

**Schedule 13  
Change Request for FY 2009-10 Budget Request Cycle**

Decision Item FY 2009-10		Base Reduction Item FY 2009-10		Supplemental FY 2008-09		Supplemental FY 2009-10		Budget Amendment FY 2009-10			
Request Title: Department: Priority Number:		FY 2008-09 and FY 2009-10 Tuition and Fee Spending Authority Higher Education S-1, BA-1		Dept. Approval by: <i>[Signature]</i> OSPB Approval: <i>[Signature]</i>		Date: 12-17-08 Date: 12-18-08					
Fund	Prior Year Actual FY 2007-08	1	2	3	4	5	6	7	8	9	10
			Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2008-10	Decision/ Base Reduction FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11
<b>Total of All Line Items</b>	477,770,812 5,366.3 0 0 0 477,770,812 0	524,094,854 5,648.4 0 0 0 524,094,854 5,648.4	12,131,339 0.0 0 0 0 12,131,339 0	536,226,193 5,648.4 0 0 0 536,226,193 5,648.4	317,034,631 207,060,223 0 0 0 317,034,631 207,060,223	21,675,569 0.0 0 0 0 21,675,569 0.0	545,770,423 5,648.4 0 0 0 545,770,423 5,648.4	12,936,292 0.0 0 0 0 12,936,292 0.0	558,706,715 5,648.4 0 0 0 558,706,715 5,648.4	34,611,861 0.0 0 0 0 34,611,861 0.0	
<b>(5) GOVERNING BOARDS (B) Trustees of Mesa State College</b>	44,916,476 452.2 0 0 0 44,916,476 0	49,474,411 474.8 0 0 0 49,474,411 474.8	721,765 0.0 0 0 0 721,765 0.0	50,196,176 474.8 0 0 0 50,196,176 474.8	25,468,804 24,005,607 0 0 0 25,468,804 24,005,607	1,647,006 0.0 0 0 0 1,647,006 0.0	51,121,417 474.8 0 0 0 51,121,417 474.8	721,765 0.0 0 0 0 721,765 0.0	51,843,182 474.8 0 0 0 51,843,182 474.8	2,368,771 0.0 0 0 0 2,368,771 0.0	
<b>(5) GOVERNING BOARDS (E) Board of Governors of the Colorado State University System</b>	325,188,981 3,852.4 0 0 0 325,188,981 0	357,312,938 4,070.7 0 0 0 357,312,938 4,070.7	7,062,000 0.0 0 0 0 7,062,000 0.0	364,374,938 4,070.7 0 0 0 364,374,938 4,070.7	210,280,038 147,032,900 0 0 0 210,280,038 147,032,900	14,640,465 0.0 0 0 0 14,640,465 0.0	371,953,403 4,070.7 0 0 0 371,953,403 4,070.7	7,062,000 0.0 0 0 0 7,062,000 0.0	379,015,403 4,070.7 0 0 0 379,015,403 4,070.7	21,702,465 0.0 0 0 0 21,702,465 0.0	
<b>(5) GOVERNING BOARDS (F) Trustees of Fort Lewis College</b>	35,960,375 432.3 0 0 0 35,960,375 0	38,530,861 449.3 0 0 0 38,530,861 449.3	163,923 0.0 0 0 0 163,923 0.0	38,694,784 449.3 0 0 0 38,694,784 449.3	25,746,531 12,784,330 0 0 0 25,746,531 12,784,330	1,401,371 0.0 0 0 0 1,401,371 0.0	39,932,232 449.3 0 0 0 39,932,232 449.3	161,114 0.0 0 0 0 161,114 0.0	40,093,346 449.3 0 0 0 40,093,346 449.3	1,562,485 0.0 0 0 0 1,562,485 0.0	

Schedule 13

Change Request for FY 2009-10 Budget Request Cycle

Decision Item FY 2009-10  Base Reduction Item FY 2009-10  Supplemental FY 2008-09  Budget Amendment FY 2009-10

Request Title: FY 2008-09 and FY 2009-10 Tuition and Fee Spending Authority

Department: Higher Education

Priority Number: S-1

Dept. Approval by:

OSPB Approval:

Date:

Date:

Fund	1 Prior-Year Actual FY 2007-08	2 Appropriation FY 2008-09	3 Supplemental Request FY 2008-09	4 Total Revised Request FY 2008-09	5 Base Request FY 2009-10	6 Decision/ Base Reduction FY 2009-10	7 November 1 Request FY 2009-10	8 Budget Amendment FY 2009-10	9 Total Revised Request FY 2009-10	10 Change from Base (Column 5) FY 2010-11
(5) GOVERNING BOARDS	71,704,980	78,776,644	4,183,651	82,960,295	78,776,644	3,986,727	82,763,371	4,991,413	87,754,784	8,978,140
(H) Trustees of the Colorado School of Mines	629,400	653,600	0	653,600	654	0	653,600	0	653,600	0
	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
	0	55,539,258	4,183,651	59,722,909	55,539,258	3,986,727	59,525,985	4,991,413	64,517,398	8,978,140
	0	23,237,386	0	23,237,386	23,237,386	0	23,237,386	0	23,237,386	0
	71,704,980	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0

Non-Line Item Request:

Letternote Revised Text: (B) Trustees of Mesa State College  
FY 2008-09 a. Of this amount, \$25,043,864 \$25,765,569 shall be from the students' share of tuition and \$425,000 shall be from academic fees and academic facility fees.  
FY 2009-10 a. Of this amount, \$27,412,575 shall be from the students' share of tuition and \$425,000 shall be from academic fees and academic facility fees.

Letternote Revised Text:

(E) Board of Governors of the Colorado State University System  
FY 2008-09 a. Of this amount, \$219,905,503 shall be from the students' share of tuition and \$5,015,000 \$12,077,000 shall be from academic fees and academic facility fees.

Letternote Revised Text:

FY 2009-10 a. Of this amount, \$219,905,503 shall be from the students' share of tuition and \$12,077,000 shall be from academic fees and academic facility fees.  
FY 2008-09 a. Of this amount, \$24,910,454 shall be from the students' share of tuition and \$1,000,000 shall be from academic fees and academic facility fees.

Letternote Revised Text:

(H) Trustees of the Colorado School of Mines  
FY 2008-09 a. Of this amount, \$65,399,268 \$68,677,759 shall be from the students' share of tuition and \$450,000 \$1,045,150 shall be from academic fees and academic facility fees.  
FY 2009-10 a. Of this amount, \$62,788,010 shall be from the students' share of tuition and \$1,728,388 shall be from academic fees and academic facility fees.

Cash or Federal Fund Name and COFRS Fund Number: student's share of tuition and/or academic fees and academic facility fees

Reappropriated Funds Source, by Department and Line Item Name: none

Approval by OIT? Yes:  No:  N/A:

Schedule 13s from Affected Departments: none

**CHANGE REQUEST for FY 2009-10 BUDGET REQUEST CYCLE**

Department:	Department of Higher Education
Priority Number:	S-1, BA-1
Change Request Title:	FY 2008-09 and FY 2009-10 Tuition and Fee Spending Authority

**SELECT ONE (click on box):**

- Decision Item FY 2009-10
- Base Reduction Item FY 2009-10
- Supplemental Request FY 2008-09
- Budget Request Amendment FY 2009-10

**SELECT ONE (click on box):**

Supplemental or Budget Request Amendment Criterion:

- Not a Supplemental or Budget Request Amendment
- An emergency
- A technical error which has a substantial effect on the operation of the program
- New data resulting in substantial changes in funding needs
- Unforeseen contingency such as a significant workload change

Short Summary of Request:

The Department of Higher Education requests additional \$12,131,339 cash funds spending authority in FY 2008-09 for tuition and fee spending authority at Colorado School of Mines (tuition and fees), Mesa State College (tuition), Fort Lewis College (tuition), Colorado State University System (fees) as described in the table on the following page. Additionally, the Department requests an additional \$12,936,292 cash funds spending authority in FY 2009-10 for tuition and fee spending authority for these governing boards. The FY 2009-10 impact includes the FY 2008-09 supplemental base as it relates to the November 1, 2008 DI-2 tuition decision item.

The supplemental tuition portion of the request is related to new data resulting in changes in funding needs due to non-resident tuition rates adopted and tuition premiums in the case of Mesa State College.

The supplemental fee portion of the request is due to technical errors of appropriately identifying “academic facility fees” that are already in place at the Colorado School of Mines and Colorado State University system.

<b>Additional Cash Funds Tuition Spending Authority</b>		
	<b>FY 2008-09</b>	<b>FY 2009-10</b>
Colorado School of Mines	\$3,288,501	\$3,413,025
Mesa State College	\$721,765	\$721,765
Fort Lewis College	\$163,923	\$161,114
<b>SubTotal</b>	\$4,174,189	\$4,295,904
<b>Additional Cash Fee Spending Authority</b>		
Colorado School of Mines	\$895,150	\$1,578,388
Colorado State University System	\$7,062,000	\$7,062,000
<b>SubTotal</b>	\$7,957,150	\$8,640,388
<b>Total</b>	<b>\$12,131,339</b>	<b>\$12,936,292</b>

The Colorado Commission on Higher Education Enrollment/Tuition and Stipend Contingency line (Part IV (2) (C)) in the annual Long appropriations Bill allows the Department of Higher Education to transfer up to \$20,000,000 in tuition spending authority each year to governing boards who exceed their allowable tuition spending authority because of enrollment growth. These adjustments do not require legislative budget action and instead have been historically incorporated into the adjustments made during the Joint Budget Committee’s annual figure setting hearing in March with aid of the most recent spring enrollment estimates. Necessary adjustments to tuition and fee spending authority that are not due to enrollment growth must be submitted as a supplemental request (such as this request).

The Department’s request covers additional FY 2008-09 tuition and fee cash funds spending authority that is not due to enrollment variance. Additionally, since this request affects the FY 2008-09 base, the Department requests a corresponding budget amendment in FY 2009-10 to adjust the tuition and fee spending authority for these institutions – as shown in the *Calculations for Request* section in subsequent pages.

Background and Appropriation History:

The following chart shows the relevant tuition and fee spending authority in FY 2007-08 and appropriated in FY 2008-09 for the governing boards impacted in this request:

<b>Tuition Spending Authority</b>		
	<b>FY 2007-08</b>	<b>FY 2008-09</b>
Colorado School of Mines	\$49,817,709	\$55,389,258
Mesa State College	\$21,825,869	\$25,043,804
Fort Lewis College	\$23,108,440	\$24,746,531
<b>Fee Spending Authority</b>		
Colorado School of Mines	\$150,000	\$150,000
Colorado State University System	\$4,800,000	\$5,015,000
<b>Source: FY 2008-09 Appropriations Report</b>		

The Long Bill appropriation for academic and academic facility fees was created in FY 2005-06 after the governing boards became enterprises under TABOR (Taxpayer’s Bill of Rights). Prior to FY 2005-06 the activities of the Governing Boards had their budgets as it related to fees controlled by the General Assembly. Upon being designated as enterprises, the General Assembly decided to appropriate academic and academic facility fees in order to minimize the potential that these fees would increase significantly in lieu of tuition increases (which are still statutorily controlled by the General Assembly).

General Description of Request:

**Tuition Spending Authority**

Colorado School of Mines:

H.B. 08-1375 appropriated \$55,389,258 cash funds spending authority to the Colorado School of Mines for the student's share of tuition. This amount was based on the Joint Budget Committee's enrollment projection for FY 2008-09 and an assumed 5% nonresident student tuition rate increase. The General Assembly did not place any limits on a governing board's ability to raise nonresident tuition rates in the tuition footnote in FY 2008-09. As such, this 5% rate increase served primarily as a placeholder for budgeting purposes. In fact, the Long Bill footnotes state that supplemental budget action will be used to adjust spending authority as necessary to account for nonresident rate increases above 5%. The Colorado School of Mines applied a 9.5% rate increase for nonresident students in FY 2008-09. In addition, the school is seeing significant enrollment increases in the number of nonresident students attending the Colorado School of Mines. In fact, nonresident enrollment has grown 16% between fall 2007 and fall 2008 (513.7 FTE to 595.8 FTE). The combination of these two factors means that the Colorado School of Mines needs an additional \$3,288,501 cash funds in tuition spending authority for FY 2008-09 to accept and spend these revenues.

The impact from the requested FY 2008-09 tuition base results in an additional \$3,413,025 cash funds spending authority for tuition needed in FY 2009-10. This is based on the tuition policy calculations incorporated in the November 1, 2008, DI-2 Tuition decision item.

Mesa State College:

Footnote 20a in H.B. 08-1375 (page 70) allows state institutions of higher education to charge a tuition premium in addition to the allowable tuition rate increases in FY 2008-09, provided the additional charge is approved by a vote of the student body. Specifically, the footnote reads:

*It is the intent of the General Assembly to allow spending authority for institutions that raise funds through the payment of one tuition premium or fees up to a maximum of \$5.00 per credit hour, if approved by a majority of those voting in an election of the entire student body, to be used for faculty retention, faculty compensation, or construction of facilities.*

In order to increase faculty salaries at Mesa State College and allow the institutions to be more competitive with their regional peers in the hiring of faculty, the students at Mesa State College approved a \$5 per credit hour tuition premium. The premium was approved by 79% of student voters in a spring 2008 student referendum. To account for the collection of this premium in FY 2008-09, Mesa State College needs an additional \$721,765 cash funds tuition spending authority in the current fiscal year.

The request year impact is based on the premise that the \$5 premium that Mesa State College's students approved to enable the institutions to improve faculty salaries and retention is not base building, therefore, the impact of the premium is also \$721,765 cash funds spending authority in FY 2009-10. This is based on the tuition policy calculations incorporated in the November 1, 2008, DI-2 Tuition decision item.

Fort Lewis College:

H.B. 08-1375 appropriated \$24,746,531 cash funds in FY 2008-09 tuition spending authority for Fort Lewis College. This amount was based on the Joint Budget Committee's enrollment projection for FY 2008-09 and an assumed 5% nonresident student tuition rate increase. Because the Committee did not place any limits on governing board's ability to raise nonresident tuition rates, this 5% rate increase served primarily as a placeholder. Fort Lewis College applied a 9.5% increase to the tuition rates charged to nonresident students in FY 2008-09; therefore, an additional \$163,923 cash funds in tuition spending authority is required to cover the nonresident tuition the institution will collect in the current fiscal year.

The impact from the requested FY 2008-09 tuition base results in an additional \$161,114 cash funds spending authority for tuition need in FY 2009-10. This is based on the tuition policy calculations incorporated in the November 1, 2008, DI-2 Tuition decision item.

### **Fee Spending Authority**

#### *Colorado School of Mines:*

H.B. 08-1375 appropriated \$150,000 cash funds for academic and academic facility fees at the Colorado School of Mines in FY 2008-09, representing continuation funding from the previous two fiscal years. In 2007, students at the institution approved a capital fee for the construction of an academic facility. This fee resulted in revenues of \$418,950 in FY 2007-08. Spending authority for this fee was not included in the FY 2007-08 Long Bill, although it falls under the category of “academic facility fee”. During the summer of 2008, the Department conducted a review of its fee policy pursuant to SJR08-037. Although this review did not change whether academic facility fees are to be appropriated in the Long Bill, it did clarify the definitions of what is appropriated. The policy revisions the Colorado Commission on Higher Education adopted in October 2008 now formally define each type of fee. Specifically, the agenda item describing the policy revisions stated:

Currently, student fees are appropriated if they are considered “Academic or Academic Facility Fees.” However, there is no definition in policy of what this term means. One proposal of the proposed policy changes is to include the JBC’s definition of “Academic or Academic Facility Fee” in policy.

The review also further prompted institutions to review how their fees are reported, allowing the Colorado School of Mines to accurately determine that this should be included as an appropriated fee. The Colorado School of Mines’ appropriated academic



and academic facility fee spending authority should be increased in FY 2008-09 by \$895,150 cash funds to properly account for the revenue from the, student-approved “academic” capital fee from 2007. Additionally, FY 2009-10 should be increased by \$1,578,388 cash funds to account for the student approved “academic facility” fee.

Revenue from the additional fee is and will continue to be put towards Brown Hall renovation and expansion. Brown Hall is an academic facility that is home to the Engineering Department, which is the largest academic program on campus. The Colorado School of Mines has issued revenue bonds for the completion of the Brown Hall capital construction project. The fee revenues will go toward the repayment of that Bond issue beginning in FY 2009-10. Fee revenue collected in FY 2007-08 and FY 2008-09 remains unspent in anticipation of the Colorado School of Mines first bond payment. Fee revenue is expected to increase significantly in FY 2009-10 because the student resolution called for the fee to increase from \$50 per semester in FY 2007-08 to \$100 per semester in FY 2008-09 and \$175 per semester in FY 2009-10. Any additional changes above the requested \$1,578,388 for the FY 2009-10 appropriation should be accomplished during the Joint Budget Committee’s figure setting in March 2009.

*Colorado State University:*

In spring 2005, the Associated Students of Colorado State University approved an academic facility fee of \$10 per credit hour to support the construction of academic facilities. The facility fee generated just over \$7 million in revenue upon implementation. Although the fee was first assessed in FY 2006-07, it was not included in their appropriated academic and academic facility fee revenue in the annual Long Bill in FY 2006-07 or FY 2007-08. The Academic Facility Fee was, however, reported in the Colorado Financial Reporting System and the State Controller's Office in a 1900 account with a non-appropriated revenue source code.

As mentioned above, the fee review the Department conducted pursuant to SJR08—037 prompted institutions to review how their fees are reported and led to definitions of all types of fees in the formal policy the Commission adopted. It is now clear that Colorado State University needs spending authority for their student approved, academic facility fee.

There has been no change in the fee in several years. It remains at \$10 per credit hour. Unless the students vote to increase the fee, the fee will continue to be collected at a rate of \$10 per credit hour. In FY 2006-07 and FY 2007-08 the revenues from this fee were \$7,013,463 and \$7,173,183, respectively. It is therefore assumed that continuation funding in FY 2009-10 is sufficient to cover the revenue generated.

There is a University Facility Fee Advisory Board that hears proposals for capital construction projects on campus to be funded in part or entirely by student fee revenues. Project presentations are made to the Board by either the Director of Facilities or the requesting entity and must address specific criteria, as set out in the University Facility Fee Advisory Board Bylaws, to be considered for funding by the Board. No project is presented to the University Facility Fee Advisory Board unless it has already been submitted to the Physical Development Committee for their review. The project is then

submitted to the Board of Governors for approval. It is anticipated that this process will continue as the demand for state dollars for capital construction projects remains limited.

Revenues from the academic facility fee are used to make bond payments on the following academic facilities:

- Academic Instruction Building – approximately \$45,000,000
- University Center for the Arts Building – approximately \$22,000,000
- Computer Science Building – approximately \$12,000,000
- Rockwell Hall Addition – approximately \$8,000,000

Colorado State University requests an additional \$7,062,000 cash funds spending authority in FY 2008-09 to reflect the fee revenue collected from the student facilities fee collected to support the construction and/or renovation of facilities on the Fort Collins campus. Additionally, FY 2009-10 should be increased by \$7,062,000 cash funds to account for the academic facility fee.

Consequences if Not Funded:

If these requests for additional tuition and fee spending authority are not granted, these governing boards will exceed their appropriations for FY 2008-09 and the Long Bill will not accurately reflect the actual tuition and those fees that should be appropriated. If these institutions are not able to collect and utilize the revenue from these sources than the programs they offer will may not be able to sustain operations. Tuition is one of the two main sources of revenue available to cover the general operating costs at institutions, while the fee revenue supports very specific programs or projects (e.g., capital fees for the construction of academic facilities, course specific fees).

Calculations for Request:

<b>Summary of Request FY 2008-09</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
Total Request	\$12,131,339	\$0	\$12,131,339	\$0	\$0	0.0
Mesa State College	\$721,765	\$0	\$721,765	\$0	\$0	0.0
Colorado State University System	\$7,062,000	\$0	\$7,062,000	\$0	\$0	0.0
Fort Lewis College	\$163,923	\$0	\$163,923	\$0	\$0	0.0
Colorado School of Mines	\$4,183,651	\$0	\$4,183,651	\$0	\$0	0.0

Note: Colorado School of Mines request includes both tuition and fee increases.

<b>Summary of Request FY 2009-10</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
Total Request	\$12,936,292	\$0	\$12,936,292	\$0	\$0	0.0
Mesa State College	\$721,765	\$0	\$721,765	\$0	\$0	0.0
Colorado State University System	\$7,062,000	\$0	\$7,062,000	\$0	\$0	0.0
Fort Lewis College	\$161,114	\$0	\$161,114	\$0	\$0	0.0
Colorado School of Mines	\$4,991,413	\$0	\$4,991,413	\$0	\$0	0.0

Note: Colorado School of Mines request includes both tuition and fee increases.

**Tuition Spending Authority**

*Colorado School of Mines:*

The FY 2008-09 annual tuition estimate at Colorado School of Mines is based on the assumption that fall FY 2008-09 enrollments will comprise: 1) 48.7% of annual resident undergraduate enrollment; 2) 48.6% of annual nonresident undergraduate enrollment; 3) 47.3% of annual resident graduate enrollment; and 4) 46.3% of annual nonresident graduate enrollment.

Tuition Revenue	9/15 Actual	Historical Ratio	Projection
Undergraduate Resident	11,866,549	48.7%	24,366,630
Undergraduate NonResident	9,944,742	48.6%	20,462,432
Graduate Resident	2,396,910	47.3%	5,067,463
Graduate NonResident	4,065,711	46.3%	8,781,234
<b>TOTAL</b>	<b>28,273,912</b>		<b>58,677,759</b>

As noted above, the Colorado School of Mines raised nonresident tuition 9.5% in FY 2008-09, above the 5% estimate include in the Long Bill. The school estimates from the fall census enrollment report that they will need \$58,677,759 in total tuition spending authority instead of the \$55,389,258 appropriated in the H.B. 08-1375.

$$\$58,677,759 - \$55,389,258 = \sim\$3,288,501$$

Mesa State College:

130,948 resident credit hours \* \$5 premium = \$654,740  
13,405 nonresident credit hours \* \$5 premium = \$67,025  
Total = \$721,765

As noted above, Mesa State College adopted, after student voter approval, a \$5 per credit hour tuition premium. This amount multiplied by the projected number of credit hours for FY 2008-09 determines the need for the supplemental spending authority.

Fort Lewis College:

The Fort Lewis College raised nonresident tuition 9.5% this year and estimates that this requires an additional \$163,923 in cash funds spending authority in FY 2008-09.

H.B. 08-1375 appropriated \$24,746,531 for FY 2008-09 tuition spending authority for Fort Lewis College. This amount was based on the Joint Budget Committee's enrollment projection for FY 2008-09 and an assumed 5% nonresident student tuition rate increase. This 5% rate increase served as a placeholder and Fort Lewis College actually applied a 9.5% increase to the tuition rates charged to nonresident students in FY 2008-09. This resulted in a difference of roughly \$714,000 over the original appropriation. However, Fort Lewis College has also experienced a decrease in resident student FTE. According to Fort Lewis College staff estimates, the new estimates for total tuition spending authority require an additional \$163,923 in cash funds. This is the additional non-resident tuition revenue minus the shortfall from resident tuition revenue ( $\$714,176 - \$550,253 = \$163,923$ ) over the original appropriation (\$24,746,531).

The following chart summarizes how the tuition spending authority supplemental was calculated for Mesa State College, Fort Lewis College, and the Colorado School of Mines:

STATE OF COLORADO FY 2009-10 BUDGET REQUEST CYCLE: Department of Higher Education

Summary of FY 2008-09 Supplemental Request for Tuition Spending Authority  
 Mesa State College Fort Lewis College Colorado School of Mines

Component	Mesa	Mesa Supplemental Request and Appropriation	Supplemental Request over Appropriation	Ft. Lewis	Ft. Lewis Supplemental Request and Appropriation	Supplemental Request over Appropriation	Mines	Mines Supplemental Request and Appropriation	Supplemental Request over Appropriation
<b>FY 2007-08 Appropriation</b>									
Resident	\$ 17,192,846			\$ 7,625,247	\$ 7,625,247		\$ 25,986,286	\$ 25,986,286	
Nonresident	\$ 4,276,695			\$ 15,685,572	\$ 15,685,572		\$ 19,811,123	\$ 19,811,123	
Tuition	\$ 21,469,541			\$ 23,310,819	\$ 23,310,819		\$ 45,797,409	\$ 45,797,409	
<b>Revised Estimate (LCS February 2008)</b>									
Resident	\$ 17,338,961			\$ 7,562,269	\$ 7,562,269		\$ 27,306,597	\$ 27,306,597	
Nonresident	\$ 4,486,908			\$ 15,546,171	\$ 15,546,171		\$ 22,511,112	\$ 22,511,112	
Tuition	\$ 21,825,869			\$ 23,108,440	\$ 23,108,440		\$ 49,817,709	\$ 49,817,709	
<b>Difference</b>									
Resident	\$ 146,115			\$ (62,978)	\$ (62,978)		\$ 1,320,311	\$ 1,320,311	
Nonresident	\$ 210,213			\$ (139,401)	\$ (139,401)		\$ 2,699,989	\$ 2,699,989	
Tuition	\$ 356,328			\$ (202,379)	\$ (202,379)		\$ 4,020,300	\$ 4,020,300	
<b>Enrollment adjustment</b>									
Resident	\$ 1,024,589			\$ 67,704	\$ (444,159)	\$ (511,863)	\$ 484,821	\$ (426,147)	\$ (910,968)
Nonresident	\$ 563,557			\$ 210,315	\$ 215,003	\$ 4,688	\$ 1,258,083	\$ 4,195,432	\$ 2,937,349
Tuition	\$ 1,588,146			\$ 278,019	\$ (229,156)	\$ (507,175)	\$ 1,742,904	\$ 3,769,285	\$ 2,026,381
<b>Department targeted rate increases</b>									
Resident	7.5%			7.5%	7.5%	0.0%	9.5%	9.5%	0.0%
Nonresident	5.0%			5.0%	9.5%	4.5%	5.0%	9.5%	4.5%
<b>Rate adjustment</b>									
Resident	\$ 1,377,266			\$ 572,248	\$ 533,858	\$ (38,390)	\$ 2,640,185	\$ 2,553,643	\$ (86,542)
Nonresident	\$ 252,523			\$ 787,824	\$ 1,497,312	\$ 709,488	\$ 1,188,460	\$ 2,537,122	\$ 1,348,662
Tuition	\$ 1,629,789			\$ 1,360,072	\$ 2,031,170	\$ 671,098	\$ 3,828,645	\$ 5,090,765	\$ 1,262,120
TOTAL Tuition	\$ 3,217,935			\$ 1,638,091	\$ 1,802,014	\$ 163,923	\$ 5,571,549	\$ 8,860,050	\$ 3,288,501
<b>FY 2008-09 Appropriation</b>									
Resident	\$ 19,740,816	\$ 20,395,556	\$ 654,740	\$ 8,202,221	\$ 7,651,968	\$ (550,253)	\$ 30,431,603	\$ 29,434,093	\$ (997,510)
Nonresident	\$ 5,302,988	\$ 5,370,013	\$ 67,025	\$ 16,544,310	\$ 17,258,486	\$ 714,176	\$ 24,957,655	\$ 29,243,666	\$ 4,286,011
Tuition	\$ 25,043,804	\$ 25,765,569	\$ 721,765	\$ 24,746,531	\$ 24,910,454	\$ 163,923	\$ 55,389,258	\$ 58,677,759	\$ 3,288,501

The following chart shows how the additional spending authority for tuition at each of the affected governing boards in FY 2009-10 was calculated:

FY 2009-10 Projected Tuition Spending Authority										
Part =>	A	B	C	D	E	F	G	H	I	
Part Methodology for FLC and CSM =>	A = FY 2008-09 Appropriation	B = see FY 2008-09 calculations	C = A + B	D = Rates from November 1, 2008	E = A * D	F = A + E	G = C * D	H = C + G	I = H - F	
	FY 2008-09 Total Tuition Spending Authority from JBC Appropriations Report (H.B. 08-1375 and S.B. 08-079)	*FY 2008-09 Supplemental Request	FY 2008-09 Adjusted Tuition Spending Authority	Requested FY 2009-10 Rate Increase	November 1 REQUEST FY 2009-10 Tuition Spending Authority Increase (DI-2)	November 1 REQUEST FY 2009-10 Projected Total Tuition Spending Authority (DI-2)	Budget Amendment REQUEST FY 2009-10 Projected Tuition Spending Authority Increase (S-1)	Budget Amendment REQUEST FY 2009-10 Projected Total Tuition Spending Authority Increase (S-)	*FY 2009-10 Budget Amendment Request	
Mesa	Resident	\$19,740,816	\$654,740	\$20,395,556	7.0%	\$1,381,857	\$21,122,673	\$654,740	\$21,777,413	\$654,740
	Nonresident	\$5,302,988	\$67,025	\$5,370,013	5.0%	\$265,149	\$5,568,137	\$67,025	\$5,635,162	\$67,025
	<b>Total</b>	<b>\$25,043,804</b>	<b>\$721,765</b>	<b>\$25,765,569</b>		<b>\$1,647,006</b>	<b>\$26,690,810</b>	<b>\$721,765</b>	<b>\$27,412,575</b>	<b>\$721,765</b>
Ft. Lewis	Resident	\$8,202,221	(\$550,253)	\$7,651,968	7.0%	\$574,155	\$8,776,376	\$535,638	\$8,187,606	(\$588,770)
	Nonresident	\$16,544,310	\$714,176	\$17,258,486	5.0%	\$827,216	\$17,371,526	\$862,924	\$18,121,410	\$749,884
	<b>Total</b>	<b>\$24,746,531</b>	<b>\$163,923</b>	<b>\$24,910,454</b>		<b>\$1,401,371</b>	<b>\$26,147,902</b>	<b>\$1,398,562</b>	<b>\$26,309,016</b>	<b>\$161,114</b>
Mines	Resident	\$30,431,603	(\$997,510)	\$29,434,093	9.0%	\$2,738,844	\$33,170,447	\$2,649,068	\$32,083,161	(\$1,087,286)
	Nonresident	\$24,957,655	\$4,286,011	\$29,243,666	5.0%	\$1,247,883	\$26,205,538	\$1,462,183	\$30,705,849	\$4,500,311
	<b>Total</b>	<b>\$55,389,258</b>	<b>\$3,288,501</b>	<b>\$58,677,759</b>		<b>\$3,986,727</b>	<b>\$59,375,985</b>	<b>\$4,111,251</b>	<b>\$62,789,010</b>	<b>\$3,413,025</b>

Note: Highlighted columns "B" and "I" identify the FY 2008-09 Supplemental request and FY 2009-10 Budget Amendment request, respectfully.



The chart on the previous page incorporates the supplemental tuition spending authority requested by Fort Lewis College, and Colorado School of Mines into the base FY 2008-09 appropriation that serves as the basis for the Department's November 1, 2008 Decision Item 2 in FY 2009-10. The FY 2009-10 is based on the premise that the Mesa State College tuition premium is not base building; therefore, only continuation funding of \$721,765 cash funds spending authority is included in the FY 2009-10 budget amendment. Decision Item 2 requested 7% tuition rate increases for resident undergraduate students at the four year institutions and 9% tuition rate increases resident undergraduate students at the research institutions. Like the FY 2008-09 request, a 5% placeholder rate increase is applied for nonresident tuition rate increases. Because the supplemental request adjusts the base, a corresponding adjustment is made to the FY 2009-10.

**Fee Spending Authority**

*Colorado School of Mines:*

The Colorado School of Mines estimates the capital fee will generate \$895,150 in new revenue in FY 2008-09. As a point of reference, in FY 2007-08 the fee was \$50 per semester and a total of \$418,950 was collected by the institution. The table below details the fee revenue projected by term for FY 2008-09.

FY 2008-09	Students assessed fees	Fee amount	Revenue Generated
Summer	950	\$50.00	\$47,500
Fall	4,100	\$100.00	\$410,000
Spring	4,000	\$100.00	\$400,000
Field	1,000	\$37.65	\$37,650
Calculated FY 2008-09 Total Fee Revenue =>			\$895,150
FY 2009-10	Students assessed fees	Fee amount	Revenue Generated
Summer	950	\$100.00	\$95,000
Fall	4,100	\$175.00	\$717,500
Spring	4,000	\$175.00	\$700,000
Field	1,000	\$65.89	\$65,888
Calculated FY 2009-10 Total Fee Revenue =>			\$1,578,388

The Department requests \$1,578,388 cash funds for this fee in FY 2009-10. The request in FY 2009-10 assumes flat enrollment and is derived by the applying the new fee structure in FY 2009-10 to the number of students for each term.

*Colorado State University:*

In FY 2006-07 the University collected revenue from this fee totaling \$7,018,463, and FY 2007-08 totaled \$7,173,183. For FY 2008-09 the formula for fee revenue is 706,200 projected credit hours \* \$10 per credit hour = \$7,062,000.

The Department requests continuation funding for this fee at the \$7,062,000 level in FY 2009-10.

The following table identifies the changes in the FY 2008-09 lettenote text that this supplemental and associated budget amendment request seeks (this table should aid a reader in identifying changes detailed on the Schedule 13 for this request):

<i>Tuition -- FY 2007-08 Supplemental and FY 2009-10 Budget Amendment Request</i>							
<b>Governing Board</b>	<b>FY 2008-09 Appropriation</b>	<b>FY 2008-09 Total with Supplemental Request</b>	<b>FY 2008-09 Supplemental Request</b>		<b>FY 2009-10 November 1 Request</b>	<b>FY 2009-10 Total with Budget Amendment</b>	<b>FY 2009-10 Budget Amendment Request</b>
Mesa State College	\$25,043,804	\$25,765,569	\$721,765		\$26,690,810	\$27,412,575	\$721,765
Fort Lewis College	\$24,746,531	\$24,910,454	\$163,923		\$26,147,902	\$26,309,016	\$161,114
Colorado School of Mines	\$55,389,258	\$58,677,759	\$3,288,501		\$59,375,985	\$62,789,010	\$3,413,025
<b>TUITION TOTAL</b>	<b>\$105,179,593</b>	<b>\$109,353,782</b>	<b>\$4,174,189</b>		<b>\$112,214,697</b>	<b>\$116,510,601</b>	<b>\$4,295,904</b>
<i>Fees -- FY 2007-08 Supplemental and FY 2009-10 Budget Amendment Request</i>							
<b>Governing Board</b>	<b>FY 2008-09 Appropriation</b>	<b>FY 2008-09 Total with Supplemental Request</b>	<b>FY 2008-09 Supplemental Request</b>		<b>FY 2009-10 November 1 Request</b>	<b>FY 2009-10 Total with Budget Amendment</b>	<b>FY 2009-10 Budget Amendment Request</b>
Colorado State University	\$5,015,000	\$12,077,000	\$7,062,000		\$5,015,000	\$12,077,000	\$7,062,000
Colorado School of Mines	\$150,000	\$1,045,150	\$895,150		\$150,000	\$1,728,388	\$1,578,388
<b>FEE TOTAL</b>	<b>\$5,165,000</b>	<b>\$13,122,150</b>	<b>\$7,957,150</b>		<b>\$5,165,000</b>	<b>\$13,805,388</b>	<b>\$8,640,388</b>
<i>Tuition and Fees -- FY 2007-08 Supplemental and FY 2009-10 Budget Amendment Request</i>							
<b>Governing Board</b>	<b>FY 2008-09 Appropriation</b>	<b>FY 2008-09 Total with Supplemental Request</b>	<b>FY 2008-09 Supplemental Request</b>		<b>FY 2009-10 November 1 Request</b>	<b>FY 2009-10 Total with Budget Amendment</b>	<b>FY 2009-10 Budget Amendment Request</b>
Mesa State College	\$25,043,804	\$25,765,569	\$721,765		\$26,690,810	\$27,412,575	\$721,765
Colorado State University	\$5,015,000	\$12,077,000	\$7,062,000		\$5,015,000	\$12,077,000	\$7,062,000
Fort Lewis College	\$24,746,531	\$24,910,454	\$163,923		\$26,147,902	\$26,309,016	\$161,114
Colorado School of Mines	\$55,539,258	\$59,722,909	\$4,183,651		\$59,525,985	\$64,517,398	\$4,991,413
<b>TUITION AND FEE TOTAL</b>	<b>\$110,344,593</b>	<b>\$122,475,932</b>	<b>\$12,131,339</b>		<b>\$117,379,697</b>	<b>\$130,315,989</b>	<b>\$12,936,292</b>

Assumptions for Calculations: Assumptions for calculations have been described in the calculations for request section of the narrative.

Impact on Other Government Agencies: Increased tuition and fee cash spending authority should require no additional full time employees or administrative costs to the Department of Higher Education, state agencies, or institutions of higher education.

Cost Benefit Analysis: Not Applicable – this request is technical in nature to true-up tuition and fee revenues at the mentioned governing boards.

Implementation Schedule:

<b>Task</b>	<b>Month/Year</b>
Start-Up Date	Immediately upon approval

Statutory and Federal Authority: *Section 23-5-129 (10), C.R.S. (2008):* While a state institution of higher education is operating pursuant to a performance contract negotiated pursuant to this section, the general assembly retains the authority to approve tuition spending authority for the governing board of the institution.

*Section 23-1-104 (1) (a) (I), C.R.S. (2008):* The general assembly shall make annual appropriations of general fund moneys, of cash funds received from tuition income, and of cash funds exempt that are estimated to be received by an institution, under the direction and control of the governing board, as stipends, as defined in section 23-18-102, as a single line item to each governing board for the operation of its campuses.

Performance Measures: Not Applicable