

(1) DEPARTMENTAL ADMINISTRATIVE OFFICE

HEALTH, LIFE, AND DENTAL

This line item provides funding for the employer's share of the cost of group benefit plans providing health, life, and dental insurance for state employees.

SHORT-TERM DISABILITY

This line item provides funding for the employer's share of state employees' short-term disability insurance premiums.

S.B. 04-257 AMORTIZATION EQUALIZATION DISBURSEMENT

Pursuant to S.B. 04-257, this line item provides additional funding to increase the state contribution for Public Employees' Retirement Association (PERA).

S.B. 06-235 SUPPLEMENTAL AMORTIZATION EQUALIZATION DISBURSEMENT

Pursuant to S.B. 06-235, this line item provides additional funding to increase the state contribution for Public Employees' Retirement Association (PERA).

SALARY SURVEY

The Department uses this line item to pay for annual increases for salary survey and senior executive service positions.

MERIT PAY

This line item funds awards relating to employee performance.

WORKERS' COMPENSATION

This line item is used to pay the Department's estimated share for inclusion in the state's workers' compensation program for state employees. This program is administered by the Department of Personnel and Administration.

LEGAL SERVICES

This line item provides funding for the Department to purchase legal services from the Department of Law.

ADMINISTRATIVE LAW JUDGE SERVICES

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This line item provides funding for the Department to purchase services from the Department of Personnel and Administration, Administrative Hearings Division.

PURCHASE OF SERVICES FROM COMPUTER CENTER

This item provides funding for the Department's share of statewide computer services provided by the Department of Personnel and Administration, Division of Information Technology. This line item was consolidated into the "Payments to OIT" line item in FY 2014-15.

MANAGEMENT AND ADMINISTRATION OF OIT

This line item provides funding for the Department's share of the division-level management of the Governor's Office of Information Technology (OIT) and "back office" functions as authorized by S.B. 08-155. This line item was consolidated into the "Payments to OIT" line item in FY 2014-15.

COLORADO STATE NETWORK

This line item provides funding of the Department's share of the state's data, voice, video, text, and graphics communications needs. Costs include Governor's Office of Information Technology (OIT) overhead, internet access, and contractual obligations that provide the State with a reserved amount of bandwidth at each network access point. The Colorado State Network brings new technology and notable improvements and provides cost-effective, quality, high-speed broadband data communications and Internet access to Colorado's public sector. This line item was consolidated into the "Payments to OIT" line item in FY 2014-15.

PAYMENT TO RISK MANAGEMENT AND PROPERTY FUNDS

This line item provides funding for the Department's share of the statewide costs for two programs operated by the Department of Personnel and Administration: (1) the liability program, and (2) the property program. The state's liability program is used to pay liability claims and expenses brought against the State. The property program provides insurance coverage for state buildings and their contents.

LEASED SPACE

This line item provides funding for the lease of office space to support CCHE and DPOS.

PAYMENTS TO OIT

This was a new line item added in the FY 2014-15 OIT request. It is the result of a consolidation of the previous IT common policy line items into one line-item.

COFRS MODERNIZATION

This line item provides funding for the upgrade to a new statewide accounting and budgeting system designed to replace COFRS.

(2) COLORADO COMMISSION ON HIGHER EDUCATION

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 \$143,820 from fees paid by private institutions for program approval pursuant to C.R.S. § 23-1-125 (5) and C.R.S. § 23-2-104.5. The source of reappropriated funds is indirect cost recoveries and \$105,180 in funds provided under the Preschool to Postsecondary Education Alignment line-item under the Department of Education.

Division of Private Occupational Schools

This line item provides funding and staff for Division of Private Occupational Schools, authorized under 12-59-101, C.R.S., and for general division administration, including support for human resources, budgeting, accounting, and information management. This line item supports both personal services and operating expenses. The source of cash funds for this line item is fees paid by occupational schools.

Special Purpose

Western Interstate Commission for Higher Education

The line provides funding for Colorado's dues to support WICHE. This coalition of Western States works to benefit each other through sharing research data and the development of reciprocity and student exchange programs. 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.

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Through WICHE's undergraduate exchange program, students pay 150 percent of resident tuition rates. Colorado sends more students out of state than it accepts through this program. Each state controls the circumstances under which it accept students. 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 and programs.

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.

Examples of WICHE's research publications and data sharing initiatives can be found at WICHE's web site: <http://www.wiche.edu/>

The 15 member states of WICHE all pay the same dues. Member dues represent approximately one-third of WICHE's budget, with the remainder coming primarily from grants and contracts. The source of cash funds is indirect cost recoveries.

WICHE – Optometry

This line provides funding for Colorado students to enroll in out-of-state institutions with optometry programs at resident tuition rates through an exchange set up by WICHE. The exchange offers an alternative to establishing an optometry program in Colorado. In return for the discounted tuition, the students agree to return to Colorado to practice optometry, or to repay the state for its investment. Historically 75 percent of the students return. The funding is based on enrollment and the reimbursement rates negotiated by the WICHE institutions. The source of cash funds is indirect cost recoveries.

Distribution to Higher Education Competitive Research Authority

Pursuant to S.B. 07-182, approximately \$0.10 of each \$1.50 fee on the disposal of waste tires gets deposited in the Innovative Higher Education Research Fund and is subject to annual appropriation by the General Assembly for use by the Higher Education Research Authority to provide matching funds for federal research grants.

Veterinary School Program Needs

This line represents the WICHE cash funds (currently 43 percent) and state funds (57 percent) for capital outlay associated with CSU's veterinary medicine program. These moneys appear in the CCHE budget rather than under the Board of Governors of the Colorado State University System with the rest of the veterinary medicine school money due to an agreement with WICHE that requires

separate accounting. The funding split is based on the ratio of residents to out of-state WICHE students. The source of cash funds is WICHE funds.

Colorado Geological Survey at the Colorado School of Mines

This line item provides funding for the Colorado Geological Survey (CGS) functions that are now housed at the Colorado School of Mines.

H.B. 12-1355 transferred the Geological Survey to the Colorado School of Mines. For FY 2014-15, CGS was appropriated \$306,000 General Fund, \$1.3 million in cash funds from Severance Tax, \$50,000 in reappropriated funds for fees received from other state entities, and \$290,545 in federal funds.

GEAR-UP

This line provides spending authority for federally funded scholarships provided under the Gear-Up program. This line also includes spending authority for personal services, contracts, and operating expenses associated with the administration of the Gear-Up program. During the FY 2014-15 budget request cycle, the General Assembly moved this line item from the financial aid section below to the Colorado Commission on Higher Education Special Purpose section to reflect the administrative role of the department in this program. The General Assembly also added 35.5 FTE to this line item to reflect the amount of Gear-Up field administrative staff.

Colorado Opportunity Scholarship Initiative

This line item was created pursuant to H.B. 14-1384. It provides funding for the Colorado Opportunity Scholarship Initiative, which is a student college scholarship and student support services grant program. General Fund contributions to this line item become part of a sustainable corpus to fund scholarship and grant awards in future years. Also tied to this program is the Colorado Opportunity Scholarship Initiative Fund, which is a continuously appropriated cash fund that serves as the corpus for the Colorado Opportunity Scholarship Initiative. Program implementation is underway during the FY 2014-15.

(3) COLORADO COMMISSION ON HIGHER EDUCATION FINANCIAL AID

This section funds the CCHE-operated financial aid programs.

Need Based Grants

This line provides funding for grants for full-time and part-time graduate and undergraduate students with demonstrated financial need attending eligible institutions in Colorado, which include some private institutions. The Colorado Commission on Higher Education

(CCHE) allocates financial aid awards to individual institutions. Institutions are then responsible for distribution of these funds to eligible students.

Work Study

This line provides funding for the work study program. Work Study allows resident undergraduates to earn money to help pay for college. Eligibility is for students with financial need as well as students who can benefit from work experience, but statutes require that at least 70 percent of the funds be awarded based on need. Students may work at state-funded educational institutions, non-profit organizations, or government agencies.

Special Purpose

Veterans'/Law Enforcement/POW Tuition Assistance

This line pays tuition, room, and board for Colorado dependents of deceased or permanently disabled members of the national guard, law enforcement, firefighters, prisoners of war and military personnel missing in action. By statute this is the first priority of any state financial aid funds.

National Guard Tuition Assistance Fund

House Bill 04-1347 required that the first priority of any funds appropriated for financial aid in the Department of Higher Education be providing tuition assistance to National Guard members, up to \$800,000.

Native American Students/Fort Lewis College

To comply with a federal treaty and the contract that granted the Fort Lewis property to the state, Section 23-52-105, C.R.S. requires that the General Assembly appropriate funds to cover 100 percent of the cost of tuition for qualified Native Americans who wish to attend Fort Lewis College. The college waives tuition for these students up front, and then receives reimbursement in the following fiscal year.

Merit-Based Grants

This line provides funding for grants for full-time and part-time students to award demonstrated merit by students attending eligible institutions in Colorado. The Colorado Commission on Higher Education (CCHE) allocates merit-based grants to individual institutions. Institutions are then responsible for distribution of these funds to eligible students.

(4) COLLEGE OPPORTUNITY FUND PROGRAM

The College Opportunity Fund Program section includes line items for stipends for students at state operated institutions, stipends for students at private institutions, and fee-for-service contracts with state supported institutions.

Stipends

State Institutions

This line provides funding for payments to state institutions of higher education pursuant to the College Opportunity Trust Fund administered by College Assist under Title 23, Article 18, C.R.S.

Private Institutions

This line provides funding for payments to eligible private institutions of higher education pursuant to the College Opportunity Trust Fund found in Title 23, Article 18, C.R.S.

Fee-for-service Contracts with State Institutions

This line provides funding for fee-for-service contracts with state institutions of higher education and authorized under 23-1-109.7 CRS.

(5) GOVERNING BOARDS

This section provides spending authority to state institutions of higher education. It reappropriates the General Fund provided for College Opportunity Fund stipends and fee-for-service contracts to the ten Colorado higher education governing boards. The cash fund source for these lines include estimated tuition and fee revenue, and in Governing Board-specific cases, gaming funds allocated pursuant to Amendment 50, and Tobacco Litigation Settlement moneys

(6) LOCAL DISTRICT JUNIOR COLLEGE GRANTS PURSUANT TO SECTION 23-71-301, CRS.

This line item provides funding for grants to Aims Community College and Colorado Mountain College.

(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.

Administrative Costs

These FTE are responsible for approving the programs and distributing funds. The source of reappropriated funds is indirect cost recoveries.

Colorado Vocational Act Distributions pursuant to Section 23-8-102, CRS

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.

Area Vocational School Support

This line provides state support for the four area vocational schools to provide postsecondary vocational training. In addition to the General Fund shown in the Long Bill, the AVS charge minimal tuition and fees to students. Also, the AVS provide some vocational training to secondary students with funds from their local school districts, which may include Colorado Vocational Act dollars.

Sponsored Programs

These are federally funded occupational education programs.

Administration

The 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.

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.

Colorado First Customized Job Training

These are General Fund dollars transferred from the Governor's Office for community colleges to provide training to employees of new companies or expanding firms.

(8) AURARIA HIGHER EDUCATION CENTER

Administration

The Auraria Higher Education Center collects funds from the institutions with programs on the Auraria campus (Community College of Denver, Metropolitan State University of Denver, and University of Colorado–Denver) for operation and maintenance of the campus. While there is some impact on AHEC's budget when enrollment changes on 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 funding is payments from the Auraria participants. As part of the department's FY 2015-16 base request, this line item has been increased by 3%, or \$579,000, to reflect Auraria's actual collection of funds from the Community College of Denver, Metropolitan State University of Denver, and University of Colorado-Denver. This makes the FY 2015-16 requested base budget for the Auraria Administration line item \$19,879,000.

(9) HISTORY COLORADO

The History Colorado collects, preserves, exhibits and interprets properties and artifacts of historical significance. In addition to operating museums and historical sites throughout the state, the History Colorado distributes gaming funds for preservation projects.

Cumbres and Toltec Railroad Commission

This line item funds the state's portion of a cooperative agreement with New Mexico to operate the Cumbres-Toltec Railroad.

Sponsored Programs

This line item provides spending authority for a variety of programs supported through restricted donations, federal funds and other dedicated sources. Examples of activities include special exhibits, and artifact conservation and processing.

Auxiliary Programs

This line item provides spending authority for various self-supporting activities of the History Colorado. Included in this line are the museum shop, public education and membership/publications. There are 14.5 FTE associated with this line item.

Gaming Revenue

The voter-approved amendment to Colorado's constitution that permitted limited gaming included a formula allocation of the tax revenues generated from gaming activities. This constitutional formula has been further modified by statute and voter initiative. Pursuant to constitutional formula, limited gaming moneys are deposited in the State Historical Fund to support activities of History Colorado. The total amount for the State Historical Fund is determined by the constitution and revenues, but within the amount

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allocated for statewide grants and society operations, the General Assembly can influence how much is allocated for grants versus operations.

Gaming Cities Distributions

A portion of the revenue generated from gaming is returned to the gaming cities as defined in Section 12-47.1-701, C.R.S.

Statewide Preservation Grant Program

The majority of the revenue generated from gaming is used for the preservation and restoration of historical sites and municipalities throughout the state. The History Colorado has statutory authority to expend some of these funds to cover the "reasonable costs" of administration. These administrative costs come off the top and the remainder is used for grants through this line item.

Society Museum and Preservation Operations

This line item funds the administrative staff for the division and the staff for the museums and associated operating expenses. The sources of cash funds include museum admission fees, user charges, and gaming revenues deposited in the State Historical Fund.