

**COLORADO GENERAL ASSEMBLY  
JOINT BUDGET COMMITTEE**



**SUPPLEMENTAL REQUESTS FOR FY 2008-09**

**DEPARTMENT OF HIGHER EDUCATION**

**JBC Working Document - Subject to Change  
Staff Recommendation Does Not Represent Committee Decision**

**Prepared By:  
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## Prioritized Supplementals

### Supplemental Request, Department Priority #1 Higher Education "true up"

	Request	Recommendation
Financial Aid, Work Study - GF	(\$62,409)	(\$62,409)
Financial Aid, Veterans'/Law Enforcement/POW Tuition Assistance - GF	\$62,409	\$62,409
Stipends - GF	\$8,206,248	\$8,206,248
Fee-for-service Contracts - GF	(\$8,206,248)	(\$8,206,248)
<b>Total</b>	<b>\$0</b>	<b>\$0</b>

*The request includes corresponding adjustments in the reappropriated funds spending authority for each governing board that are detailed in a table below.*

<p>Does JBC staff believe the request is consistent with the emergency supplemental criteria outlined in Section 24-75-111, C.R.S.? Pursuant to statute, the Controller may authorize an over expenditure of the existing budget if the over expenditure meets the following criteria: (1) Is approved in whole or in part by the Joint Budget Committee; (2) Is necessary due to unforeseen circumstances arising while the General Assembly is not meeting in regular or special session during which such over expenditure can be legislatively addressed; (3) Is approved by the Office of State Planning and Budgeting (except State, Law, Treasury, Judicial, or Legislative Departments); (4) Is approved by the Capital Development Committee, if a capital request; (5) Is consistent with all statutory provisions applicable to the program, function or purpose for which the over expenditure is made; and (6) Does not exceed the unencumbered balance of the fund from which the over expenditure is made as of the date of the over expenditure.</p>	<b>YES</b>
<p>New information is available about the population eligible for financial aid and stipends.</p>	

**Request:** The Department requests adjusting several line items with a net \$0 impact to match new data about the population eligible for financial aid and stipends.

Statutes require that out of any money appropriated for financial aid the Department first provide financial assistance to all eligible students through the Veterans'/Law Enforcement/POW Tuition Assistance line item. The cost to fund all eligible students was \$62,409 higher than expected in FY 2008-09. To cover the additional cost the Colorado Commission on Higher Education proposes allocating less to work study.

Statutes provide limited authority for the Department, in conjunction with the institutions, to convert spending authority for stipends to fee-for-service contracts, but not the other way around. The Department requests that in cases where the stipend eligible population exceeds the stipend appropriation, the JBC approve an increase in stipend spending authority and a corresponding decrease in the fee-for-service contract. Also, for Fort Lewis College the discrepancy between the appropriation and the stipend-eligible population exceeds the Department's statutory transfer

authority, and so the Department requests that the JBC approve an increase in fee-for-service spending authority and a corresponding decrease in stipend spending authority.

	<b>Stipend</b>	<b>Fee-for-service</b>
Mesa	\$146,775	(\$146,775)
Metro	\$252,574	(\$252,574)
CSU	\$573,721	(\$573,721)
Fort Lewis	(\$448,471)	\$448,471
Mines	\$34,263	(\$34,263)
Community Colleges	\$7,647,386	(\$7,647,386)
<b>TOTAL</b>	<b>\$8,206,248</b>	<b>(\$8,206,248)</b>

**Staff Recommendation:** Staff recommends approval of the request. Staff believes a case could be made that the Department already has sufficient statutory authority to make the requested transfer between the Work Study and Veterans'/Law Enforcement/POW Tuition Assistance line item, but the statutes are not explicit, and there is no harm in a supplemental adjustment. Regarding the transfers between stipends and fee-for-service contracts, the study of the College Opportunity Fund Program that the Department commissioned was critical that making the funding for stipends and fee-for-service contracts a zero-sum game where increases or decreases in enrollment result in no net change to funding runs counter to some of the original stated purposes of the COF. However, the JBC's practice the last few years has been to make end-of-year adjustments. The staff recommendation would continue the current policy until the General Assembly has an opportunity to debate the study of the College Opportunity Fund Program.