

October 25, 2011

Chairman Hereford Percy
Colorado Commission on Higher Education
1560 Broadway
Suite 1600
Denver, CO 80202

Dear Chairman Percy and Members of the Colorado Commission on Higher Education:

The Department of Higher Education recently shared the proposed FY 2013 General Fund budget mark from the Governor's Office. In part, the Governor's request contains an operating reduction of \$29 million to higher education.

The \$29 million operating cut is an additional 5.7 percent reduction from FY 2012, lowering state appropriations to higher education institutions from \$519 million to below \$490 million. Since FY 2010, the operating cuts to higher education have been 31 percent or \$216 million. This does not include any cuts that have been taken in financial aid. In addition, as you know, Colorado's public colleges and universities are experiencing record enrollment growth and are continuing to graduate students at historic levels.

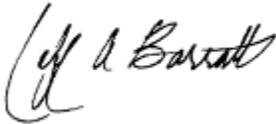
The Governor's Office expressed a strong desire for the institutions to quickly work together to develop and coalesce around a methodology to allocate available funds as part of the budget submission to the General Assembly. This is an extremely challenging task given the unique and important missions our institutions fulfill across the state. Nevertheless, in a spirit of partnership and compromise, the institutions have agreed to support the attached allocation methodology at currently estimated revenue levels.

The attached allocation utilizes the existing "three-part" model used last year, wherein 50 percent of the cut is based on a proportional GF reduction; 50 percent of the cut is based on a Total Funds proportional reduction; and an additional \$7.5 million is cut and reallocated for enrollment growth. While this year's enrollment factor has been reduced from \$10 million to \$7.5 million, if state revenues improve to allow an increase the first \$2.5 million of new revenues would be used to restore the enrollment factor to \$10 million. If further modest reductions are required, we will work to preserve the \$7.5 million enrollment factor. If changes in state revenue levels

require substantial additional reductions, such an event will require all of us to work together to determine if an altogether different allocation method is necessary. We are hopeful that this will not be the case. While all the institutions signing this letter have agreed to this allocation, it should be emphasized that if revenues improve the Department and the Governing Boards will ask for your assistance in advocating for the restoration of these funding cuts.

While every governing board and institution works extremely hard to mitigate the impact of these reductions on our students and our programs, we want to strongly emphasize that budget cuts of this magnitude cannot be sustained. We continue to look to the Commission for assistance in resisting continued reductions to the state's public colleges and universities. Colorado's economic health depends on a prepared and educated workforce and continued reductions to higher education jeopardizes the future of our economy. We appreciate your help in sending this message to Colorado leaders.

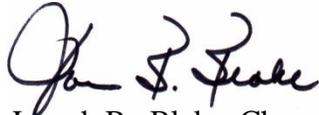
Thank you,



Jeff A. Barratt, Executive Director
Emily Griffith Technical College



Dr. Marilynn Liddell, President
Aims Community College



Joseph B. Blake, Chancellor
Colorado State University System



Nancy McCallin, President
Colorado Community College System



Bruce D. Benson, President
University of Colorado System



Teina McConnell, Executive Director
Pickens Technical College



Dr. Jay Helman, President
Western State College



Kay Norton, President
University of Northern Colorado



John Jones, Director
Delta-Montrose Technical College



Dr. M.W. Scoggins, President
Colorado School of Mines



Dr. Stanley Jensen, President
Colorado Mountain College



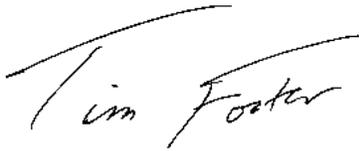
Dr. David Svaldi, President
Adams State College



Dr. Stephen M. Jordan, President
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Dr. Dene Kay Thomas, President
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Tim Foster, President
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