

JOINT BUDGET COMMITTEE



STAFF FIGURE SETTING FY 2022-23

DEPARTMENT OF THE TREASURY

JBC WORKING DOCUMENT - SUBJECT TO CHANGE
STAFF RECOMMENDATION DOES NOT REPRESENT COMMITTEE DECISION

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HOW TO USE THIS DOCUMENT

The Department Overview contains a table summarizing the staff recommended incremental changes followed by brief explanations of each incremental change. A similar overview table is provided for each division, but the description of incremental changes is not repeated, since it is available under the Department Overview. More details about the incremental changes are provided in the sections following the Department Overview and the division summary tables.

Decision items, both department-requested items and staff-initiated items, are discussed either in the Decision Items Affecting Multiple Divisions or at the beginning of the most relevant division. Within a section, decision items are listed in the requested priority order, if applicable.

DEPARTMENT OVERVIEW

The State Treasurer is one of five independently elected constitutional officers of the state. The Department of the Treasury is responsible for the following primary duties:

- (1) Acts as the State's banker and investment officer, including:
 - providing investment, accounting, and cash management services and preparing related reports;
 - managing certain state public financing transactions;
 - providing short-term interest-free financing to school districts by issuing tax and revenue anticipation notes and making loans from the General Fund; and
 - assisting charter schools with long-term financing by making direct bond payments;
- (2) Administers the Unclaimed Property Program;
- (3) Is responsible for issuing specified disbursements and payments, including:
 - disbursing Senior Citizen and Disabled Veteran Property Tax Exemption payments to local governments;
 - distributing Highway Users Tax Fund (HUTF) revenues to counties and municipalities;
 - distributing federal mineral leasing funds received for the State's share of sales, bonuses, royalties, and rentals of public lands within Colorado;
 - reimbursing certain property taxes owed or paid for real and business personal property destroyed in a natural disaster; and
 - making an annual, state-required, direct distribution payment of \$225.0 million to the Public Employees' Retirement Association (PERA) for the unfunded liability.

SUMMARY OF STAFF RECOMMENDATIONS

DEPARTMENT OF THE TREASURY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$1,221,188,651	\$723,996,903	\$422,198,881	\$74,992,867	\$0	41.4
Other legislation	(379,777,938)	(379,777,938)	0	0	0	0.4
HB 22-1183	4,484,000	4,459,000	25,000	0	0	0.0
TOTAL	\$845,894,713	\$348,677,965	\$422,223,881	\$74,992,867	\$0	41.8
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$845,894,713	\$348,677,965	\$422,223,881	\$74,992,867	\$0	41.8
R1 Departmental staffing	803,398	323,960	479,438	0	0	7.0
R2 Staff salary adjustments	173,811	122,433	51,378	0	0	0.0
R3 Departmental technology	467,067	426,256	40,811	0	0	0.0
R4 CBB feasibility reports	60,000	60,000	0	0	0	0.0
R5 Financial audit cost	0	0	0	0	0	0.0
R6 Secure Savings Program	870,991	870,991	0	0	0	0.0
R7 UP leased space decrease	(62,146)	0	(62,146)	0	0	0.0
BA1 Departmental Staffing	0	0	0	0	0	0.0
BA2 Pen audit	0	0	0	0	0	0.0
Technical adjustments	127,964,536	109,579,911	13,631,594	4,753,031	0	0.0
Centrally appropriated line items	272,487	217,241	55,246	0	0	0.0
Annualize prior year legislation and budget actions	(3,966,153)	(3,899,565)	(66,588)	0	0	0.0
Non-prioritized decision items	(1,628)	(169)	(1,459)	0	0	0.0
TOTAL	\$972,477,076	\$456,379,023	\$436,352,155	\$79,745,898	\$0	48.8
INCREASE/(DECREASE)	\$126,582,363	\$107,701,058	\$14,128,274	\$4,753,031	\$0	7.0
Percentage Change	15.0%	30.9%	3.3%	6.3%	n/a	16.7%
FY 2022-23 EXECUTIVE REQUEST	\$961,139,867	\$463,975,039	\$422,165,305	\$74,999,523	\$0	49.6
Request Above/(Below) Recommendation	(\$11,337,209)	\$7,596,016	(\$14,186,850)	(\$4,746,375)	\$0	0.8

DESCRIPTION OF INCREMENTAL CHANGES

R1 DEPARTMENTAL STAFFING: The recommendation includes a requested increase of \$803,398 total funds, including \$323,960 General Fund and \$479,438 cash funds from the Unclaimed Property Trust Fund for FY 2022-23. This funding would support 3.0 FTE in the Unclaimed Property Division and 4.0 FTE in the Administration Division.

R2 STAFF SALARY ADJUSTMENTS: The recommendation includes a requested increase of \$173,811 total funds, including \$122,433 General Fund and \$51,378 cash funds from the Unclaimed Property Trust Fund for FY 2022-23. This funding would support targeted salary adjustments for all employees within the Department.

R3 DEPARTMENTAL TECHNOLOGY: The recommendation includes an increase of \$467,067 total funds, including \$426,256 General Fund and \$40,811 cash funds from the Unclaimed Property Trust Fund for FY 2022-23. This funding would support various technology upgrades and purchases for the Department.

R4 CBB FEASIBILITY REPORTS: The recommendation includes a requested increase of \$60,000 General Fund for FY 2022-23. This funding would support an actuarial analysis to inform the Law Enforcement Officers’ and Firefighters’ Continuation of Benefits Board of the options available to carry out S.B. 18-247 (Local Government Medical Benefits in Work-related Death).

R5 FINANCIAL AUDIT COST: The recommendation includes a denial of \$16,000 General Fund for FY 2022-23. This funding was provided to the Department in H.B. 21-1183 (Department of Treasury Supplemental).

R6 SECURE SAVINGS PROGRAM: The recommendation includes a requested increase of \$870,991 General Fund for FY 2022-23. This funding would support the ongoing implementation of the Secure Savings Program.

R7 UNCLAIMED PROPERTY LEASED SPACE: The recommendation includes a requested decrease of \$62,146 cash funds from the Unclaimed Property Cash Fund for FY 2022-23. This requested reduction is a result of the Department moving the Unclaimed Property program to remote work and no longer needing their leased space appropriation.

BA1 DEPARTMENTAL STAFFING: The recommendation includes denial of a decrease of \$6,000 General Fund for FY 2022-23. This request was made in connection with the Department’s supplemental request of the same name, but because that request was denied and because this document contains a more comprehensive staffing request, this request is unnecessary.

BA2 IT PENETRATION AUDIT: The recommendation includes denial of a decrease of \$50,000 total funds including \$25,000 General Fund and \$25,000 cash funds from the Unclaimed Property Trust Fund for FY 2022-23. This request is the result of one-time funding for IT pen testing provided to the Department in H.B. 22-1183 (Department of the Treasury Supplemental). Staff recommends denial of this decrease because staff’s recommendation for R3 already accounts for the decrease.

TECHNICAL ADJUSTMENTS: The recommendation includes an increase of \$127.9 million total funds, including an increase of \$109.6 million General Fund, for FY 2022-23 for revenue forecast adjustments for special purpose pass-through payments made by the Department.

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB17-267 COP adjustment	\$75,000,000	\$87,000,000	(\$12,000,000)	\$0	\$0	0.0
LCS forecast adjustments	29,211,505	3,579,911	25,631,594	0	0	0.0
Business personal prop tax adjustment	19,000,000	19,000,000	0	0	0	0.0
Lease purchase adjustment	4,753,031	0	0	4,753,031	0	0.0
TOTAL	\$127,964,536	\$109,579,911	\$13,631,594	\$4,753,031	\$0	0.0

CENTRALLY APPROPRIATED LINE ITEMS: The recommendation includes an increase of \$270,209 total funds with an increase of \$214,963 General Fund for adjustments to centrally appropriated line items.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize prior year salary survey	\$74,044	\$45,560	\$28,484	\$0	\$0	0.0

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
CORE adjustment	64,320	28,944	35,376	0	0	0.0
Health, life, and dental	34,260	39,705	(5,445)	0	0	0.0
Payments to OIT	28,158	35,976	(7,818)	0	0	0.0
Salary survey	16,149	12,590	3,559	0	0	0.0
Workers' compensation	14,084	14,084	0	0	0	0.0
AED	12,464	11,045	1,419	0	0	0.0
SAED	12,464	11,045	1,419	0	0	0.0
DPA Paid family leave	6,174	3,981	2,193	0	0	0.0
Capitol Complex leased space	5,253	5,253	0	0	0	0.0
Legal services	3,473	6,275	(2,802)	0	0	0.0
PERA Direct Distribution	1,248	2,433	(1,185)	0	0	0.0
Short-term disability	396	350	46	0	0	0.0
TOTAL	\$272,487	\$217,241	\$55,246	\$0	\$0	0.0

ANNUALIZE PRIOR YEAR LEGISLATION AND BUDGET ACTIONS: The recommendation includes a net decrease of \$3,966,153 total funds, including \$3,899,565 General Fund and \$66,588 cash funds, to annualize prior year legislation and budget actions.

ANNUALIZE PRIOR YEAR LEGISLATION AND BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB18-200 PERA unfunded liability	\$13,393	\$8,635	\$4,758	\$0	\$0	0.0
FY22 Prop tax increase	(3,700,000)	(3,700,000)	0	0	0	0.0
HB21-1134 CO housing & finance authority	(205,000)	(205,000)	0	0	0	0.0
FY22 Leased space refinance	(62,146)	0	(62,146)	0	0	0.0
FY22 department personnel costs	(6,400)	(3,200)	(3,200)	0	0	0.0
FY22 UP tech upgrades	(6,000)	0	(6,000)	0	0	0.0
TOTAL	(\$3,966,153)	(\$3,899,565)	(\$66,588)	\$0	\$0	0.0

NON-PRIORITIZED REQUESTS: The recommendation includes a decrease of \$1,628 for four requests from the Department of Personnel and Administration (DPA) and the Office of Information Technology (OIT).

NON-PRIORITIZED DECISION ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
OIT Budget package	\$427	\$213	\$214	\$0	\$0	0.0
DPA CSEAP resources	183	183	0	0	0	0.0
OIT CBMS Admin costs	(1,325)	(795)	(530)	0	0	0.0
COWINS Partnership Agreement	(913)	230	(1,143)	0	0	0.0
TOTAL	(\$1,628)	(\$169)	(\$1,459)	\$0	\$0	0.0

PERA FUND SPLIT ADJUSTMENT: The recommendation includes an adjustment to the amount of funding contributed to PERA from total payroll of public schools and state employees. **The PERA Direct Distribution recommendation is pending Committee action on compensation common policy for FY 2022-23.** The allocation was suspended in H.B. 20-1379, *Suspend PERA Direct Distribution*, a FY 2020-21 budget balancing action. The total PERA Direct Distribution is allocated to the public schools divisions and the state employee divisions of PERA based on total payroll.

PRIMARY DIFFERENCE FROM THE REQUEST

The most significant differences between the Department's request and Staff recommendation include:

- The addition of two new line items in the Special Purpose Division resulted in a higher recommendation than request. These line items contain reappropriated funds for debt payment obligations and informational funds for reimbursements for property tax exemptions.
- Staff adjustments to several line items in the Special Purpose Division related to COPs and pass-through payments increased staff's recommendation. Some of these amounts will be adjusted again when the Committee chooses a revenue forecast to base the budget off of when those forecasts are released later in March.
- Staff's recommended denial of R5 – Financial Audit Cost and the two budget amendments as a result of Committee action on the Department's supplemental requests.

DECISION ITEMS AFFECTING MULTIPLE DIVISIONS

→ R1 – DEPARTMENTAL STAFFING

REQUEST: The Department requests \$803,398 total funds, including \$323,960 General Fund and \$479,438 cash funds to support 7.0 FTE for FY 2022-23. The funding would support 3.0 FTE in the Unclaimed Property Division for increased capacity, 3.0 in the Administration Division to enhance human resources, IT, and operations capacity, and 1.0 total FTE to split the duties of one position into two.

RECOMMENDATION: **Staff recommends that the Committee approve the request.**

ANALYSIS:

BACKGROUND:

This request comes as a result of a staffing study done by Turning the Corner, LLC (The study can be found in Appendix B of the online version of this document). In that report, Turning the Corner (TTC) identifies a few critical areas where Treasury has an immediate need for additional staff. The Department requested some of these positions through the supplemental process but the request was denied.

The Department believes that it is understaffed and as a result there is burnout among its employees. It has worked with the Department of Personnel and Administration (DPA) to solve this problem, culminating with hiring TTC to perform an organizational assessment on how the Department can improve and update its processes and make investments in strategic areas to reduce the burden on employees.

Turning the Corner conducted their study by interviewing all employees at the Department and analyzing which positions performed which duties. Based on these interviews and analysis, TTC made recommendations to the Department on how to optimize efficiency and where to request additional employees to best position itself to be successful in carrying out its statutory responsibilities.

HUMAN RESOURCES DIRECTOR:

The first and most prominent issue that the study identified was the lack of a dedicated Human Resources (HR) director. The head accountant had been responsible for fulfilling the Department's internal and external HR needs, but this person unexpectedly left the Department recently, leaving this dual position empty and forcing the Department to rely on DPA for emergency HR staffing.

Along with the emergency staffing from DPA, the Department has recruited a few different current employees to handle the easier parts of the job, like filling out paperwork and attending meetings so that the Department remains in compliance with HR requirements. This additional workload takes those employees away from their primary tasks and leads to losses in efficiency.

The issue of workload is not the only reason for this request. The Department, the study, and staff all agree that any HR position should not be housed within or connected to any other subdivision of the Department. This type of structure creates a conflict of interest where there is a chance that an employee reporting an HR issue is reporting it to the person they are complaining about. The more

independent the HR director can be, the better able they will be to carry out their responsibilities to benefit the Department the most.

A final reason behind this request is that the Department would like to more accurately divide responsibilities based on job description and what employees are trained for. With the head accountant having been responsible for HR, they had to spend a considerable amount of time performing HR tasks, and had much less time to perform their duties as head accountant. As a result of this, many tasks that had been the responsibility of the accounting department were moved under the purview of the controller, including handling custodial accounts, transfers to and from the general ledger, sorting mail, downloading phone bills, as well as other basic accounting functions.¹ By removing HR responsibilities from accounting, the above tasks can be moved back to accounting, freeing up capacity within the accounting team and the controller team and more accurately aligning job duties with employee skillsets.

Staff has found that the currently accepted rate for employees per HR FTE is 1.4 HR FTE for every 100 employees.² Staff feels that this is a slightly deceiving statistic in the context of the Department. For an entity that has many hundreds of employees, this could be useful when trying to determine productivity metrics or whether to hire an additional HR position. The Department, however, is starting from zero, so any staff that need HR services would require at least one position to fill that need. Staff believes that the 1.4 number should be thought of in a marginal way. That is, when *another* 100 employees are added, another 1.4 HR FTE should be added. When thinking about the Department, however, we can't think in the same marginal way because they have a different starting point. To this point, staff would not consider adding a second HR FTE in the Department until they reached approximately 140.0 total FTE.

OPERATIONS MANAGER:

The second issue that the study identified as urgent was the lack of an operations manager. This is a position that would have various responsibilities within the Department, including addressing short-term immediate needs, planning for long-term department projects, assisting in the annual budgeting process, managing current projects, managing department system upgrades and automations, developing and leading accounting training, and developing the accounting cross training program.

Currently, all of these task are handled by the accounting and controller teams along with their day-to-day responsibilities. In the past, this was a feasible arrangement, but recently there have been responsibilities added to the accounting and controller teams, making it difficult for them to carry out planning and management responsibilities at a high level.

The request for this position is basically an extension of the request for an HR director, with the goal to spread out responsibility so that the Department can consistently carry out its statutory duties while not overburdening its employees to the point of burnout.

IT PROFESSIONAL:

Finally, the Department is asking for funds to support an IT professional to fulfill its need for increased network security. Currently, the Department has no dedicated IT employees. This in itself is not so unusual for departments, as according to documents from each department's November 1

¹ Appendix B, page 4

² <https://axioshr.com/how-many-hr-people-do-you-need/>

submissions, only half of all departments in the State have dedicated IT professionals on their payrolls. This is not to say that the departments that do not employ a dedicated IT professional are at great risk of exposure. All departments get IT assistance when needed from the Office of Information Technology (OIT). Treasury receives this assistance likewise. This includes troubleshooting software and hardware issues that the Department has as well as providing protection to sensitive information by housing it on OIT servers behind the Office's firewalls.

While this level of protection is likely adequate for many departments, staff believes that in the case of Treasury, an employee that is always available for troubleshooting and updating needs, and to monitor the Department's network for security issues is invaluable. Given the amount of money that the Department works with on a daily basis and the importance of ensuring that that money gets to where it needs to go to keep the State functioning, a dedicated IT professional working with OIT to keep the Department's network safe and running optimally is long past due.

Finally, with the Department transitioning to primarily remote work, a dedicated IT professional is more necessary than ever to keep communication flowing as smoothly as possible. Sometimes even basic technology hiccups can stall workflow and lead to productivity fall-offs. Instead of contacting and waiting for OIT every time the Department has any kind of issue with technology, it would greatly benefit the Department to have an in-house IT professional to be able to handle those situations quickly.

UNCLAIMED PROPERTY PROGRAM:

The Department is requesting 3.0 FTE to boost capacity in the Unclaimed Property Program by adding a few different positions. The first would be responsible for locating claimants who could claim large dollar amounts and then assist in returning the funds to those claimants. These types of claimants typically include businesses, business owners, and heirs.

Another position that the Department is requesting funding for is an auditor to focus on ensuring that holders of unclaimed property are properly reporting funds to the State. The State periodically audits individuals and businesses to make sure they are reporting all unclaimed property. They typically accomplish this by looking at the individual/business owners' histories of reporting as well as how much other similar businesses are reporting to see if the reported numbers are in line with predictions. A secondary reason for requesting this position is that the Department is anticipating the retirement of staff in the near future and an additional position here would help to avoid operational downtime when those retirements occur.

The third requested position in the Unclaimed Property Program is an accountant that will help to receive and reconcile holder reports. Over the past two years, the number of reports that have been received and reconciled has increased from 9,000 to 12,000. There is currently only one accountant in the Department who handles these reconciliations, and the workload has increased enough to where they are getting overwhelmed with the number of reports.

Staff interprets these requests as the Department making an effort to enhance their Unclaimed Property capacity and get more money back to Coloradans. The Department has been able to make progress in finding claimants and processing claims through recent technology upgrades, and staff believes that this is the next step in the Department's plan to more proactively manage this program.

FULL-TIME POSITIONS

The final 1.0 FTE is a request to bring two partial FTEs to full FTEs. Currently the CLIMBER program has 0.6 FTE supporting it and debt management is supported by 0.4 FTE. The Department reports that it originally underestimated the amount of work that both of these duties would require. For the debt manager, the past 5-8 years have seen debt issuance grow in complexity for a few different reasons. The first is simply low interest rates that have persisted for several years now. With low interest rates comes increased desire to borrow money, which has resulted in many more issuances than originally imagined. Another effect that low interest rates has had is the desire to refinance existing loans, which has also seen an uptick in recent years. The other issue that the Department reported is the increasing difficulty in finding enough collateral to back-up the certificates of participation (COPs) that the State issues. Notably, the amount of the S.B. 17-267 COPs – which will total around \$2.0 billion when fully issued – has been particularly taxing for the Department to find collateral for. None of these conditions was contemplated when debt management was consolidated in the Department, and this request is an acknowledgement of that reality.

Regarding the CLIMBER program, the Department reports a similar problem. When the program was first envisioned, there was no knowledge of the coming Paycheck Protection Program from the federal government. That program added a significant burden to the duties of the position in making sure that lenders had the correct information to direct small businesses inquiring about the program to the right resources. Now, even though CLIMBER will wind down in the next few years, the Department wants to be sure that it has the capacity going forward to keep pace with the number of people and businesses applying for loans.

RECOMMENDATION:

Included in the request is funding for employee benefits. Typically, JBC staff recommends against funding employee benefits for the first year in line with Committee policy on first year FTE appropriations. Treasury, however, has little to no vacancy savings or available resources to pay for employee benefits as a result of historically having very few vacant positions, with the current vacancies only having existed for the past year or less.

→ R2 – STAFF SALARY ADJUSTMENTS

REQUEST: The Department requests \$173,811 total funds, including \$122,433 General Fund and \$51,378 cash funds for FY 2022-23. This funding would support targeted increases to employee compensation to align salaries with market averages.

RECOMMENDATION: **Staff recommends that the Committee approve the request.**

ANALYSIS:

BACKGROUND:

The Department reports that it has not had any salary increases above the common policy increases in over 18 years. In 2020, the Committee actually approved an increase for FY 2020-21 which was ultimately rescinded in budget balancing due to the fiscal uncertainty around the pandemic. This lack of any increases above common policy has led to retention and recruitment issues at the Department.

RETENTION/RECRUITMENT

The Department has had particular trouble retaining and recruiting in the accounting division. There are currently three vacancies in the division, and over the past year there have been four total vacancies out of 7.0 total FTE. One reason that the Department identified for this high vacancy rate is its inability to compete with other departments for the same employees. In one instance, the Department hired on an accountant who then left shortly thereafter because they were able to get more money from another department, and Treasury did not have any extra savings to compete with the other department. In another instance, the Department was close to hiring two candidates for positions, but they ended up rejecting job offers because they received raises at their current job that, again, the Department couldn't match.

The theme here is that the Department feels it is at a competitive disadvantage regarding pay compared to other departments in the State, and staff agrees. It argues that it has no leverage to increase the salaries that it offers because it has no flexibility from savings or existing vacancies. The Department needs all of the FTE that it is funded for, and has a history of keeping them consistently filled. Staff suspects that if the current labor market conditions have not yet compounded these troubles, it shortly will and the Department will have even greater difficulty hiring in-demand employees.

DATA:

In preparation for this request, the Department asked the Department of Personnel and Administration (DPA) to analyze their employees and compensation levels and provide them with some State and market data. The Department used this data to arrive at the requested amount.

The Department did not want to do an across the board increase in salaries, because that would not have made any difference to any of the inequities discovered when the data was analyzed. Because of that, the Department decided that it wants to increase certain salaries more than others to better represent positional experience along with market value.

Treasury believes that with targeted increases in salary, it can accomplish a few things. First, it will bring employee salaries more in line with how long the employees have been in their jobs. Currently, according to staff analysis, nearly half of the positions analyzed (13 out of 28) have misaligned compensation compared to how many years of service they have with the Department. The average

years of service at the Department is 8.48, and currently 8 employees have worked there longer than the average but receive less than the midpoint of their salary ranges – several of whom have the same job title as newer employees but make considerably less. These employees average \$544 per month less than the midpoint of the salary range. Adjusting the salaries of those employees would help to provide more equitable compensation across the Department. The following tables illustrate these discrepancies.

LONG TERM EMPLOYEES (>8.5 YEARS) UNDER RANGE MIDPOINT			
SALARY	AMOUNT UNDER MIDPOINT	AVERAGE STATE SALARY	YEARS OF SERVICE
\$5,198	\$185	\$5,092	15.09
\$3,187	\$391	\$3,185	9.48
\$3,161	\$417	\$3,185	9.54
\$4,030	\$415	\$3,874	17.87
\$6,363	\$324	\$6,296	27.33
\$5,635	\$1,052	\$5,112	9.33
\$8,689	\$581	\$8,249	20.78
\$9,230	\$984	\$10,490	17.66

PAY DISCREPANCIES WITHIN PAY CLASS			
SALARY	STATE AVERAGE	MARKET AVERAGE	YEARS OF SERVICE
\$3,433	\$3,185		1.49
\$3,434	\$3,185		1.78
\$3,187	\$3,185		9.48
\$3,161	\$3,185		9.54
\$7,103	\$6,296	\$6,906	3.75
\$6,363	\$6,296	\$6,906	27.33
\$7,210	\$6,296	\$6,906	0.45
\$7,514	\$6,296	\$6,906	13.01

Another issue that the Department believes it could ameliorate with targeted increases is its ability to compete with both the public and private market. Currently, there are 10 employees who are paid at or under the average State salary for their position. The average amount they are paid less than the State average is \$320 per month. Additionally, there are 9 employees (4 of whom overlap with the prior 10) who are paid less than the private market average. These employees are paid an average of \$1,084 less per month than their private market counterparts, with two positions paid over \$3,000 per month less than those in the private market. Some of these employees have been at the Department for fewer than 5 years, but most have been there longer. Staff believes that this discrepancy puts the Department at increased risk for turnover as a result of staff voluntarily leaving.

EMPLOYEES PAID LESS THAN MARKET MEDIAN			
SALARY	MARKET MEDIAN	AMOUNT UNDER MARKET MEDIAN	YEARS OF SERVICE
\$4,261	\$4,960	\$699	2.29
\$3,954	\$4,167	\$213	6.34
\$3,091	\$3,286	\$195	2.75
\$3,926	\$4,259	\$333	7.68
\$4,030	\$4,259	\$229	17.87
\$6,363	\$6,906	\$543	27.33
\$4,331	\$4,892	\$561	2.28

EMPLOYEES PAID LESS THAN MARKET MEDIAN			
SALARY	MARKET MEDIAN	AMOUNT UNDER MARKET MEDIAN	YEARS OF SERVICE
\$9,230	\$12,379	\$3,149	17.66
\$11,115	\$14,949	\$3,834	5.15

In all, the Department plans to increase the pay of 28 of its employees, ranging from \$2,400 to \$25,000 more per year to target pay inequities based on State averages, market averages, and number of years served at the Department. Staff believes that these pay increases are necessary for the Department to be able to compete with the private sector and with other departments for the best employees for the job.

→ R3 – DEPARTMENTAL TECHNOLOGY

REQUEST: The Department requests \$517,067 total funds, including \$451,256 General Fund and \$65,811 cash funds for FY 2022-23. This funding would support various purchases of new technology and upgrades to existing technology.

RECOMMENDATION: **Staff recommends that the Committee approve an increase of \$467,067, including \$426,256 General Fund and \$40,811 cash funds for FY 2022-23.**

ANALYSIS:

Staff's recommendation is lower than the requested amount because the Committee already approved \$50,000 in one-time funding in H.B. 22-1183 (Department of the Treasury Supplemental) for a penetration audit.

The other items being asked for in this request are hardware and software licenses, a new Bloomberg terminal, an ESG software subscription, asset and investment management software licensing, and a new scanner.

Some of the new licenses will be used Department-wide, and for those the Department is asking for an increase from \$12,568 per year to \$18,000 per year. The \$12,568 appropriation has been the same for 18 years, and the Department believes that it needs additional funding to assist employees primarily working remotely. This will aide in remote work because many of its computers are old and outdated and struggle with the streaming requirements that remote work demands.

The Department is also asking for \$26,040 for a new Bloomberg terminal. This is a piece of software that the Department's investment officers use to get real time market updates and news. It is a standard piece of equipment for investment specialists, and while not the only thing that the Department could use, is the best option in staff's opinion. The Department is already familiar with the software, and the Bloomberg terminal is widely recognized as the gold standard for investment software solutions. Additionally, the Committee approved funding for a fourth investment officer last budget cycle, but that position does not have its own terminal, so over the past year the four investment officers have been managing the State's investments with three terminals between them.

The ESG software subscription – which stands for environmental, social, and governance – is software that allows the Department to pursue a more sustainable portfolio. Basically, this is another tool to help the Department make the best use of the money that it invests to get the highest returns possible with an acceptable risk profile.

The asset and investment management (AIM) software is a tool that is designed to aggregate all trading functionality that the Department does in one place and then process the resulting information and pass it along to the fund custodian. Currently, the Department does all of its trading and related activities manually using the same system that it has used since 2000. The AIM software will automate trade order execution, integrate Wells Fargo/Clearwater operations for automated trade booking, and provide pre- and post-trade investment compliance.

The last pieces of software covered by the request are for the Unclaimed Property Program, and include funding for Fastrack services, which will increase the speed at which the Department is able

to respond to unclaimed property claims, and for 1099 IRS Pro software, which will allow the division to issue 1099-DIV and 1099-INTs to claimants of securities holdings.

Finally, the Department is requesting one-time funding for a new scanner.

This request was recommended in full by the Joint Technology Committee, and staff agrees that the Department would benefit greatly from updating its systems and processes, especially as they relate to the State’s investment portfolio. The following table breaks down the cost of each item.

R3 - DEPARTMENTAL TECHNOLOGY	
TOOL	COST
Hardware/Software Licensing	\$5,432
Bloomberg Terminal	26,040
ESG Software	45,000
AIM Software	352,500
Fastrack Software	31,095
1099 IRS Pro Software	2,500
Scanner	4,500
Total	\$467,067
Ongoing Total	\$462,567

→ BA2 – IT PENETRATION AUDIT

REQUEST: The Department requests a decrease of \$50,000 total funds, including \$25,000 General Fund and \$25,000 cash funds from the Unclaimed Property Trust Fund for FY 2022-23.

RECOMMENDATION: **Staff recommends that the Committee deny the request.**

ANALYSIS:

The Department requested and the Committee approved an increase of \$50,000 one-time funds split between General Fund and cash funds to hire a contractor to do an IT penetration audit for the Department. This request would remove the one-time funding from the Department’s budget, however staff has included this removal in the recommendation for R3 – Departmental Technology.

(1) ADMINISTRATION

The Administration Division is responsible for the operation and oversight of the Department of the Treasury. The Division performs three primary functions: accounting, cash management, and investment services.

ADMINISTRATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 Appropriation						
SB 21-205 (Long Bill)	\$3,527,131	\$1,763,659	\$1,763,472	\$0	\$0	24.4
Other legislation	17,062	17,062	0	0	0	0.4
HB 22-1183	759,000	759,000	0	0	0	0.0
TOTAL	\$4,303,193	\$2,539,721	\$1,763,472	\$0	\$0	24.8
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$4,303,193	\$2,539,721	\$1,763,472	\$0	\$0	24.8
R1 Departmental staffing	573,653	323,960	249,693	0	0	4.0
R2 Staff salary adjustments	126,694	122,433	4,261	0	0	0.0
R3 Departmental technology	428,972	426,256	2,716	0	0	0.0
R4 CBB feasibility reports	60,000	60,000	0	0	0	0.0
R5 Financial audit cost	0	0	0	0	0	0.0
R6 Secure Savings Program	870,991	870,991	0	0	0	0.0
BA1 Departmental Staffing	0	0	0	0	0	0.0
BA2 Pen audit	0	0	0	0	0	0.0
Centrally appropriated line items	244,003	217,241	26,762	0	0	0.0
Annualize prior year legislation and budget actions	5,435	5,435	0	0	0	0.0
Non-prioritized decision items	(1,628)	(169)	(1,459)	0	0	0.0
TOTAL	\$6,611,313	\$4,565,868	\$2,045,445	\$0	\$0	28.8
INCREASE/(DECREASE)	\$2,308,120	\$2,026,147	\$281,973	\$0	\$0	4.0
Percentage Change	53.6%	79.8%	16.0%	n/a	n/a	16.1%
FY 2022-23 EXECUTIVE REQUEST	\$5,848,561	\$3,780,514	\$2,068,047	\$0	\$0	29.6
Request Above/(Below) Recommendation	(\$762,752)	(\$785,354)	\$22,602	\$0	\$0	0.8

DECISION ITEMS - ADMINISTRATION**→ R4 – CBB FEASIBILITY REPORTS**

REQUEST: The Department requests \$60,000 General Fund for FY 2022-23. This one-time funding would support an actuarial analysis to inform the Law Enforcement Officers' and Firefighters' Continuation of Benefits Board of the options available to carry out S.B. 18-247 (Local Government Medical Benefits in Work-related Death).

RECOMMENDATION: Staff recommends that the Committee approve the request.

ANALYSIS:

BACKGROUND

Senate Bill 18-247 created the Law Enforcement Officers' and Firefighters' Continuation of Benefits Board (CBB) in Section 24-36-122 C.R.S. The CBB consists of the State Treasurer, the Executive Director of the Department of Public Safety, and the Executive Director of the Fire and Police Pension Association, and is directed to:

“review submissions from employers for the continuation of medical and dental benefits for the dependents of any employee who dies in a work-related death and shall oversee the payment of such benefits.”

The bill defines employees as:

“active, full-time or part-time salaried employees of an employer whose duties are directly involved with the provision of law enforcement or fire protection”;

and employers as:

“any county or municipality in the State offering law enforcement or fire protection service employing one or more persons and any special district or county improvement district in the state offering fire protection service employing one or more persons and that contributes to the continuation of benefits fund.”³

Under this statute, the Department is obliged to implement a system by which law enforcement or firefighter employers can contribute to the Law Enforcement Officers' and Firefighters' Continuation of Benefits Fund (Fund) so that in the event of a line-of-duty death of one of its employees, the Fund will ensure that medical and dental benefits of the employee's dependents will continue for up to twelve months after the employee dies.

CURRENT SITUATION

This statute has been in effect since 2018, yet there have been no contributions to the Fund, nor have there been any instances in which the Fund should have paid for the continuation of benefits. One reason for this is that contributions to the Fund are voluntary, and a second is that most large employers have their own private funds which serve the same purpose.

Since the bill went into effect, the CBB has met periodically in its effort to create a workable system wherein employers have the opportunity to pay into the Fund and then receive benefits if necessary. The biggest obstacles to the Fund becoming a viable resource have been the inability of the CBB to ascertain which employers would pay into the Fund as well as which employers already have their own private funds set up and so would not contribute. The other factor that has thwarted the ability of the CBB to move forward is the lack of understanding of how much the Fund would be required to pay per year on average.

The most recent board meeting occurred on April 14, 2021. At that meeting, the CBB decided that in order to effectively implement and manage this program, it needed more information regarding who would contribute to the Fund and how much the Fund was likely to pay out in a given year. To obtain this information, the CBB decided to move forward with a proposal from GRS Consulting, which offered a not-to-exceed fee of \$30,000 to carry out an actuarial study but recommended allowing a

³ Section 24-36-122 (1)-Section 24-36-122 (2)(a), C.R.S.

total budget of \$60,000 to expand the scope of the study if the program were to be implemented as recommended.⁴

STATUTORY ISSUE

One issue that Staff believes has exacerbated the Department’s struggle to enact this program is the statute, which does not provide the CBB with any support to carry out its responsibilities. Neither the original bill nor the current statute provide the CBB with any appropriation, which has severely restricted its ability to understand the demand for a program like this statewide. Additionally, if an employer wanted to contribute to the Fund, the CBB has no way of knowing how much the employer *should* contribute. To determine these, it would need to know how much it would cost to support families of officers or firefighters who die in work-related deaths, how often these deaths happen, how many employers would contribute, and how much each contribution should be. Without funding for either FTE or a study, the CBB has little chance of carrying out the spirit or the letter of the law as it stands now.

CONSEQUENCES IF NOT FUNDED

If the request is denied, the most significant downside is that the Department will not be able to implement this Fund that would support the dependents of police officers or firefighters that have died in the line of duty. While many larger police and fire departments have private funds set up for this purpose, most smaller employers do not have a fund like this and wouldn’t be able to contribute to dependents if such a need arose.

While the above is a potential outcome of not funding this study, the statute itself does not currently obligate the Department to pay for the continuation of benefits for any law enforcement or firefighter employee. In Section 24-36-122 (2)(b) and (c), C.R.S. quoted above, the only people who can receive these benefits are the dependents of an officer or firefighter employed by an ‘employer.’ An ‘employer’ as defined in statute is an entity “that contributes to the continuation of benefits fund.” Currently, there have been no contributions to the Fund, and as such, there are no employers, and no employees. Because of this definition, the Department currently is not required to provide benefits.

This is all to say that there are potential impacts on the local or individual level, but none at the state level.

→ R5 – FINANCIAL AUDIT COST

REQUEST: The Department requests \$16,000 General Fund for FY 2022-23. This ongoing funding would support the cost of audits performed as a result of federal funds passing through the Department.

RECOMMENDATION: **Staff recommends that the Committee deny the request.**

ANALYSIS: The Committee approved funding for this request as part of H.B. 22-1183 (Department of the Treasury Supplemental).

⁴ <https://treasury.colorado.gov/sb18-247-continuation-of-benefits-board>

→ R6 – SECURE SAVINGS PROGRAM

REQUEST: The Department requests \$870,991 General Fund for FY 2022-23. This funding would support the ongoing implementation of the Secure Savings Program.

RECOMMENDATION: **Staff recommends that the Committee approve the request.**

ANALYSIS:

Senate Bill 20-200 established the Colorado Secure Savings Program in statute to provide Coloradans a state-facilitated, privately administered auto individual retirement account program. Initial appropriations to the Department for implementation of the program were \$1.2 million General Fund for FY 2019-20 and FY 2020-21. This funding was to be expended on program costs for implementation and hiring 1.0 FTE in the first year for a program director, following by 5.0 FTE in the second year for marketing and support staff. So far, the Department has filled 4.0 FTE of the 5.0 total permanent positions, with plans to hire the final FTE by October of this year.

The reason they are aiming for October is because that is when the Department expects to launch the program pilot, and all staff that will be working on the project will need to be hired by then. The full launch is expected in 2023. The Department is adamant that they are running ahead of schedule on program implementation, and if all goes well, they will have it implemented in a little over 2 years from when they began, whereas it took other states 4-5 years to implement.

As for the funding, this will be the first request for funds following the legislation, and the amount is taken mostly from the original fiscal note's assumptions for out-year costs. So the Department is basically asking for what they had in FY 2021-22 through the legislation. Staff believes this is a warranted request for this funding because the Department is actively working on the program and has made good progress, and because it was assumed at the time of the legislation that it would take longer than the 2 years of appropriations that the bill provided. In the original fiscal note, it mentions that 'it is unknown when the program would become fully self-sufficient.'

This is important, because the Department needs General Fund only for the first few years while the program is getting started, but at some point, it will be fully cash funded from administrative fees. The Department currently predicts that it will be revenue neutral in 5 years. So while the Department will need to keep requesting General Fund, the amount should be smaller and smaller until the program is self-sufficient.

→ BA1 – DEPARTMENTAL STAFFING

REQUEST: The Department requests a decrease of \$6,000 General Fund for FY 2022-23.

RECOMMENDATION: **Staff recommends that the Committee deny the request.**

ANALYSIS: This request was made in connection with the Department's supplemental request for staffing increases. Because the Committee denied that request, there is no need to decrease funding in FY 2022-23 for it.

LINE ITEM DETAIL — ADMINISTRATION

PERSONAL SERVICES

This line item provides funding for employees' salaries and wages, as well as the associated state contribution to the Public Employees' Retirement Association and the state share of federal Medicare taxes. This line item also provides funding for certain professional and temporary services.

STATUTORY AUTHORITY: Section 24-50-101, C.R.S., et seq.

REQUEST: The Department requests an appropriation of \$3,132,038 total funds, including \$2,026,546 General Fund and \$1,105,492 cash funds, and 28.8 FTE for FY 2022-23. The request includes a portion of the Department's R1, R2, and R6 requests.

***RECOMMENDATION:* Staff recommends an appropriation of \$3,132,038 total funds, including \$2,026,546 General Fund and \$1,105,492 cash funds, and 28.8 FTE for FY 2022-23.**

ADMINISTRATION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$1,725,681	\$772,725	\$952,956	\$0	\$0	24.4
Other legislation	17,062	17,062	0	0	0	0.4
HB 22-1183	0	0	0	0	0	0.0
TOTAL	\$1,742,743	\$789,787	\$952,956	\$0	\$0	24.8
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$1,742,743	\$789,787	\$952,956	\$0	\$0	24.8
R1 Departmental staffing	409,220	256,684	152,536	0	0	4.0
R2 Staff salary adjustments	112,279	112,279	0	0	0	0.0
R6 Secure Savings Program	813,601	813,601	0	0	0	0.0
Centrally appropriated line items	45,560	45,560	0	0	0	0.0
Annualize prior year legislation and budget actions	8,635	8,635	0	0	0	0.0
TOTAL	\$3,132,038	\$2,026,546	\$1,105,492	\$0	\$0	28.8
INCREASE/(DECREASE)	\$1,389,295	\$1,236,759	\$152,536	\$0	\$0	4.0
Percentage Change	79.7%	156.6%	16.0%	n/a	n/a	16.1%
FY 2022-23 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

HEALTH, LIFE, AND DENTAL

This line item provides funding for the employer's share of the cost of group benefit plans providing health, life, and dental insurance for state employees.

STATUTORY AUTHORITY: Sections 24-50-609, 24-50-611, and 24-50-104 (1)(a)(II), C.R.S., and defined in Section 24-50-603 (9), C.R.S.

REQUEST: The Department requests an appropriation of \$473,575 total funds, including \$264,241 General Fund and \$209,334 cash funds for FY 2022-23. The request includes a common policy adjustment, part of the Department's R1 request, and decision items submitted by other departments.

RECOMMENDATION: Staff recommends an appropriation of \$473,575 total funds, including \$264,241 General Fund and \$209,334 cash funds for FY 2022-23.

ADMINISTRATION, HEALTH, LIFE, AND DENTAL						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$341,626	\$189,091	\$152,535	\$0	\$0	0.0
HB 22-1183	0	0	0	0	0	0.0
TOTAL	\$341,626	\$189,091	\$152,535	\$0	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$341,626	\$189,091	\$152,535	\$0	\$0	0.0
R1 Departmental staffing	98,602	35,215	63,387	0	0	0.0
Centrally appropriated line items	34,260	39,705	(5,445)	0	0	0.0
Non-prioritized decision items	(913)	230	(1,143)	0	0	0.0
TOTAL	\$473,575	\$264,241	\$209,334	\$0	\$0	0.0
INCREASE/(DECREASE)	\$131,949	\$75,150	\$56,799	\$0	\$0	0.0
Percentage Change	38.6%	39.7%	37.2%	n/a	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST	\$473,575	\$264,241	\$209,334	\$0	\$0	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

SHORT-TERM DISABILITY

This line item provides funding for the employer's share of state employees short-term disability insurance premiums.

STATUTORY AUTHORITY: Sections 24-51-701 and 24-50-104 (1)(a)(II), C.R.S.

REQUEST: The Department requests an appropriation of \$5,515 total funds, including \$3,356 General Fund and \$2,159 cash funds for FY 2022-23. The request includes a common policy adjustment and part of the Department's R1 and R2 requests.

RECOMMENDATION: Staff recommends an appropriation of \$5,515 total funds, including \$3,356 General Fund and \$2,159 cash funds for FY 2022-23.

ADMINISTRATION, SHORT-TERM DISABILITY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$3,995	\$2,481	\$1,514	\$0	\$0	0.0
HB 22-1183	0	0	0	0	0	0.0
TOTAL	\$3,995	\$2,481	\$1,514	\$0	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						

ADMINISTRATION, SHORT-TERM DISABILITY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 Appropriation	\$3,995	\$2,481	\$1,514	\$0	\$0	0.0
R1 Departmental staffing	897	365	532	0	0	0.0
R2 Staff salary adjustments	227	160	67	0	0	0.0
Centrally appropriated line items	396	350	46	0	0	0.0
TOTAL	\$5,515	\$3,356	\$2,159	\$0	\$0	0.0
INCREASE/(DECREASE)	\$1,520	\$875	\$645	\$0	\$0	0.0
Percentage Change	38.0%	35.3%	42.6%	n/a	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST	\$5,515	\$3,356	\$2,159	\$0	\$0	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

PAID FAMILY AND MEDICAL LEAVE INSURANCE [NEW LINE ITEM]

Colorado Proposition 118, Paid Family Medical Leave Initiative, was approved by voters in November 2020. The newly created paid family and medical leave insurance program requires employers and employees in Colorado to pay a payroll premium to finance paid family and medical leave insurance benefits beginning January 1, 2023 in order to finance up to 12 weeks of paid family medical leave for eligible employees beginning January 1, 2024. The premium is 0.9 percent with at least half of the cost paid by the employer.

STATUTORY AUTHORITY: Section 8-13.3-501 et seq., C.R.S.

REQUEST: The Department requests an appropriation of \$6,174 total funds, including \$3,981 General Fund and \$2,193 cash funds for FY 2022-23.

***RECOMMENDATION:* Staff recommends an appropriation of \$6,174 total funds, including \$3,981 General Fund and \$2,193 cash funds for FY 2022-23.**

ADMINISTRATION, PAID FAMILY AND MEDICAL LEAVE INSURANCE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$0	\$0	\$0	\$0	\$0	0.0
HB 22-1183	0	0	0	0	0	0.0
TOTAL	\$0	\$0	\$0	\$0	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$0	\$0	\$0	\$0	\$0	0.0
Centrally appropriated line items	6,174	3,981	2,193	0	0	0.0
TOTAL	\$6,174	\$3,981	\$2,193	\$0	\$0	0.0
INCREASE/(DECREASE)	\$6,174	\$3,981	\$2,193	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	0.0%	n/a	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST	\$6,174	\$3,981	\$2,193	\$0	\$0	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

S.B. 04-257 AMORTIZATION EQUALIZATION DISBURSEMENT

This line item provides funding for an amortization payment to increase the funded status of the Public Employees' Retirement Association (PERA).

STATUTORY AUTHORITY: Section 24-51-411, C.R.S.

REQUEST: The Department requests an appropriation of \$172,337 total funds, including \$104,879 General Fund and \$67,458 cash funds for FY 2022-23. The request includes a common policy adjustment and part of the Department’s R1 and R2 requests.

***RECOMMENDATION:* Staff recommends an appropriation of \$172,337 total funds, including \$104,879 General Fund and \$67,458 cash funds for FY 2022-23.**

ADMINISTRATION, S.B. 04-257 AMORTIZATION EQUALIZATION DISBURSEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$124,737	\$77,414	\$47,323	\$0	\$0	0.0
HB 22-1183	0	0	0	0	0	0.0
TOTAL	\$124,737	\$77,414	\$47,323	\$0	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$124,737	\$77,414	\$47,323	\$0	\$0	0.0
R1 Departmental staffing	28,042	11,423	16,619	0	0	0.0
R2 Staff salary adjustments	7,094	4,997	2,097	0	0	0.0
Centrally appropriated line items	12,464	11,045	1,419	0	0	0.0
TOTAL	\$172,337	\$104,879	\$67,458	\$0	\$0	0.0
INCREASE/(DECREASE)	\$47,600	\$27,465	\$20,135	\$0	\$0	0.0
Percentage Change	38.2%	35.5%	42.5%	n/a	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST	\$172,337	\$104,879	\$67,458	\$0	\$0	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

S.B. 06-235 SUPPLEMENTAL AMORTIZATION EQUALIZATION DISBURSEMENT

This line item provides funding for an amortization payment to increase the funded status of the Public Employees' Retirement Association (PERA).

STATUTORY AUTHORITY: Section 24-51-411, C.R.S.

REQUEST: The Department requests an appropriation of \$172,337 total funds, including \$104,879 General Fund and \$67,458 cash funds for FY 2022-23. The request includes a common policy adjustment and the Department’s R1 and R2 requests.

***RECOMMENDATION:* Staff recommends an appropriation of \$172,337 total funds, including \$104,879 General Fund and \$67,458 cash funds for FY 2022-23.**

ADMINISTRATION, S.B. 06-235 SUPPLEMENTAL AMORTIZATION EQUALIZATION DISBURSEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$124,737	\$77,414	\$47,323	\$0	\$0	0.0
HB 22-1183	0	0	0	0	0	0.0
TOTAL	\$124,737	\$77,414	\$47,323	\$0	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$124,737	\$77,414	\$47,323	\$0	\$0	0.0
R1 Departmental staffing	28,042	11,423	16,619	0	0	0.0
R2 Staff salary adjustments	7,094	4,997	2,097	0	0	0.0
Centrally appropriated line items	12,464	11,045	1,419	0	0	0.0
TOTAL	\$172,337	\$104,879	\$67,458	\$0	\$0	0.0
INCREASE/(DECREASE)	\$47,600	\$27,465	\$20,135	\$0	\$0	0.0
Percentage Change	38.2%	35.5%	42.5%	n/a	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST	\$172,337	\$104,879	\$67,458	\$0	\$0	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

PERA DIRECT DISTRIBUTION

This line item is included as a common policy allocation payment for the state portion of the PERA Direct Distribution created in Section 24-51-414, C.R.S., enacted in S.B. 18-200.

STATUTORY AUTHORITY: Section 24-51-414 (2), C.R.S.

REQUEST: The Department requests an appropriation of \$56,587 total funds, including \$36,484 General Fund and \$20,103 cash funds for FY 2022-23.

RECOMMENDATION: **Staff recommendation is pending Joint Budget Committee action on compensation common policy.** Staff requests permission to adjust the amount in this line according to the Committee's decision. The table below reflects the Department's request.

ADMINISTRATION, PERA DIRECT DISTRIBUTION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$55,339	\$34,051	\$21,288	\$0	\$0	0.0
TOTAL	\$55,339	\$34,051	\$21,288	\$0	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$55,339	\$34,051	\$21,288	\$0	\$0	0.0
Centrally appropriated line items	1,248	2,433	(1,185)	0	0	0.0
TOTAL	\$56,587	\$36,484	\$20,103	\$0	\$0	0.0
INCREASE/(DECREASE)	\$1,248	\$2,433	(\$1,185)	\$0	\$0	0.0
Percentage Change	2.3%	7.1%	(5.6%)	n/a	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST	\$56,587	\$36,484	\$20,103	\$0	\$0	0.0

ADMINISTRATION, PERA DIRECT DISTRIBUTION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

SALARY SURVEY

This line item provides funding to pay for annual increases for salary survey.

STATUTORY AUTHORITY: Section 24-50-104, C.R.S.

REQUEST: The Department requests an appropriation of \$90,193 total funds, including \$58,150 General Fund and \$32,043 cash funds for FY 2022-23. The request includes a common policy adjustment.

***RECOMMENDATION:* Staff recommends an appropriation of \$90,193 total funds, including \$58,150 General Fund and \$32,043 cash funds for FY 2022-23.**

ADMINISTRATION, SALARY SURVEY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$74,044	\$45,560	\$28,484	\$0	\$0	0.0
TOTAL	\$74,044	\$45,560	\$28,484	\$0	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$74,044	\$45,560	\$28,484	\$0	\$0	0.0
Centrally appropriated line items	16,149	12,590	3,559	0	0	0.0
TOTAL	\$90,193	\$58,150	\$32,043	\$0	\$0	0.0
INCREASE/(DECREASE)	\$16,149	\$12,590	\$3,559	\$0	\$0	0.0
Percentage Change	21.8%	27.6%	12.5%	n/a	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST	\$90,193	\$58,150	\$32,043	\$0	\$0	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

WORKER’S COMPENSATION AND PAYMENT TO RISK MANAGEMENT AND PROPERTY FUNDS

This line item provides funding for the Department's share of the statewide costs for worker’s compensation and risk management and property programs.

STATUTORY AUTHORITY: Sections 24-30-1510.7, 24-30-1510, and 24-30-1510.5, C.R.S.

REQUEST: The Department requests an appropriation of \$27,745 General Fund for FY 2022-23. The request includes a common policy adjustment and a decision item submitted by a different department.

RECOMMENDATION: Staff recommendation is pending the Committee common policy decision for this line item. Staff requests permission to adjust the amount in this line according to the Committee’s decision. The table below reflects the Department’s request.

ADMINISTRATION, WORKERS' COMPENSATION AND PAYMENT TO RISK MANAGEMENT AND PROPERTY FUNDS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$14,760	\$14,760	\$0	\$0	\$0	0.0
TOTAL	\$14,760	\$14,760	\$0	\$0	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$14,760	\$14,760	\$0	\$0	\$0	0.0
Centrally appropriated line items	11,806	11,806	0	0	0	0.0
Non-prioritized decision items	183	183	0	0	0	0.0
TOTAL	\$26,749	\$26,749	\$0	\$0	\$0	0.0
INCREASE/(DECREASE)	\$11,989	\$11,989	\$0	\$0	\$0	0.0
Percentage Change	81.2%	81.2%	n/a	n/a	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST	\$27,745	\$27,745	\$0	\$0	\$0	0.0
Request Above/(Below) Recommendation	\$996	\$996	\$0	\$0	\$0	0.0

OPERATING EXPENSES

This line item provides funding for supplies and materials for the Administration Division, as well as for certain services that are not covered by other line items such as capital outlay, utilities, custodial services, equipment rental, storage, dues and subscriptions, and printing.

STATUTORY AUTHORITY: Section 24-36-101, C.R.S., *et seq.*

REQUEST: The Department requests an appropriation of \$699,521 General Fund, and 0.8 FTE for FY 2022-23. The request includes several of the Department's request items and out-year impacts of prior year legislation and budget actions.

RECOMMENDATION: Staff recommends an appropriation of \$1,448,521 General Fund for FY 2022-23. The recommendation is higher than the request due to a supplemental request that was approved for FY 2021-22.

ADMINISTRATION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$185,581	\$185,581	\$0	\$0	\$0	0.0
HB 22-1183	\$759,000	\$759,000	\$0	\$0	\$0	0.0
TOTAL	\$944,581	\$944,581	\$0	\$0	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$944,581	\$944,581	\$0	\$0	\$0	0.0

ADMINISTRATION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
R1 Departmental staffing	8,850	8,850	0	0	0	0.0
R3 Departmental technology	423,540	423,540	0	0	0	0.0
R4 CBB feasibility reports	60,000	60,000	0	0	0	0.0
R5 Financial audit cost	0	0	0	0	0	0.0
R6 Secure Savings Program	14,750	14,750	0	0	0	0.0
BA1 Departmental Staffing	0	0	0	0	0	0.0
BA2 Pen audit	0	0	0	0	0	0.0
Annualize prior year legislation and budget actions	(3,200)	(3,200)	0	0	0	0.0
TOTAL	\$1,448,521	\$1,448,521	\$0	\$0	\$0	0.0
INCREASE/(DECREASE)	\$503,940	\$503,940	\$0	\$0	\$0	0.0
Percentage Change	53.4%	53.4%	n/a	n/a	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST	\$699,521	\$699,521	\$0	\$0	\$0	0.8
Request Above/(Below) Recommendation	(\$749,000)	(\$749,000)	\$0	\$0	\$0	0.8

INFORMATION TECHNOLOGY ASSET MAINTENANCE

This line item provides funding to replace information technology equipment consistent with standard replacement cycles (e.g., four years for desktop and laptop computers, and five years for printers).

STATUTORY AUTHORITY: Section 24-37.5-104, C.R.S.

REQUEST: The Department requests an appropriation of \$18,000 total funds, including \$9,000 General Fund and \$9,000 cash funds for FY 2022-23. The request includes part of the Department’s R3 request item.

***RECOMMENDATION:* Staff recommends an appropriation of \$18,000 total funds, including \$9,000 General Fund and \$9,000 cash funds for FY 2022-23.**

ADMINISTRATION, INFORMATION TECHNOLOGY ASSET MAINTENANCE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$12,568	\$6,284	\$6,284	\$0	\$0	0.0
TOTAL	\$12,568	\$6,284	\$6,284	\$0	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$12,568	\$6,284	\$6,284	\$0	\$0	0.0
R3 Departmental technology	5,432	2,716	2,716	0	0	0.0
TOTAL	\$18,000	\$9,000	\$9,000	\$0	\$0	0.0
INCREASE/(DECREASE)	\$5,432	\$2,716	\$2,716	\$0	\$0	0.0
Percentage Change	43.2%	43.2%	43.2%	n/a	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST	\$18,000	\$9,000	\$9,000	\$0	\$0	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

LEGAL SERVICES

This line item provides funding for the Department to purchase legal services from the Department of Law.

STATUTORY AUTHORITY: Pursuant to Section 24-31-101 (1)(a), C.R.S., and defined in Section 24-75-112 (1)(i), C.R.S.

REQUEST: The Department requests an appropriation of \$325,879 total funds, including \$99,288 General Fund and \$226,591 cash funds for FY 2022-23. This includes a common policy adjustment as well as part of the Department’s R6 request item.

RECOMMENDATION: **The staff recommendation is pending the Committee common policy decision for this line item.** Staff requests permission to adjust the amount in this line according to the Committee’s decision. The table below reflects the Department’s request.

ADMINISTRATION, LEGAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$279,766	\$50,373	\$229,393	\$0	\$0	0.0
TOTAL	\$279,766	\$50,373	\$229,393	\$0	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$279,766	\$50,373	\$229,393	\$0	\$0	0.0
R6 Secure Savings Program	42,640	42,640	0	0	0	0.0
Centrally appropriated line items	3,473	6,275	(2,802)	0	0	0.0
TOTAL	\$325,879	\$99,288	\$226,591	\$0	\$0	0.0
INCREASE/(DECREASE)						
Percentage Change	16.5%	97.1%	(1.2%)	n/a	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

CAPITOL COMPLEX LEASED SPACE

This line item is used to pay the Department of Personnel for the costs of maintaining state buildings that are part of the capitol complex.

STATUTORY AUTHORITY: Section 24-30-1104 (4) and Part 1 of Article 82 of Title 24, C.R.S.

REQUEST: The Department requests an appropriation of \$63,353 total funds, including \$38,012 General Fund and \$25,341 cash funds for FY 2022-23. This includes a common policy adjustment.

RECOMMENDATION: **Staff recommends an appropriation of \$70,843 General Fund for FY 2022-23.** Staff’s recommendation is higher than the request because of Committee action on common policy.

ADMINISTRATION, CAPITOL COMPLEX LEASED SPACE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$65,590	\$65,590	\$0	\$0	\$0	0.0
TOTAL	\$65,590	\$65,590	\$0	\$0	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$65,590	\$65,590	\$0	\$0	\$0	0.0
Centrally appropriated line items	5,253	5,253	0	0	0	0.0
TOTAL	\$70,843	\$70,843	\$0	\$0	\$0	0.0
INCREASE/(DECREASE)	\$5,253	\$5,253	\$0	\$0	\$0	0.0
Percentage Change	8.0%	8.0%	n/a	n/a	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST	\$63,353	\$38,012	\$25,341	\$0	\$0	0.0
Request Above/(Below) Recommendation	(\$7,490)	(\$32,831)	\$25,341	\$0	\$0	0.0

PAYMENTS TO OIT

This line item represents payments to the Governor’s Office of Information Technology for information technology services.

STATUTORY AUTHORITY: Section 24-37.5-104, C.R.S.

REQUEST: The Department requests an appropriation of \$218,084 total funds, including \$130,807 General Fund and \$87,277 cash funds for FY 2022-23. This includes a common policy adjustment and a request made by a different department.

RECOMMENDATION: **The staff recommendation is pending the Committee common policy decision for this line item.** Staff requests permission to adjust the amount in this line according to the Committee’s decision. The table below reflects the Department’s request.

ADMINISTRATION, PAYMENTS TO OIT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$190,824	\$95,413	\$95,411	\$0	\$0	0.0
TOTAL	\$190,824	\$95,413	\$95,411	\$0	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$190,824	\$95,413	\$95,411	\$0	\$0	0.0
Centrally appropriated line items	28,158	35,976	(7,818)	0	0	0.0
Non-prioritized decision items	(898)	(582)	(316)	0	0	0.0
TOTAL	\$218,084	\$130,807	\$87,277	\$0	\$0	0.0
INCREASE/(DECREASE)	\$27,260	\$35,394	(\$8,134)	\$0	\$0	0.0
Percentage Change	14.3%	37.1%	(8.5%)	n/a	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST	\$218,084	\$130,807	\$87,277	\$0	\$0	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

CORE OPERATIONS

This line item provides funds for the Department’s share of the operational costs of Colorado Operations Resource Engine (CORE), the statewide accounting system.

STATUTORY AUTHORITY: Section 24-30-209, C.R.S.

REQUEST: The Department requests an appropriation of \$374,723 total funds, including \$168,625 General Fund and \$206,098 cash funds for FY 2022-23. This includes a common policy adjustment.

RECOMMENDATION: **Staff recommends an appropriation of \$379,703 total funds, including \$170,866 General Fund and \$208,837 cash funds for FY 2022-23.** Staff’s recommendation is higher than the request because of Committee action on common policy.

ADMINISTRATION, CORE OPERATIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$315,383	\$141,922	\$173,461	\$0	\$0	0.0
TOTAL	\$315,383	\$141,922	\$173,461	\$0	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$315,383	\$141,922	\$173,461	\$0	\$0	0.0
Centrally appropriated line items	64,320	28,944	35,376	0	0	0.0
TOTAL	\$379,703	\$170,866	\$208,837	\$0	\$0	0.0
INCREASE/(DECREASE)	\$64,320	\$28,944	\$35,376	\$0	\$0	0.0
Percentage Change	20.4%	20.4%	20.4%	n/a	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST	\$374,723	\$168,625	\$206,098	\$0	\$0	0.0
Request Above/(Below) Recommendation	(\$4,980)	(\$2,241)	(\$2,739)	\$0	\$0	0.0

CHARTER SCHOOL FACILITIES FINANCING SERVICES

The Treasurer has several duties associated with charter school facility financing. A charter school may request that the Treasurer make direct payments of principal and interest on bonds issued on behalf of the school for the purpose of enhancing the ability of the school to obtain favorable financing terms pursuant to Section 22-30.5-406, C.R.S. The Treasurer is authorized to withhold, from the amount paid to the chartering district for the state share of the district's total program funding, the amount of any direct payments made on behalf of the charter school plus any administrative costs associated with making such payments. Any administrative costs withheld are deposited into the Charter School Financing Administrative Cash Fund. Money in this fund is continuously appropriated.

Under the provisions of H.B. 03-1021, the Colorado Educational and Cultural Facilities Authority may issue bonds on behalf of qualified charter schools. Participating charter schools are required to annually pay \$1 per \$1,000 of the principal amount of the bonds outstanding to the State Treasurer for deposit in the State Charter School Interest Savings Account (within the State Charter School Debt Reserve). The Treasurer is authorized to charge participating schools a fee to defray related direct and indirect costs. Such funds are also to be deposited in the State Charter School Interest Savings Account within the State Charter School Debt Reserve Fund pursuant to Section 22-30.5-407 (3), C.R.S. Money

in the State Charter School Debt Reserve Fund, including fees collected from schools, is continuously appropriated to the State Treasurer.

STATUTORY AUTHORITY: Sections 22-30.5-407 (4)(a) and (a.5), C.R.S.

REQUEST: The Department request reflects an informational continuation appropriation of \$7,500 cash funds from the Charter School Financing Administrative Cash Fund for FY 2022-23.

RECOMMENDATION: **Staff recommends that the requested amount be reflected in the Long Bill.**

DISCRETIONARY FUND

Five elected state officials receive an annual appropriation for expenditures in pursuance of official business as each elected official sees fit. Subject to annual appropriation by the General Assembly, the Treasurer is to receive \$5,000 from the General Fund annually for this purpose.

STATUTORY AUTHORITY: Section 24-9-105, C.R.S.

REQUEST: The Department requests a continuation appropriation of \$5,000 General Fund for FY 2022-23.

RECOMMENDATION: **Staff recommends a continuation appropriation of \$5,000 General Fund for FY 2022-23.**

(2) UNCLAIMED PROPERTY PROGRAM

The Department administers the state's unclaimed property program, as set forth in Article 13 of Title 38, C.R.S. (The "Unclaimed Property Act"). Under this program, the state takes possession of dormant or abandoned properties from a wide range of business and public institutions and tries to return the properties to their rightful owners. Generally, property is subject to the custody of the state as unclaimed property if the last-known address of the property owner (or the person entitled to the property) is in Colorado.

UNCLAIMED PROPERTY PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 Appropriation						
SB 21-205 (Long Bill)	\$2,593,453	\$0	\$2,593,453	\$0	\$0	17.0
HB 22-1183	25,000	0	25,000	0	0	0.0
TOTAL	\$2,618,453	\$0	\$2,618,453	\$0	\$0	17.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$2,618,453	\$0	\$2,618,453	\$0	\$0	17.0
R1 Departmental staffing	229,745	0	229,745	0	0	3.0
R2 Staff salary adjustments	47,117	0	47,117	0	0	0.0
R3 Departmental technology	38,095	0	38,095	0	0	0.0
R7 UP leased space decrease	(62,146)	0	(62,146)	0	0	0.0
BA2 Pen audit	0	0	0	0	0	0.0
Centrally appropriated line items	28,484	0	28,484	0	0	0.0
Annualize prior year legislation and budget actions	(66,588)	0	(66,588)	0	0	0.0
TOTAL	\$2,833,160	\$0	\$2,833,160	\$0	\$0	20.0
INCREASE/(DECREASE)	\$214,707	\$0	\$214,707	\$0	\$0	3.0
Percentage Change	8.2%	n/a	8.2%	n/a	n/a	17.6%
FY 2022-23 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$37,146	\$0	\$37,146	\$0	\$0	0.0

DECISION ITEMS - UNCLAIMED PROPERTY PROGRAM

→ R7 – UNCLAIMED PROPERTY LEASED SPACE

REQUEST: The Department requests a decrease of \$62,146 cash funds from the Unclaimed Property Trust Fund for FY 2022-23. This requested reduction in funding is a result of the Unclaimed Property Program moving to permanent remote work and having no need for the space that it had been leasing.

RECOMMENDATION: Staff recommends that the Committee approve the request.

ANALYSIS:

Until recently, the Department has occupied space both in the Capitol Complex and in non-State-owned buildings at 1580 Logan Street. The Administration Division has been in the Capitol Complex, and the Unclaimed Property Program has been in the outside leased space.

When the COVID-19 pandemic began, the Department – like many other workplaces – shifted to remote work. When the Department submitted its budget request for FY 2021-22 in November 2020, it was unsure if it would go back to on-site work, and in what capacity. Since then, the Department has made the decision to move the Unclaimed Property Program, which had previously required a leased space appropriation, to the Capitol Complex and significantly decrease the amount of on-site work permanently.

Fortuitously for the Department, their lease contract for their space on Logan St. expired at the end of FY 2020-21. They requested and were approved for the same spending authority for FY 2021-22 because at the time of the FY 2021-22 request, they were unsure about their future plans regarding working from home.

In H.B. 22-1183, the Committee approved a shift in funding from the Leased Space line item to the Operating Expenses line item for FY 2021-22 for the Department to update their Capitol Complex space, and this request is a continuation of that to permanently reduce spending authority in the line to \$0 to reflect the lack of any non-State-owned leased space occupied by the Department.

LINE ITEM DETAIL - UNCLAIMED PROPERTY PROGRAM

PERSONAL SERVICES

This line item provides funding for employees' salaries and wages, as well as the associated state contribution to the Public Employees Retirement Association and the state share of federal Medicare contributions. This line item also provides funding for certain professional and temporary services.

STATUTORY AUTHORITY: Section 24-50-101 *et seq.*, C.R.S.

REQUEST: The Department requests an appropriation of \$1,336,342 cash funds and 20.0 FTE for FY 2022-23. The request includes the Department's R1 and R2 requests, a common policy adjustment, and out-year impacts of legislation and funding from last budget cycle. Staff's recommendation is lower than the request due to the Committee's common policy concerning the calculation of Base Salary and the annualization of SB18-200.

***RECOMMENDATION:* Staff recommends an appropriation of \$1,336,342 cash funds and 20.0 FTE for FY 2022-23.**

UNCLAIMED PROPERTY PROGRAM, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$1,035,088	\$0	\$1,035,088	\$0	\$0	17.0
HB 22-1183	0	0	0	0	0	0.0
TOTAL	\$1,035,088	\$0	\$1,035,088	\$0	\$0	17.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$1,035,088	\$0	\$1,035,088	\$0	\$0	17.0
R1 Departmental staffing	220,895	0	220,895	0	0	3.0
R2 Staff salary adjustments	47,117	0	47,117	0	0	0.0

UNCLAIMED PROPERTY PROGRAM, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Centrally appropriated line items	28,484	0	28,484	0	0	0.0
Annualize prior year legislation and budget actions	4,758	0	4,758	0	0	0.0
TOTAL	\$1,336,342	\$0	\$1,336,342	\$0	\$0	20.0
INCREASE/(DECREASE)	\$301,254	\$0	\$301,254	\$0	\$0	3.0
Percentage Change	29.1%	n/a	29.1%	n/a	n/a	17.6%
FY 2022-23 EXECUTIVE REQUEST	\$1,336,342	\$0	\$1,336,342	\$0	\$0	20.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

OPERATING EXPENSES

This line item provides funding for supplies and materials, as well as capital outlay, utilities, custodial services, equipment rental, storage, dues and subscriptions, postage, and printing.

STATUTORY AUTHORITY: Section 38-13-801 (2)(a), C.R.S.

REQUEST: The Department requests an appropriation of \$533,964 cash funds for FY 2022-23. The request includes parts of the Department's R1 and R3 request amounts, along with out-year impacts of legislation and budget actions from the prior year.

RECOMMENDATION: **Staff recommends an appropriation of \$558,964 cash funds for FY 2022-23.** Staff's recommendation is higher than the request because of Committee actions on common policy.

UNCLAIMED PROPERTY PROGRAM, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$496,219	\$0	\$496,219	\$0	\$0	0.0
HB 22-1183	87,146	0	87,146	0	0	0.0
TOTAL	\$583,365	\$0	\$583,365	\$0	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$583,365	\$0	\$583,365	\$0	\$0	0.0
R1 Departmental staffing	8,850	0	8,850	0	0	0.0
R3 Departmental technology	38,095	0	38,095	0	0	0.0
BA2 Pen audit	0	0	0	0	0	0.0
Annualize prior year legislation and budget actions	(71,346)	0	(71,346)	0	0	0.0
TOTAL	\$558,964	\$0	\$558,964	\$0	\$0	0.0
INCREASE/(DECREASE)	(\$24,401)	\$0	(\$24,401)	\$0	\$0	0.0
Percentage Change	(4.2%)	n/a	(4.2%)	n/a	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST	\$533,964	\$0	\$533,964	\$0	\$0	0.0
Request Above/(Below) Recommendation	(\$25,000)	\$0	(\$25,000)	\$0	\$0	0.0

PROMOTION AND CORRESPONDENCE

The Department's promotional efforts are designed to notify owners of lost and forgotten assets held in trust by the state. Pursuant to Section 38-13-111 (7), C.R.S., the Administrator of the Unclaimed Property Program may spend up to 2.0 percent of the previous year's paid claims for the publication and necessary correspondence (e.g., sending a notice to the last known address of each person who appears to be entitled to property valued at \$50 or more).

STATUTORY AUTHORITY: Section 38-13-501, 38-13-503 C.R.S.

REQUEST: The Department requests a continuation appropriation of \$200,000 cash funds for FY 2022-23.

RECOMMENDATION: **Staff recommends a continuation appropriation of \$200,000 cash funds for FY 2022-23.**

CONTRACT AUDITOR SERVICES

The Treasury Department contracts with auditing firms that examine the records of businesses located in other states in an effort to find unclaimed property belonging to Colorado citizens. The costs associated with these services are essentially paid on a contingency fee basis, with the state paying 12.0 percent of the value of any Colorado property identified. Moneys in the Unclaimed Property Trust Fund are continuously appropriated for the payment of services to contract auditors.

STATUTORY AUTHORITY: Section 38-13-801 (2)(b), C.R.S.

REQUEST: The Department request reflects an informational appropriation of \$800,000 cash funds for FY 2022-23, which represents a continuation level of funding.

RECOMMENDATION: **Staff recommends that the request amount be reflected in the Long Bill.**

(3) SPECIAL PURPOSE

This section of the Long Bill reflects disbursements the Treasurer is required to make, including the following: 1) reimbursements to local governments for property tax revenues foregone due to the senior citizen and disabled veteran property tax exemption; 2) allocations of Highway Users Tax Fund (HUTF) revenues to local governments; 3) reimbursements of certain property taxes owed or paid for real and business personal property destroyed in a natural disaster; and 4) the annual base rent payments due on the State's Higher Education Capital Construction Lease Purchase Financing Program Certificates of Participation. The General Fund appropriations for the senior citizen and disabled veteran property tax exemption are not subject to the statutory restrictions on General Fund appropriations.

SPECIAL PURPOSE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 Appropriation						
SB 21-205 (Long Bill)	\$1,215,068,067	\$722,233,244	\$417,841,956	\$74,992,867	\$0	0.0
Other legislation	(379,795,000)	(379,795,000)	0	0	0	0.0
HB 22-1183	3,700,000	3,700,000	0	0	0	0.0
TOTAL	\$838,973,067	\$346,138,244	\$417,841,956	\$74,992,867	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$838,973,067	\$346,138,244	\$417,841,956	\$74,992,867	\$0	0.0
Technical adjustments	127,964,536	109,579,911	13,631,594	4,753,031	0	0.0
Annualize prior year legislation and budget actions	(3,905,000)	(3,905,000)	0	0	0	0.0
TOTAL	\$963,032,603	\$451,813,155	\$431,473,550	\$79,745,898	\$0	0.0
INCREASE/(DECREASE)	\$124,059,536	\$105,674,911	\$13,631,594	\$4,753,031	\$0	0.0
Percentage Change	14.8%	30.5%	3.3%	6.3%	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	(\$10,611,603)	\$8,381,370	(\$14,246,598)	(\$4,746,375)	\$0	0.0

DECISION ITEMS - SPECIAL PURPOSE

The Department did not submit any decision items for this division.

LINE ITEM DETAIL - SPECIAL PURPOSE**SENIOR CITIZEN AND DISABLED VETERAN PROPERTY TAX EXEMPTION**

This line item provides funding to reimburse local governments for property taxes foregone as a result of the Senior Citizen and Disabled Veteran Property Tax Exemption. Current law grants a property tax exemption to qualifying senior citizens and disabled veterans equal to 50.0 percent of the first \$200,000 of residential property value. The Constitution authorizes the General Assembly to raise or lower the maximum amount of actual value that is exempt from taxation. The State Treasurer is required to reimburse local governments for the resulting lost property tax revenues.

STATUTORY AUTHORITY: Authorized in Section 3.5 of Article X of the State Constitution and implemented in Sections 39-3-201 through 208, C.R.S.

REQUEST: The request includes estimated distributions to counties totaling \$172,754,148 General Fund, based on the Legislative Council Staff December 2021 forecast.

RECOMMENDATION: **Staff recommends reflecting an appropriation based on the March 2022 revenue forecast selected by the Committee for its 2022 budget proposal.** Staff requests permission to include in the Long Bill the informational appropriation based on the relevant March 2022 revenue projection.

BUSINESS PERSONAL PROPERTY TAX EXEMPTION [NEW LINE ITEM]

This line item provides an estimate of the amount needed to reimburse local governments for lost revenue as a result of the Business Personal Property Tax Exemption. The program was expanded in FY 2021-22 from a threshold of \$7,900 to \$50,000 of business personal property on which businesses are exempt from paying tax.

STATUTORY AUTHORITY: Section 39-3-119.5, C.R.S.

REQUEST: The request includes estimated distributions to counties totaling \$19,000,000 General Fund, based on the Legislative Council Staff December 2021 forecast.

RECOMMENDATION: **Staff recommends reflecting an appropriation based on the March 2022 revenue forecast selected by the Committee for its 2022 budget proposal.** Staff requests permission to include in the Long Bill the informational appropriation based on the relevant revenue projection that includes this amount.

HIGHWAY USERS TAX FUND – COUNTY PAYMENTS

This line item provides an estimate of the amount that will be distributed to counties from the Highway Users Tax Fund (HUTF). Counties are required to use such funds for the construction, engineering, reconstruction, maintenance, repair, equipment, improvement, and administration of the county highway systems and any other public highways.

STATUTORY AUTHORITY: The State Treasurer shall allocate 26.0 percent and 22.0 percent of the revenues raised by gasoline and special fuel excise tax to county treasurers pursuant to Sections 43-4-205 (5)(b) and 43-4-205 (6)(b)(II), C.R.S., respectively. Such funds shall be allocated and expended pursuant to Section 43-4-207, C.R.S.

REQUEST: The request includes estimated distributions to counties totaling \$216,323,612 cash funds based on the Legislative Council Staff December 2021 forecast.

RECOMMENDATION: **Staff recommends reflecting an appropriation from the Highway Users Tax Fund based on the March 2022 revenue forecast selected by the Committee for its 2022**

budget proposal. Staff requests permission to include in the Long Bill the informational appropriation based on the March 2022 revenue projection.

HIGHWAY USERS TAX FUND – MUNICIPALITY PAYMENTS

This line item provides an estimate of the amount that will be distributed to municipalities from the HUTF. Cities and incorporated towns are required to use such funds for the construction, engineering, reconstruction, maintenance, repair, equipment, improvement, and administration of the system of municipal streets or any other public highways located in the municipality.

STATUTORY AUTHORITY: The State Treasurer shall allocate 9.0 percent and 18.0 percent of the revenues raised by gasoline and special fuel excise tax to county treasurers pursuant to Sections 43-4-205 (5)(c) and 43-4-205 (6)(b)(III), C.R.S., respectively. Such funds shall be allocated and expended pursuant to Section 43-4-208 (2), C.R.S. and 43-4-208 (2)(b) and (6)(a).

REQUEST: The request includes estimated distributions to counties totaling \$149,143,340 cash funds based on the Legislative Council Staff December 2021 forecast.

RECOMMENDATION: Staff recommends reflecting an appropriation from the Highway Users Tax Fund based on the March 2022 revenue forecast selected by the Committee for its 2022 budget proposal. Staff requests permission to include in the Long Bill, the informational appropriation based on the March 2022 revenue projection.

PROPERTY TAX REIMBURSEMENT FOR PROPERTY DESTROYED BY A NATURAL CAUSE

This line item provides funding for the reimbursement of certain property taxes owed or paid for real property and business personal property that has been destroyed in a natural disaster or by another cause beyond the control of the property owner. This program is for property tax years commencing on or after January 1, 2013.

STATUTORY AUTHORITY: Section 39-1-123, C.R.S.

REQUEST: The Department requests an appropriation of \$1,000,000 General Fund for qualifying property tax reimbursements in the tax year commencing on January 1, 2022.

RECOMMENDATION: Staff recommends an appropriation of \$1,000,000 General Fund for FY 2022-23.

SPECIAL PURPOSE, PROPERTY TAX REIMBURSEMENT FOR PROPERTY DESTROYED BY NATURAL CAUSE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$1,000,000	\$1,000,000	\$0	\$0	\$0	0.0
HB 22-1183	3,700,000	3,700,000	0	0	0	0.0
TOTAL	\$4,700,000	\$4,700,000	\$0	\$0	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$4,700,000	\$4,700,000	\$0	\$0	\$0	0.0

SPECIAL PURPOSE, PROPERTY TAX REIMBURSEMENT FOR PROPERTY DESTROYED BY NATURAL CAUSE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize prior year legislation and budget actions	(3,700,000)	(3,700,000)	0	0	0	0.0
TOTAL	\$1,000,000	\$1,000,000	\$0	\$0	\$0	0.0
INCREASE/(DECREASE)	(\$3,700,000)	(\$3,700,000)	\$0	\$0	\$0	0.0
Percentage Change	(78.7%)	(78.7%)	n/a	n/a	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST	\$1,000,000	\$1,000,000	\$0	\$0	\$0	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

LEASE PURCHASE OF ACADEMIC FACILITIES PURSUANT TO SECTION 23-19.9-102, C.R.S.

This line item reflects the State’s share of the annual base rent payments due on the State of Colorado Higher Education Capital Construction Lease Purchase Financing Program Certificates of Participation. Pursuant to Section 23-19.9-102 (1)(b), C.R.S., the General Assembly may annually appropriate money in the Higher Education Federal Mineral Lease Revenues Fund to the Department of Higher Education for transfer to the State Treasurer and money transferred to the Treasurer is continuously appropriated for the purpose of making payments related to capital construction projects.

STATUTORY AUTHORITY: Section 23-19.9-102, C.R.S.

REQUEST: The request includes an informational appropriation of \$17,439,900 reappropriated funds transferred from the Department of Higher Education.

RECOMMENDATION: **Staff recommends that the requested amount be reflected in the Long Bill.**

LEASE PURCHASE OF ACADEMIC FACILITIES PURSUANT TO SECTION 24-82-803, C.R.S. [NEW LINE ITEM]

This line item reflects the State’s share of annual base rent payments authorized in 2020 in S.B. 20-219 due on existing capital construction needs for state institutions of higher education that are continuations of previously funded projects. These projects include the Shepardson Building Renovation and Addition at Colorado State University, the Health Sciences Center at Fort Lewis College, and the Anschutz Health Sciences Building at the University of Colorado.

STATUTORY AUTHORITY: Section 24-82-803, C.R.S.

REQUEST: The Department requests an informational appropriation of \$4,746,375 reappropriated funds.

RECOMMENDATION: **Staff recommends that the requested amount be reflected in the Long Bill.**

PUBLIC SCHOOL FUND INVESTMENT BOARD PURSUANT TO SECTION 22-41-102.5, C.R.S.

This line item reflects the costs incurred by the Public School Fund Investment Board for administrative and investment expenses related to Public School Fund investments.

STATUTORY AUTHORITY: Section 22-41-102.5, C.R.S.

REQUEST: The Department requests an appropriation of \$1,760,000 cash funds from interest earned on Public School Fund investments for FY 2022-23.

***RECOMMENDATION:* Staff recommends a continuation appropriation of \$1,760,000 cash funds for FY 2022-23.**

S.B. 17-267 COLLATERALIZATION LEASE PURCHASE PAYMENTS

This line item reflects the annual lease purchase payments due on the S.B. 17-267 state building collateralization certificates of participation.

STATUTORY AUTHORITY: Section 24-82-1303 (2), C.R.S.

REQUEST: The Department requests an appropriation of \$150,000,000 total funds, including \$100,000,000 General Fund and \$50,000,000 cash funds from state highway funds for FY 2022-23.

***RECOMMENDATION:* Staff recommends an appropriation of \$150,000,000 total funds, including \$100,000,000 General Fund and \$50,000,000 cash funds for FY 2022-23.**

SPECIAL PURPOSE, S.B. 17-267 COLLATERALIZATION LEASE PURCHASE PAYMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$75,000,000	\$13,000,000	\$62,000,000	\$0	\$0	0.0
TOTAL	\$75,000,000	\$13,000,000	\$62,000,000	\$0	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$75,000,000	\$13,000,000	\$62,000,000	\$0	\$0	0.0
Technical adjustments	75,000,000	87,000,000	(12,000,000)	0	0	0.0
TOTAL	\$150,000,000	\$100,000,000	\$50,000,000	\$0	\$0	0.0
INCREASE/(DECREASE)	\$75,000,000	\$87,000,000	(\$12,000,000)	\$0	\$0	0.0
Percentage Change	100.0%	669.2%	(19.4%)	n/a	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST	\$150,000,000	\$100,000,000	\$50,000,000	\$0	\$0	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

DIRECT DISTRIBUTION FOR UNFUNDED ACTUARIAL ACCRUED PERA LIABILITY

This informational line item was added in S.B. 18-200 (Modifications to PERA to Eliminate Unfunded Liability) to reflect the \$225.0 million payment for the PERA unfunded liability.

STATUTORY AUTHORITY: Section 24-51-414 (5), C.R.S.

REQUEST: The request includes an informational appropriation of \$225.0 million, including \$167,440,377 General Fund and \$57,559,623 reappropriated funds from the Department of Personnel from state agency common policy collections.

RECOMMENDATION: **Staff recommends reflecting an informational appropriation of \$225.0 million total funds, consistent with statute. The recommendation is pending Committee action on statewide PERA Direct Distribution common policy.** Staff requests permission to reflect the statewide PERA Direct Distribution common policy allocation total – the reappropriated funds amount – consistent with the common policy request from the executive branch and as approved by the Committee as a statewide compensation common policy.

SPECIAL PURPOSE, DIRECT DISTRIBUTION FOR UNFUNDED ACTUARIAL ACCRUED PERA LIABILITY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$225,000,000	\$167,440,377	\$0	\$57,559,623	\$0	0.0
TOTAL	\$225,000,000	\$167,440,377	\$0	\$57,559,623	\$0	0.0
FY 2022-23 RECOMMENDED APPROPRIATION						
FY 2021-22 Appropriation	\$225,000,000	\$167,440,377	\$0	\$57,559,623	\$0	0.0
TOTAL	\$225,000,000	\$167,440,377	\$0	\$57,559,623	\$0	0.0
INCREASE/(DECREASE)	\$0	\$0	\$0	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	n/a	0.0%	n/a	n/a
FY 2022-23 EXECUTIVE REQUEST	\$225,000,000	\$167,440,377	\$0	\$57,559,623	\$0	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

LONG BILL FOOTNOTES AND REQUESTS FOR INFORMATION

LONG BILL FOOTNOTES

Staff recommends no footnotes for the Department of the Treasury.

REQUESTS FOR INFORMATION

Staff recommends **CONTINUING** the following request for information:

- 1 Department of the Treasury, Administration – The State Treasurer is requested to submit an annual report to the Joint Budget Committee concerning the performance of the State's investments. The report should include comparisons to relevant benchmarks and a detailed discussion of the benchmarks. This report should be submitted on November 1st each year.

Staff recommends **ADDING** the following request for information:

- 2 Department of the Treasury, Special Purpose – The State Treasurer is requested to submit an annual report to the Joint Budget Committee concerning the status of the State's debt obligations for all certificates of participation managed by the State Treasurer. The report should include the current state fiscal year payments, the upcoming state fiscal year obligations, schedules of each certificate of participation reported on, and historical and current interest rates that the State is paying on each certificate of participation. The report should be submitted on November 1st each year.

INDIRECT COST ASSESSMENTS

DESCRIPTION OF INDIRECT COST ASSESSMENT METHODOLOGY

The Department of the Treasury has one cash funded program that provides a portion of the funding to cover costs associated with the administration of the Department. Such funding is identified in the Long Bill as cash fund appropriations from the Unclaimed Property Trust Fund to each affected line item within the Administration division.

APPENDIX A:
NUMBERS PAGES
(DIGITAL ONLY)

Appendix A is only available in the online version of this document.

JBC Staff Figure Setting - FY 2022-23
Staff Working Document - Does Not Represent Committee Decision

Appendix A: Numbers Pages

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
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DEPARTMENT OF THE TREASURY Dave Young, State Treasurer

(1) ADMINISTRATION

Personal Services	<u>1,492,923</u>	<u>1,619,214</u>	<u>1,742,743</u>	<u>3,132,038</u>	<u>3,132,038</u> *
FTE	16.4	17.9	24.8	28.8	28.8
General Fund	539,967	666,258	789,787	2,026,546	2,026,546
Cash Funds	952,956	952,956	952,956	1,105,492	1,105,492
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
 Health, Life, and Dental	 <u>271,078 0.0</u>	 <u>283,999</u>	 <u>341,626</u>	 <u>473,575</u>	 <u>473,575</u> *
General Fund	149,648	162,087	189,091	264,241	264,241
Cash Funds	121,430	121,912	152,535	209,334	209,334
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
 Short-term Disability	 <u>3,108 0.0</u>	 <u>3,225</u>	 <u>3,995</u>	 <u>5,515</u>	 <u>5,515</u> *
General Fund	1,923	1,992	2,481	3,356	3,356
Cash Funds	1,185	1,233	1,514	2,159	2,159
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*This line item contains a decision item.

JBC Staff Figure Setting - FY 2022-23
Staff Working Document - Does Not Represent Committee Decision

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
S.B. 04-257 Amortization Equalization Disbursement	<u>105,399 0.0</u>	<u>107,911</u>	<u>124,737</u>	<u>172,337</u>	<u>172,337</u> *
General Fund	66,622	67,115	77,414	104,879	104,879
Cash Funds	38,777	40,796	47,323	67,458	67,458
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
S.B. 06-235 Supplemental Amortization Equalization Disbursement	<u>105,399 0.0</u>	<u>107,911</u>	<u>124,737</u>	<u>172,337</u>	<u>172,337</u> *
General Fund	66,622	67,115	77,414	104,879	104,879
Cash Funds	38,777	40,796	47,323	67,458	67,458
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
PERA Direct Distribution	<u>52,281 0.0</u>	<u>0</u>	<u>55,339</u>	<u>56,587</u>	<u>56,587</u>
General Fund	33,006	0	34,051	36,484	36,484
Cash Funds	19,275	0	21,288	20,103	20,103
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Salary Survey	<u>70,166 0.0</u>	<u>0</u>	<u>74,044</u>	<u>90,193</u>	<u>90,193</u>
General Fund	44,298	0	45,560	58,150	58,150
Cash Funds	25,868	0	28,484	32,043	32,043
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2022-23
Staff Working Document - Does Not Represent Committee Decision

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
Paid Family and Medical Leave Insurance	0	0	0	6,174	6,174
General Fund	0	0	0	3,981	3,981
Cash Funds	0	0	0	2,193	2,193
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Workers' Compensation and Payment to Risk					
Management and Property Funds	<u>10,373 0.0</u>	<u>9,596</u>	<u>14,760</u>	<u>27,745</u>	<u>29,027</u> *
General Fund	10,373	9,596	14,760	27,745	29,027
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>547,505 0.0</u>	<u>147,060</u>	<u>944,581</u>	<u>699,521 0.8</u>	<u>1,448,521</u> *
General Fund	547,505	147,060	944,581	699,521	1,448,521
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Information Technology Asset Maintenance	<u>11,836 0.0</u>	<u>11,423</u>	<u>12,568</u>	<u>18,000</u>	<u>18,000</u> *
General Fund	6,284	6,080	6,284	9,000	9,000
Cash Funds	5,552	5,343	6,284	9,000	9,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Legal Services	<u>335,039 0.0</u>	<u>386,768</u>	<u>279,766</u>	<u>325,879</u>	<u>325,879</u> *
General Fund	67,008	79,558	50,373	99,288	99,288
Cash Funds	268,031	307,210	229,393	226,591	226,591

JBC Staff Figure Setting - FY 2022-23
Staff Working Document - Does Not Represent Committee Decision

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
Capitol Complex Leased Space	<u>53,992 0.0</u>	<u>59,544</u>	<u>65,590</u>	<u>63,353</u>	<u>70,843</u>
General Fund	53,992	59,544	65,590	38,012	70,843
Cash Funds	0	0	0	25,341	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Payments to OIT	<u>77,592 0.0</u>	<u>81,405</u>	<u>190,824</u>	<u>218,084</u>	<u>218,084</u> *
General Fund	38,796	40,703	95,413	130,807	130,807
Cash Funds	38,796	40,702	95,411	87,277	87,277
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
CORE Operations	<u>257,646 0.0</u>	<u>442,523</u>	<u>315,383</u>	<u>374,723</u>	<u>379,703</u>
General Fund	115,941	199,135	141,922	168,625	170,866
Cash Funds	141,705	243,388	173,461	206,098	208,837
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Charter School Facilities Financing Services	<u>7,609 0.0</u>	<u>7,905</u>	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>
General Fund	0	0	0	0	0
Cash Funds	7,609	7,905	7,500	7,500	7,500
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Discretionary Fund	<u>920 0.0</u>	<u>449</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
General Fund	920	449	5,000	5,000	5,000
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2022-23
Staff Working Document - Does Not Represent Committee Decision

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
TOTAL - (1) Administration	3,402,866	3,268,933	4,303,193	5,848,561	6,611,313
<i>FTE</i>	<u>16.4</u>	<u>17.9</u>	<u>24.8</u>	<u>29.6</u>	<u>28.8</u>
General Fund	1,742,905	1,506,692	2,539,721	3,780,514	4,565,868
Cash Funds	1,659,961	1,762,241	1,763,472	2,068,047	2,045,445
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2022-23
Staff Working Document - Does Not Represent Committee Decision

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
(2) UNCLAIMED PROPERTY PROGRAM					
Personal Services	<u>864,638</u>	<u>935,609</u>	<u>1,035,088</u>	<u>1,336,342</u>	<u>1,336,342</u> *
FTE	14.0	14.6	17.0	20.0	20.0
General Fund	0	0	0	0	0
Cash Funds	864,638	935,609	1,035,088	1,336,342	1,336,342
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>349,795 0.0</u>	<u>403,213</u>	<u>583,365</u>	<u>533,964</u>	<u>558,964</u> *
General Fund	0	0	0	0	0
Cash Funds	349,795	403,213	583,365	533,964	558,964
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Promotion and Correspondence	<u>6,105 0.0</u>	<u>10,215</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
General Fund	0	0	0	0	0
Cash Funds	6,105	10,215	200,000	200,000	200,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Leased Space	<u>58,591 0.0</u>	<u>62,146</u>	<u>0</u>	<u>0</u>	<u>(62,146)</u> *
General Fund	0	0	0	0	0
Cash Funds	58,591	62,146	0	0	(62,146)
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2022-23
Staff Working Document - Does Not Represent Committee Decision

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
Contract Auditor Services	<u>408,224 0.0</u>	<u>1,090,581</u>	<u>800,000</u>	<u>800,000</u>	<u>800,000</u>
General Fund	0	0	0	0	0
Cash Funds	408,224	1,090,581	800,000	800,000	800,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
TOTAL - (2) Unclaimed Property Program	1,687,353	2,501,764	2,618,453	2,870,306	2,833,160
<i>FTE</i>	<u>14.0</u>	<u>14.6</u>	<u>17.0</u>	<u>20.0</u>	<u>20.0</u>
General Fund	0	0	0	0	0
Cash Funds	1,687,353	2,501,764	2,618,453	2,870,306	2,833,160
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2022-23
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	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
(3) SPECIAL PURPOSE					
Senior Citizen and Disabled Veteran Property Tax Exemption	<u>10,387,968</u> 0.0	<u>157,894,809</u>	<u>160,792,867</u>	<u>172,754,148</u>	<u>164,372,778</u>
General Fund	10,387,968	157,894,809	160,792,867	172,754,148	164,372,778
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Business Personal Property Tax Exemption	<u>0</u>	<u>0</u>	<u>0</u>	<u>19,000,000</u>	<u>19,000,000</u>
General Fund	0	0	0	19,000,000	19,000,000
Highway Users Tax Fund - County Payments	<u>237,707,219</u> 0.0	<u>198,596,857</u>	<u>209,860,585</u>	<u>216,323,612</u>	<u>225,052,156</u>
General Fund	0	0	0	0	0
Cash Funds	237,707,219	198,596,857	209,860,585	216,323,612	225,052,156
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Highway Users Tax Fund - Municipality Payments	<u>170,439,786</u> 0.0	<u>136,921,708</u>	<u>144,221,371</u>	<u>149,143,340</u>	<u>154,661,394</u>
General Fund	0	0	0	0	0
Cash Funds	170,439,786	136,921,708	144,221,371	149,143,340	154,661,394
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2022-23
Staff Working Document - Does Not Represent Committee Decision

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
Property Tax Reimbursement for Property Destroyed by Natural Cause	<u>4,477</u> 0.0	<u>714,958</u>	<u>4,700,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
General Fund	4,477	714,958	4,700,000	1,000,000	1,000,000
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Lease Purchase of Academic Facilities Pursuant to Section 23-19.9-102, C.R.S.	<u>17,434,250</u> 0.0	<u>17,433,244</u>	<u>17,433,244</u>	<u>17,439,900</u>	<u>17,439,900</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	17,434,250	17,433,244	17,433,244	17,439,900	17,439,900
Federal Funds	0	0	0	0	0
Lease Purchase of Academic Facilities Pursuant to Section 24-82-803, C.R.S.	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,746,375</u>
Reappropriated Funds	0	0	0	0	4,746,375
Public School Fund Investment Board Pursuant to Section 22-41-102.5 C.R.S.	<u>534,279</u> 0.0	<u>829,938</u>	<u>1,760,000</u>	<u>1,760,000</u>	<u>1,760,000</u>
General Fund	0	0	0	0	0
Cash Funds	534,279	829,938	1,760,000	1,760,000	1,760,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2022-23
Staff Working Document - Does Not Represent Committee Decision

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
S.B. 17-267 Collateralization Lease Purchase					
Payments	<u>37,499,855</u> 0.0	<u>74,865,919</u>	<u>75,000,000</u>	<u>150,000,000</u>	<u>150,000,000</u>
General Fund	8,999,912	12,873,770	13,000,000	100,000,000	100,000,000
Cash Funds	28,499,943	61,992,149	62,000,000	50,000,000	50,000,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Direct Distribution for Unfunded Actuarial Accrued					
PERA Liability	<u>225,000,000</u> 0.0	<u>0</u>	<u>225,000,000</u>	<u>225,000,000</u>	<u>225,000,000</u>
General Fund	168,528,901	0	167,440,377	167,440,377	167,440,377
Cash Funds	0	0	0	0	0
Reappropriated Funds	56,471,099	0	57,559,623	57,559,623	57,559,623
Federal Funds	0	0	0	0	0
Payment to the Colorado Housing and Finance					
Authority	<u>0</u>	<u>0</u>	<u>205,000</u>	<u>0</u>	<u>0</u>
General Fund	0	0	205,000	0	0
PERA Payments Cash Fund					
General Fund	<u>0</u>	<u>380,000,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL - (3) Special Purpose	699,007,834	967,257,433	838,973,067	952,421,000	963,032,603
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	187,921,258	551,483,537	346,138,244	460,194,525	451,813,155
Cash Funds	437,181,227	398,340,652	417,841,956	417,226,952	431,473,550
Reappropriated Funds	73,905,349	17,433,244	74,992,867	74,999,523	79,745,898
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2022-23
Staff Working Document - Does Not Represent Committee Decision

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Recommendation
TOTAL - Department of the Treasury	704,098,053	973,028,130	845,894,713	961,139,867	972,477,076
<i>FTE</i>	<u>30.4</u>	<u>32.5</u>	<u>41.8</u>	<u>49.6</u>	<u>48.8</u>
General Fund	189,664,163	552,990,229	348,677,965	463,975,039	456,379,023
Cash Funds	440,528,541	402,604,657	422,223,881	422,165,305	436,352,155
Reappropriated Funds	73,905,349	17,433,244	74,992,867	74,999,523	79,745,898
Federal Funds	0	0	0	0	0

APPENDIX B:
ORGANIZATIONAL ASSESSMENT STUDY
(DIGITAL ONLY)

Appendix B is only available in the online version of this document.

ORGANIZATIONAL ASSESSMENT

Department of the Treasury



Turning the Corner LLC

11/12/21

Jessica Stitz, MBA, SHRM-SCP

OUR GOAL

The Colorado Department of the Treasury asked Turning the Corner LLC (TTC) to provide recommendations on resources needed to enhance engagement and department success. TTC was asked to help the Department of the Treasury obtain the clarity needed to make changes that will have a positive impact on the organization by doing a comprehensive evaluation of the current structure, resources, roles and responsibilities versus short-term and long-term needs. As part of the process TTC was asked to interview all department employees to ensure all employees had the opportunity to participate and have their voices heard. TTC was also asked to assess the employee's level of burnout. Once the needs are determined, TTC will assist the Department of the Treasury in creating the documentation to propose new resources for the state budget committee and also assist with the implementation of changes and/or additions in the department.

DISCOVERY AND NEEDS IDENTIFIED

TTC interviewed all 33 employees currently in the department. The department has a majority of employees who are engaged and are highly experienced in their profession. They are dedicated and care about their work and their co-workers. They believe the leadership cares about them and their team. Most of the department employees enjoy working from home, because it saves them a significant amount of time not commuting to the office and having to pay for parking. The employees understand the purpose of the department and their role within the department.

Accounting

The accounting area was identified as the biggest area of concern and risk area. They have seen a number of positions turnover which is leaving a heavy workload for the employees who remain within the accounting area. The department is in a very reactive mode, because they have too many items of responsibility for the number of staff members in the area. The accounting area is feeling burnout and is at risk of more employees resigning. This is a significant concern and potential cost to the department. Turnover costs organizations an estimated 33% of an employee's annual salary. It typically takes about 8-12 weeks to replace a knowledge worker, and another few months until they are fully productive. This time doesn't include the cost and time the trainer spends training the new employee.

A majority of the department believes that the HR function should not reside under the accounting area. They are not trained professionals in human resources and the workload for HR has grown significantly over the past few years. The accounting lead is having to juggle too many responsibilities that does not allow him to focus on the accounting team to the level needed.

Process change considerations that were discovered for the accounting area are: cash management, manually entering trades and printing them, and reconciliation redundancy with accountants and technicians. Also, moving custodial accounts, transfers to and from the general ledger, sorting mail, downloading phone bills, and other basic accounting functions were recommended to be moved back to the accounting department from the controller area where they currently reside. It was recommended that Unclaimed Property - Compliance and Accounting could streamline processes and provide training on their systems that allow for better integration and movement of functions.

Learning and Development

A significant number of employees would like to have more opportunities for training and development to improve their skills, have opportunities for upward mobility, and know that the Treasury department is investing in them. Employees would also like to receive more coaching and training from their direct leader to continue to master their skills and learn additional skills. Employees also requested leadership training, conflict management training, and other soft skill course options.

Compensation and Pay Compression

Compensation compression in non-management roles was brought up for employees that have been with the department for a long time. The Unclaimed Property and Accounting areas appear to be the most impacted by pay compression based on perception from employees in the department. TTC has not analyzed the current pay structure with the market.

Technology

Technology issues and lack of automation are having a negative impact on department productivity. A majority of the department mentioned there are employees who are working with very old laptops that work slowly and shut down often which impedes their productivity. It was also mentioned that the current VPN has issues and causes significant delays at times.

The department currently has numerous competing priorities that causes everything to be a priority. Currently, the department does not utilize project management software or have a tracking mechanism to track projects and assign duties. Therefore, there is confusion on what stage the project is in, who is responsible, which leads to last minute rushing to complete projects.

The department is using a manual system to request and track time off for employees causing a lot of extra work. It was also mentioned that systems used such as Access need to be upgraded to be fully functional. The new investment employee being hired will not have access to Bloomberg, unless they receive budget approval. If the employee does not have access to Bloomberg they will not be fully utilized in their position, because they will not be able to complete many of the daily tasks of the role. Unclaimed Property not having an integrated system with agencies such as the Department of Revenue causes a significant delay in responding to claims requests, because data needs to be verified that other agencies already have in their systems. Also, adding that it takes ninety (90) days to process claims on the Unclaimed Property website may alleviate a significant amount of calls and emails for status updates.

Office Space

The department does not have a lot of space at the capitol building. With Unclaimed Property now residing at the capitol as well, space was brought up as a concern and issue that was not addressed well with the staff. Employees who need to work in the office need to have a working space to be able to perform their duties efficiently. Some areas need meeting space to work with others outside the department. The other agencies have been willing to share their space at times, however it would be advantageous to have a meeting space that department employees are able to utilize. The vault is also very full and could become a hazard if more items are continually added.

Communication and Teamwork

Department wide communication and collaboration were identified as areas that could use improvement. Employees mentioned department wide virtual meetings would be very beneficial and are highly desired. Employees would also like the opportunity to meet the new employees in the department and learn what is happening in the other areas of the department. Employees would also appreciate seeing an updated organizational chart to understand how the department is structured and who works in each area. Employees would also like to have one source of communication for items such as snow days to ensure everyone hears the same message. Employees also

mentioned it would be great to have other agencies come to department wide meetings so they could learn what is happening in the other agencies since they do not see them around the capitol any longer.

Organizational Structure

Structure change considerations that were mentioned is moving the Secure Savings area under the Policy Director position since they more directly interact with one another. Unclaimed Property may also consider separating business claims from owner claims. It was mentioned numerous times that HR should not reside under the accounting area.

Summary

Not all items brought up by employees are included in the summary. We have included items that were mentioned more than once in the interviews.

RECOMMENDATION (In Order of Recommendation):

1. A full-time HR Director to be added to the department as soon as possible. The person should be a trained HR professional and should not report up through accounting. The person would be responsible for:
 - a. EDI Recruiting (posting positions, reviewing applicants, setting up interviews, drafting offer letters)
 - b. New Hire Onboarding
 - c. Ordering of equipment so prepared for new employees
 - d. HRIS system administration
 - e. Benefits administration
 - f. Compensation analysis
 - g. Payroll administration
 - h. Development of career pathing
 - i. Training and development
 - j. Leave tracking
 - k. Vaccination tracking
 - l. Flexible work administration
 - m. Employee relations (objective and unbiased - separate from accounting)
 - n. Labor Relations
 - o. Succession Planning
 - p. DEI
 - q. Communications within the department

- r. Leading department wide monthly meetings
 - s. Policy development and administration
 - t. Terminations
 - u. Offboarding of employees
2. A full-time Deputy Controller/Operations Manager position to be added to the department as soon as possible. There have been numerous additional responsibilities added to the accounting and controller teams the last several years. Current FTE does not cover the accounting and controller needs at the current time. This role should assist in the budgeting process, manage projects, manage department system upgrades and automations, develop and lead accounting training, and develop the accounting cross training program. TTC is unsure what the best title is for the position to fit within the State and the Department of the Treasury titling convention.
 3. A full-time Climber position to be added as soon as possible. The position was initially approved as a .5 position split with Debt Management, however there is a significant amount of time needing to be spent analyzing and marketing the program. Currently, they are paying a contractor to support the program which is not sustainable long-term. The current incumbent is having to spend 90% of his time on Climber just to keep the program going and is only able to dedicate 10% of his time to debt management. It will be 7 years before the program will be finalized if it is not renewed. However, we expect this program or similar to continue into the future, because of the need to provide these types of loans for the growth and health of minority businesses. Therefore, there is a need for a dedicated individual to run the program.
 4. Funding to purchase another Bloomberg subscription to allow the new investment person to be able to complete their responsibilities.
 5. A monthly department meeting beginning in November to discuss any department updates, welcome new employees, and have other agencies provide updates. Also, do team building exercises as a way to engage employees, learn about one another, and create more collaboration and comradery.
 6. Technology budget increase to assist with the purchase of new laptops and technology upgrades with systems to allow employees to work efficiently and productively.
 7. Implement a project management software to create visibility on all major

department goals and responsibilities to allow the department to prioritize the numerous competing priorities. Allowing the entire department to have clarity and transparency over the departmental goals increases employee engagement. Project management software also saves significant time understanding where goals and projects are in the process, where there is a bottleneck, and how to address it.

8. Transition basic accounting functions back to the Accounting team from the Controller. Recommend the transition after Accounting is able to replace the positions that have recently been vacated and they have been able to offload responsibilities to the new HR Director position.
9. Implement automation and integration with the Department of Revenue data to save significant time in the Claims division verifying information that is already housed in a state database.
10. Have a live auction for Unclaimed Property
11. Once an HR Director is hired to support the department it is recommended they do a full compensation analysis for the team, develop succession plans, and a learning and development plan.
12. Consider structure changes with where Secure Savings reports into. Consider separating business claims from owner claims in Unclaimed Property if the head of Unclaimed Property believes it would help the department to become more productive and efficient.
13. Consider ways to simplify the transition from the Compliance area to Accounting and any training or understanding that might be needed to create a better understanding of needs from each area.
14. The department is currently recruiting for an Investment employee, four (4) Secure Savings employees, two (2) Unclaimed Property employees (Claims and Vault). It is recommended we add an HR Director, Climber employee, and Deputy Controller/ Operations Manager at this time. Next year it is recommended we evaluate any additional needs in Accounting, Controller, Unclaimed Property, and Investments after the current recommendations have been fully implemented.
15. The department to consider the price of parking and any ways to reduce the amount employees currently pay to park at the capitol.

NEXT STEPS:

1. The Treasurer and Deputy Treasurer discuss what they would like to move forward with and the next steps
2. The Treasurer and Deputy Treasurer discuss the timing of implementation of recommendations they would like to move forward
3. Communicate the findings to the department and next steps
4. Request made to the Budget Committee
5. The Department of the Treasury in collaboration with TTC begin work on implementation