

Colorado Department of Higher Education FY07-08 Capital Assets Overview

The Department of Higher Education and Colorado Commission on Higher Education (CCHE) is charged, by C.R.S. 23-1-106, to establish standards and procedures for higher education institutional submissions of capital construction program plans, develop the prioritization list for institutional requests for state capital funds, to make budget recommendations on institutional capital construction requests, and to review and approve institutional capital construction program plans and facility master plans that are consistent with the role and mission of each institution.

Currently, two staff members are assigned to CCHE's Capital Assets section:

- Andy Carlson, Director, Capital Assets and Compliance, 303-866-4025, andrew.carlson@cche.state.co.us
- Ryan Stubbs, Facility Planning Analyst, 303-866-4034, ryan.stubbs@cche.state.co.us

CCHE is required to review and submit a prioritized list of all higher education capital construction projects requesting state funds to the Office of State Planning and Budgeting (OSPB), the Capital Development Committee (CDC) and the Joint Budget Committee (JBC) by November 1 of each year. In September 2006, the Sub-Committee on Capital Assets (Commissioners Ray Baker, Greg Stevinson, Joel Farkas, Chaired by Dean Quamme) reviewed this list and it was adopted by the full Commission at their October 5, 2006 meeting.

The list presented to the CDC on January 4, 2007 reflected a prioritization process that placed a premium on previous state investments and the priorities of individual governing boards. Individual project health and life safety concerns and potential programmatic improvements were also important factors in determining CCHE capital priorities. While the total state funds being requested for FY07-08 are large (\$208,309,443 Capital Construction Funds Exempt or State Funds), the capital construction needs on our campuses are also great.

Each governing board and nearly every campus has a legitimate capital construction need to either meet growing demand, accomplish strategic plans, or address facilities with health life safety concerns. While it is clear that each project on the current CCHE priority list for FY07-08 is essential to meeting current and future higher education facilities needs, it is also clear that state funds are not available to meet all of these needs. The current aggregated 5-year capital construction plans for all of higher education would require over \$1 Billion in state capital construction funds and over \$2.3 Billion in total funds. These figures do not include controlled maintenance needs. These large budgetary needs for capital are attributable to Colorado's recent economic downturn, most apparent in the state budget for the fiscal years 2002 through 2005.

- State capital construction appropriations for higher education over the last 10 years (FY96-97 through FY06-07) have averaged \$65.2 million
- For FY02-03 through FY04-05 state capital construction appropriations averaged \$3.8 million

- For the years prior to the economic downturn (FY96-97 through FY01-02) higher education received average yearly capital construction appropriations of \$110 million
- State controlled maintenance appropriations for higher education over the last 10 years (FY96-97 through FY06-07) have averaged \$16.4 million
- For FY02-03 through FY04-05 controlled maintenance appropriations averaged \$2.1 million
- For the years prior to the economic downturn (FY96-97 through FY01-02) higher education received average yearly controlled maintenance appropriations of \$25.3 million

Although last year (FY06-07) saw increases for capital construction and controlled maintenance with appropriations of \$55.1 million and \$12.3 million respectively, these numbers are still below ten year averages and only half of average capital appropriations for higher education prior to the economic downturn in FY02-03.