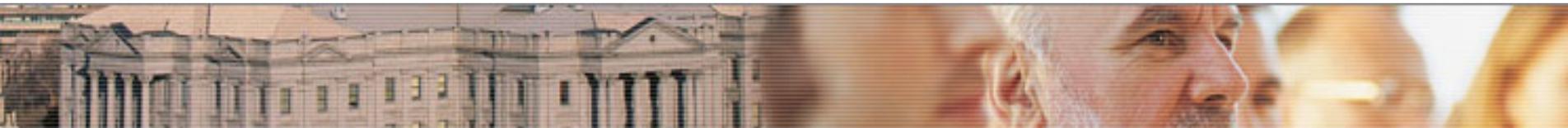




Colorado Commission on Higher Education

BAG Statewide Meeting

8/18/2006

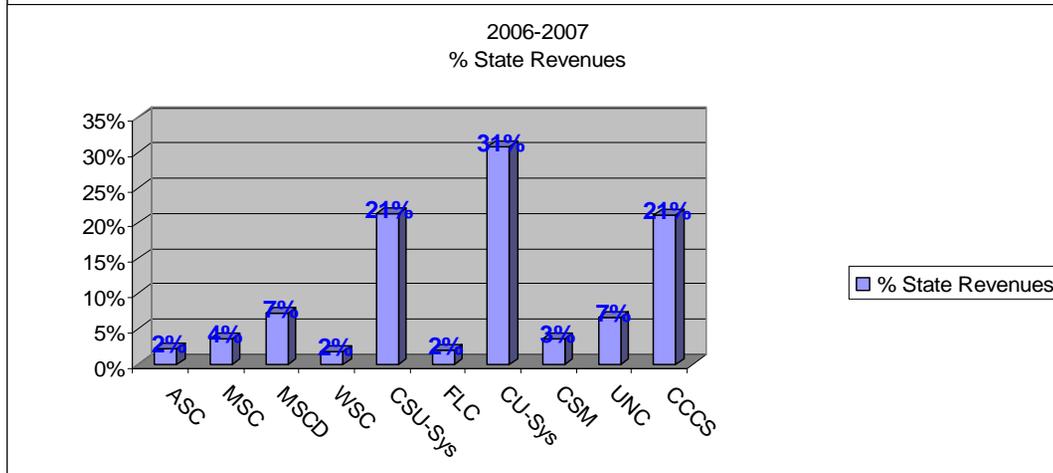
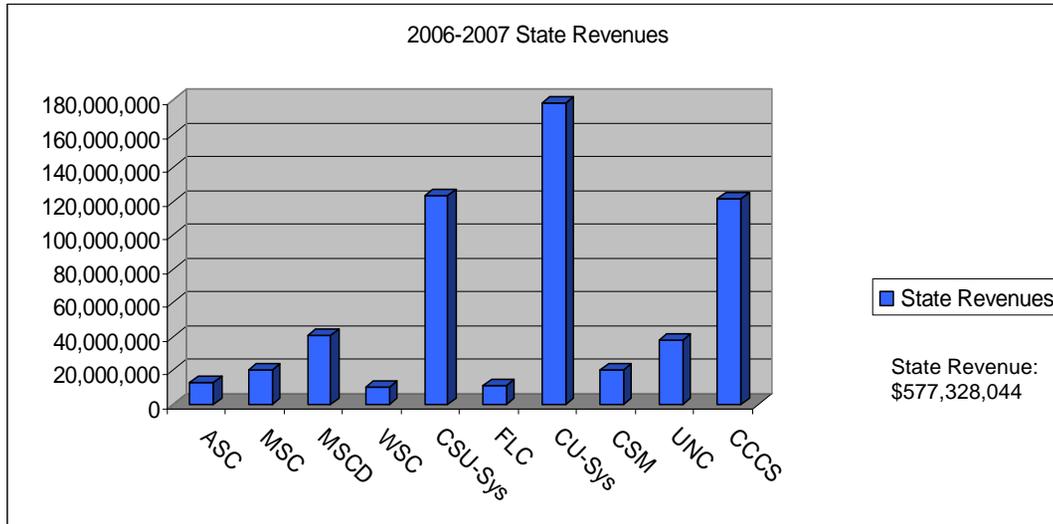


Overview: Colorado Higher Education Student Numbers

Governing Board / Institutions	Resident FTE FY 05-06	Non-Resident FTE FY 05-06	Resident Undergrad FY 05-06	Resident Grad FY 05-06	Total Res and Non-Res FY 05-06
Regents of the University of Colorado:	34,842	9,262	27,677	7,166	44,104
University of Colorado-Boulder	18,020	7,958	16,215	1,805	25,978
University of Colorado-Colorado Springs	5,822	380	5,134	688	6,202
University of Colorado-Denver	8,057	606	5,878	2,178	8,663
University of Colorado-Health Sciences	2,944	318	450	2,494	3,261
Board of Governors of Colorado State University System :	21,135	4,822	19,314	1,821	25,956
Colorado State University-Education & General	17,550	4,125	16,224	1,326	21,675
Colorado State University-Professional Veterinary Medicine	422	341	-	422	763
Colorado State University - Pueblo	3,162	356	3,089	73	3,518
Trustees of Fort Lewis College:					
Fort Lewis College	2,656	1,056	2,656		3,712
Trustees of Colorado School of Mines:					
Colorado School of Mines	3,009	848	2,656	353	3,857
Board of Trustees University of Northern Colorado:					
University of Northern Colorado	9,632	1,144	8,599	1,033	10,776
Trustees of Adams State College:					
Adams State College	1,933	246	1,551	382	2,179
Trustees of Mesa State College:					
Mesa State College	4,229	457	4,216	13	4,686
Trustees of Metropolitan State College:					
Metropolitan State College of Denver	14,686	402	14,686		15,087
Trustees of Western State College:					
Western State College	1,514	496	1,514		2,010
Community Colleges of Colorado:	42,455	2,165	42,454		44,620
Arapahoe Community College	4,209	189	4,209		4,398
Colorado Northwestern Community College	699	84	699		783
Community College of Aurora	3,300	101	3,300		3,401
Community College of Denver	4,710	312	4,710		5,022
Front Range Community College	9,316	568	9,316		9,884
Lamar Community College	625	80	625		705
Morgan Community College	984	36	984		1,020
Northeastern Junior College	1,204	71	1,204		1,275
Otero Junior College	1,221	41	1,221		1,262
Pikes Peak Community College	6,781	348	6,781		7,129
Pueblo Community College	3,809	96	3,809		3,905
Red Rocks Community College	4,249	138	4,249		4,387
Trinidad State Junior College	1,347	101	1,347		1,448
Local District Colleges:	5,041	655	5,041		5,696
Aims Community College	2,848	113	2,848		2,961
Colorado Mountain College	2,193	542	2,193		2,735
Governing Board Summary	136,089	20,897	125,322	10,767	156,986
District Summary	5,041	655	5,041	-	5,696
Public Summary	141,131	21,551	130,363	10,767	162,682

** UNC Has not submitted their Final Student Enrollment Report, and is an estimated figure

Overview: Colorado Higher Education Revenues Cont'd



Resident, Undergraduate Full-Time Tuition Rates

Resident, Undergraduate Full-Time Tuition Rates

Institution	FY 2005-06 Academic Year Tuition Rates	FY 2004-05 Academic Year Tuition Rates	Dollar Change	Percent Change
University of Colorado - Boulder				
All-Other	\$ 4,446	\$ 3,480	\$ 966	28%
Business	\$ 7,146	\$ 5,594	\$ 1,552	28%
Engineering	\$ 5,850	\$ 4,582	\$ 1,268	28%
Journalism/Music	\$ 4,626	\$ 3,624	\$ 1,002	28%
University of Colorado - Colorado Springs				
Lower Division	\$ 3,966	\$ 3,296	\$ 670	20%
Upper Division Liberal Arts & Sciences	\$ 4,160	\$ 3,460	\$ 700	20%
Upper Division Business & Engineering	\$ 4,398	\$ 3,658	\$ 740	20%
Nursing/Beth El	\$ 6,098	\$ 5,068	\$ 1,030	20%
Certificate in Education	\$ -	\$ 3,430	N/A	N/A
University of Colorado - Denver				
All Freshmen & Sophomores	\$ 4,032	\$ 3,300	\$ 732	22%
Juniors & Seniors in Liberal Arts & Science, Non-Degree	\$ 4,032	\$ 3,300	\$ 732	22%
Juniors & Seniors in Arts & Media, Business & Engineering	\$ 4,584	\$ 3,664	\$ 920	25%
Colorado State University				
Resident	\$ 3,381	\$ 2,940	\$ 441	15%
College of Business	\$ 3,723	N/A	N/A	N/A
College of Engineering	\$ 3,606	N/A	N/A	N/A
Department of Computer Science	\$ 3,606	N/A	N/A	N/A
Upper Division Courses	\$ 3,417	N/A	N/A	N/A
Colorado State University - Pueblo	\$ 2,903	\$ 2,524	\$ 379	15%
Fort Lewis College	\$ 2,462	\$ 2,270	\$ 192	8%
University of Northern Colorado	\$ 3,192	\$ 2,850	\$ 342	12%
Adams State College	\$ 1,980	\$ 1,818	\$ 162	9%
Mesa State College	\$ 2,359	\$ 2,063	\$ 296	14%
Metropolitan State College of Denver (credit hours are linear to 18 credit hours, 12 credit hours used in comparison)	\$ 2,191	\$ 2,044	\$ 147	7%
Western State College	\$ 2,352	\$ 1,980	\$ 372	19%
Colorado School of Mines	\$ 7,248	\$ 6,336	\$ 912	14%
Arapahoe Community College	\$ 1,746	\$ 1,603	\$ 143	9%
Colorado Northwestern Community College	\$ 1,746	\$ 1,603	\$ 143	9%
Community College of Aurora	\$ 1,746	\$ 1,603	\$ 143	9%
Community College of Denver	\$ 1,746	\$ 1,603	\$ 143	9%
Front Range Community College	\$ 1,746	\$ 1,603	\$ 143	9%
Lamar Community College	\$ 1,746	\$ 1,603	\$ 143	9%
Morgan Community College	\$ 1,746	\$ 1,603	\$ 143	9%
Northeastern Junior College	\$ 1,746	\$ 1,603	\$ 143	9%
Otero Junior College	\$ 1,746	\$ 1,603	\$ 143	9%
Pikes Peak Community College	\$ 1,746	\$ 1,603	\$ 143	9%
Pueblo Community College	\$ 1,746	\$ 1,603	\$ 143	9%
Red Rocks Community College	\$ 1,746	\$ 1,603	\$ 143	9%
Trinidad State Junior College	\$ 1,746	\$ 1,603	\$ 143	9%



Mandated Cost Model History

The Commission adopted the Mandated Cost model for higher education for use in the budgeting process. The model is designed to identify costs placed on higher education by entities outside of their control. It looks at three major expense categories:

1. Salaries and Benefits
2. Insurance
3. Utilities

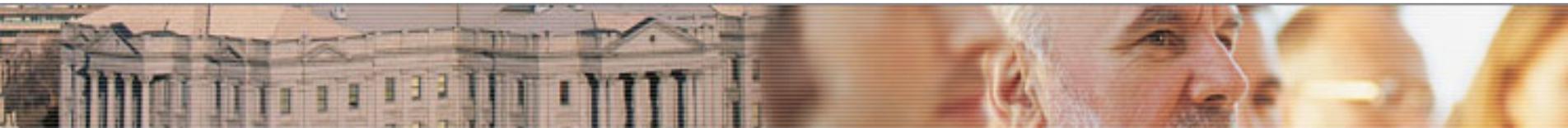




History Continued

The model assigns funding priority to those unavoidable, mandated cost increases. Given the recent election results on Referendum C, institutional budget reductions that occurred in previous years and high tuition increases last year, the Commission staff has developed a schematic using the mandated cost model proposing the following policies:

- ✓ An infusion of general fund for mandated costs,
- ✓ Controlling tuition costs for students by increasing their COF stipend
- ✓ Placing a ceiling on tuition rate increases for resident students.





MCM Committee Issues

1. HLD

- Institutions would like to consider an increase based on the weighted average of the state tiers and apply to all E&G base HLD costs

2. Retirement

- Include the increase fore the PERA / AED
- Increases in employer contributions due to increases in salaries

3. Data

- Do we gather this data in the Budget Data Book, or an appendix?





MCM Committee Issues

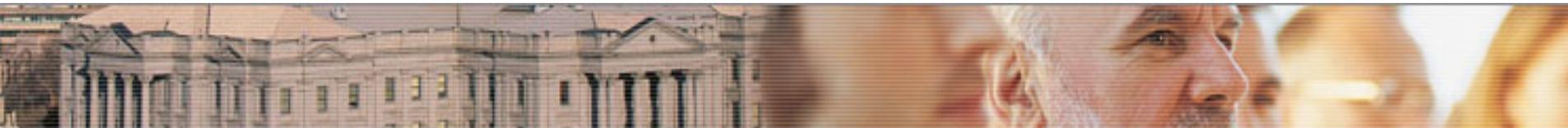
Summer COF Stipend Issue...

Summer 1

- Students registered who are eligible and authorizes COF and are attending class for summer sessions starting and ending prior to June 30; and for summer sessions starting prior to June 30, but ending after June 30 (overlapping the fiscal years) will be billed the current fiscal year.

Summer 2

- Students registered who are eligible and authorizes COF and are attending class for summer sessions starting after June 30, these will be billed after July 1.

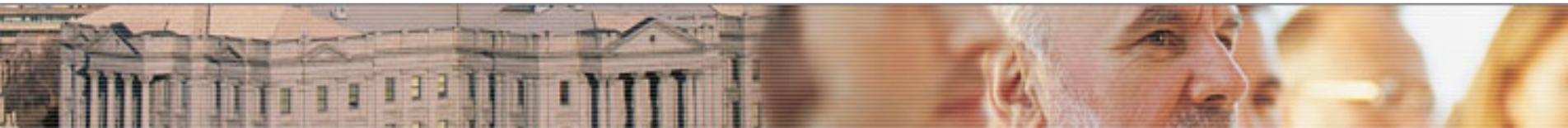




Colorado Higher Education Cost/Funding Study

Existing Funding Approach

The State of Colorado has successfully implemented the first year of the College Opportunity Fund stipend and fee-for-service programs. Budgeting for these programs at the outset presumed that colleges were funded at the appropriate amounts and all institutions of higher education were placed on a “hold harmless” provision in the first year of funding. The stipend amount was set at the “lowest common denominator”.





Colorado Higher Education Cost/Funding Study Cont'd

The budget requests for the upcoming academic year (2006-07) used the Mandated Cost Model as the basis for the request. That model uses NACUBO reporting categories, assigns some reasonably calculated and often legislatively mandated percent increases and comes up with a “funding need” for higher education. That funding need then is requested through a package of tuition and general fund revenues from COF stipend and fee for service. Financial aid is allocated separately and not considered in the revenue mix funding mandated costs.





Colorado Higher Education Cost/Funding Study Cont'd

Shortcomings in Funding Approach

While this approach is unique, funds students and is market-driven, legislators and higher education policy makers see a need to refine the approach to fund institutions using a model that;

Considers the current institutional revenues,

Maintains affordability and

Recognizes the reality of the limitations of increased state support to higher education while

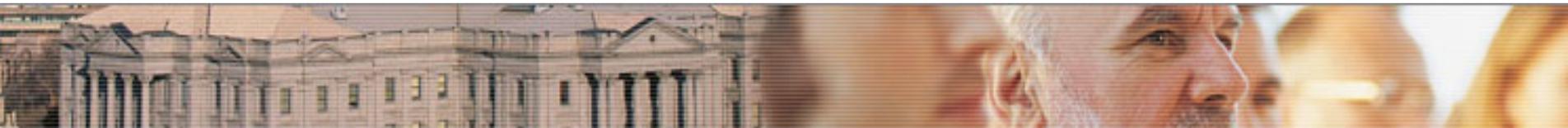
Rejecting the notion of a one size fits all approach to funding.





Colorado Higher Education Cost/Funding Study Cont'd

- Proposed Financing Study
- The Commission staff recommends a two prong approach to a higher education cost/financing study:
- Refine and gain consensus on the ingredients of a mandated cost model
- Develop a plan to identify and rectify existing deficiencies in institutional funding while recognizing the relatively small increases in funding and the need to keep higher education affordable
- Assure that the newer funding model provides a better basis for market exchange of services in the fee for service contracts

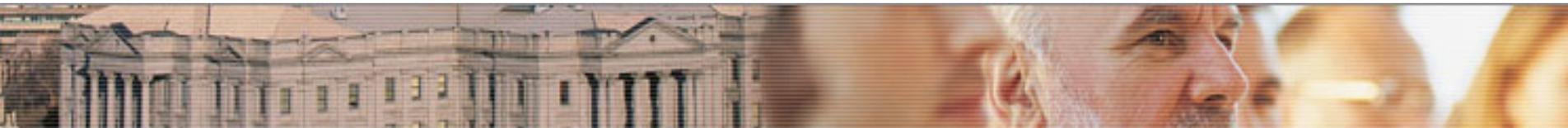




Colorado Higher Education Cost/Funding Study Cont'd

The financing plan will be developed in conjunction with an outside consulting agency nationally recognized for their work in higher education, the National Center for Higher Education Management Systems (NCHEMS). The NCHEMS will, in collaboration with CCHE and the CEO's, outline a proposed financing mechanism that:

- Targets funding levels and suggested shares to be borne by state funds, student funds and financial aid
- Identifies possible change in the role of financial aid
- Recommends an approach to implementation of the financing plan that
- may include a multi-year plan and identification of priorities for changing the mix of revenues at different institutions and/or types of institutions.

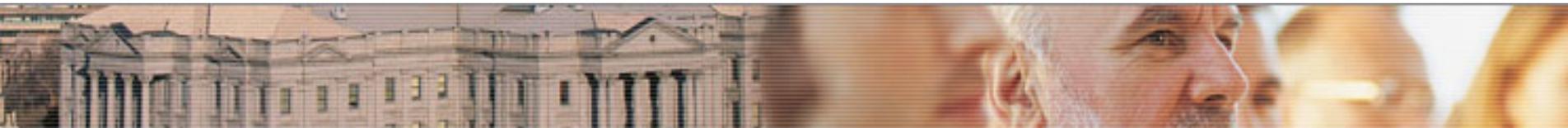




Colorado Higher Education Cost/Funding Study Cont'd

Process

- NCHEMS will develop data, meet with CCHE staff and CEO's (with outside experts), will drive the study to conclusion. CEO's will comprise the steering committee. The CFO's will work with their Presidents as needed to develop and analyze data. A subset of CFO's may work to bring additional recommendations/proposals to the table if requested by the CEO's. NCHEMS work is expected to be completed by October 1st.



Budget Update

Budget Update					
	05-06 Long Bill	05-06 Additions	% Change	06-07 Long Bill	% Change
Need-Based Financial Aid	50,627,088	52,285,488	3.28%	60,136,963	18.78%
Merit Based Financial Aid	1,500,000	1,500,000	0.00%	1,500,000	0.00%
Governor's Opportunity Scholarship	8,000,000	8,000,000	0.00%	8,000,000	0.00%
Work Study	15,003,374	15,003,374	0.00%	15,003,374	0.00%
Pre-Collegiate Scholarships	0	0	0.00%	800,000	800000.00%
Native American FLC	7,299,164	7,299,164	0.00%	7,634,353	4.59%
COF (Public and Private Institutions)	290,536,800	272,565,600	-6.19%	319,465,920	9.96%
FFS	208,281,542	232,035,942	11.40%	258,636,124	24.18%
Local District Jr Colleges	12,101,934	12,101,934	0.00%	13,668,051	12.94%
AVS	8,505,528	8,505,528	0.00%	9,635,902	13.29%
Total	601,855,430	609,297,030	1.24%	694,480,687	15.39%

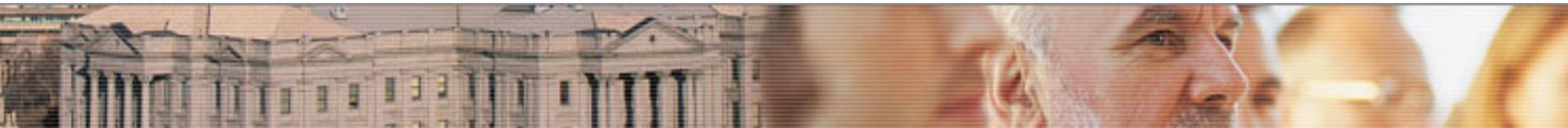




Process Calendar

<u>DATE</u>	<u>ACTIVITY</u>
July 14	OSPB to issue initial General Fund allocation for FY 07-08 Decision Items
July 14	Deadline to submit roll forward to SCO
August 18	Strategic Plan, with organizational chart and Schedule 1 due to OSPB
September 1	Change Requests with Schedule 6s, and 7s
September 1	Updated Mark Table (including requested Changed Requests and common policy requests) due to OSPB
September 15	Mandated Cost Model due from working group
September 15	Personnel Roster due to CCHE and OSPB
September 29	Budget Data Books due to CCHE
October 4	CCHE provides DRAFT Mandated Cost Model to institutions
October 6	OSPB issues Mark Letters
October 10	Decision Items due to CCHE

<u>DATE</u>	<u>ACTIVITY</u>
October 13	Draft Schedule 2s, 3s, 4s, 5s and 11s due to OSPB
October 17	Meet with Commissioners
October 23	Budget estimate and initial draft of Mandated Cost Model due from CCHE to OSPB for final review and signature
October 27	Final departmental budget from CCHE due to OSPB
November 1	Executive budget from OSPB due to JBC
November 10	Supplementals and associated budget amendment drafts from institutions due to CCHE for review
November 22	Supplementals and associated budget amendments from CCHE due to OSPB for review
December 20	Revised Schedule 6s due to OSPB for signature





Process Calendar Continued

<u>DATE</u>	<u>ACTIVITY</u>
December 22	All copies of supplemental and associated budget amendment requests due to OSPB
January 2	Final supplementals and associated budget amendments from OSPB due to JBC
January 15	Decision Items/Change Requests for tuition, fees, and other funding increases due to CCHE for review and recommendation.
January 17	Revised schedule 6s
January 19	All copies of stand alone budget amendments from CCHE due to OSPB
January 24	Stand alone budget amendments from institutions due to JBC
January 24	Final supplemental and budget amendment for Total Program due to JBC
February	Commission acts on staff recommendations for Change Requests, final Mandated Cost Model, and other issues.
February 15	CCHE provides OSPB and JBC final recommendations on budget issues.
March	Comebacks

