



# FY 2014-15 Budget Update

April 2014



# Budget Landscape

- State fiscal structure will likely result in higher education cuts within the next five years.
- Governor requested salary increase: 3.0% (1.5% COLA + 1.5% Merit).
- Long Bill includes salary increase: 3.5% (2.5% COLA + 1.0% Merit, COLA not base building if it pushes the employee above their range).
- Long Bill adjusts state employee benefits to keep up with market.



# SB-001 College Affordability Act

- \$60 million increase for higher education operating.
  - CU amount – \$16,560,551
- College Opportunity Fund stipend set at \$75 per credit hour.
- \$40 million for statewide financial aid. Allocation determined by CCHE.
  - CU amounts (Final allocations adopted at the June CCHE meeting)
    - Need-Based Aid – \$4,825,406
    - Merit Based Aid – \$891,407
    - Work Study – \$878,782
- Caps resident undergraduate tuition increases at 6% for FY 2014-15 and FY 2015-16.



# HB 1319 – Speaker Ferrandino’s Bill

- Changes the state funding formula for institutions of higher education in Colorado beginning in FY 2015-16.
- Primarily an enrollment model – 52.5% percent of the total funding for all the higher education institutions for stipends.
- Remaining funding will be for role and mission and performance to be annually determined by CCHE.
- Over time, HB 1319 will shift state funding from research and rural four-year institutions to access institutions.
- CU will work with CCHE and other institutions throughout the summer to develop the model.



# Capital Funding

## Projects in Long Bill

Campus - Project	State Capital Construction Fund	University Cash Funds
Auraria Library Renovation	\$ 17,848,307	\$ -
UCCS Visual and Performing Arts	\$ 13,281,999	\$21,413,439
Level 1 Controlled Maintenance		
CU Boulder - 3 Projects	\$ 1,843,765	
Anschutz - 2 Projects	\$ 813,220	
<b>Total</b>	<b>\$ 33,787,291</b>	<b>\$21,413,439</b>

## Projects Subject to Additional Revenue in FY 2013-14

Governing Board - Project by Funding Priority	State Capital Construction Fund	Cumulative Funding Needed
<b>Auraria – Library</b>	<b>\$ 5,000,000</b>	<b>\$ 5,000,000</b>
FLC --- Berndt Hall	\$ 10,827,755	\$ 15,827,755
CSU --- Chemistry	\$ 15,000,000	\$ 30,827,755
<b>CU Boulder - Ketchum</b>	<b>\$ 11,592,712</b>	<b>\$ 42,420,467</b>
Metro --- Aerospace	\$ 5,279,128	\$ 47,699,595
CMU --- Library	\$ 18,462,102	\$ 66,161,697
ASU --- East Campus	\$ 5,843,218	\$ 72,004,915
WSU - Quigley Hall	\$ 25,779,853	\$ 97,784,768
OIT --- Leave Tracking	\$ 16,070,000	\$ 113,854,768
Level 2 Controlled Maintenance	\$ 21,480,980	<b>\$ 135,335,748</b>

Excess state revenues will fund:

- \$5 million to complete the Auraria Library Renovation
- \$11.6 million to complete UCB Ketchum Capital Renewal
- \$1.9 million in Level 2 Controlled Maintenance Projects (One project each at UCB, Anschutz, UCCS)



# 2014 – Looking Ahead

- June Meeting
  - Annual operating and capital budgets submitted for Regent approval.
- Budget and finance reporting policy is in the spring APS cycle and will go in effect July 1, 2014.
- November/December Meeting
  - Fund category report by campus
    - Including unobligated and capital detail
  - Carry forward report by campus including auxiliaries
  - Revenue, expenditure and transfer summary report by campus

