

This Adobe Acrobat file contains the following three figure setting packets that were presented to the Joint Budget Committee for the Office of the Governor:

<b>Figure Setting Packet</b>	<b>Adobe Acrobat Page Numbers</b>
1. March 15, 2007 – Figure Setting Staff Technical Comeback	Pages 2 through 4
2. February 21, 2007 – Regular Figure Setting Document	Pages 5 through 37

# M E M O R A N D U M

**TO:** Members of the Joint Budget Committee

**FROM:** Bernie Gallagher, JBC Staff (866-4957)

**SUBJECT:** Office of the Governor – Figure Setting Staff Technical Comeback

**DATE:** March 15, 2007

Subsequent to figure setting recommendations for the Office of the Governor on February 21, 2007, staff has discovered technical errors inadvertently included in the document. As shown in **Table A**, staff had omitted committee approved base reductions and discovered incorrect calculations, which are described in **Table B**.

<b>TABLE A. Line Item Base Reduction Corrections*</b>			
Division/Line Item/Fund Source	Previous Committee Action	REVISED Staff Recommendation	Difference
<b>(4) ECONOMIC DEVELOPMENT PROGRAMS</b>			
<i>Administration</i>			
General Fund	\$415,857	\$415,033	(\$824)
<i>Business Development</i>			
General Fund	839,779	838,515	(1,264)
<i>Grand Junction Satellite Office</i>			
General Fund	64,117	63,980	(137)
<i>Minority Business Office</i>			
General Fund	114,611	114,336	(275)
<i>Small Business Development Centers</i>			
Total	<u>1,268,413</u>	<u>1,267,998</u>	<u>(415)</u>
General Fund	66,452	66,315	(137)
Federal Funds	1,201,961	1,201,683	(278)
<i>International Trade Office</i>			
General Fund	615,286	614,462	(824)
<i>Colorado Promotion - Colorado Welcome Centers</i>			
General Fund	400,000	399,547	(453)
<i>Colorado Promotion - Other Program Costs</i>			

<b>TABLE A. Line Item Base Reduction Corrections*</b>			
<b>Division/Line Item/Fund Source</b>	<b>Previous Committee Action</b>	<b>REVISED Staff Recommendation</b>	<b>Difference</b>
General Fund	19,300,533	19,300,288	(245)
<i>Economic Development Commission - General Economic Incentives and Marketing</i>			
General Fund	964,336	964,061	(275)
<i>CAPCO Administration</i>			
Cash Funds Exempt	78,716	78,634	(82)
<i>Council on the Arts</i>			
Cash Funds Exempt	1,581,500	1,581,336	(164)
<b>(7) OFFICE OF THE CHIEF INFORMATION SECURITY OFFICER (CISO)</b>			
<i>Program Costs</i>			
Cash Funds Exempt	2,449,782	2,449,560	(222)
<b>Total Base Reduction Corrections</b>	<b><u>\$28,092,930</u></b>	<b><u>\$28,087,750</u></b>	<b><u>(\$5,180)</u></b>
General Fund	\$22,780,971	\$22,776,537	(\$4,434)
Cash Funds Exempt	\$5,311,959	\$5,311,213	(\$746)

\* Please note that the Base Reduction was calculated at 0.2%, pursuant to JBC action taken during staff's figure setting presentation for the Department on February 21, 2007.

<b>TABLE B. Line Item Calculation Corrections</b>			
<b>Division/Line Item/Fund Source</b>	<b>Previous Committee Action</b>	<b>REVISED Staff Recommendation</b>	<b>Difference</b>
<b>(3) OFFICE OF STATE PLANNING AND BUDGETING</b>			
<u>Description of Technical Error:</u> For the Personal Services line item, staff errantly included Estimated FY 2007-08 Performance-based Pay into the original calculation.			
<i>Personal Services</i>			
Cash Funds Exempt	\$1,332,102	\$1,321,692	(\$10,410)

<b>TABLE B. Line Item Calculation Corrections</b>			
<b>Division/Line Item/Fund Source</b>	<b>Previous Committee Action</b>	<b>REVISED Staff Recommendation</b>	<b>Difference</b>
<b>(4) ECONOMIC DEVELOPMENT PROGRAMS</b>			
<p><u>Description of Technical Error:</u> Staff duplicated the Colorado Council on the Arts roll-forward spending authority. On January 25, 2007, a supplemental package for the Department was presented. One of its prioritized supplementals requested \$125,000 roll-forward spending authority for the Council on the Arts from FY 2006-07 into FY 2007-08, to help finance an in-school K-12 arts education program. The JBC approved staff's recommendation to add a footnote expressing the intent of the legislature to grant roll-forward spending authority to the Department. The footnote was added as footnote "19a" to the FY 2006-07 Supplemental Bill for the Office of the Governor (S.B. 07-162). Because staff added \$125,000 cash funds spending authority during figure setting, this action duplicated this appropriation. Staff requests the JBC's permission to reduce the Division's affected line item by \$125,000 cash funds spending authority in order to correct the error.</p>			
<i>Council on the Arts</i>			
Cash Funds	\$125,000	\$0	(\$125,000)
<b>(5) OFFICE OF INFORMATION TECHNOLOGY</b>			
<p><u>Description of Technical Error:</u> For the Operating Expenses line item, staff included the FY 2006-07 Legal Services Expenses appropriation for the division. The following corrects the error:</p>			
<i>Operating Expenses</i>			
General Fund	\$152,030	\$150,268	(\$1,762)
<b>Total Net Change</b>			<b>(\$137,172)</b>
General Fund			(\$1,762)
Cash Funds			(\$125,000)
Cash Funds Exempt			(\$10,400)

# **COLORADO GENERAL ASSEMBLY**

## **JOINT BUDGET COMMITTEE**



### **FY 2007-08 STAFF FIGURE SETTING: OFFICE OF THE GOVERNOR**

**JBC Working Document - Subject to Change**  
**Staff Recommendation Does Not Represent Committee Decision**

**Prepared By:**  
**Bernie Gallagher, JBC Staff**  
**February 21, 2007**

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**FY 2007-08 FIGURE SETTING  
STAFF PRESENTATION TO THE JOINT BUDGET COMMITTEE  
OFFICE OF THE GOVERNOR**

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	FY 2004-05 Actual	FY 2005-06 Actual	FY 2006-07 Appropriation	FY 2007-08		Change Requests
				Request	Recommendation	
<b>GOVERNOR'S OFFICE</b>						
<b>Governor Bill Ritter</b>						
<b>(1) OFFICE OF THE GOVERNOR</b>						
<b>Primary functions:</b> As Chief Executive of the State, the Governor is responsible for the overall operation of the Executive Branch of government. This office provides for coordination, direction, and planning of agency operations; maintains liaison with local governments and the federal government; and exercises the executive powers of the State.						
<b>(A) Governor's Office</b>						
Administration of Governor's						
Office and Residence	2,309,430	2,341,435	2,430,391	2,559,190	2,558,336	
FTE	<u>35.4</u>	<u>35.4</u>	<u>35.9</u>	<u>36.4</u>	<u>36.4</u>	
General Fund	2,206,707	2,321,976	2,335,095	2,388,058	2,388,058	
FTE	35.4	35.4	35.4	35.4	35.4	
Cash Funds	0	0	75,837 a/	151,673	150,916	
FTE	0.0	0.0	0.5 a/	1.0	1.0	
Cash Funds Exempt	102,723	19,459	19,459	19,459	19,362	
Discretionary Fund - GF	19,996	20,000	20,000	20,000	20,000	
Mansion Activity Fund	<u>85,216</u>	<u>91,952</u>	<u>130,000</u> S	<u>200,000</u>	<u>200,000</u>	BA
Cash Funds	75,000	71,952	100,000	160,000	160,000	
Cash Funds Exempt	10,216	20,000	30,000	40,000	40,000	
<b>Subtotal - (A) Governor's Office</b>	<b>2,414,642</b>	<b>2,453,387</b>	<b>2,580,391</b>	<b>2,779,190</b>	<b>2,778,336</b>	
FTE	<u>35.4</u>	<u>35.4</u>	<u>35.9</u>	<u>36.4</u>	<u>36.4</u>	
General Fund	2,226,703	2,341,976	2,355,095	2,408,058	2,408,058	
FTE	35.4	35.4	35.4	35.4	35.4	
Cash Funds	75,000	71,952	175,837	311,673	310,916	
FTE	0.0	0.0	0.5	1.0	1.0	
Cash Funds Exempt	112,939	39,459	49,459	59,459	59,362	

a/ Reflects an increase of \$75,837 and 0.5 FTE from the severance tax trust fund, pursuant to H.B. 06-1400.

	FY 2004-05 Actual	FY 2005-06 Actual	FY 2006-07 Appropriation	FY 2007-08		Change Requests
				Request	Recommendation	
<b>(B) Special Purpose (Includes Governor, Lt. Governor, OSPB, OED, and OIT)</b>						
Group Health, Life, & Dental	<u>186,409</u>	<u>280,788</u>	<u>505,476</u>	<u>624,239</u>	<u>624,239</u>	
General Fund	151,913	225,348	338,163	381,159	381,159	
Cash Funds Exempt	34,496	49,351	157,164	230,342	230,342	
Federal Funds	0	6,089	10,149	12,738	12,738	
Short-term Disability	<u>8,199</u>	<u>8,171</u>	<u>7,883</u>	<u>10,884</u>	<u>10,884</u>	
General Fund	6,613	6,199	5,077	6,455	6,346	
Cash Funds	0	85	0	0	583	
Cash Funds Exempt	1,586	1,747	2,669	4,256	3,787	
Federal Funds	0	140	137	173	178	
Amortization Equalization Disbursement	<u>0</u>	<u>12,177</u>	<u>50,450</u>	<u>99,581</u>	<u>98,929</u>	
General Fund	0	8,581	31,825	59,060	56,952	
Cash Funds	0	22	0	0	5,379	
Cash Funds Exempt	0	3,200	17,717	38,937	34,959	
Federal Funds	0	374	908	1,584	1,639	
Supplemental Amortization Equalization Disbursement	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>18,916</u>	
General Fund	0	0	0	0	10,170	
Cash Funds	0	0	0	0	1,121	
Cash Funds Exempt	0	0	0	0	7,284	
Federal Funds	0	0	0	0	341	
Salary Survey	<u>119,060</u>	<u>186,062</u>	<u>232,754</u>	<u>239,409</u>		Pending BA
General Fund	91,333	141,786	139,065	141,990		
Cash Funds	1,227	1,227	0	0		
Cash Funds Exempt	23,931	39,990	89,984	93,612		
Federal Funds	2,569	3,059	3,705	3,807		



	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-08		Change Requests
	Actual	Actual	Appropriation	Request	Recommendation	
Performance-Based Pay Awards	<u>75,178</u>	<u>0</u>	<u>0</u>	<u>73,763</u>		Pending BA
General Fund	57,253	0	0	43,748		
Cash Funds	874	0	0	0		
Cash Funds Exempt	17,051	0	0	28,842		
Federal Funds	0	0	0	1,173		
Workers' Compensation - GF	3,896	3,896	4,515 S	7,105		Pending BA
Legal Services	162,668	87,677	94,268	94,268		Pending
<i>Hours Equivalent</i>	<u>2,642</u>	<u>1,360</u>	<u>1,391</u>	<u>1,391</u>		
General Fund	160,205	85,214	91,625	91,625		
Cash Funds	2,463	2,463	0	0		
Cash Funds Exempt	0	0	2,643	2,643		
GGCC Purchase of Services - GF	2,432	2,216	131,316 S	45,145		Pending
Multiuse Network (MNT) - GF	42,944	51,049	42,584 S	48,633		Pending DI N/P
Payment to Risk Management and Property Funds - GF	55,584	96,211	124,794 S	160,125		Pending BA
Capitol Complex Leased Space - GF	227,723	225,895	253,038 S	261,842		Pending BA
<b>Subtotal - (B) Special Purpose</b>	<u>884,093</u>	<u>954,142</u>	<u>1,447,078</u>	<u>1,664,994</u>	<u>752,978</u>	
General Fund	799,896	846,395	1,162,002	1,246,887	454,627	
Cash Funds	4,564	3,797	0	0	7,083	
Cash Funds Exempt	77,064	94,288	270,177	398,632	276,372	
Federal Funds	2,569	9,662	14,899	19,475	14,896	

	FY 2004-05 Actual	FY 2005-06 Actual	FY 2006-07 Appropriation	FY 2007-08		Change Requests
				Request	Recommendation	
<b>(C) Other Programs and Grants</b>						
Program Administration - FF	10,295,241	10,892,000	11,067,114	11,067,114	11,067,114	
Low-Income Energy Assistance - CF	0	7,000,000 a/	5,050,000 b/	6,050,000 c/	6,050,000	
Legal Services (230 hours) - FF	6,971	14,824	14,824	14,824	Pending	
Indirect Cost Assessment - FF	17,051	9,015	9,015	9,015	9,015	
<b>Subtotal - (C) Other Programs</b>	<u>10,319,263</u>	<u>17,915,839</u>	<u>16,140,953</u>	<u>17,140,953</u>	<u>17,126,129</u>	
Cash Funds	0	7,000,000	5,050,000	6,050,000	6,050,000	
Federal Funds	10,319,263	10,915,839	11,090,953	11,090,953	11,076,129	
a/ Reflects \$4 million to the Office of Energy Management and Conservation and \$3 million to Energy Outreach Colorado for Low Income Energy Assistance, pursuant to H.B. 06-1200.						
b/ Reflects \$4 million to the Office of Energy Management and Conservation and \$1.05 million to Energy Outreach Colorado for Low Income Energy Assistance, pursuant to H.B. 06-1200.						
c/ Reflects \$5 million to the Office of Energy Management and Conservation and \$1.05 million to Energy Outreach Colorado for Low Income Energy Assistance, pursuant to H.B. 06-1200.						
<b>SUBTOTAL - (1) OFFICE OF THE GOVERNOR</b>						
<b>Total</b>	<b>13,423,273</b>	<b>14,179,457</b>	<b>20,168,422</b>	<b>21,585,137</b>	<b>20,657,443</b>	
<b>FTE</b>	<b>35.4</b>	<b>35.4</b>	<b>35.9</b>	<b>36.4</b>	<b>36.4</b>	
General Fund	2,862,938	3,013,194	3,517,097	3,654,945	2,862,685	
FTE	35.4	35.4	35.4	35.4	35.4	
Cash Funds	75,000	74,522	5,225,837	6,361,673	6,367,999	
FTE	0.0	0.0	0.5	1.0	1.0	
Cash Funds Exempt	166,072	166,240	319,636	458,091	335,734	
Federal Funds	10,319,263	10,925,501	11,105,852	11,110,428	11,091,025	

	FY 2004-05 Actual	FY 2005-06 Actual	FY 2006-07 Appropriation	FY 2007-08		Change Requests
				Request	Recommendation	
<b>(2) OFFICE OF THE LIEUTENANT GOVERNOR</b>						
<b>Barbara O'Brien, Lieutenant Governor</b>						
<b>Primary function:</b> The Lt. Governor is a member of the Colorado Commission on Indian Affairs and acts as a liaison between tribal governments and the state government. The Lt. Governor also performs additional functions as designated by the Governor.						
Administration - GF	197,159	207,250	199,115	203,016		206,241
FTE - GF	2.7	2.7	2.7	2.7		2.7
Commission of Indian Affairs	76,868	74,436	82,574	84,524		85,367
FTE	<u>2.3</u>	<u>2.3</u>	<u>2.3</u>	<u>2.3</u>		<u>2.3</u>
General Fund	76,868	74,436	81,074	83,024		83,867
FTE	2.3	2.3	2.3	2.3		2.3
Cash Funds Exempt	0	0	1,500	1,500		1,500
Discretionary Fund - GF	4,782	5,000	5,000	5,000		5,000
<b>SUBTOTAL - (2) OFFICE OF THE LT. GOVERNOR</b>						
<b>Total</b>	<b>278,809</b>	<b>286,637</b>	<b>286,689</b>	<b>292,540</b>		<b>296,608</b>
<b>FTE</b>	<b><u>5.0</u></b>	<b><u>5.0</u></b>	<b><u>5.0</u></b>	<b><u>5.0</u></b>		<b><u>5.0</u></b>
General Fund	278,809	286,637	285,189	291,040		295,108
FTE	5.0	5.0	5.0	5.0		5.0
Cash Funds Exempt	0	0	1,500	1,500		1,500

	FY 2004-05 Actual	FY 2005-06 Actual	FY 2006-07 Appropriation	FY 2007-08 Request	FY 2007-08 Recommendation	Change Requests
<b>(3) OFFICE OF STATE PLANNING AND BUDGETING</b>						
<b>Todd Saliman, Director</b>						
<b>Primary Function:</b> Provide overall policy and direction related to programming, budgeting, and budget-related efforts of the executive branch by evaluating departmental budget requests, and preparing annual revenue and economic estimates for the State.						
Personal Services - CFE	1,220,731	1,268,870	1,288,220	1,321,779	1,328,098	
FTE - CFE	19.5	19.5	19.5	19.5	19.5	
Operating Expenses - CFE	45,525	48,302	51,724	51,724	51,724	
Economic Forecasting Subscriptions -CFE	14,747	15,770	16,362	16,362	16,362	
<b>SUBTOTAL - (3) OFFICE OF STATE PLANNING AND BUDGETING</b>						
<b>Total</b>	<b>1,281,003</b>	<b>1,332,942</b>	<b>1,356,306</b>	<b>1,389,865</b>	<b>1,396,184</b>	
<b>FTE</b>	<b>19.5</b>	<b>19.5</b>	<b>19.5</b>	<b>19.5</b>	<b>19.5</b>	

	FY 2004-05 Actual	FY 2005-06 Actual	FY 2006-07 Appropriation	FY 2007-08		Change Requests
				Request	Recommendation	
<b>(4) ECONOMIC DEVELOPMENT PROGRAMS</b>						
<b>Stewart Bliss, Interim Director</b>						
<b>Primary Function:</b> Coordinating the State's business assistance, business retention, business expansion, and recruitment programs.						
Administration	386,502	395,773	418,308	430,646	430,646	
FTE	<u>5.8</u>	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>	
General Fund	386,502	395,773	403,519	415,857	415,857	
FTE	5.8	6.0	6.0	6.0	6.0	
Cash Funds Exempt	0	0	14,789	14,789	14,789	
Vehicle Lease Payments - GF	7,041	5,929	10,809	10,809	Pending	
Leased Space - GF	231,540	231,540	234,311	\$ 231,540	231,540	
Business Development	787,196	800,994	829,721	854,779	854,779	
FTE	<u>7.9</u>	<u>8.3</u>	<u>9.2</u>	<u>9.2</u>	<u>9.2</u>	
General Fund	787,196	800,994	814,721	839,779	839,779	
FTE	7.9	8.3	9.2	9.2	9.2	
Cash Funds	0	0	15,000	15,000	15,000	
Grand Junction Satellite Office - GF	60,353	61,912	64,242	64,117	64,117	
FTE - GF	1.0	1.0	1.0	1.0	1.0	
Minority Business Office	99,595	115,991	116,328	119,561	119,561	
FTE	<u>1.5</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	
General Fund	99,595	110,835	111,378	114,611	114,611	
FTE	1.5	2.0	2.0	2.0	2.0	
Cash Funds	0	5,156	4,950	4,950	4,950	

	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-08		Change Requests
	Actual	Actual	Appropriation	Request	Recommendation	
Leading Edge Program Grants	<u>51,476</u>	<u>51,476</u>	<u>126,407</u>	<u>126,407</u>	<u>126,407</u>	
General Fund	50,976	50,976	50,976	50,976	50,976	
Cash Funds Exempt	500	500	75,431	75,431	75,431	
Small Business Development Centers	1,260,116	1,227,232	1,265,149	1,268,413	1,268,413	
FTE	<u>3.5</u>	<u>3.5</u>	<u>3.5</u>	<u>3.5</u>	<u>3.5</u>	
General Fund	61,854	63,273	63,154	66,452	66,452	
FTE	1.0	1.0	1.0	1.0	1.0	
Federal Funds	1,198,262	1,163,959	1,201,995	1,201,961	1,201,961	
FTE	2.5	2.5	2.5	2.5	2.5	
International Trade Office	623,339	643,469	662,987	665,286	665,286	
FTE	<u>5.8</u>	<u>5.8</u>	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>	
General Fund	598,034	606,094	612,987	615,286	615,286	
FTE	5.8	5.8	6.0	6.0	6.0	
Cash Funds	25,305	37,375	50,000	50,000	50,000	
Colorado Welcome Centers	485,371	489,073	491,721	495,413	495,413	
FTE	<u>3.2</u>	<u>3.3</u>	<u>3.3</u>	<u>3.3</u>	<u>3.3</u>	
General Fund	389,958	393,660	396,308	400,000	400,000	
FTE	3.2	3.3	3.3	3.3	3.3	
Cash Funds Exempt	95,413	95,413	95,413	95,413	95,413	
Colorado Promotion - Other	5,419,782	7,270,942	18,904,587	a,/f/ 19,300,533	19,300,533	
FTE	<u>3.0</u>	<u>2.8</u>	<u>3.0</u>	a,/f/ <u>3.0</u>	<u>3.0</u>	
General Fund	5,373,810	5,368,783	0	0	0	
FTE	3.0	2.8	0.0	0.0	0.0	
Cash Funds	0	0	18,854,587	19,250,533	0	
FTE	0.0	0.0	3.0	3.0	0.0	
Cash Funds Exempt	45,972	1,902,159	50,000	50,000	19,300,533	
FTE	0.0	0.0	0.0	0.0	3.0	

	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-08		Change Requests
	Actual	Actual	Appropriation	Request	Recommendation	
Economic Development Commission						
General Economic Incentives and Marketing	1,484,832	2,185,154	961,623	964,336	964,336	
FTE	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	
General Fund	956,669	959,795	961,623	964,336	964,336	
FTE	2.0	2.0	2.0	2.0	2.0	
Cash Funds Exempt	528,163	1,225,359	0	0	0	
Colo. First Customized Job Training - GF	2,725,022	2,725,022	2,725,022	2,725,022	2,725,022	
CAPCO Administration - CFE	74,315	85,660	76,508	78,716	78,716	
FTE - CFE	1.0	1.0	1.0	1.0	1.0	
Colorado Council on the Arts	0	0	2,250,000 S	2,406,500	2,406,500	BA
FTE	<u>0.0</u>	<u>0.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	
Cash Funds	0	0	1,500,000 b/	1,656,500	125,000	
FTE	0.0	0.0	2.0 b/	2.0	0.0	
Cash Funds Exempt	0	0	50,000	50,000	1,581,500	
FTE	0.0	0.0		0.0	2.0	
Federal Funds	0	0	700,000	700,000	700,000	
Film Incentives	<u>0</u>	<u>0</u>	<u>500,000</u> c/	<u>510,500</u>	<u>510,500</u>	
Cash Funds	0	0	500,000	510,500	0	
Cash Funds Exempt	0	0	0	0	510,500	

	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-08		Change Requests
	Actual	Actual	Appropriation	Request	Recommendation	
New Jobs Incentives	<u>0</u>	<u>0</u>	<u>3,000,000</u> d/	<u>3,063,000</u>	<u>3,063,000</u>	
Cash Funds	0	0	3,000,000	3,063,000	0	
Cash Funds Exempt	0	0	0	0	3,063,000	
Bioscience Discovery Evaluation	<u>0</u>	<u>0</u>	<u>2,000,000</u> e/	<u>0</u>	<u>0</u>	
Cash Funds	0	0	2,000,000	0	0	
Cash Funds Exempt	0	0	0	0	0	
Indirect Cost Assessment	<u>0</u>	<u>0</u>	<u>14,855</u>	<u>14,855</u>	<u>14,855</u>	
Cash Funds	0	0	66	66	66	
Federal Funds	0	0	14,789	14,789	14,789	
<b>SUBTOTAL - (4) ECONOMIC DEVELOPMENT PROGRAMS</b>						
<b>Total</b>	<b>13,696,480</b>	<b>16,290,167</b>	<b>34,652,578</b>	<b>33,330,433</b>	<b>33,319,624</b>	
<b>FTE</b>	<b><u>34.7</u></b>	<b><u>35.7</u></b>	<b><u>39.0</u></b>	<b><u>39.0</u></b>	<b><u>39.0</u></b>	
General Fund	11,728,550	11,774,586	6,449,050	6,498,785	6,487,976	
FTE	31.2	32.2	30.5	30.5	30.5	
Cash Funds	25,305	42,531	25,924,603	24,550,549	195,016	
FTE	0.0	0.0	5.0	5.0	0.0	
Cash Funds Exempt	744,363	3,309,091	362,141	364,349	24,719,882	
FTE	1.0	1.0	1.0	1.0	6.0	
Federal Funds	1,198,262	1,163,959	1,916,784	1,916,750	1,916,750	
FTE	2.5	2.5	2.5	2.5	2.5	

a/ Reflects an increase of \$18.9 million and 3.0 FTE from the Colorado Travel and Tourism Promotion cash fund, pursuant to H.B. 06-1201

b/ Reflects the transfer of the State Council on the Arts from the Department of Higher Education, pursuant to S.B. 06-049.

c/ Reflects an increase of \$500,000 from the Limited Gaming cash fund, pursuant to H.B. 06-1201.

d/ Reflects an increase of \$3 million from the Limited Gaming cash fund, pursuant to H.B. 06-1201.

e/ Reflects an increase of \$2 million from the Limited Gaming cash fund, pursuant to H.B. 06-1360.

f/ Reflects a reduction of \$2.3 million and 3.0 FTE from the Colorado Travel and Tourism Promotion cash fund, pursuant to H.B. 06-1384.



	FY 2004-05 Actual	FY 2005-06 Actual	FY 2006-07 Appropriation	FY 2007-08		Change Requests
				Request	Recommendation	
<b>(5) OFFICE OF INFORMATION TECHNOLOGY</b>						
<b>Michael Locatis, State Chief Information Officer</b>						
				S		DI #2
<b>Primary Function:</b> Providing staff and support for the Commission on Information Management, managing State technology needs, examining ways to make Colorado government more efficient.						
Personal Services - GF	730,939	670,287	1,025,424 a/	1,046,117	1,046,117	
FTE - GF	8.5	8.5	13.0 a/	13.0	13.0	
Operating Expenses - GF	132,478	144,328	159,283 a/	150,268	152,030	
Legal Services (26 hours) - GF	1,601	1,601	1,762	1,762	Pending	
<b>SUBTOTAL - (5) OFFICE OF INFORMATION TECHNOLOGY</b>						
<b>General Fund</b>	<b>865,018</b>	<b>816,216</b>	<b>1,186,469</b>	<b>1,198,147</b>	<b>1,198,147</b>	
<b>FTE</b>	<b>10.0</b>	<b>10.0</b>	<b>13.0</b>	<b>13.0</b>	<b>13.0</b>	

a/ Reflects an increase of \$238,766 and 3.0 FTE in personal services and \$10,515 in operating expenses, pursuant to S.B. 06-063.

	<b>FY 2004-05</b>	<b>FY 2005-06</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>		<b>Change</b>
	<b>Actual</b>	<b>Actual</b>	<b>Appropriation</b>	<b>Request</b>	<b>Recommendation</b>	<b>Requests</b>
<b>(6) OFFICE OF COLORADO BENEFITS MANAGEMENT SYSTEM</b>						
<b>Primary Function:</b> Oversees the ongoing development and enhancements to the Colorado Benefits Management System.						
Personal Services - CFE	0	1,714,729	1,785,565	1,833,488		Pending
FTE - CFE	0.0	18.7	26.0	26.0		Pending
Operating Expenses - CFE	0	156,570	455,264 S	278,897		Pending
<b>SUBTOTAL - (6) OFFICE OF COLORADO BENEFITS MANAGEMENT SYSTEM</b>						
<b>Cash Funds Exempt</b>	<b>0</b>	<b>1,871,299</b>	<b>2,240,829</b>	<b>2,112,385</b>		<b>Pending</b>
<b>FTE</b>	<b>0.0</b>	<b>18.7</b>	<b>26.0</b>	<b>26.0</b>		<b>Pending</b>

	FY 2004-05 Actual	FY 2005-06 Actual	FY 2006-07 Appropriation	FY 2007-08 Request	FY 2007-08 Recommendation	Change Requests
<b>(7) OFFICE OF THE CHIEF INFORMATION SECURITY OFFICER (CISO)</b>						
<b>Mark Weatherford, Chief Information Security Officer</b>						
<b>Primary Function:</b> Develop and update information security policies, standards and guidelines for public agencies.						
Program Costs	0	0	4,200,000	2,449,782	2,449,782	
FTE	<u>0.0</u>	<u>0.0</u>	<u>1.0</u>	<u>2.0</u>	<u>2.0</u>	
General Fund	0	0	0	2,449,782	0	DI #1
FTE	0.0	0.0	0.0	2.0	0.0	DI #1
Cash Funds Exempt	0	0	0	0	2,449,782	
FTE	0.0	0.0	0.0	0.0	2.0	
Federal Funds	0	0	4,200,000 a/	0	0	
FTE	0.0	0.0	1.0	0.0	0.0	
<b>SUBTOTAL - (7) OFFICE OF THE CHIEF INFORMATION SECURITY OFFICER (CISO)</b>						
<b>Total</b>	<b>0</b>	<b>0</b>	<b>4,200,000</b>	<b>2,449,782</b>	<b>2,449,782</b>	
<b>FTE</b>	<b><u>0.0</u></b>	<b><u>0.0</u></b>	<b><u>1.0</u></b>	<b><u>2.0</u></b>	<b><u>2.0</u></b>	
General Fund	0	0	0	2,449,782	0	
FTE	0.0	0.0	0.0	2.0	0.0	
Cash Funds Exempt	0	0	0	0	2,449,782	
FTE	0.0	0.0	0.0	0.0	2.0	
Federal Funds	0	0	4,200,000	0	0	
FTE	0.0	0.0	1.0	0.0	0.0	

a/ Reflects a one-time appropriation of \$4,200,000 in federal funds, pursuant to H.B. 06-1157.

	FY 2004-05 Actual	FY 2005-06 Actual	FY 2006-07 Appropriation	FY 2007-08 Request	FY 2007-08 Recommendation	Change Requests
<b>OFFICE OF THE GOVERNOR</b>	<b>29,544,583</b>	<b>34,776,718</b>	<b>64,091,293</b>	<b>62,358,289</b>	<b>59,317,788</b>	
<b>FTE</b>	<b><u>104.6</u></b>	<b><u>124.3</u></b>	<b><u>139.4</u></b>	<b><u>140.9</u></b>	<b><u>114.9</u></b>	
General Fund	15,735,315	15,890,633	11,437,805	14,092,699	10,843,916	
FTE	81.6	82.6	83.9	85.9	83.9	
Cash Funds	100,305	117,053	31,150,440	30,912,222	6,563,015	
FTE	0.0	0.0	5.5	6.0	1.0	
Cash Funds Exempt	2,191,438	6,679,572	4,280,412	4,326,190	28,903,082	
FTE	20.5	39.2	46.5	46.5	27.5	
Federal Funds	11,517,525	12,089,460	17,222,636	13,027,178	13,007,775	
FTE	2.5	2.5	3.5	2.5	2.5	

**OFFICE OF THE GOVERNOR  
FY 2007-08 FIGURE SETTING**

**JBC Working Document - All Decisions Subject to Change  
Staff Recommendation Does Not Represent Committee Decision**

**(1) OFFICE OF THE GOVERNOR**

**FY 2006-07:**

For FY 2006-07, the Governor's Office is requesting a \$35,000 supplemental increase in spending authority in its Mansion Activity Fund line. The requested supplemental funding is comprised of \$25,000 cash funds, and \$10,000 in cash funds exempt.

The Mansion Activity Fund allows the Office of the Governor to collect fees from other state agencies and outside organizations that rent either the Governor's Mansion, or the Carriage House for events. In October 2006, the Carriage House, which until its recent renovation was used as a lawn maintenance shed, was renovated and is now available to rent out for events. With the additional rental space, the Mansion Activity Fund will be able to increase its revenues and as such is seeking greater spending authority. If the Mansion Activity Fund exceeds its cap, the Governor's Office Administration line absorbs the costs associated with the events, and any fees collected above the spending caps placed on the fund are deposited in the General Fund.

**Staff recommends \$130,000 spending authority for the Mansion Activity Fund line item,** comprised of \$100,000 cash funds and \$30,000 cash funds exempt. The following table outlines the change made to the FY 2006-07 Mansion Activity Fund line item:

Mansion Activity Fund						
	Total	GF	CF	CFE	FF	FTE
<b>FY 2006-07 Long Bill</b>	95,000	0	75,000	20,000	0	0.0
Increase in Spending Authority	35,000	0	25,000	10,000	0	0.0
<b>TOTAL for FY 2006-07</b>	<b>130,000</b>	<b>0</b>	<b>100,000</b>	<b>30,000</b>	<b>0</b>	<b>0.0</b>

**FY 2007-08:**

***(A) Governor's Office***

Staffing Summary	FY 2005-06 Actual	FY 2006-07 Appropriation	FY 2007-08 Request	FY 2007-08 Recommendation
Governor	1.0	1.0	1.0	1.0

<b>Staffing Summary</b>	<b>FY 2005-06 Actual</b>	<b>FY 2006-07 Appropriation</b>	<b>FY 2007-08 Request</b>	<b>FY 2007-08 Recommendation</b>
Chief of Staff/ Deputy Chief of Staff	3.0	3.0	3.0	3.0
Program Directors	10.0	10.0	10.0	10.0
Policy/Program Staff	12.9	12.9	12.9	12.9
Accounting Staff	2.5	2.5	2.5	2.5
Staff Assistants/ Support Staff	5.0	5.0	5.0	5.0
Domestics	1.0	1.0	1.0	1.0
Water Compact Negotiator	0.0	0.5	1.0	1.0
<b>TOTAL</b>	<b>35.4</b>	<b>35.9</b>	<b>36.4</b>	<b>36.4</b>

**Administration of Governor's Office and Residence**

**Staff recommends \$2,558,336 General Fund and 36.4 FTE.** Funding is calculated pursuant to Committee common policy and comprised of \$2,388,058 General Fund, \$150,916 in cash funds for the Water Compact Negotiator, and \$19,362 in cash funds exempt from indirect cost recoveries. The indirect cost recovery appropriation may change pursuant to budgeting requirements. The request includes 0.5 percent Personal Services base reduction of \$(10,559), and Operating Expense of \$463,000.

**Discretionary Fund**

**Staff recommends continuing the funding level at \$20,000 General Fund.** Section 24-9-105, C.R.S., states that elected officials may be provided specified amounts to expend as each elected official sees fit. The specified amount for the Governor is \$20,000, *subject to appropriation by the General Assembly.*

**Mansion Activity Fund**

This line item provides spending authority for funds collected for use of the Governor's mansion. Funds received are used to cover the costs of holding functions at the mansion. The request is for \$200,000, comprised of \$160,000 cash funds and \$40,000 cash funds exempt. With increased space available to rent from the newly renovated Carriage House, the Mansion Activity Fund requires greater cash funds and cash funds exempt spending authority. **Staff recommends the requested appropriation.** The cash funds are from use fees and the cash funds exempt are from state agency use fees.

***(B) Special Purpose***

**Health, Life, and Dental**

**Staff recommends total funding of \$624,239, pursuant to common policy as approved by the Committee,** which is comprised of \$381,159 General Fund, \$230,342 cash funds exempt, and \$12,738 federal funds.

**Short-term Disability**

**Staff recommends an appropriation of \$10,894,** comprised of \$6,346 General Fund, \$583 cash funds, \$3,787 cash funds exempt, and \$178 federal funds, pursuant to Committee common policy.

**Amortization Equalization Disbursement**

**Staff recommends an appropriation of \$98,929,** comprised of \$56,952 General Fund, \$34,959 cash funds exempt, and \$1,639 federal funds, pursuant to Committee common policy.

**Supplemental Amortization Equalization Disbursement**

**Staff recommends total funding of \$18,916 pursuant to common policy as approved by the Committee for this line item related to implementation of S.B. 06-235,** which is comprised of \$10,170 General Fund, \$1,121 cash funds, \$7,284 cash funds exempt, and \$341 federal funds.

**Salary Survey**

This line item is **pending** as departmental recalculations are gathered to reflect the Committee's common policy decisions.

**Performance-Based Pay**

This line item is **pending** as departmental recalculations are gathered to reflect the Committee's common policy decisions.

**Workers' Compensation**

This line item is **pending** as departmental recalculations are gathered to reflect the Committee's common policy decisions.

**Legal Services**

**Staff recommends approval of this line item for 1,391 legal services hours;** however, the funding splits for this line item are **pending** the approval of a 'per-hour' legal rate by the Committee.

**Purchase of Services from Computer Center**

This line item is **pending** as departmental recalculations are gathered to reflect the Committee's common policy decisions.

**Multi-use Network Payments**

This line item is **pending** as departmental recalculations are gathered to reflect the Committee's common policy decisions.

**Payment to Risk Management and Property Funds**

This line item is **pending** as departmental recalculations are gathered to reflect the Committee's common policy decisions.

**Capitol Complex Leased Space**

This line item is **pending** as departmental recalculations are gathered to reflect the Committee's common policy decisions.

***(C) Other Programs and Grants***

**Program Administration**

The request is for \$11,067,114 federal funds.

**Staff recommends the requested appropriation.** This amount is provided for informational purposes only in the Long Bill and is meant to give a projection of federal dollars received for various programs.

**Low-Income Energy Assistance (New Line Item)**

Staff is recommending the addition of this line item to the Long Bill to reflect the levels of cash funds spending authority granted to the Governor's Office for Low-Income Energy Assistance. The Department has included this appropriation within its Program Administration line, however staff recommends that it be separated for greater visibility.

*Background Information:* Pursuant to H.B. 06-1200, the Governor's Office was appropriated a portion of the operational account of the Severance Tax Trust Fund in the Department of Natural Resources for home energy efficiency improvements for low-income households.

For four fiscal cycles beginning in FY 2005-06 and ending in FY 2008-09, the Office of Energy Management and Conservation (OEMC) and Energy Outreach Colorado will be allocated funding from the Office of the Governor's appropriation for low-income energy efficiency improvements for low-income households.

The OEMC supports efforts to create greater energy efficiency in Colorado through the use of public/private partnerships, testing emerging technologies, and providing assistance to low-income households to make home improvements that lead to lower energy costs. The office is typically funded solely with federal funds.

Energy Outreach Colorado is a non-profit organization created following the formation of the Colorado Commission on Low-Income Energy Assistance in 1989. Energy Outreach Colorado develops programs and services for year-round bill payment assistance, energy efficiency education, and weatherization, in an attempt to help low-income families meet their energy needs.

Based on forecasted severance tax revenue and H.B. 06-1200, the appropriations set forth are summarized in the following table:

<b>Table 1. Appropriations to the Office of the Governor for Low-Income Energy Assistance Programs</b>
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Year	Office of Energy Management and Conservation	Energy Outreach Colorado
FY 05-06	\$4,000,000	\$3,000,000
FY 06-07	4,000,000	1,050,000
FY 07-08	5,000,000	1,050,000
FY 08-09	6,000,000	1,050,000

**Staff recommends that a new line item, "Low-Income Energy Assistance" be added to the Long Bill and that an appropriation of \$6,050,000 cash funds spending authority be appropriated to this new line item.**

**Legal Services**

**Staff recommends approval of this line item for 230 legal services hours;** however, the funding splits for this line item are **pending** the approval of a 'per-hour' legal rate by the Committee. These hours are federally funded and represent anticipated legal services costs for the Office of Energy Management and Conservation. This line is in the Long Bill for informational purposes.

**Indirect Cost Assessment**

**Staff recommends the Office of the Governor's continuation request of \$9,015 federal funds.** The indirect cost recovery appropriation may change pursuant to budgeting requirements.

**(2) OFFICE OF THE LIEUTENANT GOVERNOR**

This section of the Long Bill provides funding for the administration of the Lieutenant Governor's Office, including statutory duties associated with the Commission of Indian Affairs.

**Administration**

Staffing Summary	FY 2005-06 Actual	FY 2006-07 Appropriation	FY 2007-08 Request	FY 2007-08 Recommendation
Lieutenant Governor	1.0	1.0	1.0	1.0
Chief of Staff	0.4	0.4	0.4	0.4
Support Staff	1.3	1.3	1.3	1.3
TOTAL	2.7	2.7	2.7	2.7

**Staff recommends \$206,241 General Fund and 2.7 FTE.** The request includes a 0.5 percent Personal Services base reduction of \$(907) and \$25,754 Operating Expenses.

**Discretionary Fund**

**Staff recommends a continued level of funding level of \$5,000 General Fund.** Section 24-9-105, C.R.S., states that elected officials may be provided specified amounts to expend as each elected official sees fit. The specified amount for the Lieutenant Governor is \$5,000, *subject to appropriation by the General Assembly.*

**Commission of Indian Affairs**

The Commission acts as a liaison between Native Americans and the state government with the goal of providing easy access to government. The Commission meets quarterly: two meetings are arranged by tribal leaders and held at locations of their choice, and two meetings are arranged by the Lt. Governor's Office and held in the Denver area. The Commission focuses on Indian health, child welfare, water rights, economic development, and other issues identified by Colorado's Native American population.

<b>Staffing Summary</b>	<b>FY 2005-06 Actual</b>	<b>FY 2006-07 Appropriation</b>	<b>FY 2007-08 Request</b>	<b>FY 2007-08 Recommendation</b>
Program Manager	1.0	1.0	1.0	1.0
Staff	1.3	1.3	1.3	1.3
<b>TOTAL</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>

**Staff recommends \$85,367 General Fund and 2.3 FTE.** The request includes a 0.5 percent Personal Services base reduction of \$(370) and \$11,750 Operating Expenses, and donations of \$1,500 in cash funds exempt.

**(3) OFFICE OF STATE PLANNING AND BUDGETING**

This office is responsible for program, policy, and budgetary planning, including economic and state revenue forecasting.

<b>Staffing Summary</b>	<b>FY 2005-06 Actual</b>	<b>FY 2006-07 Appropriation</b>	<b>FY 2007-08 Request</b>	<b>FY 2007-08 Recommendation</b>
Director	1.0	1.0	1.0	1.0
Deputy Director	1.0	1.0	1.0	1.0
Analysts	11.5	13.5	13.5	13.5
Economists	2.0	2.0	2.0	2.0
Financial Manager	0.5	0.5	0.5	0.5
Support Staff	1.5	1.5	1.5	1.5

Staffing Summary	FY 2005-06 Actual	FY 2006-07 Appropriation	FY 2007-08 Request	FY 2007-08 Recommendation
TOTAL	17.5	19.5	19.5	19.5

### Personal Services

**Staff recommends \$1,328,098 cash funds exempt spending authority and 19.5 FTE.** The request includes a half percent Personal Services base reduction of \$(6,674).

### Operating Expenses

**Staff recommends \$51,724 cash funds exempt spending authority for the Division.**

### Economic Forecasting Subscriptions

The request is for \$16,362 cash exempt fund. This line is intended to fund the purchase of economic models, subscriptions, and software used for revenue and economic forecasting. When possible, OSPB shares expenses for subscriptions and software with the Legislative Council staff. **Staff recommends the Office of the Governor's continuation request.**

*Please note that the source of cash funds exempt for the Office State Planning and Budgeting is indirect cost recoveries from the state highway fund by the Department of Transportation, pursuant to Section 43-1-113 (8) (a), C.R.S.*

## **(4) OFFICE OF ECONOMIC DEVELOPMENT**

### Administration

This line item provides funding for centralized administration for the Office of Economic Development.

Staffing Summary	FY 2005-06 Actual	FY 2006-07 Appropriation	FY 2007-08 Request	FY 2007-08 Recommendation
Director	0.7	0.7	0.7	0.7
Controller	1.0	1.0	1.0	1.0
Support Staff	4.3	4.3	4.3	4.3
TOTAL	6.0	6.0	6.0	6.0

**Staff recommends spending authority of \$430,646 and a continuation of 6.0 FTE,** including a personal services base reduction of \$(2,774). The recommendation includes \$415,857 General Fund and \$14,789 cash funds exempt from indirect cost recoveries. The recommendation was calculated in accordance with Committee common policy. The indirect cost recovery appropriation may change pursuant to budgeting requirements.

**Vehicle Lease Payments**

This line item is used to pay for motor vehicles, that are acquired through the Department of Personnel pursuant to Section 24-30-1117 C.R.S. **The staff recommendation is pending the approval of a Committee common policy for this line item.**

**Leased Space**

The request is for a continuation of \$231,540 General Fund for leased space in the World Trade Center at 1625 Broadway, Denver. **Staff recommends the Office of the Governor's continuation request.**

**Business Development**

This office provides research support and technical assistance to local economic development programs, coordinates efforts to market the State's economic development programs statewide and nationwide, recommends requests for funding to the Economic Development Commission, and selects companies to be recipients of Colorado First and Existing Industries job training funds.

<b>Staffing Summary</b>	<b>FY 2005-06 Actual</b>	<b>FY 2006-07 Appropriation</b>	<b>FY 2007-08 Request</b>	<b>FY 2007-08 Recommendation</b>
Project Director	0.0	1.0	1.0	1.0
Business Development	3.3	3.2	3.2	3.2
Systems Administration	4.0	4.0	4.0	4.0
Support Staff	1.0	1.0	1.0	1.0
<b>TOTAL</b>	<b>8.3</b>	<b>9.2</b>	<b>9.2</b>	<b>9.2</b>

**Staff recommends spending authority of \$854,779 and a continuation of 9.2 FTE**, including a personal services base reduction of \$(4,000) and \$255,004 Operating Expenses. The recommendation includes \$839,779 General Fund and \$15,000 cash funds, which are fees and reimbursements paid by businesses for participation in domestic trade shows. The recommendation was calculated in accordance with Committee common policy.

**Grand Junction Satellite Office**

This program is responsible for coordination of business development and outreach in western Colorado. **Staff recommends spending authority of \$64,117 General Fund and a continuation of 1.0 FTE**, including a personal services base reduction of \$(416) and \$1,746 Operating Expenses. The recommendation was calculated in accordance with Committee common policy.

**Minority Business Office**

This program promotes the development of existing and new minority businesses and works to increase minority participation in public and private sector contracting.

Staffing Summary	FY 2005-06 Actual	FY 2006-07 Appropriation	FY 2007-08 Request	FY 2007-08 Recommendation
Director	1.0	1.0	1.0	1.0
Support Staff	1.0	1.0	1.0	1.0
TOTAL	2.0	2.0	2.0	2.0

**Staff recommends spending authority of \$119,561 and a continuation of 2.0 FTE**, including a personal services base reduction of \$(725) and \$10,900 Operating Expenses. The recommendation includes \$114,611 General Fund and \$4,950 cash funds, which are fees collected, revenue from sales of materials, and donations. The recommendation was calculated in accordance with Committee common policy.

### **Leading Edge Program Grants**

The Leading Edge Program provides entrepreneurial training at Small Business Development Centers. Trainees receive 35-45 hours of business planning assistance for their planned, new, or existing businesses. All of the funds in this appropriation support the direct cost of training. Administrative costs are absorbed within the Small Business Assistance appropriation.

**Staff recommends spending authority of \$126,407.** The recommendation includes \$50,976 General Fund and \$75,431 cash funds exempt to allow the program to accept donations to be used for program grants. The recommendation was calculated in accordance with Committee common policy.

### **Small Business Development Centers**

This program oversees a network of ten college and university-based centers, five community-based centers, and three satellite offices that provide training and counseling to new business ventures in conjunction with the federal Small Business Administration.

Staffing Summary	FY 2005-06 Actual	FY 2006-07 Appropriation	FY 2007-08 Request	FY 2007-08 Recommendation
Director	1.0	1.0	1.0	1.0
Assistant Director	1.0	1.0	1.0	1.0
Small Business Support	1.5	1.5	1.5	1.5
TOTAL	3.5	3.5	3.5	3.5

**Staff recommends spending authority of \$1,268,413 and a continuation of 3.5 FTE**, including a personal services base reduction of \$(443) and \$71,385 Operating Expenses. The recommendation includes \$66,452 General Fund and \$1,201,961 federal funds from Small Business Administration grants. The recommendation was calculated in accordance with Committee common policy.

### **International Trade Office**

The International Trade Office (ITO) is responsible for promoting exports of Colorado goods and services (except agricultural products), and for attracting foreign investment in Colorado. The ITO provides individual counseling to businesses, conducts seminars, assembles trade missions abroad, and contracts for foreign field offices to promote Colorado's goods and services.

<b>Staffing Summary</b>	<b>FY 2005-06 Actual</b>	<b>FY 2006-07 Appropriation</b>	<b>FY 2007-08 Request</b>	<b>FY 2007-08 Recommendation</b>
Division Director	1.0	1.0	1.0	1.0
Trade/Investment Specialists	4.8	5.0	5.0	5.0
<b>TOTAL</b>	<b>5.8</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>

**Staff recommends spending authority of \$665,286 and a continuation of 6.0 FTE**, including a personal services base reduction of \$(2,336) and \$210,449 Operating Expenses. The recommendation includes \$615,286 General Fund and \$50,000 cash funds. The sources of the cash funds are reimbursements and fees paid by businesses for participating in or having the Office represent them in trade shows and missions. The recommendation was calculated in accordance with Committee common policy.

### **Colorado Promotion - Colorado Welcome Centers**

There are eight highway-based Welcome Centers that provide basic guidance and limited services to road travelers. The Centers receive over 950,000 visitors annually. Two centers (Fruita and Burlington) are staffed by the state, and six centers (Fort Collins, Dinosaur, Lamar, Cortez, Trinidad, and Julesburg) are contracted to local governments or councils of governments for management.

<b>Staffing Summary</b>	<b>FY 2005-06 Actual</b>	<b>FY 2006-07 Appropriation</b>	<b>FY 2007-08 Request</b>	<b>FY 2007-08 Recommendation</b>
Welcome Center Manager	1.0	1.0	1.0	1.0
Support Staff	2.3	2.3	2.3	2.3
<b>TOTAL</b>	<b>3.3</b>	<b>3.3</b>	<b>3.3</b>	<b>3.3</b>

**Staff recommends \$495,413 spending authority and a continuation of 3.3 FTE**, including a personal services base reduction of \$(731) and \$38,950 Operating Expenses. The recommendation includes \$400,000 General Fund and \$95,413 cash funds exempt. The source of the cash funds exempt is the Travel and Tourism Promotion Fund. The recommendation was calculated in accordance with Committee common policy.

### **Colorado Promotion - Other Program Costs**

This line item funds the Colorado Tourism Office and staff support for its board. The Office promotes Colorado as a vacation destination by developing and implementing marketing and promotional strategies, materials and programs that, in concert with private sector promotional activities, portray a consistent, unified brand image of Colorado in the tourism marketplace. Most of the appropriation is used to contract with an ad agency to develop campaigns, and a fulfillment center to handle day-to-day inquiries, the 800-number, and vacation guide distribution.

Pursuant to H.B. 06-1201, the distribution of limited gaming revenues to increase funding for various economic development programs. Pursuant to Section 12-47.1-701 (4)(a), C.R.S., after all expenses for administration of the Colorado Limited Gaming Act are paid, 49.8 percent of the funds available for distribution in the Limited Gaming Fund at the end of each fiscal year are transferred to the General Fund, and 0.2 percent are transferred to the Colorado Travel and Tourism Promotion Fund. Out of the percentage that is transferred to the General Fund, at least 13 percent is transferred annually to the Local Government Limited Gaming Impact Fund. Starting in FY 2005-06, this bill changes the allocation of gaming revenue so that after distribution to the Local Government Gaming Impact Fund, gaming revenue is to be distributed as follows:

- \$19.0 million to the Colorado Travel and Tourism Promotion Fund;
- \$1.5 million to the State Council on the Arts Cash Fund;
- \$0.5 million to the Film Incentives Cash Fund;
- \$3.0 million to the New Jobs Incentives Cash Fund; and
- remaining revenue to the state General Fund.

Distributions are to be adjusted annually by the rate of inflation for the calendar year ending in the preceding fiscal year. The moneys transferred at the end of a fiscal year will be appropriated for use in the next fiscal year. For any year in which the revenue forecast prepared by the Legislative Council indicates that General Fund revenues for that year will be insufficient to allow the maximum amount of General Fund appropriations permitted by law, then moneys would instead be transferred to the General Fund. Appropriates \$18,854,587 and 3.0 FTE from the Colorado Travel and Tourism Promotion Fund to the Office of Economic Development – Other Program Costs in the Office of the Governor (with addition of the 3.0 FTE contingent upon passage of H.B. 06-1384). Appropriates \$1.5 million and 2.0 FTE from the State Council on the Arts Cash Fund to the Council on the Arts in the Department of Higher Education. Appropriates \$500,000 from the Film Incentives Cash Fund to the Economic Development Commission in the Office of the Governor, subject to passage of H.B. 06-1362. Appropriates \$3.0 million cash funds from the New Job Incentives Cash Fund to the Economic Development Commission in the Office of the Governor. **New line items are recommended by staff to provide visibility in the Long Bill for these programs.**

**Staff recommends \$19,300,533 cash funds exempt spending authority and a continuation of 3.0 FTE**, including \$160,508 Operating Expenses. Please note that in FY 2007-08, the funds for were properly recorded as CF, pursuant to H.B. 06-1201, however by the request of the Department, and with the concurrence of the State Controllers Office (SCO), staff has changed the funding mix from cash funds to cash funds exempt in accordance with the fiscal polices managed by the SCO. The source of the cash funds exempt is the Travel and Tourism Promotion Fund. The recommendation was calculated in accordance with Committee common policy.

**Economic Development Commission**

The Commission promotes economic development in Colorado through the distribution of grants and loans from the Economic Development Fund to public and private entities to help existing businesses expand and new companies locate in Colorado. It also provides funds for marketing programs and special activities to promote Colorado nationally and internationally.

<b>Staffing Summary</b>	<b>FY 2005-06 Actual</b>	<b>FY 2006-07 Appropriation</b>	<b>FY 2007-08 Request</b>	<b>FY 2007-08 Recommendation</b>
Director	0.4	0.4	0.4	0.4
Administrative Staff	1.6	1.6	1.6	1.6
<b>TOTAL</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>

**Staff recommends spending authority of \$964,336 General Fund and a continuation of 2.0 FTE**, including a personal services base reduction of \$(970) and \$750,211 Operating Expenses. The recommendation was calculated in accordance with Committee common policy.

**Colorado First Customized Job Training**

This program provides incentives for companies to create jobs in Colorado by providing job training assistance. Companies receiving assistance must provide a partial funding match. The Office determines which companies will receive this assistance and then transfers funding to the Community Colleges of Colorado develop and provide the training programs. All of the funds in this appropriation support the direct cost of training. Administrative costs are absorbed within the Business Development appropriation.

**Staff recommends spending authority of \$2,725,022 General Fund.** The recommendation was calculated in accordance with Committee common policy. *These funds are transferred to the Division of Occupational Education in the Department of Higher Education.*

**CAPCO Administration**

This line item funds the administration of the capital company (CAPCO) incentives program. The Office of Economic Development (OED) certifies CAPCOs that are qualified to offer assistance to business enterprises that create jobs in the state. Insurance companies that make an investment of certified capital in an OED-certified CAPCO can receive a tax credit against premium taxes owed.

**Staff recommends spending authority of \$78,716 cash funds exempt and a continuation of 1.0 FTE**, including \$8,432 Operating Expenses. The source of the funds is the Division of Insurance Cash Fund. The recommendation was calculated in accordance with Committee common policy.

**State Council on the Arts**

During the 2006 Legislative Session, the General Assembly enacted legislation which impacted the Colorado Council on the Arts. Senate Bill 06-49 transferred the Colorado Council on the Arts from the Department of Higher Education to the Colorado Office of Economic Development and H.B.



06-1201 appropriated \$1.5 million cash funds and 2.0 FTE to the Office of Economic Development and a like decrease in the Department of Higher Education.

**Staff recommends that a new line item in the Office of Economic Development, "Council on the Arts" be added to the Long Bill and that an appropriation of \$2,406,500 spending authority and 2.0 FTE, including \$40,468 Operating Expenses, be appropriated to this new line item.** Funding is comprised of \$125,000 cash funds, \$1,581,500 cash funds exempt, and \$700,000 in federal funds. Cash funds reflect one-time roll-forward spending authority utilize unencumbered moneys from the State Council on the Arts cash fund in FY 2007-08 for K-12 in-school arts education programs, which was approved by the JBC. The source for cash funds exempt includes \$50,000 from gifts, grants, and donations, with the remainder from a transfer from the Limited Gaming Fund. Federal grants encompass the remainder.

*Please note that in FY 2006-07, the funds for this program were properly recorded as CF, pursuant to H.B. 06-1201, however statute dictates that in subsequent years, this program must be appropriated cash funds exempt spending authority in order to comply with law and the fiscal polices managed by the State Controller's Office (SCO). With the Department's permission and in coordination with the SCO, staff is recommending cash funds exempt. The source of the cash funds exempt is the Limited Gaming Fund. The recommendation was calculated in accordance with Committee common policy.*

#### **Film Incentives (New Line Item)**

Pursuant to H.B. 06-1201, an appropriation was granted from the Film Incentives Cash Fund to the Economic Development Commission. Pursuant to H.B. 06-1362, the Film Incentives program allows any production company that spends at least 75 percent of its production expenditures in Colorado on qualified local expenditures and at least 75 percent of payroll expenditures on local hires to claim an incentive payment from the Colorado Economic Development Commission (EDC). The bill defines several terms, including qualifying local expenditures, qualifying payroll expenditures, and production company. The amount of the incentive would be determined as follows: (1) If the film originates in Colorado and total qualifying expenditures are at least \$100,000, the incentive will be equal to 10 percent of the total qualifying expenditures; (2) If the film does not originate in Colorado, but total qualifying expenditures are at least \$1 million, the incentive will be equal to 10 percent of the total qualifying expenditures.

**Staff recommends that a new line item in the Office of Economic Development, "Film Incentives" be added to the Long Bill and that an appropriation of \$510,500 cash funds exempt, be appropriated to this new line item.** The source of the cash funds exempt funding is from the Limited Gaming Cash Fund.

*Please note that in FY 2006-07, the funds for this program were properly recorded as CF, pursuant to H.B. 06-1201, however statute dictates that in subsequent years, this program must be appropriated cash funds exempt spending authority in order to comply with law and the fiscal polices managed by the State Controller's Office (SCO). With the Department's permission and in coordination with the SCO, staff is recommending cash funds exempt. The source of the cash funds*

*exempt is the Limited Gaming Fund. The recommendation was calculated in accordance with Committee common policy.*

**New Jobs Incentives (New Line Item)**

Pursuant to H.B. 06-1017, the New Jobs Incentives program provides an incentive for companies that create a certain number and type of new jobs in Colorado.

To claim the incentive, an employer must submit an application to the Economic Development Commission. The commission will develop procedures and include information regarding the program in its annual report to the General Assembly. Any incentive payment claimed would be in addition to any enterprise zone credit for a new business facility for which an employer could qualify.

The amount of incentive payments that may be claimed in a given fiscal year is limited to the amount appropriated by the General Assembly for this purpose. The amount of appropriation for the program is specified at \$3 million for FY 2005-06 and each year thereafter. The money would come from the Limited Gaming Fund prior to its transfer to the General Fund. It is to be spent in the fiscal year following its transfer to the Economic Development Commission. Fifteen percent of incentives must be awarded to businesses created or expanded in an enterprise zone outside Arapahoe, Boulder, Broomfield, Denver, Douglas, and Jefferson counties. If the commission receives applications for incentive payments exceeding the amount appropriated, the bill directs the payments to be made on a first-come first-served basis.

**Staff recommends that a new line item in the Office of Economic Development, "New Jobs Incentives" be added to the Long Bill and that an appropriation of \$3,063,000 cash funds exempt, be appropriated to this new line item. The source of the cash funds exempt funding is from the Limited Gaming Cash Fund.**

*Please note that in FY 2006-07, the funds for this program were properly recorded as CF, pursuant to H.B. 06-1201, however statute dictates that in subsequent years, this program must be appropriated cash funds exempt spending authority in order to comply with law and the fiscal polices managed by the State Controller's Office (SCO). With the Department's permission and in coordination with the SCO, staff is recommending cash funds exempt. The source of the cash funds exempt is the Limited Gaming Fund. The recommendation was calculated in accordance with Committee common policy.*

**Bioscience Discovery Evaluation (New Line Item)**

Pursuant to H.B. 06-1360, the Bioscience Discovery Evaluation Grant Program was created to improve and expand the evaluation of new bioscience discoveries at research institutions with the intent of accelerating the development of new products and services. Administration of the grant program is provided by the Office of Economic Development (OED) in consultation with a Colorado bioscience membership organization. The program was appropriated \$2.0 million cash funds pursuant to H.B. 06-1201 from the Limited Gaming Fund. The bill established a grant application process for grants of up to \$150,000 per bioscience research project.

**Staff recommends a new line item in the Long Bill and no spending authority as it was a one-time appropriation for FY 2006-07.**

**Indirect Cost Assessment**

**Staff recommends \$14,855 spending authority for the purpose of indirect cost assessments.** The funding is comprised of \$66 cash funds and \$14,789 federal funds.

**(5) OFFICE OF INFORMATION TECHNOLOGY**

The Office of Innovation and Technology (OIT) was created in the 1999 session per H.B. 99-1372. The OIT is responsible for planning, coordinating, directing, and controlling the use of information technology resources by state agencies. The OIT may also pursue technology-related economic development activities, however, pursuant to Sections 24-37.5-104 (5) (a) (II), C.R.S., "To better reflect the current activities of this office, the office should be referred to as the "office of information technology", and as such the name of the office has been changed.

**Personal Services**

<b>Staffing Summary</b>	<b>FY 2005-06 Actual</b>	<b>FY 2006-07 Appropriation</b>	<b>FY 2007-08 Request</b>	<b>FY 2007-08 Recommendation</b>
Director	1.0	1.0	1.0	1.0
Supervising Policy and Budget Analysts	1.5	1.5	2.0	2.0
Enterprise Architecture / Standard	1.0	1.0	1.8	1.8
Enterprise Portfolio Management	1.0	1.0	1.0	1.0
Risk Management	2.5	2.5	1.2	1.2
Support and Staff	1.5	3.0	6.0	6.0
<b>TOTAL</b>	<b>8.5</b>	<b>10.0</b>	<b>13.0</b>	<b>13.0</b>

**Staff recommends spending authority of \$1,198,147 General Fund and a continuation of 13.0 FTE,** including a personal services base reduction of \$(5,327) and \$152,030 Operating Expenses. The recommendation was calculated in accordance with Committee common policy.

**Legal Services**

**Staff recommends an appropriation of 26 hours.** The actual General Fund appropriation (based on the number of hours approved by the Committee) is **pending** and will be calculated once FY 2007-08 rates are set by Committee common policy.

**6) OFFICE OF COLORADO BENEFITS MANAGEMENT SYSTEM (CBMS)**

The Office of the Colorado Benefits Management System (CBMS) was established by Executive Order D004 05 on May 27, 2005. This office oversees the ongoing development and enhancements to CBMS. CBMS is a complex computer system whose role is to accurately and in a timely manner determine eligibility and calculate benefits for 14 high level program groups and their subgroups supporting the approximately 550,000 eligible Coloradans.

**Staff recommendation is pending and is awaiting the Joint Budget Committee's full review and decision on the entire CBMS project during figure setting for the Department of Human Services.**

## **7) OFFICE OF THE CHIEF INFORMATION SECURITY OFFICER**

House Bill 06-1157 authorized the appointment of a chief information security officer (CISO) and provided the legislative authority to appropriate funding to support its programmatic efforts after the first fiscal year, which for FY 2006-07 was funded by federal funds.

The Department's **Decision Item #1** requested an appropriation of \$2,449,782 General Fund and 2.0 FTE (including the existing CISO) to the Office of the Governor to support the newly initiated Information Security Program. However, as presented at the Department's budget briefing on December 4, 2006, staff brought forth an issue regarding this decision item's request for financing from the General Fund.

*According to Section 24-37.5-403 (3), C.R.S., "for the state fiscal year commencing on July 1, 2006, the cost of the services provided by the chief information security officer to public agencies in administering the Office of the Chief Information Security Officer shall be paid from federal funds received by the state for such purposes. **It is the intent of the General Assembly that the cost of the services provided by the Chief Information Security Officer to a public agency be adequately funded in fiscal years commencing on and after July 1, 2007, through an appropriation to the public agency to pay for such services**".*

Therefore, **Staff recommends \$2,449,782 cash funds exempt spending authority and 2.0 FTE.** The source of the funding schedule has not yet been finalized, however staff will work with the Office of State Planning and Budgeting to determine funding sources and will report back with a memo outlining the plan to finance this division.

## LONG BILL FOOTNOTE UPDATE

Staff recommendations on each of the existing footnotes follows (modifications in struck text and small caps):

- 12 Governor - Lieutenant Governor - State Planning and Budgeting, Office of the Governor; and Office of State Planning and Budgeting -- As part of the FY 2007-08 budget submission, the Office of State Planning and Budgeting is requested to provide a report on indirect cost recoveries from federal programs that are administered through the Office of the Governor or that are not shown elsewhere in the Long Bill. The report should include an analysis, by federal program, of: Statewide and departmental indirect costs collected in ~~FY 2004-05~~ FY 2005-06 and ~~FY 2005-06~~ FY 2006-07; where funds collected were spent; the potential for additional indirect cost collections in ~~FY 2006-07~~ FY 2007-08 and future years; and the potential for offsetting General Fund expenditures in the Office of the Governor or other departments through these collections. For each federal program that was not assessed statewide and departmental indirect costs, the report should explain why these costs were not assessed.

*Staff recommends continuing this footnote, as amended.* The Governor's Office receives large amounts of funding from the federal government (e.g., for the Office of Energy Management and Conservation), but does not report details regarding its federally funded programs in its budget request. To properly allocate General Fund and other sources for the Governor's Office, it is necessary to know the indirect costs associated with federally funded programs. The Governor has vetoed this footnote in the past, and no information has been provided. However, this footnote should be continued based on the value of the information it requests.