

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE CREATION OF AN ON-LINE DATABASE FOR A STATE INSTITUTION OF HIGHER EDUCATION'S FINANCIAL INFORMATION.

Prime Sponsors: Representative Nikkel
Senator Spence

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Summary of Amendments Made to the Bill After the 04/05/12 Legislative Council Staff Revised Fiscal Note Was Prepared (Amended by the House Appropriations Committee on 04/24/12)

The House Appropriations Committee amended the bill to strike the House Education Committee Report dated February 27, 2012, thereby making the bill applicable to only four higher education institutions (Colorado State University, the University of Colorado, the Colorado School of Mines, and the University of Northern Colorado), as was the case with the introduced bill. The amendment also added additional information that must be included by each institution of higher education in the on-line database. Finally, the amended bill requires the Chief Information Officer in the Governor's Office of Information Technology (OIT) to post the database information on-line rather than having each institution do that separately.

JBC Staff Concurrence with Legislative Council Staff Fiscal Note

Concurs

Does Not Concur

Updated Analysis

Reason for the Update

The cost to post the database information on-line is minimal compared to the cost of compiling and extracting the information for each institution. For this reason, staff does not believe having OIT post the database information on-line will materially decrease the costs to the institutions. In addition, the requirement that each institution work with OIT means that the institutions will need to provide the data to OIT in a manner that is useable by OIT's on-line system. Also, OIT requires that the data be formatted in the same accounting structure as the current on-line state data. These two requirements could add additional costs for each institution. Finally, adding more information that must be included by each institution of higher education in the on-line database may drive costs for each institution.

Staff anticipates that the costs included in the Legislative Council Staff Fiscal Note dated February 24, 2012 (attached), would still be incurred by the institutions. In addition, staff anticipates that the institutions could incur costs beyond those shown in the Legislative Council Staff Fiscal Note dated February 24, 2012. However, those additional costs are difficult to quantify until the institutions

begin working with OIT. As such, staff has not included any costs for the institutions beyond what is shown in the Legislative Council Staff Fiscal Note dated February 24, 2012.

Amendments/Appropriation Status

The bill requires but does not contain an appropriation clause. Staff has drafted amendment **J.003** (attached) to appropriate the following General Fund amounts in accordance with the Legislative Council Staff Fiscal Note dated February 24, 2012:

- \$250,000 to the Board of Governors of the Colorado State University System;
- \$250,000 to the Board of Regents of the University of Colorado;
- \$250,000 to the Board of Trustees of the Colorado School of Mines; and
- \$250,000 to the Board of Trustees of the University of Northern Colorado.

In addition, amendment J.003 appropriates \$43,781 General Fund and 0.5 FTE to Governor's Office of Information Technology for costs related to posting the database information on-line.

Bill Sponsor Amendments

Staff is not aware of any sponsor amendments to be offered.

Points to Consider

The Joint Budget Committee introduced a balanced budget package for FY 2012-13 based on the March 2012 Office of State Planning and Budgeting forecast. Based on 2012 legislation enacted to date, the FY 2012-13 Long Bill as sent to the Governor, and appropriations included in other budget package bills, the budget appropriates all but approximately \$100,000 of General Fund revenues projected to be available, less a statutorily required four percent General Fund reserve. This bill requires a General Fund appropriation of \$1,043,781 for FY 2012-13. If this bill is enacted, other General Fund appropriations for existing programs will need to be reduced by \$943,781 in order to maintain the statutorily required General Fund reserve.