

# Commission for Postsecondary Education

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Subcommittee: Education

DESCRIPTION	FY 2002 ACTUAL	FY 2003 ESTIMATE	FY 2004	
			OSPB	JLBC
<b>PROGRAM BUDGET</b>				
<b>Commission for Postsecondary Education</b>	313,200	321,000	322,200	322,200
Arizona College and Career Guide SLI	21,800	21,200	21,200	21,200
Arizona Minority Educational Policy Analysis Center (AMEPAC) SLI	45,000	74,500	145,900	150,000
Family College Savings Program SLI	54,300	1,900	26,900	26,900
Leveraging Educational Assistance Partnership (LEAP) SLI	2,813,500	3,364,500	3,364,500	3,364,500
Private Postsecondary Education Student Financial Assistance Program SLI	318,600	325,100	325,100	325,100
Twelve Plus Partnership SLI	104,900	220,100	119,600	119,600
<i>Program Subtotal - Commission for Postsecondary Education</i>	3,671,300	4,328,300	4,325,400	4,329,500
<b>6th SS Lump Sum Reduction SLI</b>	0	(154,600)	(154,600)	(154,600)
<b>AGENCY TOTAL</b>	<b>3,671,300</b>	<b>4,173,700</b>	<b>4,170,800</b>	<b>4,174,900</b>

## OPERATING BUDGET

	5.0	4.0	4.0	4.0
<i>Full Time Equivalent Positions</i>				
Personal Services	179,800	180,500	180,500	180,500
Employee Related Expenditures	32,200	36,100	35,800	35,800
Professional and Outside Services	22,200	26,800	26,800	26,800
Travel - In State	4,100	3,500	3,500	3,500
Travel - Out of State	0	2,000	2,000	2,000
Other Operating Expenditures	74,900	72,100	73,600	73,600
<b>OPERATING SUBTOTAL</b>	313,200	321,000	322,200	322,200
Special Line Items (SLI)	3,358,100	3,852,700	3,848,600	3,852,700
<b>AGENCY TOTAL</b>	<b>3,671,300</b>	<b>4,173,700</b>	<b>4,170,800</b>	<b>4,174,900</b>

## FUND SOURCES

General Fund	1,643,200	1,391,300	1,391,300	1,391,300
<u>Other Appropriated Funds</u>				
Postsecondary Education Fund	2,028,100	2,782,400	2,779,500	2,783,600
SUBTOTAL - Other Appropriated Funds	2,028,100	2,782,400	2,779,500	2,783,600
<b>SUBTOTAL - Appropriated Funds</b>	<b>3,671,300</b>	<b>4,173,700</b>	<b>4,170,800</b>	<b>4,174,900</b>
Other Non-Appropriated Funds	464,500	492,300	NA	325,100
<b>TOTAL - ALL SOURCES</b>	<b>4,135,800</b>	<b>4,666,000</b>	<b>NA</b>	<b>4,500,000</b>

## CHANGE IN FUNDING SUMMARY

	FY 2003 to FY 2004 JLBC	
	\$ Change	% Change
General Fund	0	0
Other Appropriated Funds	1,200	0.0%
Total Appropriated Funds	1,200	0.0%

**AGENCY DESCRIPTION** — *The Commission is authorized to coordinate the review of public and private postsecondary education institutions in the state to determine their eligibility for student financial aid monies, and to administer certain financial aid programs. The Commission provides a forum to public and private postsecondary education institutions for discussion of issues of mutual interest.*

PERFORMANCE MEASURES	FY 2002	FY 2002	FY 2003	FY 2004
	Appropriation	Actual	Appropriation	Recommend.
• Student grants awarded	3,900	3,805	3,900	3,805
• AZ Educ. Loan Program number of student borrowers	130,000	131,000	130,500	--
• Family College Savings Program account holders	6,838	16,512	6,838	28,000
• College and Career Guides distributed	10,000	10,000	10,000	--
• % of customers rating Commission services as good or excellent	85	95.1	85	95
• Administration as a % of total cost	4	3.9	4	3.9

**RECOMMENDED CHANGES FROM FY 2003**

**Standard Changes** OF **FY 2004**  
OF \$ **1,200**

**Twelve Plus Partnership** OF **(100,500)**

The JLBC recommends a Postsecondary Education Fund decrease for the Twelve Plus Partnership. The recommended amount reflects decreased program requirements for Twelve Plus Partnership programs. The Twelve Plus Partnership is an early education awareness initiative. It is funded through grants and company sponsorships. It will now use in-kind donations such as printing and publication design services, which will allow a reduction in appropriated funding. It will also discontinue the Connections to Career and College Centers, a pilot project in 6 school sites which was not integrated permanently into the schools.

**Family College Savings Program** OF **25,000**

The JLBC recommends a Postsecondary Education Fund increase for the Family College Savings Program. The Family College Savings Program allows parents to save money, on a tax-deferred basis, for the college education of their children. The recommended increase includes funds for advertising. It is funded through one-time fees on each new account opened.

**Arizona Minority Education Policy Analysis Center** OF **75,500**

The JLBC recommends a Postsecondary Education Fund increase for the Arizona Minority Education Policy Analysis Center (AMEPAC). AMEPAC sponsors studies, statewide discussions and debates to promote improvement of minority students' early awareness, access, and achievement. It is funded through grants and company sponsorships. The recommended increase includes additional funds for the commission's "Stem the Tide" campaign on dropout students in Arizona.

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**JLBC RECOMMENDED FORMAT** — Detailed Line Item by Agency. (In the FY 2003 budget, the agency had a Modified Lump Sum by Agency with Special Line Items format.)

**JLBC RECOMMENDED FOOTNOTES**

*Standard Footnotes*

The appropriation for Leveraging Educational Assistance Partnership (LEAP) is to be used to make grants under the Arizona State Student Incentive Grant Program administered by the Arizona Commission for Postsecondary Education. Grants may be made according to the provisions of applicable federal and state laws and regulations relating to this program to Arizona residents who demonstrate financial need and who are attending, on at least a half-time basis, an approved program at a properly accredited Arizona postsecondary educational institution.

Each participating institution, public or private, in order to be eligible to receive state matching funds under the State Student Incentive Grant Program for grants to students, shall provide an amount of institutional matching funds that equals the amount of funds provided by the state to the institution for the State Student Incentive Grant Program. Administrative expenses incurred by the Commission for Postsecondary Education shall be paid from institutional matching funds and shall not exceed 12% of the funds in FY 2004.

*Explanatory Note: Under federal rules, states have the flexibility to use LEAP funds for existing State Student Incentive Grant programs, or to use them for a variety of other purposes, such as early college awareness/transition to college, merit-based aid, and community service. Arizona limits LEAP funding to need-based grants to students attending postsecondary institutions. Federal LEAP rules require state matching funds in order to obtain funds. Arizona has requirements for institutional matching funds.*

Of the total amount appropriated for the Private Postsecondary Education Student Financial Assistance Program, no more the 10% may be used for program administrative costs.

The appropriations for Arizona College and Career Guide, Arizona Minority Educational Policy Analysis Center and Twelve Plus Partnership are estimates representing all monies distributed to this fund, including balance forward, revenue and transfers, during FY 2004. The appropriations

shall be adjusted as necessary to reflect actual final receipts credited to the Postsecondary Education Fund.

For FY 2004, any unencumbered balance remaining in the Postsecondary Education Fund on June 30, 2003 and all grant monies and other revenues received by the Commission for Postsecondary Education during this fiscal year, when paid into the State Treasury, are appropriated for the explicit purposes designated by special line items and for additional responsibilities prescribed in A.R.S. § 15-1851 and A.R.S. § 15-1852.

SUMMARY OF FUNDS	FY 2002 Actual	FY 2003 Estimate
<b>Postsecondary Education (PEA2405/A.R.S. § 15-1853)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> Monies appropriated by the Legislature, monies received from state agencies and political subdivisions of the state, monies received from the federal government, and private gifts, grants and donations. The commission must separately account for monies received from each source.		
<b>Purpose of Fund:</b> To be used for purposes designated by special line items for which the monies are received. Donations are used in accordance with the requests of the donor. Other private monies are used to carry out the duties and responsibilities of the commission.		
<b>Funds Expended</b>	2,026,100	2,782,400
<b>Year-End Fund Balance</b>	284,400	319,500
<b>Private Postsecondary Education Student Financial Assistance (PEA2128/A.R.S. § 15-1854)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Monies appropriated by the Legislature.		
<b>Purpose of Fund:</b> For tuition vouchers awarded to eligible graduates of Arizona community colleges enabling them to obtain a bachelor's degree at a private college or university in the state.		
<b>Funds Expended</b>	464,300	492,500
<b>Year-End Fund Balance</b>	167,400	0
<b>Arizona Student Program Investing Resources in Education (PEA2407/A.R.S. § 15-1864)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Legislative appropriations, grants, gifts, devises and donations from any public or private source.		
<b>Purpose of Fund:</b> To provide guaranteed tuition scholarships to Arizona residents who meet the eligibility criteria for participating in the Arizona Student Program Investing Resources in Education (ASPIRE), and who intend to pursue an undergraduate degree at an eligible university, community college or private postsecondary institution.		
<b>Funds Expended</b>	0	0
<b>Year-End Fund Balance</b>	0	0
<b>Arizona Teachers Incentive Program (PEA2249/A.R.S. § 15-1851)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Monies collected from students who do not meet the conditions for discharge of their loans.		
<b>Purpose of Fund:</b> To collect repayment monies from students who received a loan in prior years for teacher education and did not fulfill their teaching obligation. The students' teacher loan indebtedness to the State of Arizona is forgiven if the recipient of the monies completes a specified period of time teaching in designated school districts which are identified as having high proportions of economically disadvantaged and at risk pupils. Monies collected are reverted to the General Fund.		
<b>Funds Expended</b>	0	0
<b>Year-End Fund Balance</b>	0	1,000

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