pay the Department's share of the state's workers' compensation program run by the Department of Personnel.

Statutory authority: Section 24-30-1510.7, C.R.S.

Request: The Department requests \$86,377 total funds, including \$64,877 cash funds, and \$21,500 reappropriated funds in FY 2025-26. The request includes changes related to centrally appropriated items.

Recommendation: Staff recommendation is outlined in the table below and includes changes related to centrally appropriated items. Staff requests permission to adjust this line item in accordance with any decisions the Committee may make regarding common policies or decisions that affect this line item, but are not addressed in this document.

Department Administrative Office, Workers' Compensation						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE

Department Administrative Office, Workers' Compensation						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$93,440	\$0	\$66,930	\$26,510	\$0	0.0
Total FY 2024-25	\$93,440	\$0	\$66,930	\$26,510	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$93,440	\$0	\$66,930	\$26,510	\$0	0.0
Centrally appropriated line items	-10,306	0	-5,265	-5,041	0	0.0
Total FY 2025-26	\$83,134	\$0	\$61,665	\$21,469	\$0	0.0
Changes from FY 2024-25	-\$10,306	\$0	-\$5,265	-\$5,041	\$0	0.0
Percentage Change	-11.0%	n/a	-7.9%	-19.0%	n/a	n/a
FY 2025-26 Executive Request	\$86,377	\$0	\$64,877	\$21,500	\$0	0.0
Staff Rec. Above/-Below Request	-\$3,243	\$0	-\$3,212	-\$31	\$0	0.0

Legal Services

This line item is used to pay the Department of Law for the provision of legal services to all divisions.

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

Request: The Department requests \$186,515 total funds, including \$64,031 General Fund, \$119,558 cash funds, and \$2,926 reappropriated funds in FY 2025-26. The request includes changes related to centrally appropriated items.

Recommendation: Staff recommendation is outlined in the table below and includes changes related to centrally appropriated items. Staff requests permission to adjust this line item in accordance with any decisions the Committee may make regarding common policies or decisions that affect this line item, but are not addressed in this document.

Department Administrative Office, Legal Services						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$138,115	\$47,684	\$87,505	\$2,926	\$0	0.0
Total FY 2024-25	\$138,115	\$47,684	\$87,505	\$2,926	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$138,115	\$47,684	\$87,505	\$2,926	\$0	0.0
Centrally appropriated line items	48,400	16,347	32,053	0	0	0.0
Total FY 2025-26	\$186,515	\$64,031	\$119,558	\$2,926	\$0	0.0
Changes from FY 2024-25	\$48,400	\$16,347	\$32,053	\$0	\$0	0.0
Percentage Change	35.0%	34.3%	36.6%	0.0%	n/a	n/a

Department Administrative Office, Legal Services						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Executive Request	\$186,515	\$64,031	\$119,558	\$2,926	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

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 a reduction of \$574 General Fund, reducing the appropriation for this item to \$0.

Recommendation: Staff recommends approval of the request.

Payment to Risk Management and Property Funds

Funding appropriated to this line item is used to reimburse the Department of Personnel for the Department's share of the state's liability and property insurance.

Statutory authority: Section 24-30-1510 and 24-30-1510.5, C.R.S.

Request: The Department requests \$1,169,348 total funds, including \$1,157,204 cash funds and \$12,144 reappropriated funds in FY 2025-26. The request includes changes related to centrally appropriated items.

Recommendation: Staff recommendation is outlined in the table below and includes changes related to centrally appropriated items. Staff requests permission to adjust this line item in accordance with any decisions the Committee may make regarding common policies or decisions that affect this line item, but are not addressed in this document.

Department Administrative Office, Payment to Risk Management and Property Funds						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$942,020	\$0	\$921,225	\$20,795	\$0	0.0
Total FY 2024-25	\$942,020	\$0	\$921,225	\$20,795	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$942,020	\$0	\$921,225	\$20,795	\$0	0.0
Centrally appropriated line items	505,062	0	506,746	-1,684	0	0.0
Total FY 2025-26	\$1,447,082	\$0	\$1,427,971	\$19,111	\$0	0.0
Changes from FY 2024-25	\$505,062	\$0	\$506,746	-\$1,684	\$0	0.0
Percentage Change	53.6%	n/a	55.0%	-8.1%	n/a	n/a

Department Administrative Office, Payment to Risk Management and Property Funds						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Executive Request	\$1,169,348	\$0	\$1,157,204	\$12,144	\$0	0.0
Staff Rec. Above/-Below Request	\$277,734	\$0	\$270,767	\$6,967	\$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.

Statutory authority: Section 24-30-1310 C.R.S.

Request: The Department requests \$452,188 total funds, including \$20,014 General Fund, \$120,207 cash funds, and \$311,967 reappropriated funds in FY 2025-26. The request maintains level funding from FY 2024-25.

Recommendation: Staff recommends approval of the request.

Capitol Complex Leased Space [New]

This line item pays for the Department's share of costs for space in the Capitol Complex.

Statutory Authority: Section 24-30-1104 (4) and Part 1 of Article 82 of Title 24, C.R.S.

Request: The Department requests \$968,045 General Fund in FY 2025-26.

Recommendation: This is a new line item for the department as impacted by a request in the Department of Personnel. Staff recommends approval of the request but also request permission to make modifications based on decisions the Committee may make regarding decisions that affect this line item but are not addressed in this document.

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 requests \$1,015,359 total funds, including \$371,844 General Fund, \$524,248 cash funds, \$116,770 reappropriated funds, and \$2,497 federal funds in FY 2025-26. The request includes changes related to centrally appropriated items.

Recommendation: Staff recommendation is outlined in the table below and includes changes related to centrally appropriated items. Staff requests permission to adjust this line item in accordance with any decisions the Committee may make regarding common policies or decisions that affect this line item, but are not addressed in this document.

Department Administrative Office, Payments to OIT						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$1,036,750	\$393,426	\$524,057	\$116,770	\$2,497	0.0
Total FY 2024-25	\$1,036,750	\$393,426	\$524,057	\$116,770	\$2,497	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$1,036,750	\$393,426	\$524,057	\$116,770	\$2,497	0.0
Centrally appropriated line items	-21,391	-21,391	0	0	0	0.0
Total FY 2025-26	\$1,015,359	\$372,035	\$524,057	\$116,770	\$2,497	0.0
Changes from FY 2024-25	-\$21,391	-\$21,391	\$0	\$0	\$0	0.0
Percentage Change	-2.1%	-5.4%	0.0%	0.0%	0.0%	n/a
FY 2025-26 Executive Request	\$1,015,359	\$371,844	\$524,248	\$116,770	\$2,497	0.0
Staff Rec. Above/-Below Request	\$0	\$191	-\$191	\$0	\$0	0.0

CORE Operations

This line item contains appropriations for the Office's share of costs associated with the operation of the Colorado Operations Resource Engine (CORE).

Statutory authority: Section 24-37.5-114, C.R.S.

Request: The Department requests \$103,337 total funds, including \$51,043 cash funds and \$52,294 reappropriated funds in FY 2025-26. The request includes changes related to centrally appropriated items.

Recommendation: Staff recommendation is outlined in the table below and includes changes related to centrally appropriated items. Staff requests permission to adjust this line item in accordance with any decisions the Committee may make regarding common policies or decisions that affect this line item, but are not addressed in this document.

Department Administrative Office, CORE Operations						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$53,592	\$0	\$19,981	\$33,611	\$0	0.0
Total FY 2024-25	\$53,592	\$0	\$19,981	\$33,611	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$53,592	\$0	\$19,981	\$33,611	\$0	0.0
Centrally appropriated line items	-8,981	0	-3,348	-5,633	0	0.0
Total FY 2025-26	\$44,611	\$0	\$16,633	\$27,978	\$0	0.0
Changes from FY 2024-25	-\$8,981	\$0	-\$3,348	-\$5,633	\$0	0.0

Department Administrative Office, CORE Operations						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Percentage Change	-16.8%	n/a!	-16.8%	-16.8%	n/a	n/a
FY 2025-26 Executive Request	\$103,337	\$0	\$51,043	\$52,294	\$0	0.0
Staff Rec. Above/-Below Request	-\$58,726	\$0	-\$34,410	-\$24,316	\$0	0.0

(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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$203,007,805	\$60,241,076	\$114,865,545	\$22,388,739	\$5,512,445	102.0
S.B. 25-094 (Supplemental)	\$7,727	\$5,944	\$1,783	\$0	\$0	0.0
Total FY 2024-25	\$203,015,532	\$60,247,020	\$114,867,328	\$22,388,739	\$5,512,445	102.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$203,015,532	\$60,247,020	\$114,867,328	\$22,388,739	\$5,512,445	102.0
R3 Financial aid staff	87,555	87,555	0	0	0	1.0
R5 PSEP optometry prog roll-off	-84,850	0	0	-84,850	0	0.0
R9 End limited gaming support CHECRA	0	0	0	0	0	0.0
R10 Inclusive higher ed grants	-450,000	-450,000	0	0	0	0.0
R11 Reduce teacher mentor grants	0	0	0	0	0	0.0
BA2 DPOS spending authority	126,000	0	126,000	0	0	0.0
Impacts driven by other agencies	-10,360,024	-8,523,844	-1,836,180	0	0	0.0
Centrally appropriated line items	744,922	550,000	13,147	181,775	0	0.0
Technical adjustments for COPs	201,658	200,000	-198,342	200,000	0	0.0
CO Geological Survey inflation	85,526	85,526	0	0	0	0.0
SI Fitzsimons COP adjustment	-9,457,802	-4,358,109	-5,099,693	0	0	0.0
Annualize prior year legislation	-1,365,070	-1,363,287	-1,783	0	0	-1.6
Annualize prior year budget actions	668,064	233,788	215,005	6,466	212,805	-1.0
SI General Fund reductions	-606,496	-606,496	0	0	0	0.0
Total FY 2025-26	\$182,605,015	\$46,102,153	\$108,085,482	\$22,692,130	\$5,725,250	100.4
Changes from FY 2024-25	-\$20,410,517	-\$14,144,867	-\$6,781,846	\$303,391	\$212,805	-1.6
Percentage Change	-10.1%	-23.5%	-5.9%	1.4%	3.9%	-1.6%
FY 2025-26 Executive Request	\$192,060,287	\$50,654,312	\$113,370,370	\$22,310,355	\$5,725,250	101.4
Staff Rec. Above/-Below Request	-\$9,455,272	-\$4,552,159	-\$5,284,888	\$381,775	\$0	-1.0

Much of the Department’s activities are off-budget with most programs under the Department’s Executive Director also operating under the oversight of the Colorado Commission on Higher Education, but this is not uniformly the case.

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.

Decision Items

→ R3 Financial aid staff

Request

The request includes \$175,109 General Fund in FY 2025-26, and \$177,224 in FY 2026-27 and ongoing to support 2.0 FTE dedicated to coordinating the Colorado Application for Student Financial Aid (CASFA) and the Free Application for Federal Student Aid (FAFSA). This request continues funding that would otherwise expire at the end of the current fiscal year.

Recommendation

Staff recommends \$87,554 General Fund in FY 2025-26, annualizing to \$88,612 General Fund in FY 2026-27, to support 1.0 FTE for a Colorado Application for Student Financial Aid (CAFSA) coordinator.

Analysis

Background

Colorado students continue to leave significant financial aid dollars “on the table” due to low FAFSA/CASFA completion rates. House Bill 22-1366 (Improving Students’ Postsecondary Options) provided funding for a number of initiatives aimed at improving postsecondary options for students as well as to increase the number of students who complete federal and state financial aid applications. The following were products of this legislation:

- *Postsecondary Workforce, Career, and Education Grant Program in CDE (\$1.125 million General Fund, spent over three years):* provided grants to local education providers (LEPs)

for the distribution of information regarding federal and state financial aid applications, training on best practices for application completion, assistance to families in completing the forms, and the incorporation of student aid applications into individual career and academic plans (ICAPS).

- *Financial literacy resource bank (\$275,000 General Fund, spent over three years):* CDE and DHE were required to provide updated information in the financial literacy resource bank regarding financial aid, in-demand jobs, and training requirements for in-demand jobs. This was to be a collaboration between CDE and DHE.
- *Stipends for financial aid training (\$200,000 General Fund, spent over three years):* required CDE to award \$500 stipends to educators who complete a training conducted by DHE to improve financial aid application completion rates.
- *Postsecondary and workforce readiness (\$25,000 General Fund, spent over three years):* provided funding for technical assistance to LEPs to implement postsecondary and workforce readiness.
- *State financial aid application (\$320,000 General Fund, spent over three years):* required DHE make improvements to the Colorado Application for State Financial Aid by July 1, 2024.
- *Outreach team:* required DHE to establish an outreach team to provide training to public schools to assist them in preparing students to transition from the K-12 system.
- *Online tool kit (\$680,000 General Fund, spent over three years):* required DHE to develop a tool kit providing free online resources for use by higher education administrators, middle and high schools, and non-profit organizations that support completion of state and federal financial aid forms.
- *ICAPS:* required that each public school ensure that counselors or teachers, as part of maintaining a student's ICAP, explain the availability and importance of federal and state financial aid applications as well as assistance to complete the forms.

The bill provided funding to support additional staff for two years including 2.0 FTE to develop and implement the online tool kit, 1.0 FTE to improve the Colorado Student Financial Aid Application, and 2.0 FTE to establish the outreach team and conduct outreach to school districts, workforce centers, and correctional facilities.

The 2.0 FTE for the outreach team were assumed, at the time, to be ongoing. However, this was at a time when the Department was funded through indirect cost recoveries from the institutions. Therefore, the intent was that reappropriated funds would support the cost of the 2.0 FTEs after the two years. However, in the next fiscal year, the Joint Budget Committee moved to fund the Department directly with General Fund, eliminating a TABOR revenue double-count.

Outreach to Date

H.B. 22-1366 required the Department to provide an annual update to the education committees on improvements to the FAFSA/CASFA tool kit, recommendations for additional legislation, data regarding FAFSA and CASFA completion rates, on the support of Colorado's

economic and job needs. The most recent update was produced in October 2024 and can be found [here](#).¹

During fiscal years 2023 and 2024, the outreach team hired an outreach navigator, an outreach director, and the two term-limited positions discussed in this request - a FAFSA coordinator and a CASFA coordinator. The two term-limited positions added capacity to execute a statewide outreach plan and to provide more in-person events and training aimed at increasing financial aid application completions.

Outreach staff conducted 101 trainings with 7,461 attendees in FY 2023, and 158 trainings with 10,095 attendees in FY 2024. Additionally, monthly, free webinars were held to provide school counselors and staff, student advocates, community education partners, and educators with up-to-date financial aid information to support their students. Since October 2023, nearly 600 individuals have participated in the series. It's estimated that 8,900 students have been impacted by these specific outreach efforts. The outreach team has reached all school districts in person or through email, phone call, or monthly newsletter with priority given to rural communities.

Delays and technical difficulties with FAFSA significantly impacted completion rates despite the Department's efforts. Therefore, data to support the efficacy of these initiatives in attaining higher application completion rates is skewed.

Request and Future Outreach

The Department request funding to support the two financial aid coordinators long-term. If funded, these coordinators will continue providing in-person events and trainings, focusing on expanding the FAFSA and CASFA Completion toolkits in collaboration with the CDHE Communications Team. In collaboration with CDE, they will continue to provide statewide Educator Financial Aid Trainings. The FAFSA Coordinator will be tasked with creating a statewide plan for FAFSA completion and manage the FAFSA completion portal. Similarly, the CASFA Coordinator will create a statewide plan for CASFA completion, conduct a program assessment of CASFA, continue internal and external technical assistance for the portal, and continue to work with financial aid directors to identify and implement system improvements.

Recommendation

Staff recommends \$87,554 General Fund in FY 2025-26, annualizing to \$88,612 General Funding FY 2026-27 to support 1.0 FTE for a Colorado Application for Student Financial Aid (CASFA) coordinator. Significant federal and local systems and structures provide robust support for FAFSA application completion to both individuals, families, and schools. Though digital support for CASFA awareness and application support appears to be sufficient, the application itself is still (relatively) new. Therefore, staff believes funding for one position to strengthen CASFA is necessary. However, staff would flag this item for future reduction should additional budget relief be necessary.

¹ https://highereducationcolorado.gov/publications/Reports/Legislative/General/2024/CDHE_Report_HB-22-1366-final.pdf

→ R5 PSEP optometry program roll-off

Request

The Department requests a reduction of \$84,850 reappropriated funds in FY 2025-26 to begin the first phase towards elimination of the Professional Student Exchange Program (PSEP) for Optometry. Funding for the program originates as General Fund. The request proposes that each year, funding for the program would decrease until the final reduction in FY 2027-28.

Recommendation

Staff recommends approval of the request.

Analysis

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).

The exchange offers an alternative to establishing such a program in Colorado, as there is currently no optometry school in the State.² 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. WICHE data indicates that 85 percent of graduates who completed the program between 2007 and 2016 returned to Colorado.

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 115 students from western states participated in the optometry PSEP program in FY 2022-23, according to the most recent available report.

Funding and Program History

When the state budget has been under stress, this program has typically been on the table for reduction or elimination.³

² Colorado *receives* students from other states in its veterinary and medical programs, including 72 students receiving WICHE PSEP support totaling \$2,362,338 from other states in FY 2022-23. It only *sends* students to other states for optometry.

³ 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.

- 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.
- In FY 2021-22 the Committee 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.
- In FY 2023-24, the JBC carried legislation which required the program to ensure that any students who enter the program beginning in the FY 2024-25 academic year and thereafter must agree to provide services to Medicaid-enrolled Coloradans. Additionally, the Commission was to adopt policies to promote provision of services in underserved areas. The impact of these policies would not be felt for at least three years.

Request

The Department proposes to incrementally end the program over the next several years. To implement this change, the Department requests a reduction of \$84,850 to the PSEP program in FY 2025-26. As students graduate, this would be a \$228,696 reduction in FY 2026-27 and a \$385,500 reduction in FY 2027-28. By FY 2027-28, the full savings of \$385,500 would be realized.

Under the step-down plan, the program would discontinue accepting new applicants beginning in FY 2025 and eliminate the debt of four existing students in repayment agreements by FY 2028. If approved, in FY 2025-26, there will be 14 students participating in the program, of which 7 will graduate. In FY 2026-27, there would be 7 students, 5 of which would graduate.

There are currently five active students engaged in repayment plans with a total balance of \$326,145. The step down plan would eliminate the option to enter into cash repayment agreements to current students, suggesting that the debt could be forgiven.

Recent WICHE data⁴ indicates that Colorado has an 80.0 percent return rate; however, the Department argues that this does not factor in students who enter into service agreements but later transfer into cash repayment options. Of an annual cohort of 3-4 students, one in four

⁴ <https://www.wiche.edu/wp-content/uploads/2023/03/WICHE-2023-By-The-Numbers-Report.pdf>

enters into cash repayments and does not return to Colorado to work. During the past ten years, the PSEP program has supported 66 graduates in optometry.

The Department believes its disposition does not lend itself to debt collection; furthermore, the Department suggests that the program no longer serves an acute need for optometrists in the state as this sector of the workforce appears to be strong. If not approved, WICHE student fees would increase by approximately \$1,000 each year for the PSEP program.

Recommendation

Staff recommends approval of the request. Though the savings will be small in the immediate years, the out-year costs will continue to grow as fees increase.

→ R9 End limited gaming funds support CHECRA [requires legislation]

Request

The request proposes to eliminate the \$2.1 million portion of limited gaming revenue allocated by statute to the Innovative Higher Education Research Fund in FY 2025-26 and ongoing. This fund is appropriated to the Colorado Higher Education Competitive Research Authority (CHECRA). The request retains \$2.8 million cash funds spending authority from the Higher Education Research cash fund in the Long Bill to allow for the expenditure of any gifts, grants, and donations remaining in the fund. With this proposal, CHECRA's allocation of limited gaming revenue would go to the General Fund, and the institutions would provide matching state dollars for the federal grants from institutional resources.

Recommendation

Due to outstanding commitments for the funds, staff would only recommend this cut as last resort for FY 2025-26 and FY 2026-27. If the Committee wishes to honor existing grant awards through the duration of the projects, it would require approximately \$4.88 million over the life of the 9 projects currently underway. A fraction of the remaining commitments could be accounted for utilizing the existing balance of the CHECRA fund.

Analysis

Background

Colorado Higher Education Competitive Research Authority

CHECRA was established in 2008 to provide state cost sharing for National Science Foundation, U.S. Department of Energy, and other competitive federal grants that require or benefit from a state match. 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 since 2013 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 were 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. The program continued to spend during FY 2020-21 and FY 2021-22 from its 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.

Since its inception, CHECRA has approved support for just over \$27.0 million in projects, bringing additional funding into the state through grants. In 2014, analysis demonstrated that \$9.0 million of state cost sharing through CHECRA helped draw in over \$45.0 million in research funding to Colorado institutions. Four projects currently receiving funding from CHECRA are set to continue past fiscal year 2025-26.

Limited Gaming Revenue

Statute requires an annual distribution of \$2.1 million from the limited gaming revenue fund to the Innovative Higher Education Fund which is appropriated to the Colorado Higher Education Competitive Research Authority (CHECRA). This limited gaming revenue would otherwise be deposited in the General Fund. The same statutory provision requires a distribution of \$15.0 million to the Colorado Travel and Tourism Promotion Fund, \$5.5 million to the Advanced Industries Acceleration Cash Fund, \$2.0 million to the Creative Industries Cash Fund, \$500,000 to the Colorado Office of Film, Television, and Media Operational Account Cash Fund, and \$2.5 million to the Responsible Gaming Grant Program Cash Fund. The Executive Budget Request also includes a reduction to the Advanced Industries Acceleration cash fund.

See Appendix C for more background regarding limited gaming revenue and use.

CHECRA Fund Balance and Outstanding Awards

In 2024, CHECRA disbursed \$2.6 million to support 14 research grants which in total brought in over \$11.0 million in federal dollars. CHECRA's current calendar year commitments for 9 projects already approved for funding and underway totals \$2.1 million with another \$250,000 that would be paid in 2025 for projects pending federal awards. The state match through CHECRA for the pending federal awards has already been approved as part of the applicants' federal grant request. Whether the \$250K will be utilized depends on whether those projects are awarded the federal funding. CHECRA's commitments from 2026 to the conclusion of all 9 projects currently underway is \$4,733,000 plus the additional \$250K if the projects awaiting approval are funded.

In 2020, when state funding was suspended for two years, CHECRA had accumulated a balance of approximately \$6.0 million. Therefore, it was able to maintain commitments over the two-

year suspension of funding. For FY 2025, CHECRA has a balance of just under \$1.2 million which is not enough to maintain existing awards.

For the projects currently receiving a CHECRA cost share, none have received stop work notices from the federal agencies administering the grants, nor have their funds been frozen with recent federal actions. The ratio of state supporting funds to federal funds may vary from project to project, but it is typically a small percentage of the total funding. However, that small amount can sometimes leverage large federal dollars.

For example, recent awards from the National Science Foundation could result in up to \$160.0 million over 10 years for a joint Colorado-Wyoming project, leveraged in part by \$5.0 million in CHECRA funding. Additionally, the recent NSF National Quantum Nanofab is supported by \$20.0 million federal funds, leveraged in part by \$875,000 in CHECRA matching funds over five years. Finally, the recent Q-SEnSE project relies on \$25.0 million in NSF funding over five years with a \$2.0 million state cost-share over the same period.

Staff Recommendation

Staff does not recommend cutting this funding for at least the next two fiscal years so that the fund may keep its commitments to current awards. Approval of the request would result in a cut to the institutions which could jeopardize federal funds if the institutions cannot source the state support internally. If the Committee chooses to end the program over the long term and only fund current awards through the duration of the current projects, legislation could be sponsored to that effect.

→ R10 Inclusive Higher Ed grant program reduction [requires legislation]

Request

The request includes a reduction of \$450,000 General Fund in FY 2025-26 and ongoing, eliminating funding for the Inclusive Higher Ed Grants program. The request requires legislation to end the grant program early.

Recommendation

Staff recommends approval of the request.

Analysis

Background

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.

Grant Utilization

The Department chose IN! Pathways to Inclusive Higher Education to be the administrator of this program. In its most recent grant [update](#)⁵ for HB 22-1107, they indicated that \$1,452,636 funds have been awarded as of June 2024. This total exceeds year-to-date appropriations but is reflective of potentially multi-year awards. However, the funding is subject to annual review and renewal. Colorado State University, Metropolitan State University of Denver, University of Colorado, Colorado Springs, University of Northern Colorado, Pikes Peak State College, and Lamar Community College have been recipients of these awards. If continued, final round would be awarded to one institution on the Western slope per the RFP.

One example of the programs supported with this grant funding is UNC's Go On and Learn (GOAL) program. This is a federally designated Comprehensive Training Program (CTP) for students with intellectual and developmental disabilities. The award supported 1 year of program expansion and diversification efforts. The RAM Scholars program also received an award over 5 years to support build-out efforts. RAM Scholars is a new college program at CSU for adults with an intellectual disability who would like to build career-related skills.

Recommendation

Staff recommends approval of the request as this funding is subject to annual review and renewal. Additionally, participating institutions would be eligible to apply for grants through the disability Funding Committee in the Colorado Disability Opportunity Office. Staff recommends the legislation be included, if possible, in consolidated bills of similar impact.

→ R11 Reduce teacher mentor grant funding

Request

The request includes a reduction of \$300,000 General Fund in FY 2025-26 and ongoing for the Teacher Mentor Grants Program. This program provides funding to train current educators to become teacher mentors.

Recommendation

Staff recommends denial of the request.

⁵ <https://inclusivehighered.org/college-options/expansion.html>

Analysis

Background

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.

Due to state 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 program received \$547,488 in General Fund appropriations each year until HB24-1376 (Expand Teacher Mentorships) expanded the program and appropriated an additional \$100,000 General Fund appropriation.

S.B. 19-190 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.

Under Sections 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 for up to three years;
- Requires a plan by which the applicant intends to sustain the mentor program after the grant period ends;
- Ensures, to the extent practicable, that grant recipients include applicants of different district sizes from rural, urban, and suburban areas across the state; and
- Awards grants only 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
 - Pay 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.

Utilization and Outcomes

From 2021 to 2024, a total of five Educator Preparation Programs (EPPs) applied and were selected to receive funding. All participants from the previous year applied for and were granted funding to continue or enhance their work for FY 2024-25. Each grant can extend for a period of up to three budget years and are subject to annual review and renewal. The table below shows participation, funding levels, and number of mentors/mentees served through the program.

Teacher Mentor Grant Program Implementation for FY 2021-2						
Educator Preparation Program	Partner Local Education Provider(s)	2021-24 Total Funding Received	2024-25 Funding Received	Current Award Duration	Mentors Trained/Mentees Served 2021-24	
Adams State University	Center Consolidated SD, San Luis Valley BOCES (Multiple Districts)	\$ 270,170	\$ 114,000	1 year	44 Mentors/55 Mentees	
Colorado Mountain College	Wester Rockies LEPS: Aspen 1, Buena Vista SD, Debeque SD 49, Eagle County RE-50, Garfield 16, Garfield RE-1, Garfield RE-2, Lake County R-1, Park County RE-2, Salida R-32, Steamboat Springs RE-2, Summit RE-1	\$ 211,273	\$ 112,680	1 year	58 Mentors/Approx 85 Mentees	
University of Colorado Colorado Springs	Pikes Peak LEPS: Colorado Springs SD 11, Fountain-Fort Carson SD 8, Widefield SD 3, Harrison SD 2, Calhan SD RJ-1, Academy SD 20, El Paso SD 49, Lewis-Palmer SD 38	\$ 75,020	\$ 84,960	1 year	22 Mentors/25 Mentees	
University of Colorado Denver	Denver Public Schools, Aurora Public Schools, Jeffco Public Schools, Mapleton Public Schools, Cherry Creek Public Schools, St. Vrain Public Schools, T-PREP District Partners	\$ 454,883	\$ 152,072	1 year	71 Mentors/approx. 300 Mentees	
Western Colorado University	Thompson SD, Platt Valley SD RE-7, Delta County SD, Douglas County Schools, Telluride SD R-1, Fort Morgan SD RE-3, Poudre SD, Montrose County SD, Brush SD RE-2J, Jeffco Public Schools, Rangely SD Re-4, Canon City Schools	\$ 387,360	\$ 126,389	1 year	57 Mentors/Approx 60 Mentees	

Recommendation

Staff recommends denial of the requested reduction as this program has proven to be a low cost, high impact program for teacher retention. However, it should be noted that this is not a required endorsement by the Department of Education. Feedback from participating institutions indicates that the impact of a cut or elimination of the funding will vary depending

on the severity. Most already supplement funding to support the programs with institutional funds, and the loss of this funding stream may prove prohibitive.

→ BA2 DPOS spending authority [requires legislation]

Request

The request includes an increase of \$126,000 cash funds from the Private Occupational Schools Cash Fund. Additionally, the Department requests that excess uncommitted reserves be swept to the General Fund, bringing the fund into compliance with Sections 23-64-122 and 24-75-402, C.R.S. This would be a one-time cash fund sweep.

Recommendation

Staff recommends approval of both elements of this request.

Analysis

Background

This Division administers the Private Occupational Schools Act on behalf of the Governor and the DPOS board. The division reviews the curriculum and establishing standards for private occupational schools in Colorado, pursuant to Section 12-59-101, C.R.S., et. seq, and 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. Therefore, this division 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.

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 – there are 10.3 FTE for this program.

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

- Approval for a provisional school (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)

Cash Fund Balance and Utilization

The Private Occupational Schools Cash Fund consists of fees charged to schools, fees charged to students for copies of transcripts from closed schools, and fees charged to agents. The fund is used for direct and indirect costs of the Private Occupational Education Act.

Currently, the fund has an excess of uncommitted fee reserve balance as shown in the table below:

Cash Fund Reserve Balance	Actual	Actual	Estimated	Projected
	FY 2022-23	FY 2023-24	FY 2024-25	FY 2024-25
Uncommitted Fee Reserve Balance (total reserve balance minus exempt assets and previously appropriated funds; calculated based on % of revenue from fees)	\$218,600	\$457,661	\$457,661	\$457,661
Target/Alternative Fee Reserve Balance (amount set in statute or 16.5% of total expenses)	\$233,069	\$194,566	\$194,566	\$194,566
Excess Uncommitted Fee Reserve Balance	(\$14,469)	\$263,095	\$263,095	\$263,095
Compliance Plan (narrative)	Private Occupational Schools Cash Fund was found to be out of compliance with the excess uncommitted reserve requirements contained in Section 24-75- 402, C.R.S. in FY 2023-24 and the Department is requesting a three-year cash fund waiver so that the Division may spend down the excess reserves on an IT project necessary to continue to provide high quality customer service to industry partners and the State.			

The request includes the following:

Increase spending authority from the DPOS cash fund to cover the increased costs of the DPOS Connect system (\$126,000).

In 2018, DPOS began the process of creating a customized IT platform to streamline its regulatory and consumer protection operations. Through an RFP process, the same vendor that supports the Colorado Department of Labor and Employment (CDLE) Eligible Training Provider List (ETPL) was selected to build the system. This allowed the departments to maximize linkages and participation of private occupational schools in the ETPL and decrease duplicative oversight by both agencies. This joint utilization also resulted in financial savings to both departments. The buildout process was completed through the approval of increased spending authority from the DPOS cash fund, and the newly-created “DPOS Connect” went live in April 2022.

The ETPL is required by the federal Workforce Innovation and Opportunity Act (WIOA). It displays a list of training providers who are receive federal WIOA funds for the costs of training if an individual is enrolled in a WIOA program and is used by training providers, local workforce boards, and job seekers. There are a number of issues with the ETPL system which CDLE is eager to address.

Currently, CDLE subcontracts with CDHE to manage the ETPL system. The contract for the ETPL is expiring and must be re-bid through a competitive RFP process. The Departments are viewing this as an opportunity to address concerns and correct deficiencies in the ETPL system and to also move the management of the ETPL from CDHE back to CDLE. For CDLE, this would create the opportunity for better engagement with the new workforce case management system being deployed by CDLE in 2025. Federal funds from WIOA have been authorized to develop a new ETPL system and to create the direct digital connections to the DPOS Connect systems.

A change in vendor for CDLE will require a new contract for DPOS to maintain functionality for DPOS Connect. As this contract is seven years old, DPOS must also re-bid the project through an RFP. It's anticipated that the cost of the new contract will be higher than previously.

A portion of the interagency agreement had been historically funded through federal WIOA funds, and a new solicitation will likely result in higher costs due to inflation. Therefore, the Department is requesting increased spending authority of \$126,000 cash funds from the DPOS cash fund to cover the increased costs of a new contract. Approximately \$108,000 will be for licensure and encryption, and the remaining for a contingency if costs come in higher than anticipated.

Staff recommends approval.

Legislation to sweep remaining excess uncommitted reserves to the General Fund to bring the cash fund into compliance with Sections 23-64-122 and 24-75-402 C.R.S.

The Department anticipates that approximately \$502,157 in excess uncommitted reserves in the cash fund at the end of FY 2024-25. The Department requests that the JBC sponsor legislation to sweep this portion of the excess reserves into the General Fund.

Staff recommends this request be included in other consolidation bills the JBC may be sponsoring to sweep excess uncommitted cash fund reserves.

→ SI Fitzsimons COP adjustment

Request

The Department requests \$11,542,514 total funds including \$4,358,109 General Fund and \$7,184,405 cash funds from the Fitzsimons Trust Fund in FY 2025-26.

Recommendation

Staff recommends \$2,084,712 cash funds from the Fitzsimons Trust Fund in FY 2025-26. Only \$2,084,712 is due for the lease purchase payment due to refinancing in FY 2021. This is a temporary decrease as the required payment total \$12,353,202 in FY 2026-27. Excess funds in the Fitzsimons Trust Fund should remain in the trust fund for lease payments in FY 2026-27 to offset the need for General Fund in FY 2026-27.

Analysis

Background

In 2003, 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 8.0 percent 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, remain in the trust fund per Section 23-20-136 (7), C.R.S., and are subject to appropriation.

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

Lease Purchase Payment Schedule and Projections

The table below demonstrates recent lease purchase payments and approximates future payment requirements for the COP.

Lease Purchase Payments for Facilities at Fitzsimons				
Fiscal Year	COP Payment Required	General Fund	Trust Fund	Remaining in Trust
2021-22	\$ 11,544,751	\$ 4,575,780	\$ 6,968,971	\$ 0
2022-23	11,540,613	4,589,105	6,951,508	0
2023-24	11,542,513	4,358,108	7,184,405	0
2024-25	11,548,458	4,364,053	7,184,405	0
2025-26	2,084,712	0	2,084,712	4,552,498
2026-27	12,353,202	1,513,050	10,840,152	0
2027-28	12,356,683	6,356,683	6,000,000	0

*FY 2026-27 and FY 2027-28 fund splits are estimated using approximate projections of the Master Settlement Agreement funds.

The amounts attributable to the Fitzsimons Trust Fund are calculated based on the revenues in the preceding fiscal year. According to the JBC Staff Figure Setting for Tobacco Revenue, that amount is anticipated to be \$6,637,210 at the end of FY 2024-25 and \$6,287,654 at the end of FY 2025-26. The last payment anticipated for this COP will be in FY 2030-31.

Recommendation

Staff recommends \$2,084,712 cash funds from the Fitzsimons Trust Fund in FY 2025-26, and that excess amounts provided through statute to the Trust Fund remain in the fund to limit General Fund reliance in FY 2026-27 for the lease purchase payments.

→ SI General Fund reductions- Prosecution Fellowship Prog.

Request

The Department did not submit a change request pertaining to this item.

Recommendation

Staff recommends the elimination of funding for the Prosecution Fellowship Program.

Analysis

Background

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) would oversee 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. Funding from the state and the participating law schools were to support the cost of the salary for each fellow.

The fellowships were filled beginning in FY 2015-16. Each law school was receiving approximately 15-16 applicants per school for six placements. From 2015-26 through FY 2019-20, 29 fellows participated in the program. Of those, 16 were retained in District Attorney offices, and 2 were absorbed in city attorney offices. At that time, 4 were still considered fellows, 3 did not pass the bar, 3 moved out of state, and the whereabouts of the 4 others was unknown. Still, in February 2021, CDAC reported that the program was 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. Funding for the program was reinstated effective FY 2021-22; however, since its reinstatement, the program has reverted the total appropriation each fiscal year.

Program Challenges

Prior to the pandemic, rural district attorneys were receiving a new employee at no cost to the office as each student was supported by the participating law schools and the state. However, the appropriated amount was set with no index, and as time passed, the amount from the state covered a dwindling portion of the total cost.

According to the CDAC, cultural shifts around the time of the pandemic shifted instruction and student perception of prosecution this resulted in a massive drop-off in interest in the program. CDAC indicates that in the past few years, they haven't had any applicants, resulting in the reversion of General Fund. In response to this drop-off, legislation has been introduced in the current legislative session to make changes to the program.

Senate Bill 25-067 (Prosecution Fellowship Program Changes)

If passed into law, S.B. 25-067 would provide fellowship funding directly to rural district attorneys' offices for the recruitment and hiring of new deputy district attorneys. Instead of the CDAC selecting and placing fellows in the rural district attorneys' offices, they would select the offices and allow them to direct the search/hiring. Funding would be time-limited, and the applicable award amount for each office would be determined by the CDAC oversight committee.

The goal of the legislation is to make the program more flexible and enhance the utility of the funding for the rural district attorneys' offices. However, in doing so, it removes the direct nexus between the state's institutions of higher education and the rural offices. The bill eliminates the requirement that applicants be graduates of in-state law schools, broadening the scope of the hiring pool. It also removes the CU and DU law school deans from the oversight

committee, instead composing the fellowship committee of the Executive Director of the Colorado District Attorneys' Council and four elected rural district attorneys or their designees.

Staff Recommendation

Staff recommends elimination of the funding for the Prosecution Fellowship Program in FY 2025-26 and ongoing. Given the changes recommended in legislation, should it pass as it is currently drafted, staff suggests that the funding for the fellowship program would be better directed to a different section of the Long Bill.

→ SI General Fund reductions- Reduce funding for the Center for Substance Use Disorder, Prevention, Treatment, and Recovery Support Strategies at the University of Colorado Health Sciences Center

Request

The Department did not submit a change request pertaining to this item.

Recommendation

Staff recommends a reduction of \$250,000 General Fund for the Center for Substance Use Disorder, Prevention, Treatment, and Recovery Support Strategies at the University of Colorado Health Sciences Center.

Analysis

Background

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.

General Fund Appropriations

Senate Bill 24-047 (Prevention of Substance Use Disorders) established several measures for the prevention of substance use disorders, among them expansion of a data linkage project being conducted by the Center. The Data Linkage Project at CU Medical Center is part of a research initiative that aims to link health data sources from various participants within the National Institutes of Health’s “All of Us” research program. The research is part of a national initiative to bring together various health data to gain a more holistic picture of overall health.

The bill appropriated \$250,000 General Fund in FY 2024-25 and ongoing to expand the scope of the data to incorporate data points related to perinatal substance use. The funding supports 0.4 FTE in the School of Pharmacy on the University of Colorado Medical Campus to provide administrative oversight, fiscal management, and to generate policy recommendations for the data linkage project on perinatal substance use. The funds also support a contractor to administer the project which includes project development, implementation, analysis, and reporting.

Recommendation

Staff recommends elimination of the \$250,000 General Fund appropriation provided by HB24-047. It’s unclear whether the Center will be able to continue the data linkage project, but the Center receives \$4.25 million in Marijuana Tax Cash Funds, and this expansion is relatively new. Staff believes it will either be able to absorb the cost, slow expansion of the project, or continue without the expansion. This recommendation does not require legislation.

→ SI Follow up to request for information CDHE

Request

During the budget briefing for the Department of Higher Education, staff recommended a request for information regarding what efficiencies and optimization may be found through a co-location of the Department’s administrative functions with that of the Department of Education or the Department of Labor and Employment.

Recommendation

The Department responded by February 21st per the request and indicated that neither co-location would provide budget savings and may result in increased cost and confusion.

Nevertheless, staff still has significant concerns regarding the Department’s capacity to fully, accurately, and timely execute all of its responsibilities.

Analysis

The Department outlined multiple challenges to co-location to either CDE or CDLE, including significant differences in departmental governance, legislative mission, and data system structures and governance. Staff agrees with the Department that a co-location would require significant financial investment on the front end and that any change of this magnitude should be done only after thorough evaluation. Additionally, staff is pleased that the Department is open to continuing the conversation regarding how to bolster the Department of Higher Education and give it the resources it needs to execute its duties well.

Later in the packet, staff recommends an RFI to continue this exploration. Specifically, it requires the Department to fully investigate its operational capacity, identify places in which it could benefit from additional support, an interdepartmental agreement, or other cross-departmental shared services to ensure that its contracting, accounting, budgeting, and technology systems in particular are able to function at the optimal level.

Line Item Detail

(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. (Please see Appendix A for more detail regarding the Administration’s activities and responsibilities.)

Statutory authority: Section 24-37.5-114, C.R.S.

Request: The Department requests \$6,438,181 total funds, including \$5,696,643 General Fund, \$417,087 cash funds, \$111,646 reappropriated funds, and \$212,805 federal funds in FY 2025-26. The request includes changes related to the annualization of prior year budget actions, R3 financial aid staff, and R8 cash fund for IHE capital expenses.

Recommendation: Staff recommendation is outlined in the table below and includes changes related to the annualization of prior year budget actions and R3 financial aid staff.

Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Administration, Administration

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
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Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Administration, Administration						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$5,595,008	\$5,287,746	\$202,082	\$105,180	\$0	41.2
Total FY 2024-25	\$5,595,008	\$5,287,746	\$202,082	\$105,180	\$0	41.2
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$5,595,008	\$5,287,746	\$202,082	\$105,180	\$0	41.2
Annualize prior year budget actions	668,064	233,788	215,005	6,466	212,805	-1.0
R3 Financial aid staff	87,555	87,555	0	0	0	1.0
Total FY 2025-26	\$6,350,627	\$5,609,089	\$417,087	\$111,646	\$212,805	41.2
Changes from FY 2024-25	\$755,619	\$321,343	\$215,005	\$6,466	\$212,805	0.0
Percentage Change	13.5%	6.1%	106.4%	6.1%	n/a	0.0%
FY 2025-26 Executive Request	\$6,438,181	\$5,696,643	\$417,087	\$111,646	\$212,805	42.2
Staff Rec. Above/-Below Request	-\$87,554	-\$87,554	\$0	\$0	\$0	-1.0

(B) Division of Private Occupational Schools

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. The Board of Private Occupational Schools consists of seven members appointed by the Governor and confirmed by the Senate, has regulatory oversight and rulemaking authority, and advises the executive director of the Division. Division FTE are supported through fees on the regulated schools.

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 \$1,144,025 cash funds from the Private Occupational Schools cash fund in FY 2025-26. The request includes changes related to BA2 DPOS spending authority.

Recommendation: Staff recommendation is outlined in the table below and includes changes related to BA2 DPOS spending authority.

Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Division of Private Occupational Schools, Division of Private Occupational Schools						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$1,018,025	\$0	\$1,018,025	\$0	\$0	10.3
Total FY 2024-25	\$1,018,025	\$0	\$1,018,025	\$0	\$0	10.3
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$1,018,025	\$0	\$1,018,025	\$0	\$0	10.3
BA2 DPOS spending authority	126,000	0	126,000	0	0	0.0
Total FY 2025-26	\$1,144,025	\$0	\$1,144,025	\$0	\$0	10.3
Changes from FY 2024-25	\$126,000	\$0	\$126,000	\$0	\$0	0.0
Percentage Change	12.4%	n/a	12.4%	n/a	n/a	0.0%
FY 2025-26 Executive Request	\$1,144,025	\$0	\$1,144,025	\$0	\$0	10.3
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

(C) Special Purpose

Special purpose funding is provided for certain programs and projects, some of which are long-term and some of which are term-limited. See Appendix B for a comprehensive list of Special Purpose items and funding since FY 2018-19.

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. Examples of WICHE's research publications and data sharing initiatives can be found at WICHE's web site: <http://www.wiche.edu/>. 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, and each state controls the circumstances under which they accept students. Colorado sends more students out of state than it accepts through this program.

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.

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 as 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 in FY 2025-26. The request maintains level funding from fiscal year 2024-25.

Recommendation: Staff recommends approval of the request.

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).

Previous attempts by the Department to phase out the program were unsuccessful as the General Assembly did not approve and increased appropriations for the program over time. 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: The Department requests \$300,650 reappropriated funds in FY 2025-26. The request includes changes related to R5 PSEP optometry program roll-off.

Recommendation: Staff recommendation is outlined in the table below and includes changes related to R5 PSEP optometry program roll-off.

Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Special Purpose, WICHE - Optometry						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$385,500	\$0	\$0	\$385,500	\$0	0.0
Total FY 2024-25	\$385,500	\$0	\$0	\$385,500	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$385,500	\$0	\$0	\$385,500	\$0	0.0
R5 PSEP optometry program roll-off	-84,850	0	0	-84,850	0	0.0
Total FY 2025-26	\$300,650	\$0	\$0	\$300,650	\$0	0.0
Changes from FY 2024-25	-\$84,850	\$0	\$0	-\$84,850	\$0	0.0
Percentage Change	-22.0%	n/a	n/a	-22.0%	n/a	n/a
FY 2025-26 Executive Request	\$300,650	\$0	\$0	\$300,650	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

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 in FY 2013 was appropriated certain limited gaming funds, the latter of which has been the sole source of revenue in recent years. Due to steep declines in limited gaming revenues, the limited gaming revenue allocation for this program were suspended from FY 2020-FY 2022 but resumed in FY 2022-23.

Even with the allocation suspension for two years, the program continued to spend from its considerable existing reserves on both prior and new commitments. Beginning in FY 2022-23, the General Assembly restored the \$800,000 cash funds spending authority that had been reduced for the two years, returning spending authority to \$2,800,000 cash funds per year. Disbursements for projects are typically spread over two to six years.

Statutory authority: Section 23-19.7-102, C.R.S.

Request: The Department requests \$2.8 million cash fund spending authority in FY 2025-26. The request eliminates the limited gaming revenue allocation to CHECRA but maintains the spending authority as discussed in the decision item above. This maintains level spending authority from FY 2024-25.

Recommendation: Staff recommends approval of the requested spending authority and denial of the request to eliminate the limited gaming revenue allocation to CHECRA in FY 2025-26 or FY 2026-27.

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 \$285,000 total funds, including \$143,640 cash funds and \$141,360 reappropriated funds in FY 2025-26. The request maintains level funding from fiscal year 2024-25.

Recommendation: Staff recommends approval of the request.

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 downsized the CGS and the amount of money it received from the Operational Account of the Severance Tax Trust Fund, and the JBC has subsequently increased General Fund since then. 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. 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.

Most State funding provided for the Survey is for Geologic Hazard mitigation; however, the General Fund provided by the General Assembly allows the Division to retain a nucleus of activities in a broader range of areas including the following:

- 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;
- 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. 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 represents a specialty function of the Colorado School of Mines with a statutory mission focused on providing specified public services, rather than educational functions. For this reason, JBC staff has worked to ensure the CGS receives routine inflationary increases, though utilizing different mechanisms including community provider rate increases and independent inflationary calculations. Staff recommends utilization of the Denver MSA CPI when possible to prevent the need for future “rebasings” as is often necessary when a lower inflationary increase is applied.

Statutory authority: Sections 23-41-201 through 210, C.R.S.

Request: The Department requests \$2,623,287 General Fund in FY 2025-26, which includes a refinancing of Severance Tax funds with General Fund per a decision item in a separate part of the budget as well as a modest inflationary increase.

Recommendation: Staff recommends approval but requests permission to make adjustments for decisions made by the Committee in other sections of the budget which may impact this line item.

Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Special Purpose, Colorado Geological Survey at the Colorado School of Mines

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$2,537,761	\$701,581	\$1,836,180	\$0	\$0	15.5
Total FY 2024-25	\$2,537,761	\$701,581	\$1,836,180	\$0	\$0	15.5
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$2,537,761	\$701,581	\$1,836,180	\$0	\$0	15.5
CO Geological Survey inflation	85,526	85,526	0	0	0	0.0

Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Special Purpose, Colorado Geological Survey at the Colorado School of Mines						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Impacts driven by other agencies	0	1,836,180	-1,836,180	0	0	0.0
Total FY 2025-26	\$2,623,287	\$2,623,287	\$0	\$0	\$0	15.5
Changes from FY 2024-25	\$85,526	\$1,921,706	-\$1,836,180	\$0	\$0	0.0
Percentage Change	3.4%	273.9%	-100.0%	n/a	n/a	0.0%
FY 2025-26 Executive Request	\$2,623,287	\$2,623,287	\$0	\$0	\$0	15.5
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

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, made changes to the program which included, 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 cannabiniol from cannabis leaves and flowers using pressurized liquid extraction. The Institute also hosts conferences and publishes a journal, the Journal of Cannabis Research, launched in partnership with Springer Nature.

Statutory authority: Sections 23-31.5-112, C.R.S.

Request: The Department requests \$3,800,000 cash funds from the Marijuana Tax Cash Fund in FY 2025-26. This maintains level funding from FY 2024-25.

Recommendation: Staff recommends approval but requests permission to make adjustments for decisions made by the Committee in other sections of the budget which may impact this line item.

GEAR UP

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 and are more likely to graduate from high school and pursue and persist in college than their peers.

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.

Statutory authority: Federal

Request: The Department requests \$5,000,00 federal funds in FY 2025-26. This request maintains level funding from FY 2024-25.

Recommendation: Staff recommends approval of the request.

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 facilitates 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.

Statutory authority: Sections 23-19.3-101 and 102, C.R.S.

Request: The Department requests \$356,496 General Fund in FY 2025-26. This request maintains level funding for the program from FY 2024-25.

Recommendation: Staff recommends elimination of the funding as discussed in a previous decision item above.

Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Special Purpose, Prosecution Fellowship Program

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$356,496	\$356,496	\$0	\$0	\$0	0.0
Total FY 2024-25	\$356,496	\$356,496	\$0	\$0	\$0	0.0

Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Special Purpose, Prosecution Fellowship Program						
Item	Total Funds	General Fund	Cash Funds	Reappropri. Funds	Federal Funds	FTE
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$356,496	\$356,496	\$0	\$0	\$0	0.0
SI General Fund reductions	-356,496	-356,496	0	0	0	0.0
Total FY 2025-26	\$0	\$0	\$0	\$0	\$0	0.0
Changes from FY 2024-25	-\$356,496	-\$356,496	\$0	\$0	\$0	0.0
Percentage Change	-100.0%	-100.0%	n/a	n/a	n/a	n/a
FY 2025-26 Executive Request	\$356,496	\$356,496	\$0	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$356,496	-\$356,496	\$0	\$0	\$0	0.0

Rural Teacher Recruitment, Retention, and Professional Development

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. Senate Bill 18-085 added stipends for teachers to pursue concurrent enrollment educator qualifications, and Senate Bill 20-158 modified the initial program funding structure, combining it with the Rural Teaching Fellowships Program. This bill also allocated remaining grant funds after fellowships, 50.0 percent to support rural teachers pursuing alternative licensure, 25.0 percent to fund stipends for student teachers who agree to teach in rural areas, and 25.0 percent for continuing education stipends for existing teachers.

Statutory authority: Sections 23-76-101 through 106, C.R.S.; Section 23-8-302 through 307.

Request: The Department requests \$1,209,357 General Fund in FY 2025-26. This maintains level funding from FY 2024-25.

Recommendation: Staff recommends approval of the request.

Open Educational Resource 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 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 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 requests \$1,108,200 General Fund in FY 2025-26. This maintains level funding from FY 2024-25 and is the last year of funding for this program per statute.

Recommendation: Staff recommends approval of the request.

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 to determine 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.

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

Request: The Department requests \$154,069 reappropriated funds and 0.5 FTE in FY 2025-26. This maintains level funding from FY 2024-25.

Recommendation: Staff recommends approval of the request.

Teacher Mentor Grants

Senate Bill 19-190 created the Teacher Mentor Grant Program in the Department to provide money for 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.

According to Section 23-78-101-105, C.R.S., subject to available appropriation, the grant program:

- Provides three-year grants to partnering local education providers and education preparation programs to provide training and stipends for teachers serving as mentors for teacher candidates;
- Requires applicants to submit a plan to sustain the mentor program after the grant ends;
- Requires the Department to ensure, to the extent practicable, that grant recipients include applicants of varying size from rural, urban, and suburban areas across the state;
- Requires awards be made to applicants that commit to the following:
 - Implement programs that recruit teachers with three years of experience (as practical), are rated effective or higher, and who hold a master's certification or national board certification;
 - Provide training in best mentoring practices;
 - Ensure that the employing local education provider provides time for mentoring;
 - Pay each mentor teacher a stipend of at least \$2,000 or \$2,500 if master's level or national board certified;
 - Provide mentoring for teacher candidates and for newly employed teachers through an induction program for at least two school years after employment; and
 - Collect required data.

Statutory authority: Section 23-78-105, C.R.S.

Request: The Department requests \$348,477 General Fund in FY 2025-26, which represents a \$300,000 reduction from FY 2024-25 funding levels.

Recommendation: Staff recommends \$648,477 General Fund and no reduction to the program as discussed in the R11 decision item above.

Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Special Purpose, Growing Great Teachers - Teacher Mentor Grants						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$648,477	\$648,477	\$0	\$0	\$0	0.5
Total FY 2024-25	\$648,477	\$648,477	\$0	\$0	\$0	0.5
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$648,477	\$648,477	\$0	\$0	\$0	0.5
R11 Reduce teacher mentor grants	0	0	0	0	0	0.0
Total FY 2025-26	\$648,477	\$648,477	\$0	\$0	\$0	0.5
Changes from FY 2024-25	\$0	\$0	\$0	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	n/a	n/a	n/a	0.0%
FY 2025-26 Executive Request	\$348,477	\$348,477	\$0	\$0	\$0	0.5
Staff Rec. Above/-Below Request	\$300,000	\$300,000	\$0	\$0	\$0	0.0

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., and 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; and
- \$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. administer the in-demand, short-term credentials program to support the expansion and number of available and qualified professionals who are able to meet Colorado’s in-demand workforce needs. The board is required to allocate funds to community and technical colleges, area technical colleges, local district colleges, and Colorado Mesa university to provide assistance to students for eligible expenses that support their enrollment in eligible programs.

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

Request: The Department requests \$4,500,000 total funds, including \$250,000 General Fund and \$4,250,000 cash funds from the Marijuana Tax Cash Fund in FY 2025-26. This represents level funding from FY 2024-25.

Recommendation: Staff recommends \$4,250,000 cash funds from the Marijuana Tax Cash Fund, reducing funding by \$250,000 General Fund in FY 2025-26 per the staff initiated reduction option discussed above.

Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Special Purpose, Center for Substance Use Disorder, Prevention, Treatment, and Recovery Support Strategies at the University of Colorado Health Sciences Center

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$4,500,000	\$250,000	\$4,250,000	\$0	\$0	0.0
Total FY 2024-25	\$4,500,000	\$250,000	\$4,250,000	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$4,500,000	\$250,000	\$4,250,000	\$0	\$0	0.0
SI General Fund reductions	-250,000	-250,000	0	0	0	0.0
Total FY 2025-26	\$4,250,000	\$0	\$4,250,000	\$0	\$0	0.0
Changes from FY 2024-25	-\$250,000	-\$250,000	\$0	\$0	\$0	0.0
Percentage Change	-5.6%	-100.0%	0.0%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$4,500,000	\$250,000	\$4,250,000	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$250,000	-\$250,000	\$0	\$0	\$0	0.0

Online Platform for Public Benefits for Higher Education Students

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 Department requests \$45,000 General Fund in FY 2025-26. This maintains level funding from FY 2024-25.

Recommendation: Staff recommends approval of the request.

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 programs 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 requests elimination of the funding as discussed previously as part of the R10 change request.

Recommendation: Staff recommends approval of the request.

Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Special Purpose, Inclusive Higher Education Grant Program						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$450,000	\$450,000	\$0	\$0	\$0	0.0
Total FY 2024-25	\$450,000	\$450,000	\$0	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$450,000	\$450,000	\$0	\$0	\$0	0.0
R10 Inclusive higher ed grants	-450,000	-450,000	0	0	0	0.0
Total FY 2025-26	\$0	\$0	\$0	\$0	\$0	0.0
Changes from FY 2024-25	-\$450,000	-\$450,000	\$0	\$0	\$0	0.0
Percentage Change	-100.0%	-100.0%	n/a	n/a	n/a	n/a
FY 2025-26 Executive Request	\$0	\$0	\$0	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

SB 22-192 Development and Implementation of Stackable Credentials

Senate Bill 22-192 (Opportunities for Credential Attainment) included 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.

Statutory authority: Section 23-5-145.6, C.R.S.

Request: The Department requests \$200,535 total funds, including \$138,685 General fund and \$61,850 cash funds in FY 2025-26, including changes related to the annualization of prior year legislation.

Recommendation: Staff recommends approval of the request as shown in the table below.

Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Special Purpose, S.B. 22-192 Development and Implementation of Stackable Credentials						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$247,987	\$186,137	\$61,850	\$0	\$0	2.7
Total FY 2024-25	\$247,987	\$186,137	\$61,850	\$0	\$0	2.7
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$247,987	\$186,137	\$61,850	\$0	\$0	2.7
Annualize prior year legislation	-47,452	-47,452	0	0	0	-1.2
Total FY 2025-26	\$200,535	\$138,685	\$61,850	\$0	\$0	1.5
Changes from FY 2024-25	-\$47,452	-\$47,452	\$0	\$0	\$0	-1.2
Percentage Change	-19.1%	-25.5%	0.0%	n/a	n/a	-44.4%
FY 2025-26 Executive Request	\$200,535	\$138,685	\$61,850	\$0	\$0	1.5
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Expiring Line Items

SB23-1246 CCCOES In-Demand Short-Term Credentials Program

This line item supports the state board of community colleges and occupational education to administer the in-demand, short-term credentials program to support the expansion and number of available and qualified professionals who are able to meet Colorado's in-demand workforce needs. The board is required to allocate funds to community and technical colleges, area technical colleges, local district colleges, and Colorado Mesa university to provide assistance to students for eligible expenses that support their enrollment in eligible programs.

Statutory authority: Sections 23-1-104, 23-3.3-103, 23-60-21425-1.5-102, and 25-1.5-406 C.R.S.

Reason for expiration: Expiration of stimulus-related funding.

Items moving to Department of Natural Resources (DNR R-11)

Colorado State Forest Service at Colorado State University

This line item was created in 2023 and provides funding for the Colorado State Forest Service to consult with other entities to develop educational materials relating to career opportunities in forestry and wildfire mitigation for distribution to high school guidance counselors to provide to high school students.

Statutory authority: Section 23-1-142 C.R.S.

Forest Restoration and Wildfire Risk Mitigation Grant Program Cash Fund

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.”

Created during the 2017 legislative session, 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.] Two types of projects are eligible for funding: 1) Fuels & Forest Health and 2) Capacity Building. Applicants must demonstrate an ability to match 50.0 percent of the total project cost (grant + match) or 25.0 percent of the total project cost if located in an area of fewer economic resources as defined through a social vulnerability index (SVI) to wildland fire as established by researchers and department officials.

Prior to the 2019 Legislative Session, this program was supported only through statutory transfers. House Bill 19-1006 made it possible for the General Assembly to appropriate to this fund through the Long Bill. Until the 2021 Legislative Session, the fund received annual transfers of Severance Tax Fund when Tier 2 Severance Tax funding was available. In recent years, the fund received significant one-time appropriations, including \$6.0 million General Fund in FY 2020-21 through SB 21-054, Wildfire Risk Mitigation, and \$2.2 million in 2021-22 through HB 22-1012 Healthy Forests. From FYs 2019-2021, this line item received \$1.0 million General Fund through the Long Bill; in FY 2021-22, the General Assembly increased the appropriation for the line item by \$7,000,000 to \$8,000,000 General Fund.

The program reports that approximately \$15-16 million in FRWRM funds were awarded in March 2023. Applications for the 2023-24 round, expected to be \$8.0 million, were solicited in the fall/winter of 2023 and awards will be announced by April 1, 2024.

Statutory authority: Section 23-31-310, C.R.S.

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).

Prior to the 2021 legislative session, this program received transfers from Tier 2 Severance Tax Funding when money was available. Additionally, the program has received multiple statutory transfers since its creation, including a transfer in FY 2020-21 of \$5,000,000 General Fund. In FYs 2021-23, Long Bill appropriations included \$2.0 million General Funds. This increased in FY 2023-24 to \$2.4 million due to the annualization of SB 22-008 and SB 22-1012 which provided additional funds for certain wildfire mitigation projects. An additional \$2.0 million General Fund was included in the FY 2023-24 Long Bill with spending authority over four years to implement the Good Neighbor Authority projects based on agreements with federal agencies to accomplish forest management goals on federal lands.

Statutory authority: Section 23-31-313, C.R.S.

SB23-005 CCHE Grants to Expand Forestry Programs

This line item provides funding to the Colorado Commission on Higher Education to assist in the development of new and expanded forestry programs.

Statutory authority: Section 23-1-142, C.R.S.

(D) Lease-purchase Payments and Capital-related Outlays

University of Colorado, Lease Purchase of Academic Facilities at Fitzsimons

Pursuant to House Bill 03-1256, the General Assembly authorized the State to enter into a lease purchase agreement for the University of Colorado Health Sciences Center at Fitzsimons. 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.

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, including \$4,358,109 General Fund and 4,358,109 cash funds in FY 2025-26. The request maintains level funding from fiscal year 2024-25.

Recommendation: Staff recommendation is outlined in the table below and includes changes related to adjustments for the Facilities at Fitzsimons COP required payment as discussed previously in the staff initiated change request.

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

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$11,542,514	\$4,358,109	\$7,184,405	\$0	\$0	0.0
S.B. 25-094 (Supplemental)	\$5,944	\$5,944	\$0	\$0	\$0	0.0
Total FY 2024-25	\$11,548,458	\$4,364,053	\$7,184,405	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$11,548,458	\$4,364,053	\$7,184,405	\$0	\$0	0.0
SI Fitzsimons COP adjustment	-9,457,802	-4,358,109	-5,099,693	0	0	0.0
Annualize prior year legislation	-5,944	-5,944	0	0	0	0.0
Total FY 2025-26	\$2,084,712	\$0	\$2,084,712	\$0	\$0	0.0
Changes from FY 2024-25	-\$9,463,746	-\$4,364,053	-\$5,099,693	\$0	\$0	0.0
Percentage Change	-81.9%	-100.0%	-71.0%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$11,542,514	\$4,358,109	\$7,184,405	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$9,457,802	-\$4,358,109	-\$5,099,693	\$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.

The revenues fund was created to support lease-purchase (certificate of participation /COP) payments for higher education capital construction projects authorized in 2008 (see next line item for more information on this). 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.

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. Due to the Master Indenture language, all moneys to be used for the COP payments, including General Fund, are deposited to the revenues fund. FML revenues have not been sufficient to cover the payment of the COPs in many years.

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 \$16,666,824 General Fund for FY 2025-26. This maintains level appropriations from FY 2024-25.

Recommendation: Staff recommends a slight increase of \$200,000 General Fund to account for revenues of Federal Mineral Lease being less than anticipated in FY 2024-25, resulting in the spend-down of the modest Federal Mineral Lease reserve.

Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Lease Purchase Payments and Capital-related Outlays, Appropriation to the Higher Education Federal Mineral Lease Revenues Fund for Lease Purchase of Academic Facilities

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$16,666,824	\$16,666,824	\$0	\$0	\$0	0.0
Total FY 2024-25	\$16,666,824	\$16,666,824	\$0	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$16,666,824	\$16,666,824	\$0	\$0	\$0	0.0
Technical adjustments for COPs	200,000	200,000	0	0	0	0.0
Total FY 2025-26	\$16,866,824	\$16,866,824	\$0	\$0	\$0	0.0
Changes from FY 2024-25	\$200,000	\$200,000	\$0	\$0	\$0	0.0

Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Lease Purchase Payments and Capital-related Outlays, Appropriation to the Higher Education Federal Mineral Lease Revenues Fund for Lease Purchase of Academic Facilities

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Percentage Change	1.2%	1.2%	n/a	n/a	n/a	n/a
FY 2025-26 Executive Request	\$16,666,824	\$16,666,824	\$0	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$200,000	\$200,000	\$0	\$0	\$0	0.0

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 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.

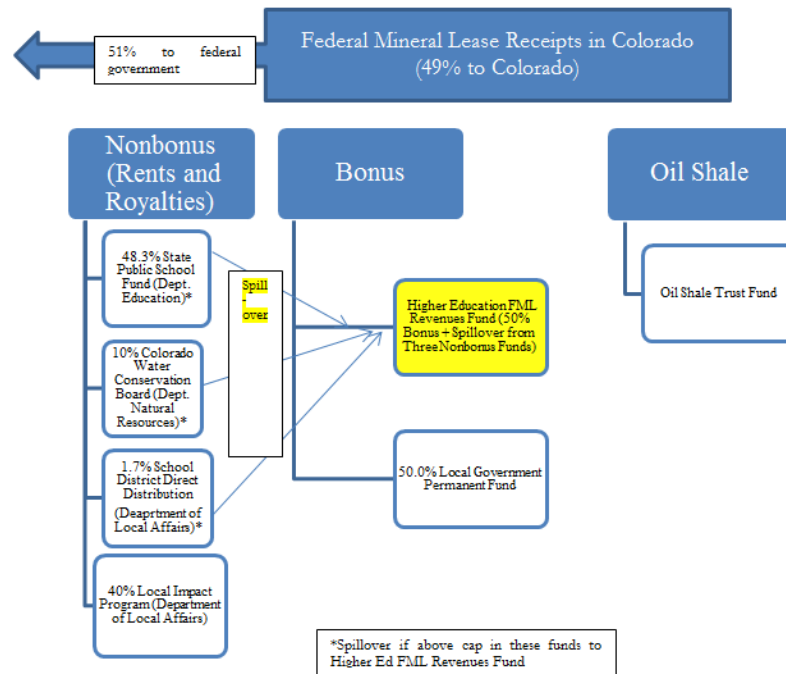
Since FY 2011-12, the General Assembly has frequently had to partially or entirely replace appropriations from the FML Revenues Fund with General Fund due to insufficient FML revenues. The table below compares funding sources for COP payments since the program's inception.

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

HIGHER EDUCATION FML LEASE PURCHASE APPROPRIATIONS HISTORY			
	CAPITAL CONSTRUCTION FUND/ GENERAL FUND	HIGHER EDUCATION FML REVENUES FUND	TOTAL
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
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	16,631,232	808,668	17,439,900
FY 2023-24	16,832,169	600,000	17,432,169
FY 2024-25	16,666,824	770,276	17,437,100
FY 2025-26	16,866,824	570,276	17,437,100
Total to-date	\$210,782,212	\$86,816,451	\$295,981,327

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.

The chart below summarizes the flow of FML revenue used for these Higher Education COP payments:



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

Request: The Department requests \$17,437,100 total funds, including \$770,276 cash funds from Federal Mineral Lease revenues, and \$16,666,824 reappropriated funds which ultimately originate as General Fund for FY 2025-26. This maintains level appropriations from FY 2024-25.

Recommendation: Staff recommends a refinancing of \$200,000 cash funds with \$200,000 reappropriated funds to account for revenues of Federal Mineral Lease being less than anticipated in FY 2024-25, resulting in the spend-down of the modest Federal Mineral Lease reserve, and to maintain a very modest balance in the cash fund for FY 2026-27. Staff is concerned that the requested cash funds will not be sufficient to provide this level of support for the payments in FY 2025-26.

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

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$17,437,100	\$0	\$770,276	\$16,666,824	\$0	0.0
Total FY 2024-25	\$17,437,100	\$0	\$770,276	\$16,666,824	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$17,437,100	\$0	\$770,276	\$16,666,824	\$0	0.0
Technical adjustments for COPs	0	0	-200,000	200,000	0	0.0
Total FY 2025-26	\$17,437,100	\$0	\$570,276	\$16,866,824	\$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

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Changes from FY 2024-25	\$0	\$0	-\$200,000	\$200,000	\$0	0.0
Percentage Change	0.0%	n/a!	-26.0%	1.2%	n/a	n/a
FY 2025-26 Executive Request	\$17,437,100	\$0	\$770,276	\$16,666,824	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	-\$200,000	\$200,000	\$0	0.0

Lease Purchase Payments and Capital-related Outlays, Senate Bill 20-219 COP Payments

This line item provides appropriation for lease purchase payments and capital-related outlays for projects outlined in Senate Bill 20-219. This item moved from the Capitol Complex section of the Long Bill in FY 2024-25.

Statutory authority: Section 24-30-1310, C.R.S.

Request: The Department requests \$4,753,000 General Fund in FY 2025-26. This maintains level funding from FY 2024-25.

Recommendation: Staff recommends approval of the request.

Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Lease Purchase Payments and Capital-related Outlays, Senate Bill 20-219 COP Payments

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$4,753,000	\$4,753,000	\$0	\$0	\$0	0.0
Total FY 2024-25	\$4,753,000	\$4,753,000	\$0	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$4,753,000	\$4,753,000	\$0	\$0	\$0	0.0
Total FY 2025-26	\$4,753,000	\$4,753,000	\$0	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	n/a	n/a	n/a	n/a
FY 2025-26 Executive Request	\$4,753,000	\$4,753,000	\$0	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$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.

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.

Statutory authority: Section 24-30-1310, C.R.S.

Request: The Department requests \$13,100,234 General Fund in FY 2025-26 which reflects an increase of \$550,000 General Fund related to centrally appropriated line items.

Recommendation: Staff recommendation is outlined in the table below.

Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Lease Purchase Payments and Capital-related Outlays, Annual Depreciation-Lease Equivalent Payment						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$12,550,234	\$12,550,234	\$0	\$0	\$0	0.0
Total FY 2024-25	\$12,550,234	\$12,550,234	\$0	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$12,550,234	\$12,550,234	\$0	\$0	\$0	0.0
Centrally appropriated line items	550,000	550,000	0	0	0	0.0
Total FY 2025-26	\$13,100,234	\$13,100,234	\$0	\$0	\$0	0.0
Changes from FY 2024-25	\$550,000	\$550,000	\$0	\$0	\$0	0.0
Percentage Change	4.4%	4.4%	n/a	n/a	n/a	n/a
FY 2025-26 Executive Request	\$13,100,234	\$13,100,234	\$0	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Colorado State University National Western Center

This line item provides funding for the Colorado State University National Western Center COP payments which were transferred from the capital operating budget to the Higher Education Budget in FY 2023-24.

Statutory authority: Section 23-31-902 (2), C.R.S.

Request: The Department requests \$17,499,348 cash funds from the National Western Center Trust Fund which originates as General Fund.

Recommendation: Staff recommendations are outlined in the table below and include adjustments to reflect the actual payment required in FY 2025-26.

Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Lease Purchase Payments and Capital-related Outlays, Lease Purchase Payment for Colorado State University National Western Center

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$17,499,348	\$0	\$17,499,348	\$0	\$0	0.0
S.B. 25-094 (Supplemental)	\$1,783	\$0	\$1,783	\$0	\$0	0.0
Total FY 2024-25	\$17,501,131	\$0	\$17,501,131	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$17,501,131	\$0	\$17,501,131	\$0	\$0	0.0
Technical adjustments for COPs	1,658	0	1,658	0	0	0.0
Annualize prior year legislation	-1,783	0	-1,783	0	0	0.0
Total FY 2025-26	\$17,501,006	\$0	\$17,501,006	\$0	\$0	0.0
Changes from FY 2024-25	-\$125	\$0	-\$125	\$0	\$0	0.0
Percentage Change	0.0%	#VALUE!	0.0%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$17,499,348	\$0	\$17,499,348	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$1,658	\$0	\$1,658	\$0	\$0	0.0

House Bill 24-1231 (State Funding for Higher Education Projects) provided authorization for the State Treasurer to execute a lease-purchase agreement to fund four projects related to health sciences education programs for medical professions being undertaken by state institutions of higher education. Lease purchase payments will begin in FY 2027-28 and shall not exceed \$17.5 million. A line item will be added when payment begins.

(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 increases 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, and this line item was then reinstated. 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 requests \$75,000,000 cash funds in FY 2025-26. This maintains level appropriations from FY 2024-25.

Recommendation: Staff recommends approval of the request.

(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.

Historically, the Department of Higher Education operating costs were funded primarily through indirect cost recoveries collected from Institutions of Higher Education. In FY 2022-23, the JBC took supplemental action to “direct-fund” the Department, appropriating General Fund in lieu of departmental indirect cost allocations and reducing General Fund appropriations to the institutions by the amount that would have otherwise been collected from them. This eliminated a double-count of TABOR revenue in the state’s accounting system and resulted in a net \$0 General Fund impact for the institutions and the state.

Statutory authority: Section 23-1-105(8), C.R.S.

Request: The Department requests \$5,578,990 total funds, \$299,739 cash funds, \$4,766,806 reappropriated funds, and \$512,445 federal funds in FY 2025-26.

Recommendation: Staff recommendation is outlined in the table below and includes adjustments related to statewide indirect cost assessment program which are part of centrally appropriated items. Staff requests permission to make changes related to decisions which the Committee may make in other portions of the budget but which impact this line item.

Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Indirect Cost Assessments, Indirect Cost Assessments						
Item	Total Funds	General Fund	Cash Funds	Reappropri. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$5,578,990	\$0	\$299,739	\$4,766,806	\$512,445	0.0
Total FY 2024-25	\$5,578,990	\$0	\$299,739	\$4,766,806	\$512,445	0.0

Colorado Commission on Higher Education and Higher Education Special Purpose Programs, Indirect Cost Assessments, Indirect Cost Assessments						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$5,578,990	\$0	\$299,739	\$4,766,806	\$512,445	0.0
Centrally appropriated line items	194,922	0	13,147	181,775	0	0.0
Total FY 2025-26	\$5,773,912	\$0	\$312,886	\$4,948,581	\$512,445	0.0
Changes from FY 2024-25	\$194,922	\$0	\$13,147	\$181,775	\$0	0.0
Percentage Change	3.5%	n/a!	4.4%	3.8%	0.0%	n/a
FY 2025-26 Executive Request						
Staff Rec. Above/-Below Request	\$194,922	\$0	\$13,147	\$181,775	\$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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$77,295,449	\$22,352,277	\$0	\$36,077,253	\$18,865,919	32.0
Total FY 2024-25	\$77,295,449	\$22,352,277	\$0	\$36,077,253	\$18,865,919	32.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$77,295,449	\$22,352,277	\$0	\$36,077,253	\$18,865,919	32.0
R1 State funding & tuition for higher ed	-223,523	-223,523	0	0	0	0.0
Total FY 2025-26	\$77,071,926	\$22,128,754	\$0	\$36,077,253	\$18,865,919	32.0
Changes from FY 2024-25	-\$223,523	-\$223,523	\$0	\$0	\$0	0.0
Percentage Change	-0.3%	-1.0%	0.0%	0.0%	0.0%	0.0%
FY 2025-26 Executive Request						
Staff Rec. Above/-Below Request	-\$421,481	-\$421,481	\$0	\$0	\$0	0.0

Decision Items

R1, State funding increase for higher ed, will be discussed in the second Higher Ed figure setting document.

Line Item Detail

(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 \$1,062,309 reappropriated funds from statewide indirect cost recoveries and 9.0 FTE in FY 2025-26. This reflects level funding from FY 2024-25.

Recommendation: Staff recommends approval of the request.

(B) Distribution of State Assistance for Career and Technical Education Pursuant to Section 23-8-192, 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 \$30,514,944 reappropriated funds from transfers from the Department of Education. This reflects level funding from FY 2024-25.

Recommendation: Staff recommends approval of the request.

(C) 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. This item is address in the second Higher Education Figure Setting document.

Statutory authority: Sections 23-71-303 and Section 23-18-304 (2), C.R.S.

The Department's request and staff recommendation for this line item is addressed in the second Higher Education figure setting document.

(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 \$2,709,888 federal funds and 23.0 FTE in FY 2025-26. This reflects level funding from FY 2024-25.

Recommendation: Staff recommends approval of the request.

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 \$16,156,031 federal funds in FY 2025-26. This reflects level funding from FY 2024-25.

Recommendation: Staff recommends approval of the request.

(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 \$4,500,000 reappropriated funds, transferred from the Governor's Office, in FY 2025-26. This reflects level funding from FY 2024-25.

Recommendation: Staff recommends approval of the request.

(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.

Auraria Higher Education Center						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$28,577,311	\$0	\$0	\$28,577,311	\$0	226.7
Total FY 2024-25	\$28,577,311	\$0	\$0	\$28,577,311	\$0	226.7
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$28,577,311	\$0	\$0	\$28,577,311	\$0	226.7
R13 AHEC enterprise	399,242	0	0	399,242	0	0.0
SI IHE employee FTE adjustments	0	0	0	0	0	5.0
Total FY 2025-26	\$28,976,553		\$0	\$28,976,553	\$0	231.7
Changes from FY 2024-25	\$399,242	\$0	\$0	\$399,242	\$0	5.0
Percentage Change	1.4%	0.0%	0.0%	1.4%	0.0%	2.2%
FY 2025-26 Executive Request	\$0	\$0	\$0	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$28,976,553		\$0	\$28,976,553	\$0	231.7

Decision Items

➔ R13 AHEC enterprise [requires legislation]

Request

In an effort to eliminate a double-count of revenue for the purposes of the TABOR calculation, the Office of State Budget and Planning requests that the JBC sponsor legislation enacting statutory language which directs the Office of the State Controller to not treat the Reappropriated Funds from the tenant Institutions of Higher Education to AHEC as new revenue to the state. This request is based on logic that connects the fee-for-service and College Opportunity Funds appropriations to service delivered by AHEC. This legislation would stipulate this treatment provided that the total amount of the Reappropriated Funds does not exceed the total College Opportunity Fund appropriation of stipend and fee-for-service in any annual appropriations act to the tenant IHEs. If actionable, up to \$31.4 million in additional available General Fund revenue would be made available in FY 2025-26 to support other State priorities.

Recommendation

Staff does not recommend approval of this request. As a placeholder amount, staff recommends \$28,976,553 reappropriated funds for services provided by AHEC to be re-visited once funding decisions for institutions of higher education are made by the Committee.

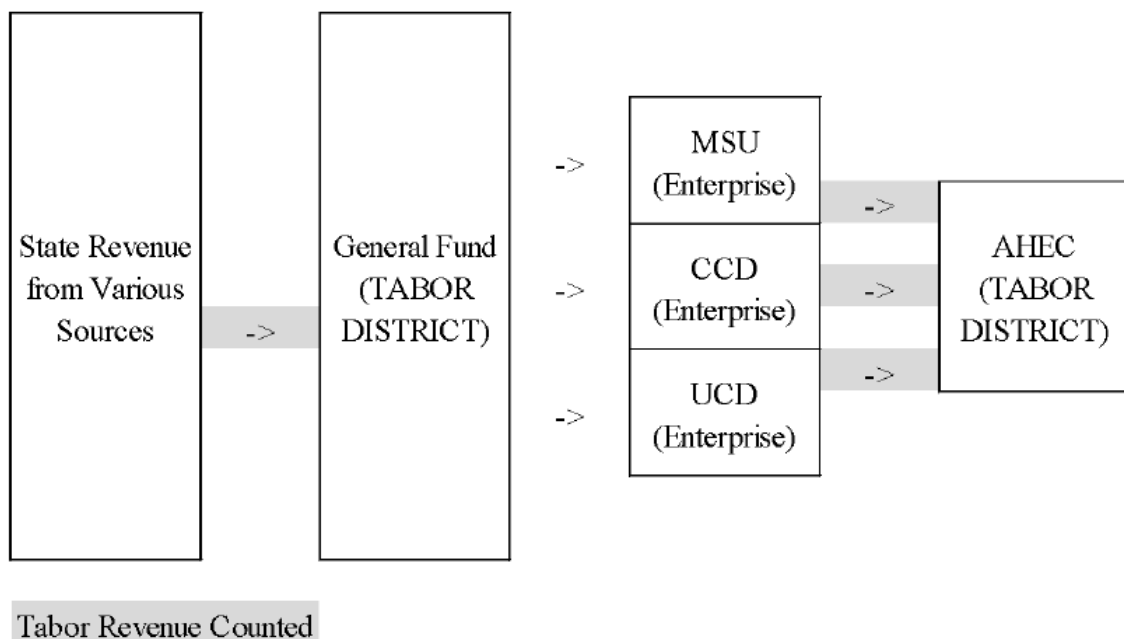
Analysis

Background

The Auraria Higher Education Center (AHEC) collects funds from the institutions with programs on the Auraria campus for the operation and maintenance of the campus. The source of reappropriated funds is payment by the three institutions that share the 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 has two off-budget auxiliary enterprises, including one for student facilities and one for parking.

The mechanism of payment and TABOR calculation is as follows: 1) the State pays the institutions (enterprises) for services through fee-for-service contracts from General Fund which revenues have already been counted towards TABOR limits; 2) the three institutions (enterprises) then pay AHEC for services which is counted as revenue to the State's TABOR district. The below image was provided by the Department of Higher Education in response to a Request for Information in FY 2023-24 that helps visually represent the issue:

Figure 1



Previous Attempt to Resolve the Issue

In FY 2023-24, the JBC approved a Request for Information recommended by staff to have the department investigate potential options to remedy this “double-count” of revenue. Specifically, the Department was directed to convene representatives of AHEC and higher education institutions operating on the campus, in consultation with the Attorney General, to explore changes to the structure and funding for AHEC that would reduce or eliminate the impact to the State’s TABOR district.

In response to the RFI, the Department provided the following information:

- The Department consulted with the Office of the State Controller, the Office of the Attorney General, the Office of State Planning and Budgeting, and the Chief Financial Officers and Controllers from the Auraria higher Education Center, Metropolitan State University of Denver, University of Colorado System, and Colorado Community College System.
- The Department was not able to identify a viable alternative to the current funding mechanism for the AHEC.
- When state fee-for-service payments enter the institutional enterprises’ general funds, the revenue commingles with several other revenue sources and loses its specificity. Therefore, the payments to AHEC cannot be directly tied to fee-for-service revenue.
- Directly funding AHEC with General Fund and reducing fee-for-service contracts with MSU, CCCS, and CU System in an equal amount risks pushing MSU and potentially CCCS out of enterprise status due to a provision which would count in-kind contributions to enterprises as “grants” for purposes of calculating the 10 percent limitation on state support for TABOR enterprises.

OSPB Request

When the FY 2025-26 request was submitted, OSPB indicated that both enterprising and non-enterprising options were being considered to address the revenue impact of the reappropriated funds received by AHEC. Ultimately, attempts to expand or make AHEC an enterprise have proven unsuccessful. Therefore, OSPB proposes that the JBC sponsor legislation directing the Office of the State Controller to “not treat the reappropriated funds from the tenant IHEs to AHEC as new revenue to the state, provided that the total amount of the reappropriated funds from the [institutions] to AHEC is less than the total College Opportunity Fund appropriation of stipend and fee-for-service, in any annual appropriations act to the tenant IHEs.”

The logic OSPB follows is that the services provided by AHEC are services to the state in the same way that the services provided by the IHE enterprises are services provided to the state. IHEs receive fee-for-service funding from the state General Fund. Part of the services provided by the IHE enterprises are facilitated on the AHEC campus and through its services. Therefore, there is a nexus between the fee-for-service appropriations to the institutions and the services provided by AHEC.

Recommendation

After consultation with legal, auditing, and TABOR experts, staff cannot offer an endorsement of the request. Instead, staff recommends \$28,976,553 reappropriated funds in FY 2025-26, representing a modest increase from FY 2024-25.

In exploration of the request, staff found that directing the Office of the State Controller to treat the reappropriated funds in a specific manner does not change the payment mechanism nor does it change the disposition of AHEC. The funding is still leaving the state (going to the enterprises and comingling with other funding) and returning to the state by way of payments to AHEC. Additionally, it raises certain balance of power questions. Finally, auditing experts agree with staff that it could result in an audit finding which would create issues down the road. Solicited input from experts regarding the request suggests that this would be uncharted territory, and that perhaps we should keep looking for alternative recourse.

Continued Funding for AHEC

According to documents provided by AHEC, the amount needed for “Base Operating Costs” is \$30,145,333, a 6.4% increase over FY 2024-25 funding. The official request as submitted by OSPB on November 1 was for \$31,435,042. This amount is greater than that which was provided by AHEC to JBC staff on 3/7/25. Below is a table reflecting current appropriations to the amount indicated by AHEC.

FY 2025-26 Institutional Operating Support for Auraria Higher Education Center	
Type	Reappropriated Funds
<u>Estimated FY 2024-25 Revenue</u>	
Metro State U. Denver	\$13,974,967
CU Denver	10,664,429
Community College of Denver	3,768,989
Total FY 2024-25 Estimated Operating*	\$28,408,385
<u>Comparison to Current Appropriations</u>	
Current FY 2024-25 appropriation	\$28,408,385
Appropriation above/(below) FY 23/24 estimate	\$2,422,002
AHEC FY 2023-24 Estimated Operating Expenses	
FY 2025-26 Requested Appropriation <u>Official request</u>	
Request above/(below) FY 24 Estimate	\$1,819,951

AHEC estimates the following increases for base operational costs for AHEC:

- Staff compensation (classified and non-classified) – increase of \$395,857
- Classified staff step plan with PERA – increase of \$222,624
- Health insurance – increase of \$201,696
- Property/Workman’s Comp/Liability insurance – increase of \$999,774

If funding for the three tenant institutions does not increase or if it decreases, the question has been posed as to whether an increase in funding for AHEC results in an additional cut to

funding for the institutions. AHEC has limited recourse for base operational costs as it does not charge or receive tuition income for its services. Given the complexity of this issue, staff recommends this funding decision be made, at least in part, in consideration of funding decisions for the institutions. Staff recommends placeholder funding until after those decisions are made.

Options to Explore Moving Forward

Facilities provided by AHEC include support for executive office responsibilities including leadership and campus planning; business services including accounting and finance, purchasing, distribution services, human resources, IT and telecom; facilities management including administration, custodial services, grounds, environmental health and safety, project management, operations and maintenance; campus safety including police and emergency preparedness; and academic support services including classroom services and the performing arts center.

The most direct, effective way to “solve” the TABOR revenue count issue would be to provide General Fund to AHEC and reduce the fee-for-service amounts for each tenant institution by an amount equal to their portion of the negotiated contract for services. This option has been considered and met with opposition from the institutions and the Department for two primary reasons. First, it could limit the institutions’ negotiating capacity with AHEC and result in over, or under, appropriation to AHEC. Second, because services provided by AHEC to the institutions would be counted as grants from the state, it could jeopardize the enterprise status of at least two of the three tenants in years when capital construction funding for the institutions is significant.

One option yet to be explored is to allow the three institutions to assume responsibility for the various services provided through AHEC. The unique arrangement of AHEC is just over 50 years old, and the dynamics of the campus have changed significantly over that time. The original construct was such that each tenant institution played a specific role in terms of course level; now, significant overlap exists. The original plan leveraged shared funding to construct shared facilities; over time, the Legislature has granted permission for institution-specific facilities on the campus.

If this is a preferred option, staff recommends a Request for Information to require the tenant institutions, in consultation with the Department of Higher Education and AHEC leadership, to investigate a governance and funding model of the Auraria Higher Education Center through which the three tenant institutions negotiate oversight and facilitation of services.

Line Item Detail

Administration

Statutory authority: Article 70 of Title 23, C.R.S.

Request: The Department’s request is outlined in the Division totals table above.

Recommendation: Staff recommendation is outlined in the Division recommendation table above.

(9) History Colorado

Founded in 1879, 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. 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.

Funded primarily through limited gaming revenues, the institution’s budget needs are driven primarily by operational expenses in support of collections and curatorial services, facilities management, museum operations, historical preservation activities, and statewide preservation grants; the budget is constrained by revenues including gaming tax and museum revenues. The institution currently receives approximately \$7.9 million General Fund in support of lease purchase payments for the Colorado History Museum, community museums, the Cumbres and Toltec Railroad, and the America 250-150 Commission.

See Appendix C for more History Colorado Background.

History Colorado						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$45,282,712	\$7,819,004	\$35,966,009	\$422,283	\$1,075,416	151.0
S.B. 25-094 (Supplemental)	\$446,257	\$0	\$446,257	\$0	\$0	0.0
Total FY 2024-25	\$45,728,969	\$7,819,004	\$36,412,266	\$422,283	\$1,075,416	151.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$45,728,969	\$7,819,004	\$36,412,266	\$422,283	\$1,075,416	151.0
HC1 CENT and HSMO spending authority	239,168	0	239,168	0	0	3.0
HC2 Cumbres and Toltec RR operations	1,365,000	1,365,000	0	0	0	0.0
HC3 Historic tax credit spending authority	50,000	0	0	50,000	0	0.0
HC4 Community museum refinance	0	-20,410	20,410	0	0	0.0
HC5 Sesquicentennial investment	0	0	0	0	0	0.0
Centrally appropriated line items	471,902	471,152	750	0	0	0.0
Annualize prior year legislation	-439,145	7,112	-446,257	0	0	0.1
Annualize prior year budget actions	-2,410,857	-1,745,139	-728,729	0	63,011	0.4
Tech. adj. capitol complex lease	0	0	0	0	0	0.0
Total FY 2025-26	\$45,005,037	\$7,896,719	\$35,497,608	\$472,283	\$1,138,427	154.5
Changes from FY 2024-25	-\$723,932	\$77,715	-\$914,658	\$50,000	\$63,011	3.5
Percentage Change	-1.6%	1.0%	-2.5%	11.8%	5.9%	2.3%
FY 2025-26 Executive Request	\$45,262,482	\$7,896,719	\$35,755,053	\$472,283	\$1,138,427	156.5
Staff Rec. Above/-Below Request	-\$257,445	\$0	-\$257,445	\$0	\$0	-2.0

Decision Items

→ H1 CENT and HSMO spending authority

Request

The request includes an increase of \$496,613 spending authority from the State Historical Fund Operations Account in FY 2025-26 and ongoing to support Historic Site Maintenance and Operations and Central Administration functions. The request also includes an increase of 5.0 FTE to “true up” the Long Bill to reflect actual FTE count.

Recommendation

Staff recommends \$239,168 and 3.0 FTE in FY 2025-26 and ongoing for this request with the anticipation that a portion of this cash fund may be needed in FY 2026-27 to support increased lease purchase payments for the History Colorado Center COP.

Analysis

Background

Founded in 1879, 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. It is charged with preserving the state’s history and documenting it for the benefit of its citizens. The organization provides a wide variety of services related to this mission.

Funded primarily through limited gaming revenues, History Colorado’s budget needs are driven by operational expenses in support of collections and curatorial services, facilities management, museum operations, historical preservation activities, and statewide preservation grants. In recent years, the State has provided increasing amounts of General Fund to support various operations as well as payment for the History Colorado Center Certificate of Participation lease purchase payments.

Limited Gaming Revenue

Beginning in 1990, voters approved a measure⁶ which allowed for limited gaming in Central City, Black Hawk, and Cripple Creek. This measure allocated associated tax revenue to the cities and counties where gaming is authorized (22.0 percent), historic preservation (28.0 percent), and the General Fund or other fund specified by the General Assembly (50.0 percent). Voters adopted amendments⁷ in 2008 and 2020 respectively to increase gaming revenue by eliminating certain gaming limits.

These measures allocated additional revenue generated from “extended” gaming to public community colleges, junior colleges, and local district colleges, as well as to the cities and

⁶ Article XVIII, Section 9 of the State Constitution

⁷ Amendments 50 and 77

counties where gaming is authorized. The new revenue from extended gaming is exempt from the TABOR revenue cap. Limited gaming revenue growth for History Colorado was capped at 3.0% as a result of the changes. The table below demonstrates the distribution of limited gaming tax revenue under the Constitution:

Original Limited Gaming Recipients (1990 Amendment) Revenue Subject to TABOR	Extended Gaming Recipients (2008 Amendment 50, 2020 Amendment 77) Revenue Not Subject to TABOR
50% - State General Fund or such fund as the General Assembly provides	78% - Public community colleges, junior colleges, local district colleges
28% State Historical Fund	
10% - Gaming Cities (Central, Black Hawk, Cripple Creek) 12% Gaming Counties (Gilpin, Teller)	10% Gaming Cities (Central City, Black Hawk, Cripple Creek) - 12% Gaming Counties (Gilpin, Teller)

Of the 28.0 percent allocated to the State Historical Fund for historic preservation activities, statute requires that 20.0 percent goes to gaming cities, and 80.0 percent is for the State Historical Society. Of the 80.0 percent of funding, statute requires the majority to be distributed as historic preservation grants and administration of the State Historic Preservation Office. The majority is interpreted as 50.1 percent for budgeting purposes. Funds have been diverted in the past for various issues including Capitol dome and other improvements to the State Capitol building.

While limited gaming funds appear primarily in the Department of Higher Education, some of the revenue that would otherwise go to the General Fund is statutorily directed to other programs. For FY 2023-24, the funds were allocated in statute as follows:

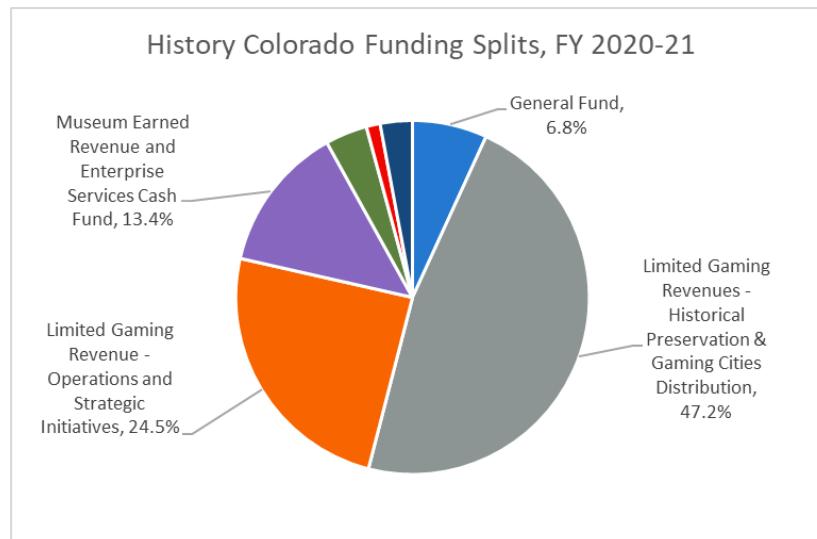
Statutory Uses for Amounts Deposited to the General Fund or As Directed by General Assembly	
Program	Amount (Million \$s)
Tourism Promotion (OEDIT)	\$15.0
Advanced Industries (OEDIT)	\$5.5
Local Government Limited Gaming Fund (DOLA)	\$6.4
Innovative Research Fund (DHE)	\$2.1
Creative Industries (OEDIT)	\$2.0
Office of Film (OEDIT)	\$0.5
Responsible Gaming Grant (DOR)	\$2.5
Subtotal - Directed Amounts	\$34.0
Balance to General Fund	21.6
Total - General Fund or As Directed by the G.A.	\$55.6

Appropriations of limited gaming revenues are based on the prior year actual revenue allocations. See Appendix C for more information regarding limited gaming revenue and History Colorado funding.

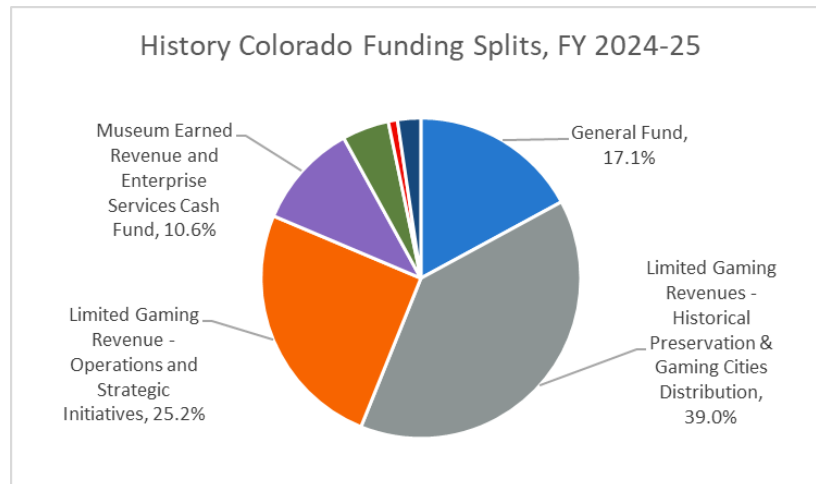
Funding Changes

Prior to the pandemic, History Colorado experienced significant financial challenges which resulted in dramatic shifts in management and budgeting with the goal of recovering financial stability quickly. Though the measures were quite successful, the pandemic provided a huge setback to strategic financial plans. The State stepped in and provided much-needed relief by appropriating General Fund for the History Colorado Center lease purchase payment. Originally, this payment was intended to come from limited gaming revenues. However, changes to the calculation and distribution of limited gaming revenues in 2008, compounded by its own financial issues and then the pandemic, rendered this untenable.

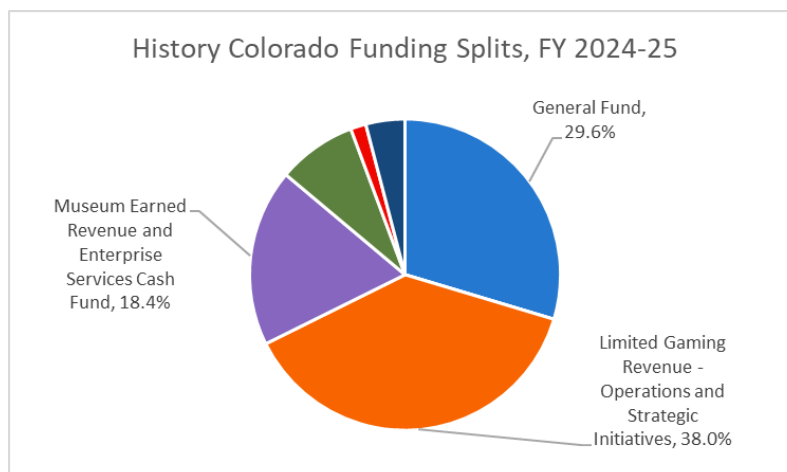
General Fund, historically, has comprised a small percentage of overall funding for History Colorado. This proportion, however, has changed over time. The chart below demonstrates the funding composition, including limited gaming revenues dedicated to state historic preservation efforts including grants, administration of grants, and distribution to gaming cities, in FY 2020-21, the last year in which History Colorado utilized limited gaming revenue for the History Colorado lease purchase payment.:



Since FY 2020-21, the State has provided additional General Fund for History Colorado COPs, Cumbres and Toltec, establishment of America 250-Colorado 150 Commission, Native American Boarding Schools research, Collections Storage lease payments, and an Adobe facilities maintenance manager. The chart below demonstrates the shift in funding composition for History Colorado as of FY 2024-25:



Certain limited gaming revenues can only be used for preservation activities and distributions to gaming cities. If only funding that can be utilized for operations of History Colorado are analyzed, the proportion of General Fund available for operations increases as shown in the chart below:



Forecasted Expenditures and Cash Fund Revenues

Forecasted expenses are anticipated to outstrip revenue for History Colorado beginning in FY 2027-28, with progressively thinning margins. The table below shows anticipated revenues and expenditures by source:

		ACTUAL FY19	ACTUAL FY23	FORECAST FY24	FORECAST FY25	FORECAST FY26	FORECAST FY27	FORECAST FY28
Earned Revenue								
History Colorado Center (HCC)		\$ 2,263,258	\$ 1,407,165	\$ 1,604,066	\$ 1,763,775	\$ 1,875,800	\$ 1,953,324	\$ 2,007,423
Community Museums		\$ 1,074,585	\$ 960,452	\$ 892,095	\$ 947,666	\$ 985,244	\$ 1,013,134	\$ 1,041,905
Philanthropy		\$ 738,024	\$ 1,279,380	\$ 1,323,522	\$ 1,389,698	\$ 1,459,183	\$ 1,532,142	\$ 1,608,749
Other		\$ 146,030	\$ 228,847	\$ 276,802	\$ 260,000	\$ 410,000	\$ 410,000	\$ 410,000
Total Earned Revenue		\$ 4,221,897	\$ 3,875,844	\$ 4,096,485	\$ 4,361,139	\$ 4,730,226	\$ 4,908,599	\$ 5,068,078
Other Revenue:								
State Funds		\$ 12,636,731	\$ 18,238,715	\$ 22,097,648	\$ 19,678,598	\$ 19,975,837	\$ 20,459,676	\$ 20,690,324
Federal Funds		\$ 2,064,790	\$ 3,100,719	\$ 2,733,404	\$ 2,815,406	\$ 2,899,868	\$ 2,986,864	\$ 3,076,470
Other		\$ 1,888,041	\$ 2,770,070	\$ 3,452,058	\$ 1,544,253	\$ 1,590,581	\$ 1,638,298	\$ 1,687,447
Total Other Revenue		\$ 16,589,562	\$ 24,109,504	\$ 28,283,110	\$ 24,038,257	\$ 24,466,286	\$ 25,084,838	\$ 25,454,242
Total Revenue		\$ 20,811,459	\$ 27,985,348	\$ 32,379,595	\$ 28,399,396	\$ 29,196,512	\$ 29,993,437	\$ 30,522,320
Program Services								
Central Admin		\$ 1,528,535	\$ 7,044,685	\$ 7,817,002	\$ 8,218,695	\$ 8,485,659	\$ 8,761,433	\$ 9,072,790
History Colorado Museums		\$ 8,311,311	\$ 7,579,967	\$ 8,674,101	\$ 8,935,122	\$ 9,228,824	\$ 9,539,601	\$ 9,788,926
OAHP		\$ 1,771,026	\$ 3,123,251	\$ 2,225,715	\$ 2,309,383	\$ 2,378,264	\$ 2,449,264	\$ 2,525,562
Program Services Total		\$ 11,610,872	\$ 17,747,903	\$ 18,716,818	\$ 19,463,200	\$ 20,092,748	\$ 20,750,299	\$ 21,387,277
Other Expenses								
History Colorado Center COP		\$ 3,021,605	\$ 3,525,209	\$ 3,525,209	\$ 3,570,209	\$ 3,570,209	\$ 3,827,654	\$ 3,827,655
Other		\$ 6,577,778	\$ 5,409,186	\$ 6,693,177	\$ 4,901,693	\$ 5,054,563	\$ 5,306,497	\$ 5,485,691
Other Expenses Total		\$ 9,599,383	\$ 8,934,395	\$ 10,218,386	\$ 8,471,902	\$ 8,624,772	\$ 9,134,151	\$ 9,313,346
Total Expenses		\$ 21,210,255	\$ 26,682,298	\$ 28,935,204	\$ 27,935,102	\$ 28,717,520	\$ 29,884,449	\$ 30,700,624
Surplus/Deficit		\$ (398,796)	\$ 1,303,050	\$ 3,444,391	\$ 464,294	\$ 478,992	\$ 108,988	\$ (178,304)

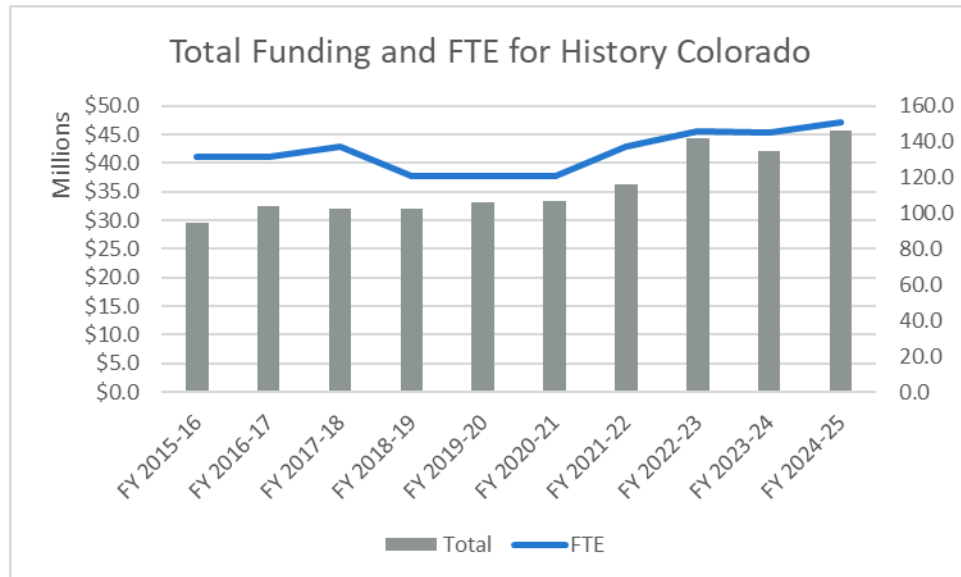
Staff notes that in FY 2026-27, the lease purchase payment for the History Colorado Center COP (as shown in the table above) is anticipated to increase by \$257,445 and will remain at that level for five years before increasing again by \$201,444 in FY 2031-32.

History Colorado requests increased spending authority from the State Historical Fund, Operations Account in FY 2025-26 and ongoing. However, according to the Department's Schedule 9 report on the account, it appears expenditures are already outstripping limited gaming fund revenues as shown in the figure below.

Cash Flow Summary	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Revenue Total	\$ 12,679,122	\$ 13,124,160	\$ 13,183,984	\$ 13,313,324
Gaming Revenue	\$ 12,438,744	\$ 12,805,925	\$ 12,933,984	\$ 13,063,324
Interest	\$ 240,296	\$ 317,685	\$ 250,000	\$ 250,000
Donations	\$ -	\$ -		
Reimbursement for Prior Year	\$ 82	\$ 550		
Other	\$ -	\$ -		
Expenses Total	\$ 12,137,672	\$ 13,538,037	\$ 14,611,514	\$ 14,684,250
Cash Expenditures History Museum Personnel	\$ 7,798,051	\$ 8,490,129	\$ 8,999,537	\$ 9,449,514
Cash Expenditures History Museum Operations	\$ 3,821,299	\$ 3,972,793	\$ 4,091,977	\$ 4,214,736
Higher Education Indirect Costs	\$ 249,696	\$ 172,215	\$ 170,000	\$ 170,000
Operating Transfers	\$ 203,673	\$ 557,334	\$ 150,000	\$ 150,000
Capital Construction	\$ 64,953	\$ 345,566	\$ 1,200,000	\$ 700,000
Net Cash Flow	\$ 541,450	(\$ 413,877)	(\$ 1,427,529)	(\$ 1,370,926)

Historical and Current FTE for History Colorado

The request has been posed to staff as a “true up” of the current FTE count and spending authority. In FY 2018-19, when History Colorado was making significant changes to right-size its finances, JBC staff recommended a reduction of the FTE count in the Long Bill to reflect actual FTE. Then in FY 2021-22, staff recommended an increase of FTE to true up FTE actuals. Given that the State does not appropriate FTE, Departments may exceed what’s reflected in the Long Bill provided they do not exceed their appropriations to do so. The chart below shows funding and FTE adjustments since FY 2015-16:



History Colorado has worked diligently to improve staff retention. In its efforts, it has made what it believes are strategic hires of crucial administration-related staff. Previously, these strategic FTE were supported utilizing vacancy savings. However, now that turnover has decreased and retention has stabilized, these FTE can no longer be supported with vacancy savings. History Colorado has identified the following strategic hires as supported by these funds:

- 1.0 FTE – HR Personnel:** Previously, HC had 1 HR personnel. HC assumes the appropriated ratio is 1.5 for every 100 employees and hired an additional FTE. Currently, there are over 180 FTE when factoring in seasonal hires. (This requires additional work due to frequent filling and terminating of seasonal positions).
- 1.0 FTE – Budget personnel:** Previously, HC had 1 Budget FTE. However, workload has increased to provide evidence-based determinations, respond to RFIs, produce monthly reports, and implement long-term planning. Therefore, HC hired one additional budget staff. HC produces 20 monthly budget reports a month and a statement of activities for the Board. These materials assist with financial planning and reporting throughout the year and these positions are needed to ensure this information is provided. Prior audit findings were the result of poor budget tracking.

- 2.0 FTE – Accounting staff: Previously, HC had 3 accounting staff (and one controller) to handle over 180K transactions per year, respond to audit questions, manage grant funding and reporting for between 5 and ten grants, and respond to internal or external inquiries. HC hired 2 additional accounting staff, and the team has improved processes including sales tax reporting, grant reporting as well as reconciled prior year issues that remained unresolved for several fiscal years.
- 1.0 FTE – Admin Assistant: Previously, History Colorado lacked admin support to assist in responding to inquiries from the Governor’s office, OSPB, JBC, and Board members. It hired one admin assistant to address this gap.

Staff believes History Colorado that these strategic hires have improved History Colorado operations and have positively impacted retention rates. However, Staff would not characterize this request as a “true-up” to reflect actuals; rather, staff would characterize this request as one for additional FTE after the fact. Nevertheless, staff agrees that these are strategic decisions which have had a much-needed, positive impact on the institution’s operations.

Recommendation

In light of the helpful strategic changes, but also recognizing current budget constraints, staff recommends \$239,168 cash funds and 3.0 FTE in FY 2025-26 and ongoing. Staff anticipates that this fund may be a necessary source for the increase in COP lease purchase payments anticipated in FY 2026-27 given the disposition of the General Fund.

Staff is hesitant to provide any increase given the circumstances described above regarding anticipated increases in expenditures and relatively flat limited gaming revenue. However, staff recognizes that History Colorado has come a long way to right-sizing its operations, and that these staff will help maintain these stabilization and growth efforts.

→ HC2 Cumbres and Toltec RR operations

Request

The request includes \$1,365,000 General Fund in FY 2025-26 and ongoing to support the Cumbres and Toltec Scenic Railroad operations. Of the amount requested, \$280,000 would support railroad operating costs, and \$1,085,000 would support necessary capital projects and maintenance.

Recommendation

Staff recommends approval of the request.

Analysis

The Cumbres and Toltec Railroad is a 64-mile, historic rail line that is jointly owned by the State of New Mexico and the State of Colorado. It is the last remaining portion of the 1880 Denver

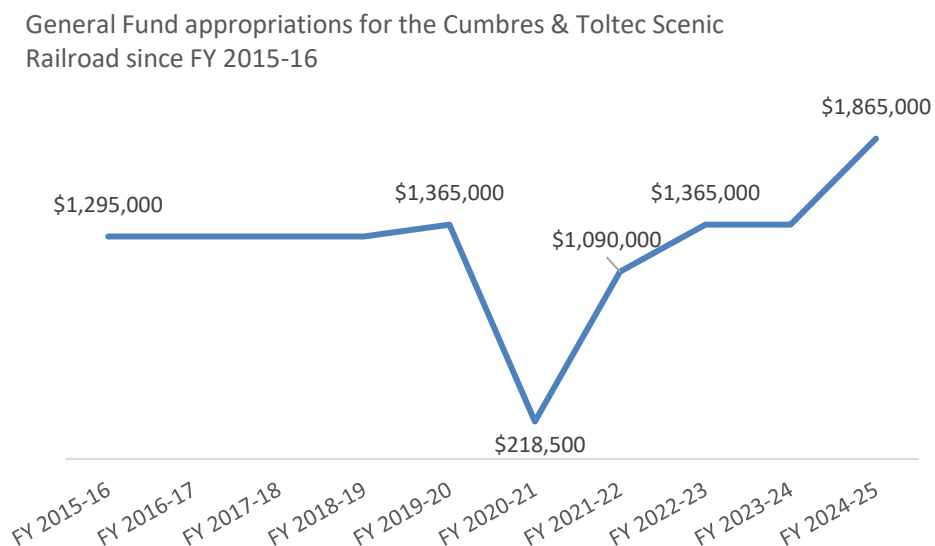
and Rio Grande line from Alamosa to Durango that was called the San Juan Extension. In 1970, Colorado and New Mexico jointly purchased the portion of track between the small towns of Antonito, Colorado, and Chama, New Mexico, before it was removed by the Denver and Rio Grande Railroad.

The states created an interstate commission to operate the railroad as a passenger tourism line and living museum. It is listed on the National Register of Historic Places as the best example of steam era railroading in the U.S. 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.

Funding for the C&TSRR

The primary sources of operating funds for the railroad are ticket and gift shop sales. Both states provide a modest ongoing operating appropriation and have historically provided capital appropriations for larger projects. According to the [Commission's FY 23 Audit](#), ticket revenue accounted for just under half of the railroad's total revenue. It also receives substantial grants and donations as well as some federal preservation grant funds.

Language in the interstate agency agreement between New Mexico and Colorado states that both shall contribute to the operation of the railroad "in such proportions as to reflect the percentage of ownership of each State..." Ownership of the railroad is 50/50; however; the proportional contribution has historically fluctuated from year to year. According to the Commission, since FY 2000-2001, Colorado's share of funding represents 47% of total funding from the two states. The chart below shows General Fund appropriations for the railroad since FY 2015-16.



The General Assembly reduced capital funding and maintained a small appropriation for operating funding in FY 2020-21 as part of budget balancing efforts during the pandemic. It then increased appropriations for capital to help maintain and rebuild operations in FY 2021-22. In FY 2022-23, a footnote was included in the Long Bill indicating the intent that capital funding (\$1.1 million) for the railroad would extend through the current fiscal year while operational funding (\$240,000) would be ongoing. In the current fiscal year, the General Assembly provided an additional \$500,000 General Fund for fire mitigation efforts along the track. The total General Fund appropriation in FY 2024-25 is \$1,865,000.

Economic Impact

According to an economic impact study conducted by BBC Research in 2014, the C&TSRR had a \$14.8 million economic impact on the surrounding five county area. In 2022, an updated study revealed economic impact of \$17.8 million. Today, the estimated economic impact is at least \$19.3 million. The full economic from 2022 study can be found [here](#).⁸

As a result of investments, the railroad expanded regular full-time staff in Antonito by 20.0 percent. Given that Antonito experiences a 20.0 percent unemployment rate, 35.9 percent of residents live in poverty, and the average earnings per capita are \$23,611, this expansion has an outsized impact for this community. Using 2022 tax estimates and FY 2024-25 appropriations from both New Mexico and Colorado, the railroad generates approximately 40 cents in revenue for every dollar of state appropriations.

The Colorado railroad personnel reflect the demographics of the communities in which they operate, which has not always been the case. The population of Antonito, the site of the Colorado station, is majority Hispanic/White Hispanic. In calendar year 2024, C&TSRR employed 37 Coloradans, including 18 year-round employees and 14 seasonal. The remaining 5 included 4 short-term and one remote worker. Of the 18 year-round employees, 16 are either Hispanic or Native American. The 14 seasonal employees included 10 who are Hispanic. Of the 7 employees fulfilling leadership and/or management roles, all are Hispanic. Employment with the railroad remains stable with a turnover rate of less than 3.0 percent. Finally, the Colorado workforce is 43.0 percent female and 57.0 percent male.

Long-Term Sustainability

For years, the railroad has been working to be self-sustaining, with an initial aim of no longer requiring capital support from the States by FY 2023-24. External events such as the pandemic and closure due to the New Mexico wildfire in 2022 dealt a crushing blow to self-sufficiency goals as earned revenue plummeted. Prior to FY 2021, ridership averaged approximately 40,000 riders. During the pandemic, that number dipped to less than 20,000. According to November 2, 2024 Commission meeting [minutes](#), ridership is slowly increasing but is still below pre-pandemic levels.

⁸ [CTS-RR-Economic-Impact-Update-2022-2.pdf](#)

See Appendix D for the Cumbres & Toltec Scenic Railroad Capital Investment Model as of 1/6/2025.

A loss of funding from state appropriations for the railroad, assuming New Mexico funding remains level, would have significant, negative impacts for the railroad which could result, ultimately, in a shuttering of operations. Any reduction would have an immediate impact on the Commission's ability to fund property insurance for its investments, and would hamper capital maintenance and repairs. Locomotive repairs would have to be pared back which would put strain on its other locomotives, ultimately shortening the lifespan of equipment and reducing rider capacity. This would likely result in a reduction of staff, and will most certainly put the railroad further away from self-sustainability.

In the past, when maintenance was delayed or deferred, the railroad faced shut down by the Federal Railroad Administration due to safety concerns. A significant cut in current funding could put the railroad in violation of federal safety regulations once again. Additionally, past experience has proven that finding alternative streams of funding is extremely difficult.

Staff is aware that what has been requested by the railroad is not reflective of the full capital need; rather, New Mexico has provided financial support for a necessary culvert project on the Colorado side of the border.

Recommendation

Staff recommends approval of the request as not doing so would critically imperil railroad operations.

→ HC3 Historic tax credit spending authority

Request

The request includes an increase of \$50,000 reappropriated funds in FY 2025-26 and ongoing from revenue derived from Historic Tax Credit application fees. These funds are reappropriated from the Office of Economic Development and International Trade (OEDIT). The request also includes a Long Bill footnote provision which would allow the Department to access its portion of fee revenue in years when it exceeds the Long Bill reappropriated amount.

Recommendation

Staff recommends approval of the requested increase in spending authority but does not recommend a footnote to provide added flexibility.

Analysis

Background

Created in 1990, the Historic Preservation Tax Credit is meant to encourage the renovation and utilization of older buildings. This program was expanded in 2015 through House Bill 15-1307, and again most recently through House Bill 24-1314 (Modification Tax Credit Preservation Historic Structures). The most recent expansion is anticipated to bring in approximately

\$150,000 in additional fee revenue for the issuance of tax credit certificates to owners of qualified commercial structures. This fee revenue is dedicated to administrative costs incurred by the Department of Revenue, the State Historic Preservation Office, and OEDIT.

Working with the Governor’s Office of Economic Development and International Trade (OEDIT), History Colorado’s State Historic Preservation Office (SHPO) develops the standards for approval for the substantial rehabilitation of qualified structures. Prior to HB 24-1314, to be eligible for the tax credit, the renovations must be to a structure that is at least 50 years old and either be on the State or National Registers of Historic places, or be situated in a designated historic district of one of the state’s 67 certified local governments (CLGs).

The SHPO or one of the state’s Certified Local Governments (CLF) reviews applications for residential structures and then issues a certificate to the applicant for claiming the tax credit. Commercial structure review and approval is conducted by OEDIT in consultation with SHPO. Each reviewing entity keep their own review fees for private residential.

Fee revenue generated through this tax credit program are appropriated to OEDIT and reappropriated to History Colorado. The most recent bill did not increase the reappropriated amounts for History Colorado as the increase is anticipated to occur beginning in FY 2026-27. However, in two of the last three years of revenue, History Colorado’s portion of fee revenue has exceeded its appropriation for the existing structure of the program, limiting its access to earned revenue.

Program Utilization

It’s estimated that 11 private residential applicants are processed annually by the SHPO. However, according to History Colorado staff, extensive consultation is completed prior to the submission of each application. Over the past four fiscal years, SHPO has approved an average of 12 residential projects per year. CLGs approved an average of 15 over the same period.

Since FY 2021, the private residential program has averaged 26.5 applications each year with very little fluctuation. Commercial structure applications have averaged approximately 33 per year with quite a bit more fluctuation. The number of applications on the commercial side has decreased due to available funding and awards for higher-cost projects.

H.B. 24-1314 makes residential credits refundable, going into effect for tax years 2027 and subsequent years. Additionally, the new bill changes the age requirement from at least 50 years to 30 years, expanding the cohort of eligible structures. SHPO is already experiencing workload increases with inquiries regarding the refundable credit. The full impact of this expansion isn’t anticipated to be realized until 2027.

Request and Recommendation

History Colorado requests 1/3 of the anticipated \$150,000 fee revenue increase from the most recent program expansion. This full amount isn’t expected to be realized until FY 2027 and may fluctuate year to year. However, the request is being made now to address any shortfall in the current program structure while anticipating an increase in the future. The Long Bill amount, which serves to reflect History Colorado’s not-to-exceed spending authority, compared to the Historic Tax Credit (HTC) revenue is shown in the table below.

Fiscal Year	Long Bill Spending Authority	HTC Revenue Received	Delta
FY21	\$97,283	\$114,402	-\$17,119
FY22	97,283	70,233	27,050
FY23	97,283	96,427	856
FY24	97,283	132,149	-34,866

Revenues not accessed by History Colorado revert to OEDIT and are retained in the Historic Preservation Tax Credit Program Fund which is not part of the General Fund. Money in the fund is continuously appropriated to OEDIT for the administration of the tax credit program.

Staff recommends approval of History Colorado’s request to increase its Long Bill spending authority by \$50,000 annually as well as the Long Bill footnote spending authority flexibility to grant access to any fee revenue it earns to support its portion of program operation.

→ HC4 Community museum refinance

Request

The request refinances community museums by \$20,410 General Fund with \$20,410 cash funds from the limited gaming funds deposited into the State Historical Fund Operations Account. This refinancing would occur only in FY 2025-26. This request was submitted as an option for General Fund relief and represents 1.0 percent of community museum General Fund support.

Recommendation

Staff recommends approval of the request.

Analysis

Overview

History Colorado is responsible for the staffing and associated operating expenses for eight regional museums and their associated facilities. This includes the El Pueblo Center, the Ute Indian Museum, the Trinidad History Museum, Fort Garland, the Byers-Evans House, Healy House/Dexter Cabin, the Grant-Humphreys Mansion, and the Georgetown Loop railroad.

Funding for the community museums consists of General Fund, cash funds from limited gaming revenues deposited in the Museum and Preservation Operations account of the State Historical Fund and from the Community Museums Cash Fund, and a miniscule amount of federal funds. The table below shows the funding splits over time.

Community Museums Funding FY 2021-22 to Requested FY 2025-26					
	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26*
General Fund	1,061,750	1,064,376	1,187,308	1,285,189	1,357,768
Historical Fund Operations Account	1,235,068	932,596	932,596	970,486	1,027,612
Community Museums Cash Fund	1,128,427	828,427	828,427	978,427	978,427

Community Museums Funding FY 2021-22 to Requested FY 2025-26					
	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26*
Federal Funds	3,003	3,003	3,003	3,003	3,003
Total Funding	3,428,248	2,828,402	2,951,334	3,237,105	3,366,810

* Reflects the total requested amounts.

The Community Museums Cash Fund receives earned revenue from museum admission charges, gift shop revenue, and user fees. The table below shows the amount of earned revenue deposited into the Community Museums Cash Fund and the expenditures since FY 2023.

	2023 Actuals	2024 Actuals	2025 Budget	2025 Projection
Museums Earned Revenue	\$973,032	\$891,394	\$1,167,500	\$932,213
Expenses	\$3,009,380	\$3,162,289	\$3,703,893	\$3,297,928

Community museums saw a significant decline in visitors during the pandemic and are still slowly recovering to pre-2019 levels. Below is a table demonstrating changes in museum visitors since FY 2019.

	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24
Museum Attendance	42,427	26,715	17,793	25,181	23,440	26,577
Events	18,805	2,176	1,657	14,775	17,429	13,978
Youth Education	20,126	10,646	4,374	5,353	6,875	9,299
Adult Education	834	23,692	4,974	11,919	4,014	6,322

Request and Recommendation

The request would refinance \$20,410 General Fund with funds from limited gaming revenues deposited into the State Historical Fund museum operations account. This is offered as a General Fund relief option only, and for only one year. This will not impact museum operations as the total appropriation would remain the same. Staff recommends approval of the request primarily because it's been offered and there is not a compelling reason not to do so.

Line Item Detail

(A) Central Administration

Central Administration

This line item pays for total personal services and operating expenses for the History Colorado Executive Office, Human Resources, and Accounting and Finance. The source of cash funds is gaming revenue (that is derived from the minority share of the Historical Society's 80 percent share of the State Historical Fund, specifically the Museum and Preservation Operations Account, revenues pursuant to Section 12-47.1-1201(5)(d)(II)(b), C.R.S. and 24-80-214, C.R.S.)

(hereinafter “Gaming Revenue”), the Enterprise Services Cash Fund authorized pursuant to 24-80-209, C.R.S. (hereinafter “Enterprise Funds”), and federal funds.

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 \$3,738,636 total funds, including \$971,152 General Fund, \$2,651,142 cash funds, and \$116,342 federal funds and 17.0 FTE in FY 2025-26. The request includes changes related to centrally appropriated line items, HC1 change request, and the annualization of prior year budget actions.

Recommendation: Staff recommendation is outlined in the table below and includes changes related to centrally appropriated line items, the HC1 change request, the annualization of prior year budget actions, and one technical adjustment to move the department’s Capitol complex leased space funding to a separate line item.

History Colorado, Central Administration, Central Administration						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$2,848,064	\$500,000	\$2,231,722	\$0	\$116,342	12.0
Total FY 2024-25	\$2,848,064	\$500,000	\$2,231,722	\$0	\$116,342	12.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$2,848,064	\$500,000	\$2,231,722	\$0	\$116,342	12.0
Centrally appropriated line items	471,902	471,152	750	0	0	0.0
HC1 CENT and HSMO spending auth.	239,168	0	239,168	0	0	3.0
Annualize prior year budget actions	123,931	0	123,931	0	0	0.0
Tech. adj. capitol complex lease	-500,000	-500,000	0	0	0	0.0
Total FY 2025-26	\$3,183,065	\$471,152	\$2,595,571	\$0	\$116,342	15.0
Changes from FY 2024-25	\$335,001	-\$28,848	\$363,849	\$0	\$0	3.0
Percentage Change	11.8%	-5.8%	16.3%	n/a	0.0%	25.0%
FY 2025-26 Executive Request	\$3,738,636	\$971,152	\$2,651,142	\$0	\$116,342	17.0
Staff Rec. Above/-Below Request	-\$555,571	-\$500,000	-\$55,571	\$0	\$0	-2.0

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 \$1,548,016 cash funds and 16.5 FTE in FY 2025-26 which includes changes related to the annualization of prior year budget actions.

Recommendation: Staff recommendation is outlined in the table below and includes changes related to the annualization of prior year budget actions.

History Colorado, Central Administration, Collections and Curatorial Services						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$1,470,786	\$0	\$1,470,786	\$0	\$0	16.5
Total FY 2024-25	\$1,470,786	\$0	\$1,470,786	\$0	\$0	16.5
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$1,470,786	\$0	\$1,470,786	\$0	\$0	16.5
Annualize prior year budget actions	77,230	0	77,230	0	0	0.0
Total FY 2025-26	\$1,548,016	\$0	\$1,548,016	\$0	\$0	16.5
Changes from FY 2024-25	\$77,230	\$0	\$77,230	\$0	\$0	0.0
Percentage Change	5.3%	n/a!	5.3%	n/a	n/a	0.0%
FY 2025-26 Executive Request	\$1,548,016	\$0	\$1,548,016	\$0	\$0	16.5
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$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 \$1,928,521 cash funds and 10.0 FTE in FY 2025-26 which includes changes related to the annualization of prior year budget actions.

Recommendation: Staff recommendations are outlined in the table below.

History Colorado, Central Administration, Facilities Management						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$1,876,165	\$0	\$1,876,165	\$0	\$0	10.0
Total FY 2024-25	\$1,876,165	\$0	\$1,876,165	\$0	\$0	10.0
FY 2025-26 Recommended Appropriation						

History Colorado, Central Administration, Facilities Management						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation	\$1,876,165	\$0	\$1,876,165	\$0	\$0	10.0
Annualize prior year budget actions	52,356	0	52,356	0	0	0.0
Total FY 2025-26	\$1,928,521	\$0	\$1,928,521	\$0	\$0	10.0
Changes from FY 2024-25	\$52,356	\$0	\$52,356	\$0	\$0	0.0
Percentage Change	2.8%	n/a!	2.8%	n/a	n/a	0.0%
FY 2025-26 Executive Request	\$1,928,521	\$0	\$1,928,521	\$0	\$0	10.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Capitol Complex Leased Space [New]

This line item is added to reflect the Capitol complex leased space funding as approved by the JBC beginning in FY 2024-25 to move the History Colorado collections and care facility from the North Building to the Pierce building currently occupied by the Department of Revenue. This funding was previously located in the Central Administration of History Colorado line item with a footnote identifying the funding amount.

Request: The Department requests \$500,000 General Fund for Capitol complex leased space for its move into the Pierce building. This request maintains level funding from FY 2024-25.

Recommendation: Staff recommends moving this funding to this new line item and approval of the request.

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 \$1,061,902 total funds, including \$114,073 General Fund and \$947,829 cash funds in FY 2025-26. The request includes changes related to the HC1 change request discussed above.

Recommendation: Staff recommendation is outlined in the table below and includes changes related to the annualization of prior year budget actions.

History Colorado, Central Administration, Historical Site Maintenance and Operations						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$836,345	\$104,351	\$731,994	\$0	\$0	5.9

History Colorado, Central Administration, Historical Site Maintenance and Operations						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Total FY 2024-25	\$836,345	\$104,351	\$731,994	\$0	\$0	5.9
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$836,345	\$104,351	\$731,994	\$0	\$0	5.9
Annualize prior year budget actions	23,683	9,722	13,961	0	0	0.1
HC1 CENT and HSMO spending auth.	0	0	0	0	0	0.0
Total FY 2025-26	\$860,028	\$114,073	\$745,955	\$0	\$0	6.0
Changes from FY 2024-25	\$23,683	\$9,722	\$13,961	\$0	\$0	0.1
Percentage Change	2.8%	9.3%	1.9%	n/a	n/a	1.7%
FY 2025-26 Executive Request	\$1,061,902	\$114,073	\$947,829	\$0	\$0	6.0
Staff Rec. Above/-Below Request	-\$201,874	\$0	-\$201,874	\$0	\$0	0.0

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 \$168,653 General Fund, and 1.0 FTE, in FY 2025-26 which includes adjustments related to the annualization of prior year budget actions.

Recommendation: Staff recommendations are outlined in the table below, however, this item is on the list for additional General Fund relief options if necessary.

History Colorado, Central Administration, America 250 - Colorado 150 Commission						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$151,503	\$151,503	\$0	\$0	\$0	1.0
Total FY 2024-25	\$151,503	\$151,503	\$0	\$0	\$0	1.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$151,503	\$151,503	\$0	\$0	\$0	1.0
Annualize prior year budget actions	17,150	17,150	0	0	0	0.0
HC5 Sesquicentennial investment	0	0	0	0	0	0.0
Total FY 2025-26	\$168,653	\$168,653	\$0	\$0	\$0	1.0
Changes from FY 2024-25	\$17,150	\$17,150	\$0	\$0	\$0	0.0
Percentage Change	11.3%	11.3%	n/a	n/a	n/a	0.0%
FY 2025-26 Executive Request	\$168,653	\$168,653	\$0	\$0	\$0	1.0

History Colorado, Central Administration, America 250 - Colorado 150 Commission						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

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 Department requests \$3,567,417 total funds, including \$3,525,209 General Fund and \$42,208 cash funds in FY 2025-26. This includes changes related to the annualization of prior year budget actions to reflect actual payments for the lease purchase agreement.

Recommendation: Staff recommendation is outlined in the table below.

History Colorado, Central Administration, Lease Purchase of Colorado History Museum						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$3,570,026	\$3,525,209	\$44,817	\$0	\$0	0.0
Total FY 2024-25	\$3,570,026	\$3,525,209	\$44,817	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$3,570,026	\$3,525,209	\$44,817	\$0	\$0	0.0
Annualize prior year budget actions	-2,609	0	-2,609	0	0	0.0
Total FY 2025-26	\$3,567,417	\$3,525,209	\$42,208	\$0	\$0	0.0
Changes from FY 2024-25	-\$2,609	\$0	-\$2,609	\$0	\$0	0.0
Percentage Change	-0.1%	0.0%	-5.8%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$3,567,417	\$3,525,209	\$42,208	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Expiring: 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.

The funding for this item has been fully appropriated and will be fully expended by the end of FY 2025-26.

(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 Museum and Preservation 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 \$1,294,662 total funds including \$891,673 cash funds, \$325,000 reappropriated indirect cost recoveries, \$77,989 federal funds, and 7.0 FTE in FY 2025-26. This includes adjustments related to the annualization of prior year budget actions.

Recommendation: Staff recommendation is outlined in the table below.

History Colorado, History Colorado Museums, History Colorado Center						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$1,285,885	\$0	\$882,896	\$325,000	\$77,989	7.0
Total FY 2024-25	\$1,285,885	\$0	\$882,896	\$325,000	\$77,989	7.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$1,285,885	\$0	\$882,896	\$325,000	\$77,989	7.0
Annualize prior year budget actions	8,777	0	8,777	0	0	0.0
Total FY 2025-26	\$1,294,662	\$0	\$891,673	\$325,000	\$77,989	7.0

History Colorado, History Colorado Museums, History Colorado Center						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Changes from FY 2024-25	\$8,777	\$0	\$8,777	\$0	\$0	0.0
Percentage Change	0.7%	n/a	1.0%	0.0%	0.0%	0.0%
FY 2025-26 Executive Request	\$1,294,662	\$0	\$891,673	\$325,000	\$77,989	7.0
Staff Rec. Above/-Below Request	\$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 \$3,366,810 total funds including \$1,357,768 General Fund, \$2,006,039 cash funds, and \$3,003 federal funds and 19.0 FTE in FY 2025-26. This includes changes related to the annualization of prior year budget actions as well as the HC4 change request.

Recommendation: Staff recommendation is outlined in the table below with adjustments related to the annualization of prior year budget actions and HC4 community museum refinance.

History Colorado, History Colorado Museums, Community Museums						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$3,237,105	\$1,285,189	\$1,948,913	\$0	\$3,003	19.0
Total FY 2024-25	\$3,237,105	\$1,285,189	\$1,948,913	\$0	\$3,003	19.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$3,237,105	\$1,285,189	\$1,948,913	\$0	\$3,003	19.0
Annualize prior year budget actions	129,705	92,989	36,716	0	0	0.0
HC4 Community museum refinance	0	-20,410	20,410	0	0	0.0
Total FY 2025-26	\$3,366,810	\$1,357,768	\$2,006,039	\$0	\$3,003	19.0
Changes from FY 2024-25	\$129,705	\$72,579	\$57,126	\$0	\$0	0.0
Percentage Change	4.0%	5.6%	2.9%	n/a	0.0%	0.0%

History Colorado, History Colorado Museums, Community Museums						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Executive Request	\$3,366,810	\$1,357,768	\$2,006,039	\$0	\$3,003	19.0
Staff Rec. Above/-Below Request	\$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 \$4,752,802 cash funds and 34.5 FTE in FY 2025-26 with adjustments related to the annualization of prior year budget actions.

Recommendation: Staff recommendation is outlined in the table below.

History Colorado, History Colorado Museums, Statewide Programming						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$4,629,181	\$0	\$4,629,181	\$0	\$0	34.5
Total FY 2024-25	\$4,629,181	\$0	\$4,629,181	\$0	\$0	34.5
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$4,629,181	\$0	\$4,629,181	\$0	\$0	34.5
Annualize prior year budget actions	123,621	0	123,621	0	0	0.0
Total FY 2025-26	\$4,752,802	\$0	\$4,752,802	\$0	\$0	34.5
Changes from FY 2024-25	\$123,621	\$0	\$123,621	\$0	\$0	0.0
Percentage Change	2.7%	n/a!	2.7%	n/a	n/a	0.0%
FY 2025-26 Executive Request	\$4,752,802	\$0	\$4,752,802	\$0	\$0	34.5
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

(C) Office of Archaeology 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 \$2,090,386 total funds, including \$61,531 General Fund, \$940,479 cash funds, \$147,283 reappropriated funds, \$941,093 federal funds, and 23.4 FTE in FY 2025-26. This includes adjustments related to the annualization of prior year legislation and budget actions as well as to HC3 historic tax credit spending authority change request.

Recommendation: Staff recommendations are outlined in the table below.

History Colorado, Office of Archeology and Historic Preservation, Program Costs						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$1,948,172	\$54,419	\$918,388	\$97,283	\$878,082	23.4
Total FY 2024-25	\$1,948,172	\$54,419	\$918,388	\$97,283	\$878,082	23.4
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$1,948,172	\$54,419	\$918,388	\$97,283	\$878,082	23.4
Annualize prior year budget actions	85,102	0	22,091	0	63,011	0.0
HC3 Historic tax credit spending auth.	50,000	0	0	50,000	0	0.0
Annualize prior year legislation	7,112	7,112	0	0	0	0.1
Total FY 2025-26	\$2,090,386	\$61,531	\$940,479	\$147,283	\$941,093	23.5
Changes from FY 2024-25	\$142,214	\$7,112	\$22,091	\$50,000	\$63,011	0.1
Percentage Change	7.3%	13.1%	2.4%	51.4%	7.2%	0.4%
FY 2025-26 Executive Request	\$2,090,386	\$61,531	\$940,479	\$147,283	\$941,093	23.5
Staff Rec. Above/-Below Request	\$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.

In 2024, JBC staff recommended, and the JBC approved, \$333,333 General Fund each year for three years to continue the work of this research.

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 \$333,333 General Fund and 2.0 FTE in FY 2025-26. This maintains level funding from FY 2024-25.

Recommendation: Staff recommends approval of the request.

(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 \$2,061,430 cash funds and 20.0 FTE in FY 2025-26. This includes an adjustment related to the annualization of prior year budget actions.

Recommendation: Staff recommendation is outlined in the table below.

History Colorado, State Historical Fund Program, Administration						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$2,027,818	\$0	\$2,027,818	\$0	\$0	19.7
Total FY 2024-25	\$2,027,818	\$0	\$2,027,818	\$0	\$0	19.7
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$2,027,818	\$0	\$2,027,818	\$0	\$0	19.7
Annualize prior year budget actions	33,612	0	33,612	0	0	0.3
Total FY 2025-26	\$2,061,430	\$0	\$2,061,430	\$0	\$0	20.0

History Colorado, State Historical Fund Program, Administration						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Changes from FY 2024-25	\$33,612	\$0	\$33,612	\$0	\$0	0.3
Percentage Change	1.7%	n/a!	1.7%	n/a	n/a	1.5%
FY 2025-26 Executive Request	\$2,061,430	\$0	\$2,061,430	\$0	\$0	20.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

State Historical Fund Grants

Twenty-eight percent of limited gaming revenues are required to be used for historic preservation efforts, the majority of which must be awarded as grants for said efforts. This line item reflects the anticipated revenue dedicated to this activity.

Statutory authority: Sections 44-30-1201 and 1202, C.R.S.

Request: The Department requests \$9.0 million cash funds in FY 2025-26. This maintains level funding from FY 2024-25.

Recommendation: Staff recommends approval of the request.

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: The Department requests \$6,489,914 cash funds in FY 2025-26. This maintains level funding from FY 2024-25.

Recommendation: Staff recommends approval of the request.

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: The Department requests \$325,000 cash funds to reflect indirect cost collections from the State Historical Fund program in FY 2025-26. This maintains level funding from FY 2024-25.

Recommendation: Staff recommends approval of the request.

(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.

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 goals have lagged. 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.

Statutory authority: Section 24-60-1904, C.R.S.

Request: The Department requests \$3,535,000 total funds, including \$1,365,000 General Fund and \$2,170,000 cash funds, the majority of the latter reflecting appropriations from the State of New Mexico for support of the railroad, in FY 2025-26. This includes adjustments related to the HC2 change request.

Recommendation: Staff recommendation is outlined in the table below.

History Colorado, Cumbres and Toltec Railroad Commission, Cumbres and Toltec Railroad Commission						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
FY 2024-25 Appropriation	\$4,035,000	\$1,865,000	\$2,170,000	\$0	\$0	0.0
Total FY 2024-25	\$4,035,000	\$1,865,000	\$2,170,000	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$4,035,000	\$1,865,000	\$2,170,000	\$0	\$0	0.0
HC2 Cumbres and Toltec RR operations	1,365,000	1,365,000	0	0	0	0.0
Annualize prior year budget actions	-1,865,000	-1,865,000	0	0	0	0.0
Total FY 2025-26	\$3,535,000	\$1,365,000	\$2,170,000	\$0	\$0	0.0
Changes from FY 2024-25	-\$500,000	-\$500,000	\$0	\$0	\$0	0.0
Percentage Change	-12.4%	-26.8%	0.0%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$3,535,000	\$1,365,000	\$2,170,000	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Long Bill Footnotes

Staff recommends the following **new** footnotes.

None

Staff recommends **continuing and modifying** the following footnotes.

- N 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, \$700,000 remains available until the close of the ~~2025-26~~ 2026-27 fiscal year.

Comment: Staff recommends continuation of this footnote with fiscal year modifications.

- N Department of Higher Education, History Colorado, Central Administration; History Colorado Museums; 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: Staff recommends continuation of this footnote.

- N 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~~ \$280,000 General Fund for annual Commission operating expenses and other routine ongoing costs including controlled maintenance; (2) the balance of the General Fund appropriation, totaling ~~\$1,025,000~~ \$1,085,000, 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. Of the amount in this line item for capital projects, \$1,125,000 remains available for expenditure until the close of the 2025-26 state fiscal year, and \$500,000 is a one time appropriation in FY 2024-25 for wildfire mitigation activities.~~

Comment: Staff recommends modification of the footnote to reflect staff recommendations as well as to maintain oversight of capital vs. operational approved funding for the railroad.

Staff recommends **eliminating** the following footnotes.

- N Department of Higher Education, History Colorado, Central Administration; Central Administration -- This line item includes \$500,000 General Fund for capitol complex leased space.

Comment: Staff recommends elimination of this footnote as the funding for the Capitol Complex leased space has been moved to its own line item.

Requests for Information

Staff recommends the following **new** requests for information.

- N Department of Higher Education, Colorado Commission on Higher Education, Administration – The Department is requested to submit a report by November 1, 2025, outlining its departmental indirect cost assessment calculations and detailing its methodology for collecting departmental indirect costs. Statewide costs assessments are already accounted for in a separate report accessible to staff.

Comment: Staff recommends this report to ensure accuracy in departmental, not statewide, indirect cost assessments.

- N Department of Higher Education, Colorado Commission on Higher Education, Administration – The Department is requested to submit a report by October 1, 2025, which evaluates the Department administration's workload capacity in accounting, contracting, budget office, and technology units as compared to other state agencies. The Department should conduct this analysis in collaboration with other departments, including but not limited to the Colorado Department of Education. The report should include information regarding work hours for each FTE in each of the units and whether additional FTE or technology may be warranted. Additionally, the report must evaluate whether intra-departmental agreements may be leveraged to provide the Department additional support in these areas if the evaluation demonstrates such support is warranted.

Comment: Staff recommends this report in efforts to continue the conversation about how to better stabilize and bolster the Department of Higher Education.

- N Department of Higher Education, Auraria Higher Education Center, Administration – Tenant institutions of the Auraria Higher Education Center, including the Metropolitan State University Denver, Colorado Community Colleges System, and the University of Colorado Denver, in consultation with the Auraria Higher Education Center administration and the Department of Higher Education, is requested to submit a report by November 1, 2026, which investigates whether the AHEC campus may be administered through interagency agreements and memoranda of understanding among the three institutions.

Comment: Staff recommends this report in efforts to explore all options related to AHEC funding so as to eliminate a double-counting of TABOR revenue.

Staff recommends **continuing or modifying** the following requests for information.

- N 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: Staff recommends continuation of this request for information as it provides vital comparisons regarding benefits for employees.

- N Department of Higher Education, History Colorado, Central Administration, History Colorado Strategic Plan Initiatives – History Colorado is requested to submit a report by November 1, ~~2024~~2025 outlining program expenditures and outcomes related to the History Colorado Strategic Plan Initiatives. The institution should include performance metrics for each strategic initiative over the life of the appropriation.

Comment: Staff recommends continuation of this report for one final year.

Staff recommends **eliminating** the following requests for information.

- 3 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.

Comment: Staff recommends elimination of this request as JBC recommendations move the Colorado State Forest Service from the Department of Higher Education to the Department of Natural Resources.

Indirect Cost Assessment

Indirect cost assessments for History Colorado include statewide indirect costs collected from institutions based on proportionate utilization calculations. Departmental indirect cost assessments are collected from the Division of Private Occupational Schools, College Assist and College Invest, and History Colorado. These amounts are directed by the Department, but staff would note that the Department has been unable for two years to provide staff with a thorough accounting of their indirect cost assessment allocations and collections.

Additional Balancing Options

As part of staff budget briefings in November and December 2024, staff identified budget reduction options for each department that the JBC could consider in addition to or instead of the options presented in the budget request. **Items staff recommends and items that agencies have requested formally are addressed earlier in this packet.** Other items that could be considered, if needed to bring the budget into balance, are listed below.

Staff has **highlighted** in the table those options that Executive Branch has indicated that it supports, based on letters or other communication with the JBC staff, though it did not formally request these items.

Additional Options for General Fund Relief				
Option	General Fund	Other Funds	Bill? Y/N	Description
Revenue Enhancements				
End limited gaming support for CHECRA	\$2,100,000	\$0	Y	This was requested by the Department and proposes to eliminate the \$2.1 million General Fund portion of limited gaming revenue to the Colorado Higher Education Competitive Research Authority. This funding supports research across multiple institutions.
Subtotal - Revenue	\$0	\$0		
Expenditure Reductions				
Reduce funding for the America 250-Colorado 150 Commission	-\$168,653	0	N	This option eliminates funding for staff support of the America 250-Colorado 150 Commission. It does not eliminate funding that is continuously appropriated for the Commission.
Eliminate funding for the Rural Teacher Recruitment, Retention, and Professional Development program	-1,209,357	0	N	This option would eliminate the Rural Teacher Recruitment, Retention, and Professional Development grant program. SB16-104 (Incentives to Build Number of Rural Teachers) established the program which provides funding for a rural education coordinator housed at an institution of higher education, stipends for student teachers in rural areas, a high school rural teach cadet program, and stipends for rural teachers to complete the National Board or concurrent enrollment certification.
Eliminate funding for the Growing Great Teachers - Teacher Mentor Grant program	-648,477	0	N	The Department requested a reduction of \$300,000 which staff did not recommend. This option would eliminate funding for the Growing Great Teachers, Teacher Mentor Grants program.
Eliminate funding for the Open Educational Resources Initiative	-1,108,200	0	N	This option would eliminate funding for the Open Educational Resources Initiative grant program. Funding supports grants promoting the adaptation, creation, and use of open educational resources at public institutions of higher education across the state.
Subtotal - Expenditures	-\$3,134,687	\$0		
Net General Fund Relief	\$5,234,687			

Revenue Enhancements

R9 Colorado Higher Education Competitive Research Assistance Limited Gaming

Description: The request proposes to eliminate the \$2.1 million portion of limited gaming revenue allocated by statute to the Innovative Higher Education Research Fund which is appropriated to the Colorado Higher Education Competitive Research Authority (CHECRA).

Key Considerations: Grants secured with the assistance of state cost sharing bring in significant other funds to the State's institutions. Research has been shown to have a multi-faceted economic impact through the development of new technologies, patent revenues, new ventures, and by increasing opportunities for additional grant funding.

CHECRA currently supports multiple projects at the University of Colorado, Colorado State University, and the Colorado School of Mines. Four projects currently supported with CHECRA funding will continue past FY 2025-26; however, if the request is approved the institutions receiving the funding will need to rely on institutional resources for cost sharing instead.

See R9 change request discussion in previous portion of document for additional context.

Expenditure Reductions

Reduce funding for the America 250-Colorado 150 Commission

Description: This option eliminates General Fund appropriations for the America 250-Colorado 150 Commission resulting in a reduction of \$168,653 General Fund.

Key Considerations: This funding supports History Colorado staff for the America 250-Colorado 150 Commission as well as minimal outreach funds. The State has provided \$557,503 in General Fund since FY 23-24 to support the initiatives of the Commission. Additionally, the Commission has already received donations for its purposes and anticipates receiving more as marketing and outreach efforts increase.

Additional background: The General Assembly created the America 250- Colorado 150 Commission in 2022 with the passage of SB22-011 (America 250 Colorado 150 Commission) and provided \$148,889 General Fund to support 0.9 FTE for the Commission. SB23-297 (America 250 Colorado 150 Commission) expanded the Commission and appropriated an additional \$500,000 General Fund to support the activities of the Commission and provided spending authority through FY 2026-27. HB24-170 created the America 250 Colorado 150 Cash Fund and transferred \$250,000 General Fund in FY 2024-25 into the new fund for use by the Commission. This option would not modify funding provided through SB23-297 or HB24-170.

Eliminate funding for the Rural Teacher Recruitment, Retention, and Professional Development program

Description: This option eliminates funding for the Rural Teacher Recruitment, Retention, and Professional Development Program resulting in a reduction of \$1,209,35 General Fund.

Background

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.

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).

In 2018, the General Assembly passed SB18-085 (Financial Incentives for Rural Educators) and provided an additional \$240,000 General Fund appropriation. Funding for the program increased to its current level of \$1,209,357 General Fund in FY 2021-22.

Key Considerations: Elimination of this funding would impact rural schools' ability to attract and retain quality educators.

Eliminate funding for the Growing Great Teachers – Teacher Mentor Grant program

Description: This option eliminates funding for the Growing Great Teachers – Teacher Mentor Grant program which, in conjunction with R11, results in a total reduction of \$648,477 General Fund.

Key Considerations: Elimination of this funding would impact schools' ability to develop educators. Research suggests that mentorship positively impacts teacher retention.

Additional background: In 2019, the General Assembly passed SB19-190 (Growing Great Teachers Act – Teacher Mentor Grants) which provided \$1,217,787 General Fund to implement the provisions of the bill. The act relocated an existing collaborative educator preparation grant program and the "Rural Colorado Grow Your Own Educator Act" which provided grants for teaching fellowship programs. It established the teacher mentor grant program to provide funding to partnering education providers and educator preparation programs to train and financially support teachers who serve as mentors for teacher candidates. Funding for the program was halted in FY 2020-21 as part of budget balancing measures. It has received \$548,477 General Fund annually since FY 2021-22. HB 24-1376 (Expand Teacher Mentorships) expanded the program to support mentorship of novice teachers with less than 3 years of teaching experiences. The bill provided an additional \$100,000 General Fund for the expansion.

Eliminate funding for the Open Educational Resources Initiative

Description: This option would eliminate funding for the Open Educational Resources Initiative resulting in a reduction of \$1,108,200 General Fund.

Background

House Bill 18-1331 (Higher Education Open Educational Resources) created the Colorado Open Educational Resources (OER) Council and grant program in the Department of Higher Education (DHE). Open educational resources are 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. The OER 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, through November 1, 2026. 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.

Key Considerations: Under the provisions of extending legislation (SB21-215), the Open Educational Resources Council is set to repeal November 1, 2026. This option would end the program early and rely solely on institutions to take the lead in the development of OER.

A full report of the program's utilization and return on investment can be found here:

https://cdhe.colorado.gov/sites/highered/files/2024_Colorado_OER_Report.pdf

Appendix A: Responsibilities and Activities of the CCHE Administration

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Master Plan and Institutional Performance

In collaboration with Institutions of Higher Education, the CCHE is tasked with developing, implementing, reporting annually on statewide expectations and goals, and implementing policies to ensure students can complete programs in a timely fashion. (Section 23-1-108, C.R.S.). Additionally, it negotiates performance contracts with the Colorado School of Mines and private institutions that participate in the College Opportunity Fund Program (Sections 23-41-104.6 and 23-1-108 (14), C.R.S.).

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 pre-collegiate 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
- Research/policy/analysis/IT and data management
- Academic affairs

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

Appendix B: CCHE Special Program Funding

Appendix B: Special Purpose Funding for Higher Education (all funds)

Line Item/Bill Number and Title	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Western Interstate Commission for Higher Education (WICHE)	153,000	153,000	160,000	159,000	164,000	169,000	169,000
WICHE - Optometry	450,625	450,625	376,600	376,600	385,500	385,500	385,500
Distribution to Higher Education Competitive Research Authority	2,800,000	2,800,000	2,800,000	2,000,000	2,800,000	2,800,000	2,800,000
HB20-1399 Suspend Limited Gaming Tax Transfers to Cash			-800,000				
Veterinary School Capital Outlay Support	285,000	285,000	285,000	285,000	285,000	285,000	285,000
Colorado Geological Survey at the Colorado School of Mines	2,657,351	2,729,100	2,729,100	2,250,018	2,295,019	2,411,693	2,537,761
GEAR-UP	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Prosecution Fellowship Program	356,496	356,496	0	356,496	356,496	356,496	356,496
Institute of Cannabis Research at CSU-Pueblo	1,800,000	1,800,000	1,000,000	600,000	2,800,000	3,800,000	3,800,000
SB16-191 Marijuana Research				1,200,000			
Institute of Cannabis Research - Governing Board				1,200,000			
Rural Teacher Recruitment, Retention, and Professional Development	441,095	681,095	709,354	1,209,357	1,209,357	1,209,357	1,209,357
SB16-104 Incentives to Build Number Rural Teachers							
SB18-085 Financial Incentives for Rural Educators	240,000						
Colorado Student Leaders Institute Pilot	218,825		218,825	218,825	218,825	218,825	Funding now in CDE
SB17-060 Colorado Student Leaders Institute Pilot						Moved to CDE	
SB19-137 Extend Colorado Student Leaders Institute		218,825					
SB23-086 Colorado Student Leaders Institute Pilot						-218,825	
Open Educational Resources Initiatives		1,160,877	961,176		1,108,200	1,108,200	1,108,200
SB17-258 Open Educational Resources Council							
SB18-1331 Higher Ed Open Educational Resources	660,000						
SB21-215 Use of Open Educational Resources in Higher Ed				1,108,200			
Forest Restoration and Wildfire Risk Mitigation Grant Program Cash Fund at CSU			1,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Program Cash Fund at Colorado State University		1,000,000					
Financial Aid Assessment Tool			154,069	154,069	474,069	154,069	154,069
HB22-1366 Improving Students' Postsecondary Options					1,000,000		
Healthy Forests and Vibrant Communities Fund at Colorado State University				2,000,000	2,000,000	4,434,113	2,449,113
SB22-007 Increase Wildfire Risk Mitigation Outreach Efforts					800,000		
HB22-1012 Wildfire Mitigation and Recovery					95,407		
SB23-005 Forestry and Wildfire Mitigation Workforce						15,000	
HB24-1024 Extend outreach campaigns wildfire risk mitigation							40,000
Growing Great Teachers - Teacher Mentor Grants				548,477	548,477	548,477	548,477
SB19-190 Growing Great Teachers Act - Teacher Mentor Grants		1,217,787					
HB24-1376 Expand teacher mentorships							100,000
Center for Substance Use Disorder, Prevention, Treatment, and Recovery Support Strategies at the University of Colorado Health Sciences Center					4,250,000	4,250,000	4,250,000
SB21-137 Behavioral Health Recovery Act				4,825,000			

**Special Purpose Funding for Higher Education
(all funds)**

Line Item/Bill Number and Title	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
SB24-047 Prevention of substance use disorders							250,000
Online Platform for Public Benefits for Higher Education Students						45,000	45,000
SB22-182 Economic Mobility Program					171,000		
Inclusive Higher Education Grant Program						450,000	450,000
HB22-1107 Inclusive Higher Education Grant Program					450,000		
SB22-192 Development and Implementation of Stackable Credentials						462,875	123,700
SB22-192 Allocations to IHEs for Student Access to Nondegree Credential Programs					1,800,000		
SB22-192 Appropriation to Credentials to Support Colorado Jobs Cash Fund					1,000,000		
SB22-192 Development and Implementation of Stackable Credentials					475,275		
SB24-143 Credential quality apprenticeship classification - Development and Implementation of Stackable Credentials							124,287
Colorado State Forest Service at Colorado State University							114,384
SB23-005 Forestry and Wildfire Mitigation Workforce - Colorado State Forest Service at Colorado State University						114,384	
HB24-1006 Rural Communities wildfire-related grants - CSFS at CSU							300,000
SB23-005 CCHE Grants to Expand Forestry Programs							766,418
Special Bills with One-time Funds							
HB18-1332 Collaborative Educator Preparation Program Grants	2,000,000						
HB18-1309 Programs to address educator shortages (Partnership for Rural Ed. Prep, UCD)	156,116						
SB19-003 Educator Loan Forgiveness Program		623,969					
HB21-1330 COSI FAFSA Completion Grant Program				1,500,000			
HB21-1330 Colorado Re-Engaged and Associate Degree Completion Programs				1,000,000			
HB21-1264 Fund Workforce Dev Increase Worker Skills (CTE Equip., Facility, & Instr. Cap.)				10,000,000			
SB21-185 Supporting Educator Workforce in CO (Educator Loan Forgiveness Fund)				2,500,000			
SB21-185 Supporting Educator Workforce in CO (Educator Loan Forgiveness Prg. Admin.)				398,963			
SB21-185 Strategies for Educator Preparation Programs					59,132		
HB22-1349 Student Success Data System					3,000,000		
HB22-1220 Temporary Educator Loan Forgiveness Program					10,000,000		
SB23-005 CCHE Grants to Expand Forestry Programs						1,180,650	
HB23-1246 CCCOES In-demand Short-term Credentials Program						38,600,000	

Appendix C: History Colorado Background

NOTE: This is a working document that will continue to be updated and modified as needed.

Background

Legal gaming in Colorado mountain towns was first authorized in 1990 and has had two major expansions.

- The original 1990 Constitutional amendment (Section 9 of Article XVIII) defined limited gaming as the use of slot machines and card games of blackjack and poker, each gaming having a maximum single bet of five dollars, and prohibited gaming operations between the hours of 2:00 am and 8:00 am.
- Amendment 50, adopted in 2008, allowed voters in Central, Black Hawk, and Cripple Creek to extend the hours of operation, allow roulette or craps or both, and allow bets up to one hundred dollars.
- Amendment 77, adopted in 2020, allowed voters Central, Black Hawk, and Cripple Creek to add other games and allow bets up to any size.

Amendment 50 and Amendment 77 specified that the limited gaming revenue attributed to the expansions provided by Amendment 50, and later 77, would be distributed differently from the original tax revenue. These amendments also specified that the additional revenue would not be subject to limitations imposed by Section 20 of Article X (TABOR). The table below shows the recipients of limited gaming tax revenue under the Constitution.

Original Limited Gaming Recipients (1990 Amendment) Revenue Subject to TABOR	Extended Gaming Recipients (2008 Amendment 50, 2020 Amendment 77) Revenue Not Subject to TABOR
50% - State General Fund or such fund as the General Assembly provides	78% - Public community colleges, junior colleges, local district colleges
28% State Historical Fund	
10% - Gaming Cities (Central, Black Hawk, Cripple Creek) 12% Gaming Counties (Gilpin, Teller)	10% Gaming Cities (Central City, Black Hawk, Cripple Creek) - 12% Gaming Counties (Gilpin, Teller)

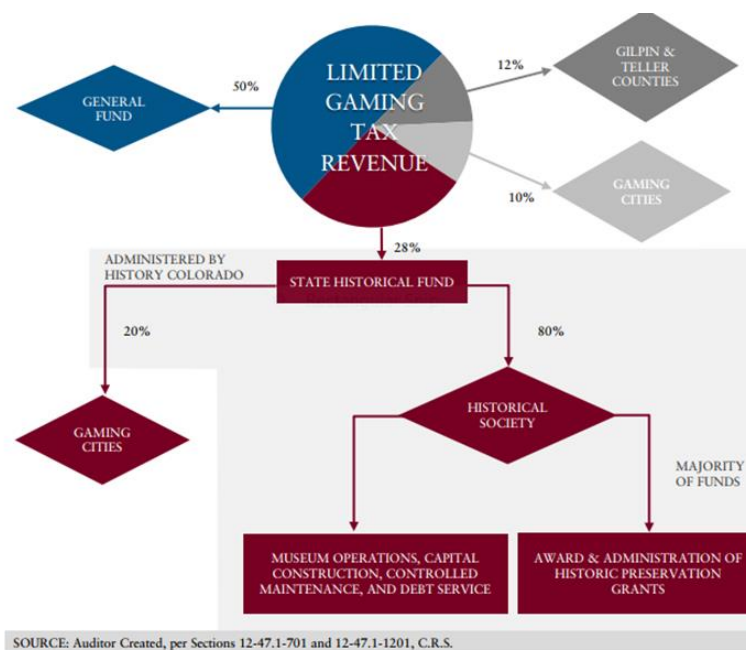
Constitutional Allocations

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 50¹, 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.”



¹ Amendment 50 provided for bets up to \$100 and provides distributions to higher education institutions.

Impact of Constitutional Amendments

Article XVIII, Section 9 of the State Constitution, adopted by the voters in 1990, provided for limited gaming in Central City, Black Hawk, and Cripple Creek, and allocated associated tax revenue to the cities and counties where gaming is authorized (22.0 percent), historic preservation (28.0 percent), and the General Fund or other fund specified by the General Assembly (50.0 percent). Related revenue was (and is) subject to TABOR revenue caps.

Amendment 50, adopted by the voters in 2008, eliminated limits on betting hours, added craps and roulette as allowed games, and authorized bets up to \$100, subject to approval of voters in the affecting gaming communities. This amendment specified that revenue resulting from these extended gaming provisions would be allocated to public community colleges, junior colleges, and local district colleges (78.0 percent) and the cities and counties where gaming was authorized (22.0 percent). It also specified that the new revenue generated is exempt from the State's TABOR revenue cap.

Amendment 77, adopted by the voters in 2020, eliminated all remaining limits on games that could be offered and size of bets, subject to approval by the voters in the affected towns. The allocation of new revenue from these provisions is consistent with the allocation for Amendment 50 and, like revenue from Amendment 50, the revenue is exempt from the State's TABOR revenue cap.

While the Constitutional amendments implied that it would be possible to differentiate the "new" revenue received under Amendment 50 extended gaming provisions and the revenue attributable to the original limited gaming provisions, there was no clear way to do this. Therefore, the General Assembly adopted statutory provisions that are now located at Section 44-30-702, C.R.S. to address this. The legislation provided formulas that capped growth for the original recipients at 3.0 percent in most years.

The legislation provides that if revenue growth is between 0 and 3.0 percent, limited and extended recipients receive increases equal to the actual percentage increases in gaming revenue, if growth is over 3.0 percent but below 6.0 percent, extended gaming recipients receive the increases that exceed 3.0 percent, if growth in revenue exceeds six percent, the original recipients also receive six percent of the increases,² and in the event of revenue declines, revenue to both the original and extended recipients declines in proportion to the revenue declines.

The table below shows Gaming Revenue and Distributions since FY 2018-19.

[UPDATE IN PROGRESS]

² The Constitution provides that original recipients receive 6.0 percent of growth attributed to extended gaming; this was the General Assembly's effort to address that requirement.

GAMING REVENUE AND DISTRIBUTIONS					
<i>(DOLLARS IN MILLIONS)</i>					
	ACTUAL FY 2018-19	ACTUAL FY 2019-20	ACTUAL FY 2020-21	ACTUAL FY 2021-22	ACTUAL FY 2022-23
Gaming Taxes					
Pre-Amendment 50 (Subject to TABOR)	\$104.8	\$67.4	\$100.6	\$114.0	\$117.4
Amendment 50 Revenue (TABOR Exempt)	20.2	13.0	19.8	48.0	50.4
Total Gaming Taxes	125.0	80.3	120.5	162.0	167.8
Fees and Interest Earnings (Subject to TABOR)					
To Limited Gaming Fund	1.7	1.6	1.1	1.3	2.3
To State Historical Fund	0.4	0.2	0.1	0.3	0.1
Total Gaming Revenue	\$127.1	\$82.1	\$121.7	\$163.6	\$170.2
Distributions of Gaming Tax Revenue					
Amendment 50/77 (Extended Gaming) Distributions					
Community Colleges	14.0	11.9	13.8	36.5	34.4
Gaming Counties and Cities	3.9	3.4	3.9	10.3	9.7
Amendment 50 Administrative Expenses	2.3	2.3	2.2	4.4	4.5
Total Amendment 50 Distributions	20.2	17.6	19.8	51.2	48.6
Pre-Amendment 50 (Original Gaming) Distributions					
State Historical Fund	26.3	14.3	25.0	28.5	31.2
Gaming Counties	11.3	6.1	10.7	12.2	13.4
Gaming Cities	9.4	5.1	8.9	10.2	11.1
General Fund/As directed by the G.A*.	46.9	25.5	44.7	50.9	55.6
Pre-Amendment 50 Administrative Expenses	10.9	11.8	11.3	10.6	10.8
Total Pre-Amendment 50 Distributions	104.8	62.7	100.6	112.4	122.1
Total Gaming Distributions/Uses	\$125.0	\$80.3	\$120.5	\$163.6	\$170.7

Statutory Guidelines and Appropriations

Limited gaming funds appear primarily in the Department of Higher Education Long Bill. Money deposited to the State Historical Fund is subject to annual appropriation or statutory allocation to History Colorado, which is located in the Department of Higher Education. In addition, money allocated to higher education institutions is estimated in the Long Bill for informational purposes.

Some money is also deposited to the General Fund (and thus appropriated as General Fund), while some money that could go to the General Fund has been diverted to economic development and other programs related to gaming impacts (including in the Governor's Office of Economic Development and the Department of Local Affairs) through statutory provisions.

Finally, some funds are reflected in the Department of Revenue related to state administration and distributions to gaming cities and counties.

*Economic Development Programs represent a discretionary use of funds that are otherwise allocated to the General Fund. For FY 2022-23 funds (distributed for use in FY 2023-24) the funds were allocated by statute as follows:

[UPDATE IN PROGRESS]

Statutory Uses for Amounts Deposited to the General Fund or As Directed by General Assembly	
Program	Amount (Million \$s)
Tourism Promotion (OEDIT)	\$15.0
Advanced Industries (OEDIT)	\$5.5
Local Government Limited Gaming Fund (DOLA)	\$6.4
Innovative Research Fund (DHE)	\$2.1
Creative Industries (OEDIT)	\$2.0
Office of Film (OEDIT)	\$0.5
Responsible Gaming Grant (DOR)	\$2.5
Subtotal - Directed Amounts	\$34.0
Balance to General Fund	21.6
Total - General Fund or As Directed by the G.A.	\$55.6

Pandemic-related Impacts

During the 2020 legislative session, it became clear to gaming beneficiaries that casino shut downs related to the COVID-19 pandemic could have a devastating impact on the gaming revenue to the original gaming recipients because of the "ratchet" built into existing law. Gaming revenue would decline for both original and extended recipients, but increases as the economy came back would go solely to the extended gaming recipients. This seemed contrary to the voters' intent and the State's interest.

In response, the JBC sponsored House Bill 20-1400, which temporarily modified the limited gaming allocation provisions so that funding for original recipients could rebound after a steep drop related to the pandemic. The language was the result of negotiations between the interested parties. The statute added by H.B. 20-1400 at Section 44-30-702 (7)(b)(I), C.R.S. specifies as follows:

"Notwithstanding [statutory provisions that cap original recipients], beginning in state fiscal year 2020-21 and continuing through each subsequent fiscal year until *the fiscal year immediately following the fiscal year in which total limited gaming tax revenue collections have again equaled or exceeded the amount of total limited gaming tax revenues collected in state fiscal year 2018-19*, any annual growth or decline in total net gaming tax distributions shall be allocated between the [original and extended gaming recipients] based on the relative percentage is which each group of recipients shared in the decrease in total net gaming tax distributions from state fiscal year 2018-19 to state fiscal year 2019-20." [emphasis added]

As had been anticipated when the General Assembly adopted House Bill 20-1400, gaming revenue dropped sharply for FY 2019-20. Based on the structure of gaming taxes, most gaming revenue is earned late in the fiscal year. When casinos were closed in the Spring of 2020, it

caused a precipitous drop in the gaming revenue for FY 2019-20, which is available for use in FY 2020-21. Total gaming distributions dropped from \$125.0 million for FY 2018-19 to \$80.3 million for FY 2019-20--a decline of nearly 36.0 percent.

However, contrary to expectations when H.B. 20-1400 was adopted, limited gaming revenue rebounded rapidly in FY 2020-21. Total FY 2020-21 revenue proved close to the FY 2018-19 level. Projections from both Legislative Council Staff and OSPB indicated that revenue earned in FY 2021-22, for use in FY 2022-23, would be much higher than pre-pandemic FY 2018-19 revenue.

Legislative and Executive Branch staff believed much of the reason for the sharp *increase* in limited gaming revenue was the impact of 2020 Amendment 77. This amendment, adopted by the voters in November 2020, allowed voters in Central City, Black Hawk and Cripple Creek to approve a maximum single bet of any amount (eliminating the previous \$100 limit) and approve more game types. The gaming cities moved quickly to approve new games and uncap bets.

The combination of H.B. 20-1400 and Amendment 77 were poised to deliver an unintended result, potentially driving a large share of revenue to the original limited gaming recipients and setting a new base for the original recipients that is much higher than it was before the pandemic and passage of Amendment 77.

[UPDATE IN PROGRESS]

History Colorado and the State Historical Fund

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. 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.

History Colorado Financial Challenges

As a public facing organization, History Colorado was severely affected by the COVID-19 pandemic, which 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, represented over 30.0 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 already discussed, but outlined here:

- 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).

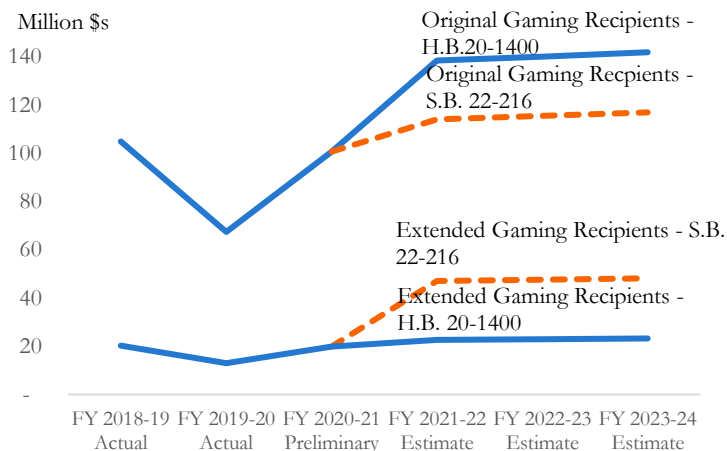
Beginning in FY 2021-22, the JBC moved to take on responsibility for History Colorado's annual COP payments. By providing a General Fund appropriation of \$3.5 million starting in FY 2021-22, the General Assembly provided substantial relief to address History Colorado's financial challenges in the near-term and ongoing. This enabled History Colorado to 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, restoring some of what had been cut to salvage its finances.

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 Bill 22-216 modified statutory language to reset the share of funding for the original recipients versus the extended gaming recipients going forward. The S.B. 22-216 limited gaming allocation changes put funding for History Colorado on a stable—but relatively slow—growth trajectory.

If 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.

RECIPIENTS OF GAMING TAX REVENUE
H.B. 20-1400 VERSUS S.B. 22-216



Appendix D: C&TS Capital Investment Model (1/6/2025)

C&TS Capital Investment Model (01/06/2025)																					
	Actuals							Covid Period Actuals				Recovery Phase Projections							Totals		
	FY13	FY14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	FY 29	FY13-19	FY20-23	FY24-29	FY13-29
Number of Riders	32,081	34,503	35,682	36,170	35,990	40,578	41,870	38,760	16,687	31,217	32,264	32,987	38,830	41,862	45,537	49,554	53,642	256,874	120,689	261,912	639,475
[-----000-----]																					
Train Operations																					
Train Operations Revenues																					
Ticket Revenues	\$2,986	\$3,334	\$3,226	\$3,550	\$3,771	\$4,239	\$4,754	\$4,015	\$2,184	\$4,007	\$4,856	\$4,528	\$5,273	\$5,675	\$6,135	\$6,620	\$7,150	\$25,860	\$14,614	\$39,706	\$80,180
Retail Sales (gross)	\$191	\$182	\$301	\$358	\$399	\$443	\$458	\$390	\$194	\$368	\$465	\$376	\$463	\$546	\$582	\$655	\$692	\$2,332	\$1,331	\$3,314	\$6,977
Interest/Other Rev	\$4	\$3	\$7	\$1	\$35	\$28	\$27	\$25	\$74	\$1,155	\$32	\$93	\$96	\$99	\$101	\$105	\$108	\$105	\$463	\$601	\$1,169
Total Revenue	\$3,181	\$3,519	\$3,534	\$3,909	\$4,205	\$4,710	\$5,239	\$4,430	\$2,452	\$5,530	\$5,353	\$4,997	\$5,832	\$6,320	\$6,818	\$7,307	\$7,950	\$28,297	\$16,408	\$44,705	\$88,323
Less Operating Expenses	\$3,275	\$3,096	\$3,207	\$3,678	\$4,087	\$4,222	\$4,704	\$4,250	\$3,118	\$4,659	\$6,113	\$5,701	\$5,818	\$6,121	\$6,305	\$6,557	\$6,819	\$26,269	\$16,915	\$38,544	\$81,728
Net Operating Income	-\$94	\$423	\$327	\$231	\$118	\$488	\$535	\$180	-\$666	\$871	-\$760	-\$704	\$14	\$199	\$513	\$750	\$1,131	\$2,028	-\$507	\$5,362	\$6,595
Contingency Fund Alloc. 20%	\$0	\$0	\$0	\$0	\$0	\$98	\$107	\$36	\$0	\$12	\$0	\$45	\$0	\$0	\$0	\$0	\$0	\$253	\$96	\$750	\$1,087
Net After Contingency	-\$94	\$423	\$327	\$231	\$118	\$390	\$428	\$144	-\$666	\$859	-\$760	-\$749	\$14	\$199	\$513	\$750	\$1,131	\$1,775	-\$423	\$4,612	\$5,508
[-----000-----]																					
Capital Investments																					
Capital Funding Allocations																					
Track	\$400	\$700	\$350	\$650	\$815	\$500	\$900	\$650	\$425	\$900	\$1,015	\$765	\$764	\$950	\$925	\$900	\$950	\$4,315	\$2,990	\$3,604	\$10,909
Locomotive Fleet	\$113	\$500	\$455	\$330	\$550	\$250	\$450	\$550	\$310	\$450	\$1,460	\$460	\$500	\$750	\$750	\$850	\$850	\$2,648	\$2,770	\$3,220	\$8,648
Passenger Cars	\$250	\$400	\$50	\$400	\$146	\$146	\$220	\$625	\$175	\$375	\$1,595	\$1,035	\$995	\$713	\$413	\$413	\$413	\$1,612	\$2,770	\$3,582	\$7,964
Historic Car Fleet	\$0	\$200	\$200	\$258	\$200	\$200	\$200	\$171	\$271	\$225	\$175	\$50	\$50	\$50	\$50	\$50	\$50	\$1,258	\$842	\$300	\$2,400
Structures/Others	\$468	\$140	\$215	\$165	\$0	\$0	\$14	\$0	\$0	\$48	\$75	\$100	\$920	\$308	\$175	\$505	\$555	\$1,002	\$123	\$1,193	\$2,318
	\$1,231	\$1,940	\$1,270	\$1,803	\$1,711	\$1,096	\$1,784	\$1,996	\$1,181	\$1,998	\$4,320	\$2,410	\$3,229	\$2,771	\$2,313	\$2,718	\$2,818	\$10,835	\$9,495	\$16,159	\$36,489
Funded from Operations						\$390	\$428	\$144	-\$666	\$859	-\$760	-\$749	\$14	\$199	\$513	\$750	\$1,131	\$1,775	-\$423	\$4,612	\$5,964
Net Capital Needs	\$1,231	\$1,940	\$1,270	\$1,803	\$1,711	\$706	\$1,356	\$1,852	\$1,847	\$1,139	\$4,274	\$3,159	\$3,215	\$2,572	\$1,800	\$1,968	\$1,687	\$9,060	\$9,918	\$11,547	\$30,525
Capital Outlays	[-----Appropriated-----]							-----Projected Requests-----													
Colorado	\$931	\$1,090	\$1,085	\$1,100	\$1,096	\$1,096	\$1,091	\$1,250	\$0	\$850	\$1,125	\$1,125	\$1,625	\$1,125	\$1,125	\$1,125	\$1,125	\$7,489	\$3,100	\$7,250	\$17,839
New Mexico	\$300	\$850	\$185	\$645	\$615	\$0	\$750	\$1,000	\$1,000	\$1,100	\$4,474	\$1,100	\$2,125	\$2,095	\$1,275	\$1,275	\$1,275	\$3,345	\$7,574	\$9,320	\$20,237
Balance	\$0	\$0	\$0	-\$58	\$0	\$390	\$485	\$398	-\$847	\$811	\$1,325	-\$934	\$535	\$648	\$600	\$432	\$713	\$1,774	\$756	\$5,023	\$7,551
"What If" Variable Factors:	FY20-23	FY24-29																			
Annual change in ridership	-1%	4%																			
Annual increase in yield/rider	4%	3%																			
Annual increase in retail/rider	5%	3%																			
Annual increase in op. costs	5%	3%																			
Commission Operations																					
Commission Funding																					
Colorado	\$205	\$205	\$210	\$210	\$224	\$219	\$224	\$240	\$219	\$240	\$240	\$240	\$240	\$280	\$280	\$280	\$280	\$1,497	\$939	\$1,600	\$4,036
New Mexico	\$87	\$99	\$123	\$123	\$112	\$112	\$262	\$251	\$239	\$340	\$363	\$363	\$380	\$395	\$395	\$395	\$395	\$918	\$1,193	\$2,323	\$4,434

Appendix E: Numbers Pages

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

Appendix A: Numbers Pages

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
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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>1,888,264</u>	<u>1,399,475</u>	<u>3,340,914</u>	<u>3,650,933</u>	<u>3,650,933</u>
General Fund	190,396	183,210	956,496	1,196,726	1,196,726
Cash Funds	1,386,746	1,216,265	1,617,180	1,921,555	1,921,555
Reappropriated Funds	311,122	0	24,042	0	0
Federal Funds	0	0	743,196	532,652	532,652
Short-term Disability	<u>19,308</u>	<u>12,208</u>	<u>30,733</u>	<u>14,279</u>	<u>14,279</u>
General Fund	2,211	2,072	9,780	4,712	4,712
Cash Funds	13,220	10,136	15,067	7,561	7,561
Reappropriated Funds	3,877	0	135	0	0
Federal Funds	0	0	5,751	2,006	2,006
Paid Family and Medical Leave Insurance	<u>0</u>	<u>0</u>	<u>92,197</u>	<u>91,802</u>	<u>91,802</u>
General Fund	0	0	29,342	30,288	30,288
Cash Funds	0	0	45,197	48,621	48,621
Reappropriated Funds	0	0	404	0	0
Federal Funds	0	0	17,254	12,893	12,893

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
S.B. 04-257 Amortization Equalization					
Disbursement	<u>546,193</u>	<u>452,418</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	77,675	78,302	0	0	0
Cash Funds	345,027	374,116	0	0	0
Reappropriated Funds	123,491	0	0	0	0
Federal Funds	0	0	0	0	0
S.B. 06-235 Supplemental Amortization					
Equalization Disbursement	<u>546,193</u>	<u>452,418</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	77,675	78,302	0	0	0
Cash Funds	345,027	374,116	0	0	0
Reappropriated Funds	123,491	0	0	0	0
Federal Funds	0	0	0	0	0
Unfunded Liability Amortization Equalization					
Disbursement Payments	<u>0</u>	<u>0</u>	<u>2,048,800</u>	<u>2,040,033</u>	<u>2,040,033</u>
General Fund	0	0	652,048	673,063	673,063
Cash Funds	0	0	1,004,364	1,080,452	1,080,452
Reappropriated Funds	0	0	8,972	0	0
Federal Funds	0	0	383,416	286,518	286,518
Salary Survey	<u>464,939</u>	<u>437,951</u>	<u>740,313</u>	<u>569,961</u>	<u>569,961</u>
General Fund	122,932	48,791	237,170	194,789	194,789
Cash Funds	226,814	389,160	360,864	296,328	296,328
Reappropriated Funds	115,193	0	3,265	0	0
Federal Funds	0	0	139,014	78,844	78,844

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
Step Pay Plan	<u>0</u>	<u>0</u>	<u>678,931</u>	<u>131,676</u>	<u>131,676</u>
General Fund	0	0	205,129	43,932	43,932
Cash Funds	0	0	333,799	68,503	68,503
Reappropriated Funds	0	0	3,201	0	0
Federal Funds	0	0	136,802	19,241	19,241
PERA Direct Distribution	<u>404,354</u>	<u>77,268</u>	<u>546,970</u>	<u>543,714</u>	<u>543,714</u>
General Fund	0	10,314	206,187	215,554	215,554
Cash Funds	187,201	27,889	211,781	238,449	238,449
Reappropriated Funds	119,488	17,972	3,292	0	0
Federal Funds	97,665	21,093	125,710	89,711	89,711
Shift Differential	<u>0</u>	<u>0</u>	<u>5,747</u>	<u>5,747</u>	<u>5,747</u>
Cash Funds	0	0	5,747	5,747	5,747
Workers' Compensation	<u>50,413</u>	<u>24,693</u>	<u>93,440</u>	<u>86,377</u>	<u>83,134</u> *
General Fund	0	0	0	0	0
Cash Funds	31,023	24,693	66,930	64,877	61,665
Reappropriated Funds	19,390	0	26,510	21,500	21,469
Federal Funds	0	0	0	0	0
Legal Services	<u>151,211</u>	<u>171,143</u>	<u>138,115</u>	<u>186,515</u>	<u>186,515</u>
General Fund	0	0	47,684	64,031	64,031
Cash Funds	50,897	168,217	87,505	119,558	119,558
Reappropriated Funds	100,314	2,926	2,926	2,926	2,926
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
Administrative Law Judge Services	<u>322</u>	<u>0</u>	<u>574</u>	<u>0</u>	<u>0</u>
General Fund	0	0	574	0	0
Cash Funds	322	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Payment to Risk Management and Property Funds	<u>321,488</u>	<u>319,801</u>	<u>942,020</u>	<u>1,169,348</u>	<u>1,446,932</u>
General Fund	0	0	0	0	0
Cash Funds	281,805	319,801	921,225	1,157,204	1,427,821
Reappropriated Funds	39,683	0	20,795	12,144	19,111
Federal Funds	0	0	0	0	0
Leased Space	<u>424,927</u>	<u>318,695</u>	<u>452,188</u>	<u>452,188</u>	<u>452,188</u>
General Fund	0	0	20,014	20,014	20,014
Cash Funds	112,960	84,720	120,207	120,207	120,207
Reappropriated Funds	311,967	233,975	311,967	311,967	311,967
Federal Funds	0	0	0	0	0
Capitol Complex Leased Space	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>968,045</u>
General Fund	0	0	0	0	968,045
Payments to OIT	<u>369,802</u>	<u>587,916</u>	<u>1,036,750</u>	<u>1,015,359</u>	<u>1,015,359</u>
General Fund	183,564	276,603	393,426	371,844	372,035
Cash Funds	172,271	295,593	524,057	524,248	524,057
Reappropriated Funds	13,967	15,720	116,770	116,770	116,770
Federal Funds	0	0	2,497	2,497	2,497

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
IT Accessibility	0	647,068	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	594,568	0	0	0
Cash Funds	0	52,500	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
 CORE Operations	 257,323	 191,421	 53,592	 103,337	 44,611
General Fund	0	0	0	0	0
Cash Funds	92,160	68,557	19,981	51,043	16,633
Reappropriated Funds	165,163	122,864	33,611	52,294	27,978
Federal Funds	0	0	0	0	0
 TOTAL - (1) Department Administrative Office	 5,444,737	 5,092,475	 10,201,284	 10,061,269	 11,244,929
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	654,453	1,272,162	2,757,850	2,814,953	3,783,189
Cash Funds	3,245,473	3,405,763	5,333,904	5,704,353	5,937,157
Reappropriated Funds	1,447,146	393,457	555,890	517,601	500,221
Federal Funds	97,665	21,093	1,553,640	1,024,362	1,024,362

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
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(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	<u>3,744,295</u>	<u>5,381,740</u>	<u>5,595,008</u>	<u>6,438,181</u>	<u>6,350,627</u> *
FTE	33.0	35.9	41.2	42.2	41.2
General Fund	3,450,614	3,675,587	5,287,746	5,696,643	5,609,089
Cash Funds	171,564	158,359	202,082	417,087	417,087
Reappropriated Funds	97,901	1,523,736	105,180	111,646	111,646
Federal Funds	24,216	24,058	0	212,805	212,805
SUBTOTAL - (A) Administration	3,744,295	5,381,740	5,595,008	6,438,181	6,350,627
<i>FTE</i>	<u>33.0</u>	<u>35.9</u>	<u>41.2</u>	<u>42.2</u>	<u>41.2</u>
General Fund	3,450,614	3,675,587	5,287,746	5,696,643	5,609,089
Cash Funds	171,564	158,359	202,082	417,087	417,087
Reappropriated Funds	97,901	1,523,736	105,180	111,646	111,646
Federal Funds	24,216	24,058	0	212,805	212,805

(B) Division of Private Occupational Schools

Division of Private Occupational Schools	<u>976,821</u>	<u>1,010,956</u>	<u>1,018,025</u>	<u>1,144,025</u>	<u>1,144,025</u>
FTE	10.3	10.3	10.3	10.3	10.3
General Fund	0	0	0	0	0
Cash Funds	976,821	1,010,956	1,018,025	1,144,025	1,144,025
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
SUBTOTAL - (B) Division of Private Occupational					
Schools	976,821	1,010,956	1,018,025	1,144,025	1,144,025
<i>FTE</i>	<u>10.3</u>	<u>10.3</u>	<u>10.3</u>	<u>10.3</u>	<u>10.3</u>
General Fund	0	0	0	0	0
Cash Funds	976,821	1,010,956	1,018,025	1,144,025	1,144,025
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

(C) Special Purpose

Western Interstate Commission for Higher Education (WICHE)	<u>159,000</u>	<u>164,000</u>	<u>169,000</u>	<u>169,000</u>	<u>169,000</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	159,000	164,000	169,000	169,000	169,000
Federal Funds	0	0	0	0	0
WICHE - Optometry	<u>364,450</u>	<u>383,000</u>	<u>385,500</u>	<u>300,650</u>	<u>300,650</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	364,450	383,000	385,500	300,650	300,650
Federal Funds	0	0	0	0	0
Distribution to Higher Education Competitive Research Authority	<u>2,485,068</u>	<u>1,700,000</u>	<u>2,800,000</u>	<u>2,800,000</u>	<u>2,800,000</u> *
General Fund	0	0	0	0	0
Cash Funds	2,485,068	1,700,000	2,800,000	2,800,000	2,800,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
Veterinary School Capital Outlay Support	<u>426,360</u>	<u>426,360</u>	<u>285,000</u>	<u>285,000</u>	<u>285,000</u>
General Fund	0	0	0	0	0
Cash Funds	285,000	285,000	143,640	143,640	143,640
Reappropriated Funds	141,360	141,360	141,360	141,360	141,360
Federal Funds	0	0	0	0	0
Colorado Geological Survey at the Colorado School of Mines	<u>3,932,005</u>	<u>3,987,691</u>	<u>2,537,761</u>	<u>2,623,287</u>	<u>2,623,287</u>
FTE	15.5	15.5	15.5	15.5	15.5
General Fund	634,528	666,786	701,581	2,623,287	2,623,287
Cash Funds	2,553,450	2,658,850	1,836,180	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	744,027	662,055	0	0	0
Institute of Cannabis Research at CSU-Pueblo	<u>2,542,631</u>	<u>3,787,745</u>	<u>3,800,000</u>	<u>3,800,000</u>	<u>3,800,000</u>
General Fund	0	0	0	0	0
Cash Funds	2,542,631	3,787,745	3,800,000	3,800,000	3,800,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
GEAR-UP	<u>7,387,381</u>	<u>6,800,401</u>	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>
FTE	29.1	29.1	29.1	29.1	29.1
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	7,387,381	6,800,401	5,000,000	5,000,000	5,000,000

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
Prosecution Fellowship Program	0	0	356,496	356,496	0
General Fund	0	0	356,496	356,496	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Colorado State Forest Service at Colorado State University	0	0	414,384 0.4	0 0.0	0 0.0
General Fund	0	0	414,384	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Rural Teacher Recruitment, Retention, and Professional Development	1,142,606	1,210,811	1,209,357	1,209,357	1,209,357
FTE	0.8	0.8	0.8	0.8	0.8
General Fund	1,142,606	1,210,811	1,209,357	1,209,357	1,209,357
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Open Educational Resources Initiatives	1,064,022	1,138,350	1,108,200	1,108,200	1,108,200
FTE	1.0	0.0	1.0	1.0	1.0
General Fund	1,064,022	1,138,350	1,108,200	1,108,200	1,108,200
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
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	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
Forest Restoration and Wildfire Risk Mitigation					
Grant Program Cash Fund at Colorado State					
University	<u>8,800,000</u>	<u>8,000,000</u>	<u>8,000,000</u>	<u>0</u>	<u>0</u>
General Fund	8,800,000	8,000,000	8,000,000	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Healthy Forests and Vibrant Communities Fund at					
Colorado State University	<u>2,095,047</u>	<u>9,945,997</u>	<u>2,489,113</u>	<u>0</u>	<u>0</u>
General Fund	2,095,047	9,945,997	2,489,113	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Colorado Student Leaders Institute Pilot	<u>66,842</u>	<u>54,742</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	1.0	0.0	0.0	0.0	0.0
General Fund	66,842	54,742	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Financial Aid Assessment Tool	<u>118,450</u>	<u>122,004</u>	<u>154,069</u>	<u>154,069</u>	<u>154,069</u>
FTE	0.5	0.5	0.5	0.5	0.5
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	118,450	122,004	154,069	154,069	154,069
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
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	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
Growing Great Teachers - Teacher Mentor Grants	<u>547,683</u>	<u>499,936</u>	<u>648,477</u>	<u>348,477</u>	<u>648,477</u>
FTE	0.5	0.5	0.5	0.5	0.5
General Fund	547,683	499,936	648,477	348,477	648,477
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SB23-005 CCHE Grants to Expand Forestry Programs	<u>0</u>	<u>48,486</u>	<u>766,418</u>	<u>0</u>	<u>0</u>
General Fund	0	48,486	766,418	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
HB23-1246 CCCOES In-demand Short-term Credentials 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
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Center for Substance Use Disorder, Prevention, Treatment, and Recovery Support Strategies at the University of Colorado Health Sciences Center	<u>1,250,000</u>	<u>4,432,348</u>	<u>4,500,000</u>	<u>4,500,000</u>	<u>4,250,000</u>
General Fund	0	0	250,000	250,000	0
Cash Funds	1,250,000	4,432,348	4,250,000	4,250,000	4,250,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

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	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
Online Platform for Public Benefits for Higher Education Students	0	448,984	45,000	45,000	45,000
General Fund	0	448,984	45,000	45,000	45,000
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Inclusive Higher Education Grant Program	0	0	450,000	0	0
General Fund	0	0	450,000	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
S.B. 22-192 Development and Implementation of Stackable Credentials	349,164	13,600,718	247,987	200,535	200,535
FTE	1.5	0.0	2.7	1.5	1.5
General Fund	0	13,600,718	186,137	138,685	138,685
Cash Funds	0	0	61,850	61,850	61,850
Reappropriated Funds	349,164	0	0	0	0
Federal Funds	0	0	0	0	0
Institute of Cannabis Research - Governing Board	0	0	0	0	0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

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	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
S.B. 21-185 Strategies for Educator Preparation					
Programs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	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
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
H.B. 21-1330 Colorado Re-Engaged and Associate					
Degree Completion Programs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

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	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
H.B. 21-1264 Career and Technical Education Equipment, Facility, and Instruction Capacity Funding	<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
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
S.B. 21-185 Appropriation to the Educator Loan Forgiveness Fund	<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
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
S.B. 21-185 Educator Loan Forgiveness Program Administration	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
H.B. 22-1366 Financial Aid Toolkit	<u>348,503</u>	<u>360,250</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	3.0	0.0	0.0	0.0	0.0
General Fund	348,503	360,250	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

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	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
H.B. 22-1349 Student Success Data System	0	84,183	0	0	0
FTE	1.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	0	84,183	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
S.B. 22-192 Allocations to IHEs for Student Access to Nondegree Credential Programs	2,591,593	0	0	0	0
General Fund	1,591,593	0	0	0	0
Cash Funds	1,000,000	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
S.B. 22-192 Appropriation to Credentials to Support Colorado Jobs Cash Fund	0	464,016 1.5	0	0	0
General Fund	0	0	0	0	0
Cash Funds	0	410,887	0	0	0
Reappropriated Funds	0	53,129	0	0	0
Federal Funds	0	0	0	0	0
H.B. 22-1220 Temporary Educator Loan Forgiveness Program	0	0	0	0	0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

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	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
SUBTOTAL - (C) Special Purpose	35,670,805	57,660,022	35,366,762	22,900,071	22,593,575
<i>FTE</i>	<u>53.9</u>	<u>47.9</u>	<u>50.5</u>	<u>48.9</u>	<u>48.9</u>
General Fund	16,290,824	35,975,060	16,625,163	6,079,502	5,773,006
Cash Funds	10,116,149	13,359,013	12,891,670	11,055,490	11,055,490
Reappropriated Funds	1,132,424	863,493	849,929	765,079	765,079
Federal Funds	8,131,408	7,462,456	5,000,000	5,000,000	5,000,000

(D) Lease Purchase Payments and Capital-related Outlays

University of Colorado, Lease Purchase of Academic Facilities at Fitzsimons	<u>16,129,718</u>	<u>15,900,622</u>	<u>11,548,458</u>	<u>11,542,514</u>	<u>2,084,712</u>
General Fund	4,589,105	4,358,109	4,364,053	4,358,109	0
General Fund Exempt	0	0	0	0	0
Cash Funds	11,540,613	11,542,513	7,184,405	7,184,405	2,084,712
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Appropriation to the Higher Education Federal Mineral Lease Revenues Fund for Lease Purchase of Academic Facilities	<u>16,631,232</u>	<u>16,832,169</u>	<u>16,666,824</u>	<u>16,666,824</u>	<u>16,866,824</u>
General Fund	16,631,232	16,832,169	16,666,824	16,666,824	16,866,824
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

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	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
Lease Purchase of Academic Facilities Pursuant to Section 23-19.9-102	<u>17,414,421</u>	<u>17,394,422</u>	<u>17,437,100</u>	<u>17,437,100</u>	<u>17,437,100</u>
General Fund	0	0	0	0	0
Cash Funds	783,189	562,253	770,276	770,276	570,276
Reappropriated Funds	16,631,232	16,832,169	16,666,824	16,666,824	16,866,824
Federal Funds	0	0	0	0	0
Annual Depreciation-Lease Equivalent Payment	<u>7,406,847</u>	<u>10,984,897</u>	<u>12,550,234</u>	<u>13,100,234</u>	<u>13,100,234</u>
General Fund	7,406,847	10,984,897	12,550,234	13,100,234	13,100,234
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Senate Bill 20-219 COP Payments	<u>0</u>	<u>0</u>	<u>4,753,000</u>	<u>4,753,000</u>	<u>4,753,000</u>
General Fund	0	0	4,753,000	4,753,000	4,753,000
Lease Purchase Payment for Colorado State University National Western Center	<u>0</u>	<u>17,378,287</u>	<u>17,501,131</u>	<u>17,499,348</u>	<u>17,501,006</u>
General Fund	0	0	0	0	0
Cash Funds	0	17,378,287	17,501,131	17,499,348	17,501,006
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

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	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
SUBTOTAL - (D) Lease Purchase Payments and Capital-related Outlays	57,582,218	78,490,397	80,456,747	80,999,020	71,742,876
<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	28,627,184	32,175,175	38,334,111	38,878,167	34,720,058
General Fund Exempt	0	0	0	0	0
Cash Funds	12,323,802	29,483,053	25,455,812	25,454,029	20,155,994
Reappropriated Funds	16,631,232	16,832,169	16,666,824	16,666,824	16,866,824
Federal Funds	0	0	0	0	0

(E) Tuition/Enrollment Contingency

Tuition/Enrollment Contingency	<u>6,548,474</u>	<u>0</u>	<u>75,000,000</u>	<u>75,000,000</u>	<u>75,000,000</u>
General Fund	0	0	0	0	0
Cash Funds	6,548,474	0	75,000,000	75,000,000	75,000,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (E) Tuition/Enrollment Contingency	6,548,474	0	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>
General Fund	0	0	0	0	0
Cash Funds	6,548,474	0	75,000,000	75,000,000	75,000,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

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(F) Indirect Cost Assessments

Indirect Cost Assessments	<u>0</u>	<u>172,215</u>	<u>5,578,990</u>	<u>5,578,990</u>	<u>5,773,912</u>
General Fund	0	0	0	0	0
Cash Funds	0	172,215	299,739	299,739	312,886
Reappropriated Funds	0	0	4,766,806	4,766,806	4,948,581
Federal Funds	0	0	512,445	512,445	512,445
SUBTOTAL - (F) Indirect Cost Assessments	0	172,215	5,578,990	5,578,990	5,773,912
<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	0	172,215	299,739	299,739	312,886
Reappropriated Funds	0	0	4,766,806	4,766,806	4,948,581
Federal Funds	0	0	512,445	512,445	512,445
TOTAL - (2) Colorado Commission on Higher Education and Higher Education Special Purpose Programs	104,522,613	142,715,330	203,015,532	192,060,287	182,605,015
<i>FTE</i>	<u>97.2</u>	<u>94.1</u>	<u>102.0</u>	<u>101.4</u>	<u>100.4</u>
General Fund	48,368,622	71,825,822	60,247,020	50,654,312	46,102,153
General Fund Exempt	0	0	0	0	0
Cash Funds	30,136,810	44,183,596	114,867,328	113,370,370	108,085,482
Reappropriated Funds	17,861,557	19,219,398	22,388,739	22,310,355	22,692,130
Federal Funds	8,155,624	7,486,514	5,512,445	5,725,250	5,725,250

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(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>1,176,957</u>	<u>1,062,309</u>	<u>1,062,309</u>	<u>1,062,309</u>
FTE	9.0	0.0	9.0	9.0	9.0
General Fund	0	214,648	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	962,309	962,309	1,062,309	1,062,309	1,062,309
Federal Funds	0	0	0	0	0
SUBTOTAL - (A) Administrative Costs	962,309	1,176,957	1,062,309	1,062,309	1,062,309
FTE	<u>9.0</u>	<u>0.0</u>	<u>9.0</u>	<u>9.0</u>	<u>9.0</u>
General Fund	0	214,648	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	962,309	962,309	1,062,309	1,062,309	1,062,309
Federal Funds	0	0	0	0	0

(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>28,244,361</u>	<u>30,372,603</u>	<u>30,514,944</u>	<u>30,514,944</u>	<u>30,514,944</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	28,244,361	30,372,603	30,514,944	30,514,944	30,514,944
Federal Funds	0	0	0	0	0

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SUBTOTAL - (B) Distribution of State Assistance for Career and Technical Education pursuant to Section 23-8-102, C.R.S.	28,244,361	30,372,603	30,514,944	30,514,944	30,514,944
<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	0	0	0	0	0
Reappropriated Funds	28,244,361	30,372,603	30,514,944	30,514,944	30,514,944
Federal Funds	0	0	0	0	0

(C) Area Technical College Support

Area Technical College Operating Support	<u>18,392,334</u>	<u>20,455,069</u>	<u>22,352,277</u>	<u>22,550,235</u>	<u>22,128,754</u> *
General Fund	18,392,334	20,455,069	22,352,277	22,550,235	22,128,754
General Fund Exempt	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (C) Area Technical College Support	18,392,334	20,455,069	22,352,277	22,550,235	22,128,754
<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	18,392,334	20,455,069	22,352,277	22,550,235	22,128,754
General Fund Exempt	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

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(D) Sponsored Programs

Administration	<u>2,290,474</u>	<u>4,038,725</u>	<u>2,709,888</u>	<u>2,709,888</u>	<u>2,709,888</u>
FTE	26.2	23.0	23.0	23.0	23.0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	2,290,474	4,038,725	2,709,888	2,709,888	2,709,888

Programs	<u>19,154,552</u>	<u>19,635,459</u>	<u>16,156,031</u>	<u>16,156,031</u>	<u>16,156,031</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	1,458,600	0	0	0	0
Federal Funds	17,695,952	19,635,459	16,156,031	16,156,031	16,156,031

SUBTOTAL - (D) Sponsored Programs	21,445,026	23,674,184	18,865,919	18,865,919	18,865,919
FTE	<u>26.2</u>	<u>23.0</u>	<u>23.0</u>	<u>23.0</u>	<u>23.0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	1,458,600	0	0	0	0
Federal Funds	19,986,426	23,674,184	18,865,919	18,865,919	18,865,919

(E) Colorado First Customized Job Training

Colorado First Customized Job Training	<u>4,500,000</u>	<u>4,176,642</u>	<u>4,500,000</u>	<u>4,500,000</u>	<u>4,500,000</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	4,500,000	4,176,642	4,500,000	4,500,000	4,500,000
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
SUBTOTAL - (E) Colorado First Customized Job					
Training	4,500,000	4,176,642	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>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	4,500,000	4,176,642	4,500,000	4,500,000	4,500,000
Federal Funds	0	0	0	0	0
TOTAL - (7) Division of Occupational Education					
<i>FTE</i>	<u>35.2</u>	<u>23.0</u>	<u>32.0</u>	<u>32.0</u>	<u>32.0</u>
General Fund	18,392,334	20,669,717	22,352,277	22,550,235	22,128,754
General Fund Exempt	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	35,165,270	35,511,554	36,077,253	36,077,253	36,077,253
Federal Funds	19,986,426	23,674,184	18,865,919	18,865,919	18,865,919

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
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(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>23,848,685</u>	<u>25,986,383</u>	<u>28,577,311</u>	<u>0</u>	<u>28,976,553</u>
FTE	211.4	224.7	226.7	0.0	231.7
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	23,848,685	25,986,383	28,577,311	0	28,976,553
Federal Funds	0	0	0	0	0
 Auraria Higher Education Center Bond Payments	<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
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

TOTAL - (8) Auraria Higher Education Center	<u>23,848,685</u>	<u>25,986,383</u>	<u>28,577,311</u>	<u>0</u>	<u>28,976,553</u>
FTE	<u>211.4</u>	<u>224.7</u>	<u>226.7</u>	<u>0.0</u>	<u>231.7</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	23,848,685	25,986,383	28,577,311	0	28,976,553
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
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(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>2,228,957</u>	<u>2,145,609</u>	<u>2,848,064</u>	<u>3,738,636</u>	<u>3,183,065</u>
FTE	12.0	12.0	12.0	17.0	15.0
General Fund	0	0	500,000	971,152	471,152
Cash Funds	2,132,838	2,142,843	2,231,722	2,651,142	2,595,571
Reappropriated Funds	0	0	0	0	0
Federal Funds	96,119	2,766	116,342	116,342	116,342
 Collections and Curatorial Services	 <u>1,371,746</u>	 <u>1,406,746</u>	 <u>1,470,786</u>	 <u>1,548,016</u>	 <u>1,548,016</u>
FTE	16.5	16.5	16.5	16.5	16.5
General Fund	0	0	0	0	0
Cash Funds	1,371,746	1,406,746	1,470,786	1,548,016	1,548,016
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
 Facilities Management	 <u>1,811,523</u>	 <u>1,825,779</u>	 <u>1,876,165</u>	 <u>1,928,521</u>	 <u>1,928,521</u>
FTE	10.0	10.0	10.0	10.0	10.0
General Fund	0	0	0	0	0
Cash Funds	1,811,523	1,825,779	1,876,165	1,928,521	1,928,521
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
 Capitol Complex Leased Space	 <u>0</u>	 <u>0</u>	 <u>0</u>	 <u>0</u>	 <u>500,000</u>
General Fund	0	0	0	0	500,000

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
Historical Site Maintenance and Operations	<u>660,229</u>	<u>687,878</u>	<u>836,345</u>	<u>1,061,902</u>	<u>860,028</u>
FTE	5.0	5.0	5.9	6.0	6.0
General Fund	0	0	104,351	114,073	114,073
Cash Funds	660,229	687,878	731,994	947,829	745,955
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
America 250 - Colorado 150 Commission	<u>148,889</u>	<u>163,646</u>	<u>151,503</u>	<u>168,653</u>	<u>168,653</u>
FTE	0.9	1.0	1.0	1.0	1.0
General Fund	148,889	163,646	151,503	168,653	168,653
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Lease Purchase of Colorado History Museum	<u>3,525,209</u>	<u>3,525,208</u>	<u>3,570,026</u>	<u>3,567,417</u>	<u>3,567,417</u>
General Fund	3,525,209	3,525,208	3,525,209	3,525,209	3,525,209
Cash Funds	0	0	44,817	42,208	42,208
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
History Colorado Strategic Plan Initiatives	<u>619,105</u>	<u>716,226</u>	<u>1,664,672</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	619,105	716,226	1,664,672	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
SUBTOTAL - (A) Central Administration	10,365,658	10,471,092	12,417,561	12,013,145	11,755,700
<i>FTE</i>	<u>44.4</u>	<u>44.5</u>	<u>45.4</u>	<u>50.5</u>	<u>48.5</u>
General Fund	3,674,098	3,688,854	4,281,063	4,779,087	4,779,087
Cash Funds	6,595,441	6,779,472	8,020,156	7,117,716	6,860,271
Reappropriated Funds	0	0	0	0	0
Federal Funds	96,119	2,766	116,342	116,342	116,342

(B) History Colorado Museums

History Colorado Center	<u>2,171,698</u>	<u>1,681,218</u>	<u>1,285,885</u>	<u>1,294,662</u>	<u>1,294,662</u>
<i>FTE</i>	7.0	7.0	7.0	7.0	7.0
General Fund	0	0	0	0	0
Cash Funds	522,102	854,276	882,896	891,673	891,673
Reappropriated Funds	0	0	325,000	325,000	325,000
Federal Funds	1,649,596	826,942	77,989	77,989	77,989
Community Museums	<u>2,835,298</u>	<u>2,906,024</u>	<u>3,237,105</u>	<u>3,366,810</u>	<u>3,366,810</u>
<i>FTE</i>	19.0	19.0	19.0	19.0	19.0
General Fund	1,064,376	1,148,105	1,285,189	1,357,768	1,357,768
Cash Funds	1,761,023	1,725,518	1,948,913	2,006,039	2,006,039
Reappropriated Funds	0	0	0	0	0
Federal Funds	9,899	32,401	3,003	3,003	3,003
Statewide Programming	<u>3,250,576</u>	<u>3,932,694</u>	<u>4,629,181</u>	<u>4,752,802</u>	<u>4,752,802</u>
<i>FTE</i>	34.5	34.5	34.5	34.5	34.5
General Fund	0	0	0	0	0
Cash Funds	3,250,576	3,932,694	4,629,181	4,752,802	4,752,802
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
SUBTOTAL - (B) History Colorado Museums	8,257,572	8,519,936	9,152,171	9,414,274	9,414,274
FTE	60.5	60.5	60.5	60.5	60.5
General Fund	1,064,376	1,148,105	1,285,189	1,357,768	1,357,768
Cash Funds	5,533,701	6,512,488	7,460,990	7,650,514	7,650,514
Reappropriated Funds	0	0	325,000	325,000	325,000
Federal Funds	1,659,495	859,343	80,992	80,992	80,992

(C) Office of Archeology and Historic Preservation

Program Costs	<u>2,070,403</u>	<u>2,260,508</u>	<u>1,948,172</u>	<u>2,090,386</u>	<u>2,090,386</u>
FTE	23.0	23.0	23.4	23.5	23.5
General Fund	0	0	54,419	61,531	61,531
Cash Funds	656,168	648,934	918,388	940,479	940,479
Reappropriated Funds	70,233	97,283	97,283	147,283	147,283
Federal Funds	1,344,002	1,514,291	878,082	941,093	941,093
Native American Boarding School Research					
Program	<u>618,611</u>	0	<u>333,333</u>	<u>333,333</u>	<u>333,333</u>
FTE	1.0	0.0	2.0	2.0	2.0
General Fund	618,611	0	333,333	333,333	333,333
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
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SUBTOTAL - (C) Office of Archeology and Historic					
Preservation	2,689,014	2,260,508	2,281,505	2,423,719	2,423,719
<i>FTE</i>	<u>24.0</u>	<u>23.0</u>	<u>25.4</u>	<u>25.5</u>	<u>25.5</u>
General Fund	618,611	0	387,752	394,864	394,864
Cash Funds	656,168	648,934	918,388	940,479	940,479
Reappropriated Funds	70,233	97,283	97,283	147,283	147,283
Federal Funds	1,344,002	1,514,291	878,082	941,093	941,093

(D) State Historical Fund Program

Administration	<u>1,354,177</u>	<u>1,618,302</u>	<u>2,027,818</u>	<u>2,061,430</u>	<u>2,061,430</u>
FTE	17.0	17.0	19.7	20.0	20.0
General Fund	0	0	0	0	0
Cash Funds	1,354,177	1,618,302	2,027,818	2,061,430	2,061,430
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Grants	<u>6,141,391</u>	<u>8,381,322</u>	<u>9,000,000</u>	<u>9,000,000</u>	<u>9,000,000</u>
General Fund	0	0	0	0	0
Cash Funds	6,141,391	8,381,322	9,000,000	9,000,000	9,000,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Gaming Cities Distribution	<u>5,702,574</u>	<u>6,231,836</u>	<u>6,489,914</u>	<u>6,489,914</u>	<u>6,489,914</u>
General Fund	0	0	0	0	0
Cash Funds	5,702,574	6,231,836	6,489,914	6,489,914	6,489,914
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
Indirect Cost Assessments for History Colorado					
Administration	<u>324,913</u>	<u>325,000</u>	<u>325,000</u>	<u>325,000</u>	<u>325,000</u>
General Fund	0	0	0	0	0
Cash Funds	324,913	325,000	325,000	325,000	325,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (D) State Historical Fund Program	13,523,055	16,556,460	17,842,732	17,876,344	17,876,344
FTE	<u>17.0</u>	<u>17.0</u>	<u>19.7</u>	<u>20.0</u>	<u>20.0</u>
General Fund	0	0	0	0	0
Cash Funds	13,523,055	16,556,460	17,842,732	17,876,344	17,876,344
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
(E) Cumbres and Toltec Railroad Commission					
Cumbres and Toltec Railroad Commission	<u>3,327,042</u>	<u>1,109,825</u>	<u>4,035,000</u>	<u>3,535,000</u>	<u>3,535,000</u>
General Fund	3,327,042	1,109,825	1,865,000	1,365,000	1,365,000
Cash Funds	0	0	2,170,000	2,170,000	2,170,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (E) Cumbres and Toltec Railroad Commission	3,327,042	1,109,825	4,035,000	3,535,000	3,535,000
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	3,327,042	1,109,825	1,865,000	1,365,000	1,365,000
Cash Funds	0	0	2,170,000	2,170,000	2,170,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
TOTAL - (9) History Colorado	38,162,341	38,917,821	45,728,969	45,262,482	45,005,037
<i>FTE</i>	<u>145.9</u>	<u>145.0</u>	<u>151.0</u>	<u>156.5</u>	<u>154.5</u>
General Fund	8,684,127	5,946,784	7,819,004	7,896,719	7,896,719
Cash Funds	26,308,365	30,497,354	36,412,266	35,755,053	35,497,608
Reappropriated Funds	70,233	97,283	422,283	472,283	472,283
Federal Funds	3,099,616	2,376,400	1,075,416	1,138,427	1,138,427
 TOTAL - Department of Higher Education	 245,522,406	 292,567,464	 364,818,545	 324,877,445	 344,903,460
<i>FTE</i>	<u>489.7</u>	<u>486.8</u>	<u>511.7</u>	<u>289.9</u>	<u>518.6</u>
General Fund	76,099,536	99,714,485	93,176,151	83,916,219	79,910,815
General Fund Exempt	0	0	0	0	0
Cash Funds	59,690,648	78,086,713	156,613,498	154,829,776	149,520,247
Reappropriated Funds	78,392,891	81,208,075	88,021,476	59,377,492	88,718,440
Federal Funds	31,339,331	33,558,191	27,007,420	26,753,958	26,753,958



Joint Budget Committee Staff

Memorandum

To: Chairman Bridges and Members of the Joint Budget Committee
From: Louellen Lowe, JBC Staff (303-866-2981)
Date: Thursday, March 13, 2025
Subject: [Statewide Single Audit Findings for the Department of Higher Education](#)

On March 12, 2025, the Office of the State Auditor released its Statewide Single Audit report for FY 2024. In its report, the OSA identified several issues regarding the Department of Higher Education's internal controls over financial reporting, resulting in a material weakness classification.

From the report highlights:

“Department of Higher Education. Internal Controls Over Financial Reporting. We experienced extreme delays in receiving requested supporting documentation for purposes of testing the accuracy and completeness of the Department’s accounting records as well as the effectiveness of its internal controls. In addition, we identified the following errors:

- *The Department posted 115 entries into CORE, totaling approximately \$241.5 million, between 1 and 122 days after the OSC’s closing deadline of August 5, 2024.*
- *The Department submitted all four of its required exhibits to the OSC between 3 and 73 days after their respective due dates.*
- *The Department incorrectly recorded federal revenues in CORE for the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program, resulting in an overstatement of \$4.7 million in revenue, and failed to record \$2.5 million in TABOR revenue received from higher education institutions throughout the year for indirect cost recoveries, which understated TABOR revenue at fiscal year-end.*
- *The Department failed to submit any of its four statutorily-required quarterly reports for Fiscal Year 2024 to the OSC.*
- *Classification: Material Weakness.”*

According to the full report, these problems occurred “because the Department’s management has not ensured that the controller and accounting staff are meeting federal and statutory requirements, the OSC’s deadlines, or being responsive to audit requests. Further, the Department’s management did not ensure there was sufficient progress in implementing our prior audit recommendations related to its financial accounting and reporting.”

The report indicates that audit staff reached out to Department management, including both the CFO and the Executive Director, regarding delays in response or general unresponsiveness

March 13, 2025

from the accounting staff, and their inquiries went unanswered. The audit report also notes that the Department has experienced tremendous turnover in its accounting section, and that the new controller hired in FY 2023 lacked both the experience and the training to execute their duties in a timely and accurate manner.

JBC staff has experienced similar delays and inaccuracies in information provided by the Department. It should be noted that since 2022, the Department has had 3 different CFOs, two different budget directors, and has turned over 4 budget analysts. The newest CFO will have completed his second week at the Department on March 15th. The Department has lost a tremendous amount of institutional knowledge, and it seems to be having a devastating impact on the its operations.

In recent years, the JBC has approved salary increases for the Department to assist with staff retention as the Department's turnover rate had been stuck above 20.0% for some time. Additionally, a staff recommendation for a Request for Information included in the figure setting document aims to continue the investigation into what may be done to help bolster the Department's operations. JBC staff hopes to be good partners in facilitating this discussion towards a stronger, more resilient administration.