

Schedule 13 Funding Request for the 2012-13 Budget Cycle

Department: Higher Education
Request Title: Reduction to College Opportunity Fund lifetime credit hour limit
Priority Number: BRI-06

Dept. Approval by: 10/14/11
 Date

OSPB Approval by: 10/17/11
 Date

- | | |
|-------------------------------------|--------------------------------|
| <input type="checkbox"/> | Decision Item FY 2012-13 |
| <input checked="" type="checkbox"/> | Base Reduction Item FY 2012-13 |
| <input type="checkbox"/> | Supplemental FY 2011-12 |
| <input type="checkbox"/> | Budget Amendment FY 2012-13 |

Line Item Information		FY 2011-12		FY 2012-13		FY 2013-14
		1	2	3	4	6
	Fund	Appropriation FY 2011-12	Supplemental Request FY 2011-12	Base Request FY 2012-13	Funding Change Request FY 2012-13	Continuation Amount FY 2013-14
Total of All Line Items	Total	274,041,240	-	274,041,240	(329,964)	(329,964)
	FTE	-	-	-	-	-
	GF	261,712,337	-	261,712,337	(329,964)	(329,964)
	GFE	12,328,903	-	12,328,903	-	-
	CF	-	-	-	-	-
	RF	-	-	-	-	-
	FF	-	-	-	-	-
(4) College Opportunity Fund Program, (A) Stipend, State Institutions	Total	274,041,240	-	274,041,240	(329,964)	(329,964)
	FTE	-	-	-	-	-
	GF	261,712,337	-	261,712,337	(329,964)	(329,964)
	GFE	12,328,903	-	12,328,903	-	-
	CF	-	-	-	-	-
	RF	-	-	-	-	-
	FF	-	-	-	-	-

Letternote Text Revision Required? Yes No **If yes, describe the Letternote Text Revision:**

Cash or Federal Fund Name and COFRS Fund Number: College Opportunity Fund, Fund # 840
Reappropriated Funds Source, by Department and Line Item Name: N/A

Approval by OIT? Yes No N/A:

Schedule 13s from Affected Departments: N/A

Other Information: This action requires a statutory change in the 2012 Session.

The distribution of this reduction by Governing Board is identified in BRI-01.
 [BRI-01, \$29,000,000] + [BRI-06, \$329,964] = \$29,329,964 total reduction. A reconciliation of the impact of BRI-01 and BRI-06 to the institutions of higher education is provided in BRI-1.



DEPARTMENT OF HIGHER EDUCATION

*FY 2012-13 Funding Request
November 1, 2011*

*John W. Hickenlooper
Governor*

*Lt. Gov. Joseph A. Garcia
Executive Director*

Department Priority: BRI-06

Request Title: Reduction to College Opportunity Fund lifetime credit hour limit

Summary of Incremental Funding Change for FY 2012-13	Total Funds	General Fund
College Opportunity Fund Program – lifetime credit eligibility	-\$329,964	-\$329,964

Request Summary:

As part of the Governor's FY 2012-13 budget balancing package, the Department requests a decrease of \$329,964 General Fund to the College Opportunity Fund, Stipends for State Institutions in FY 2012-13. This request proposes a statutory change to decrease the current College Opportunity Fund (COF) lifetime credit hour limit from 145 credit hours to 140 credit hours.

The request will also provide an incentive to limit a students' time to degree. By decreasing the credit hour limit by 5 credit hours, for any non-post bachelors degree student, a typical undergraduate student will be afforded 140 credit hours of state stipend as a subsidy against their tuition charges.

When the College Opportunity Fund was created a 145 credit hour cap for the student stipend was established for a student's undergraduate career. In Colorado most bachelor's degrees can be completed in 120 credit hours. Thus, the vast majority of students are able to reach degree prior to extinguishing the total credit hour cap.

The type of student that approaches this credit hour limit is typically one that has switched fields of study or pursues a degree which requires the individual to take additional credits which will be accounted for in this statutory change.

There are specific professional degree programs such as engineering programs that require more than 120 credit hours to be awarded a degree. These are statutorily recognized (Section 23-1-125 (2), C.R.S. (2011)) programs that have additional degree requirements which are recognized by the Colorado Commission on Higher Education (CCHE). This proposed change will account for these types of degree seekers as not to provide a disincentive or penalty for pursuit of this type of degree.

Anticipated Outcomes:

Students will no longer be afforded an additional 5 credit hours of eligibility for the COF stipend. This may provide an incentive for most students to decrease their time to degree by taking the more appropriate courses to be awarded a credential in a shorter amount of time. However, there will also be a segment of students that for a variety of reasons is at or over this proposed 140 credit hour cap. These students will either have to appeal their limit (to either the college or CCHE) to be granted additional COF stipend for remaining credits or be forced to pay for the unsubsidized in-state tuition costs for these credits.

Assumptions for Calculations:

The Department's most recent final data exists from the Fall 2010 term. Based on these figures the Department believes there are approximately

2,661 COF credit hours being awarded to first time undergraduate bachelors degree candidates over the 140 credit hour threshold. This Fall 2010 count of 2,661 of credit hours multiplied by the existing COF stipend rate of \$62 per credit hour results in \$164,982. When accounting for both the Fall and Spring semester this amount is anticipated to double to the \$329,964 identified in this request.

requirements authorized by the CCHE as described in Section 23-1-125 (2), C.R.S.

The distribution of this reduction to public colleges and universities is explained in BRI-01.

The savings identified in this request are predicated on the system of higher education choosing not to award exemptions to the lifetime credit hour cap for the captured credit hours.

Consequences if not Funded:

The state will need to reduce other statewide programs in order to help balance the FY 2012-13 budget.

Impact to Other State Government Agency:

Not applicable.

Cash Fund Projections:

Not applicable.

Current Statutory Authority or Needed Statutory Change:

This request would require a statutory change to Section 23-18-202 (5) (c) (I), C.R.S. (2011):

“An eligible undergraduate student shall not receive a stipend from the college opportunity fund for more than one hundred forty ~~five~~ credit hours during the eligible undergraduates student’s lifetime; except that: (A) If an eligible undergraduate student has received stipend payments for one hundred forty ~~five~~ credit hours and the student has received a bachelor’s degree, the eligible undergraduate student is eligible to receive stipend payments for an additional thirty undergraduate credit hours.”

Additionally, this change will need to take into account and recognize the specific professional degree programs that have additional degree

