

**STATE BOARD FOR COMMUNITY COLLEGES AND OCCUPATIONAL EDUCATION**

**SPECIAL TELEPHONE CONFERENCE MEETING  
COLORADO COMMUNITY COLLEGE System  
9101 EAST LOWRY BLVD.  
DENVER, CO 80230**

**JULY 9, 2003, 9:00 AM**

**I. CALL TO ORDER**

**II. DISCUSSION AND POSSIBLE ACTION**

A. FY 2004-2005 Budget Change Requests

B. Capitol Construction Priorities For FY 2004-2005 Request

**III. OTHER ITEMS OF CONCERN TO BOARD MEMBERS**

**IV. ADJOURNMENT**

STATE BOARD FOR COMMUNITY COLLEGE AND OCCUPATIONAL EDUCATION

July 9, 2003

TOPIC: FY 2004-2005 BUDGET CHANGE REQUESTS

PRESENTED BY: George Delaney, Executive Vice President for Finance and Admin. and  
Geoff Barsch, Director of Budgets

EXPLANATION:

The Colorado Community College System submitted five budget change requests to be included in the Department of Higher Education's FY 2004-05 budget request. As in the prior years' request, two requests address funding for 13 community colleges under the Governing Board and General Campus appropriation lines, while the three remaining requests address Division of Occupational Education lines.

**Governing Board and General Campus**

These two budget requests continue the Boards' FY 2003-04 request. Although the state's budget situation has changed significantly, Board members have expressed their desire to keep these issues in front of the legislature.

1. *Nursing Program Differential Funding.* This proposal requests \$2.4 million increase in spending authority to expand capacity of nursing programs statewide by 231 student FTE. The request is for \$1.93 million of state general fund, and \$0.45 million of tuition spending authority. Enrollment in nursing programs at community colleges has remained virtually unchanged since FY 1998 at approximately 1,160 FTE, in part due to the high cost of providing nursing programs. Other alternatives outlined in the request include cash-funding the differential cost through a differential tuition rate, or a through a nursing program fee.
2. *Tuition Relief.* This proposal requests \$18 million of state general fund over five years to bring Colorado community college tuition closer to the national average and CCHE policy guidelines. Current year (FY 2003) tuition represents 38.8% of the cost of education. The request seeks to close that gap to 30% of the cost of education in FY 2003 dollars. This amount equates to \$429 per full-time student. Recognizing the state's budget situation, the request seeks a graduated relief effort phased in over five years: \$2.5 million in FY 2005, \$3.0 million in FY 2006, \$3.5 million in FY 2007, \$4.0 million in FY 2008, and \$5.0 million in FY 2009. Other alternatives outlined include buying down the inflation portion of the FY 2005 tuition increase, and passage of legislation implementing the Governor's Blue Ribbon Panel on Higher Education recommendations- including reducing community college tuition by 25%.

## **Division of Occupational Education**

These three budget requests continue the Board's FY 2003-2004 priorities for occupational education.

1. *Administrative Costs.* This proposal seeks an increase in the state match for the federal Carl Perkins Act allocation. The Carl Perkins Act requires states to contribute 5% of the federal allocation to the program. Due to budget cuts in FY 2003 and FY 2004, the states' contribution is currently 3.5%. The request is for \$231,772 to comply with the federal matching requirements. In addition, the increase is needed to maintain monitoring and outreach efforts statewide. Vocational programs have grown from 1,018 in 1997-98 to 1,284 in FY 2001-02.
2. *Area Vocational School Support.* This request is for an inflationary increase of \$238,155, or 2.8%, for Delta Montrose AVS, Emily Griffith Opportunity School, San Juan Basin AVS, and TH Pickens AVS. Historically, the state has provided inflationary increases to this line item, rather than tie the appropriation to student enrollment. Because these schools receive varying levels of local support, the funds are allocated by formula determined by the four school directors.
3. *Colorado Vocational Act.* This proposal asks for full funding of FY 2003 eligible high school expenditures, a 5.5% increase of \$1,098,060 over the FY 2004 appropriation. Eligible costs are defined by statute, and submitted to the System office for reimbursement. Recent appropriations have not covered the amount of eligible costs, and reimbursements are prorated down. In FY 2003, only 80% of costs were reimbursed.

These budget requests have been submitted to CCHE for eligible approval and prioritization. The statewide higher education budget will be submitted to the Governor's Office of State Planning and Budgeting in August. The final CCHE submission will go to the OSPB and the JBC on November 1.

ATTACHMENT: Funding Summary Table

### RECOMMENDATION:

The staff recommends Board approval of the budget requests for FY 2004-2005.

## FY 2005 BUDGET CHANGE REQUESTS: FUNDING SUMMARY

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Line Items	Fund	Appropriation FY 03-04	Budget Change Request FY 04-05	Total Request FY 04-05	Percent Increase	Budget Change Request FY 05-06
High Cost Program Differential	TF	212,565,713	2,390,053	214,955,766	1.1%	2,390,053
	GF	106,279,979	1,932,326	108,212,305	1.8%	1,932,326
	CF	106,285,734	457,727	106,743,461	0.4%	457,727
	CFE	0	0	0		0
	FF	0	0	0		0
Tuition Relief	TF	212,565,713	0	212,565,713	0.0%	0
	GF	106,279,979	2,500,000	108,779,979	2.3%	3,000,000
	CF	106,285,734	(2,500,000)	103,785,734	-2.4%	(3,000,000)
	CFE	0	0	0		0
	FF	0	0	0		0
Occupational Education Administrative Costs	TF	562,036	231,772	793,808	29.2%	231,772
	GF	562,036	231,772	793,808	29.2%	231,772
	CF	0	0	0		0
	CFE	0	0	0		0
	FF	0	0	0		0
Area Vocational School Support	TF	8,505,528	238,155	8,586,026	2.8%	238,155
	GF	8,347,871	238,155	8,586,026	2.8%	238,155
	CF	0	0	0		0
	CFE	157,657	0	0		0
	FF	0	0	0		0
Colorado Vocational Act	TF	20,138,153	1,098,060	21,236,213	5.2%	1,098,060
	GF	0	0	0		0
	CF	0	0	0		0
	CFE	20,138,153	1,098,060	21,236,213	5.2%	1,098,060
	FF	0	0	0		0
TOTAL	TF	N/A	3,958,040	N/A		3,958,040
	GF	N/A	4,902,253	N/A		5,402,253
	CF	N/A	(2,042,273)	N/A		(2,542,273)
	CFE	N/A	1,098,060	N/A		1,098,060
	FF	N/A	0	N/A		0

STATE BOARD FOR COMMUNITY COLLEGE AND OCCUPATIONAL EDUCATION

July 9, 2003

TOPIC: CAPITAL CONSTRUCTION PRIORITIES FOR FY 2004-2005  
REQUEST

PRESENTED BY: George Delaney, Executive Vice President for Finance and Admin. and  
Patrick Casados, Director of Facilities

EXPLANATION:

The State Board for Community Colleges and Occupational Education is required to submit a prioritized list of recommended capital construction projects to the Colorado Commission on Higher Education (CCHE) each year. This prioritized list for the FY 2004-2005 budget cycle is due to CCHE from the Board by July 17, 2003 per CCHE instructions.

The state faces very difficult financial times and as a result, capital funding has been substantially reduced. Last year, statewide appropriated capital dollars totaled \$9.4 million, including \$4.8 million in COP payments and \$1.0 million in emergency controlled maintenance funds. That compares to \$18.0 million in capital appropriations in FY 2002-2003. Prior to FY 2001-2002, the Community College System alone averaged \$20 million in capital projects appropriations each year.

Given the current budget environment, there is little hope for any capital funding for FY 2004-2005. However, a prioritized list must be submitted to keep projects that were recommended by CCHE last year on the "active" list. Last year, CCHE requested that each institution pull all but the most critical life safety capital project from their Boards' recommended list of capital projects. Subsequently, the Board removed \$25.96 million in projects from their recommended general-funded capital projects list, and forwarded a revised list of \$2.6 million, which included the following projects:

CCA Campus Maintenance Facility	\$ 116,051	CCFE (Capital Construction Funds Exempt)
TSJC Telephone System Upgrade	\$ 397,122	CCFE
ACC Telephone Switch Upgrade	\$ 254,100	CCFE
Lowry Site & Utility Plan	\$1,904,500	CCFE
PPCC Centennial Child Care Center	\$ 213,363	CFE (Cash Funds Exempt)

Of the four CCFE-funded projects listed above, all but the Lowry Site and Utility Plan were recommended by CCHE to the Capital Development Committee (CDC) as part of their FY 2003-2004 top seven recommended critical life-safety capital projects. None of these projects, however, were funded by the General Assembly for FY 2003-2004.

This year, CCHE has again requested that FY 2004-2005 capital projects include only the most critical life-safety projects. Therefore, staff recommends re-submittal of the projects listed above, with revisions to the Lowry project and the addition of cash funded projects, described in the attachment.

ATTACHMENTS: Capital Requests for FY 2004-2005 Project Detail

**RECOMMENDATION:**

The staff recommends Board approval of the capital projects in the total amount of \$1,167,273 in CCFE.

**CAPITAL REQUESTS FOR FY 2004-2005**  
**PROJECT DETAIL:**

**CCA -Campus Maintenance Facility \$116,051 CCFE**

The proposed project will result in the construction of a 1200 square foot maintenance facility and garage for the Community College of Aurora physical plant department. The project will reduce space deficits in the maintenance department, and eliminate the fumes from stored noxious chemicals and diesel vehicle exhaust odors occurring in the administration building where the items are currently stored. The project request is the result of student and staff complaints of headaches and dizziness caused by solvent and vehicle fumes which migrate from the shipping and receiving area to adjacent office and student service areas. Construction of a new, separate facility will remove these fumes from the Administration Building and eliminate the risk of illness from this source.

**TSJC Telephone System Upgrade \$397,122 CCFE**

The proposed project will update the telephone system to provide modern, consistent and reliable telecommunications capabilities throughout the entire Trinidad campus. This project consists of the acquisition of a telecommunications switch, replacement of office phones and installation of interfaces to connect to fiber optic cables. The switch will have capabilities for digital and analog phones allowing the campus to accommodate most types of phone devices it may encounter. This request also includes the replacement of over 300 existing office phones with digital handsets to allow for maximum utilization of the system. The analog capability will allow for normal off the shelf type phone devices for peripheral applications. The present system, acquired in 1986 uses analog technology for voice communication and has no capabilities to support future expansion and new telecommunication technology. Currently telecommunications is very unreliable and prone to malfunctions. Replacement equipment is difficult to find, outdated, and expensive.

**ACC Telephone Switch Upgrade \$254,100 CCFE**

This project includes the purchase of hardware and software upgrades to the Fujitsu model 9600 M telephone switch purchased in 1998, as well as the replacement of 100 new 12 and 24 button phones to replace deteriorating phones that are out of warranty. This project will result in increasing existing line connections by over 500. In addition, the college would purchase 100 new 12 and 24 button phones to replace deteriorating phones that are out of warranty. In 1998, ACC purchased a Fujitsu 9600 M phone switch with 1000 lines or connections, voicemail, and desk telephones. In April 2001, the switch had reached full capacity and is currently in need of additional software upgrades. Since 1998, the College has added approximately 100 security phones as a safety precaution in each lab and classroom. In addition, ACC opened a new campus in Douglas County and expanded operations at its other extended campus site in the Denver Technological Center as well as adding 23,000 square feet of Library space at the main campus. Both of these extended campus sites are linked directly to ACC's main phone switch at the Littleton Campus. In the last several years, the college has added dial-in lines for students to access computer servers and computer related instructional materials.

### **Lowry Site & Utility Plan \$400,000 CCFE**

This project would remove asbestos containing material and demolish ten existing buildings at the Lowry Campus. The “H-Buildings” at Lowry are 1950’s era, wood-framed structures, designed in the form of an ‘H’, which were used by the Air Force for military housing and which are now abandoned. Nine of these structures are clustered in the center of the Lowry Campus, and are currently surrounded by a 10-foot chain-link fence, which is frequently breached, and the buildings vandalized. In early 2002, work began on the removal of asbestos transite, air ducts, mastic, and contaminated soils beneath the buildings, in preparation for their demolition and removal, as part of the Lowry Infrastructure Replacement Project (P-0038), for which Lowry received \$5.82 million in state funds. This appropriation was subsequently frozen by executive order and later de-appropriated by the legislature before completion. This project would complete this abatement by removing contaminated soils and demolish the facilities themselves.

