

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



SUPPLEMENTAL REQUESTS FOR FY 2011-12

OFFICE OF THE GOVERNOR

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

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**OFFICE OF THE GOVERNOR
FY 2011-12 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

TABLE OF CONTENTS

| | Narrative Page | Numbers Page |
|--|---------------------------|-------------------------|
| Prioritized Supplementals in Department-Assigned Order | | |
| Supplemental #1 – Statewide Indirect Cost Assessment True-Up | 1 | 6 |
| Supplemental #2 – Governor’s Office Leased Space Technical Correction | 2 | 6 |
| Non-prioritized Supplementals | | |
| JBC Staff Initiated Supplemental – OIT Common Policy Technical Correction | 3 | 7 |
| Non-prioritized Supplemental #3 – Hospital Provider Fee Administrative True-Up | 4 | 8 |
| Statewide Common Policy Supplemental Requests | 4 | 8 |
| Totals for All Supplementals | N.A. | 9 |

**OFFICE OF THE GOVERNOR
 FY 2011-12 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Prioritized Supplementals

**Supplemental Request, Department Priority #1
 Statewide Indirect Cost Assessment True-Up**

| | Request | Recommendation |
|----------------------|-----------------|-----------------------|
| Total | <u>\$49,836</u> | <u>\$49,836</u> |
| General Fund | 2,024 | 2,024 |
| Cash Funds | 49,836 | 49,836 |
| Reappropriated Funds | (2,024) | (2,024) |

| | |
|---|------------|
| Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.] | YES |
| JBC staff and the Department agree that this request is the result of a technical error in calculating the original appropriation. | |

Department Request: The Office of the Governor requests an increase of \$49,836 total funds (\$2,024 General Fund) to align the Department with the Statewide Indirect Cost Allocation Plan (SWICAP). Additionally, the request seeks to align various letternotes contained in the FY 2011-12 Long Bill appropriation for the Office of the Governor with the SWICAP.

Staff Recommendation: Staff recommends the Committee approve the Governor's request to increase the Department's FY 2011-12 appropriation by \$49,836 total funds (\$2,024 General Fund) and make corresponding letternote adjustments to align the Office of the Governor appropriation with the SWICAP.

Staff Analysis: The FY 2011-12 Long Bill under-collects \$49,836 in allowable Statewide indirect costs in agencies in the Office of the Governor, while simultaneously reappropriating the full amount of allowable Statewide indirect costs (and an additional \$2,024) to line items in the Office of the Governor.

The table on the following page summarizes the \$49,836 gap that exists between allowable Statewide indirect costs that can be collected and the collection level set forth in the FY 2011-12 Long Bill.

**OFFICE OF THE GOVERNOR
 FY 2011-12 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

| FY 2011-12 Statewide Indirect Cost Collections | | | |
|---|------------------------------|-------------------------------------|----------------------------------|
| Subdivision | FY 2011-12 SWICAP | FY 2011-12 Appropriation | FY 2011-12 Difference |
| Governor's Office (FF) | \$120,790 | \$120,790 | \$0 |
| Governor's Energy Office (CF) | 70,580 | 37,036 | (33,544) |
| Economic Development (CF) | 38,322 | 22,030 | (16,292) |
| Office of Information Technology (RF) | 2,091,414 | 2,091,414 | 0 |
| Total | \$2,321,106 | \$2,271,270 | (\$49,836) |

The next table below summarizes the \$2,024 gap that exists between allowable Statewide indirect costs that can be appropriated and the amount of funds appropriated in the FY 2011-12 Long Bill.

| FY 2011-12 Statewide Indirect Cost Appropriations | | | |
|--|------------------------------|-------------------------------------|----------------------------------|
| Subdivision | FY 2011-12 SWICAP | FY 2011-12 Appropriation | FY 2011-12 Difference |
| Governor's Office | \$804,683 | \$806,707 | \$2,024 |
| Office of State Planning and Budgeting | 1,471,281 | 1,471,281 | 0 |
| Economic Development | 45,142 | 45,142 | 0 |
| Total | \$2,321,106 | \$2,323,130 | \$2,024 |

**Supplemental Request, Department Priority #2
 Governor's Office Leased Space Technical Correction**

| | Request | Recommendation |
|----------------------|----------------|-----------------------|
| Total | <u>\$0</u> | <u>\$0</u> |
| General Fund | (563,490) | (563,490) |
| Reappropriated Funds | 563,490 | 563,490 |

| | |
|---|------------|
| Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.] | YES |
| JBC staff and the Department agree that this request is the result of a technical error in calculating the original appropriation. | |

Department Request: The Office of the Governor requests a refinance of \$563,490 General Fund with \$563,490 reappropriated funds in the FY 2011-12 appropriation for leased space. The request corrects a technical error contained in the FY 2011-12 Long Bill by aligning the funding source of the leased space line item with the use of moneys appropriated to the line item.

**OFFICE OF THE GOVERNOR
 FY 2011-12 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Staff Recommendation: Staff recommends the Committee approve the Governor's request to refinance \$563,490 General Fund with \$563,490 reappropriated funds in the FY 2011-12 appropriation for leased space.

Staff Analysis: The leased space line item appropriation in the Office of the Governor is dedicated to the space needs of the Governor's Office of Information Technology (OIT). OIT is funded with revenue collected from other State agencies (reappropriated funds) for the provision of services. Staff incorrectly appropriated a portion of OITs leased space moneys to General Fund instead of reappropriated funds collected from other State agencies. This supplemental request corrects that error.

Non-Prioritized Supplementals

JBC Staff Initiated Supplemental – OIT Common Policy Technical Correction

| | Request | Recommendation |
|----------------------|---------|----------------|
| Total | \$0 | \$500,000 |
| Reappropriated Funds | 0 | 500,000 |

| | |
|---|------------|
| Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.] | YES |
| This supplemental is the result of a technical error in calculating the original appropriation. | |

Department Request: The Department has not requested this supplemental.

Staff Recommendation: Staff recommends that the Committee increase the Department's FY 2011-12 appropriation for the ADABAS database management system by \$500,000 reappropriated funds.

Staff Analysis: ADABAS is a database management system used by the Governor's Office of Information Technology (OIT) in administering mainframe applications for the Department of Human Services, Department of Labor and Employment, and Department of Revenue. For FY 2011-12, the Joint Budget Committee approved an appropriation of \$500,000 to meet increases in vendor costs associated with ADABAS. Staff correctly provided appropriations to Department of Human Services, Department of Labor and Employment, and Department of Revenue to support the increased billings for ADABAS. Staff failed to provide the corresponding spending authority to OIT, however.

**OFFICE OF THE GOVERNOR
 FY 2011-12 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

**Non-prioritized Supplemental Request, Department Priority #3 (HCPF Supplemental #7)
 Hospital Provider Free Administrative True-Up**

| | Request | Recommendation |
|----------------------|--------------------|--------------------|
| Total | <u>\$1,466,040</u> | <u>\$1,466,040</u> |
| Reappropriated Funds | 1,466,040 | 1,466,040 |

| | |
|---|------------|
| Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.] | YES |
| This supplemental is the result of a technical error in calculating the original appropriation. | |

Department Request: The Department of Health Care Policy and Financing submitted a supplemental request to true-up appropriations with actual need for hospital provider fee administration. The request includes a reappropriation of \$1.5 million to the Governor’s Office of Information Technology for operating expenses associated with the Colorado Benefits Management System (CBMS). The Department indicates a need for funds to complete system development work in CBMS to implement the “Disabled Buy-In” and “Adults without Dependent Children” on March 1, 2012 and the “Children’s Buy-In” four to six months later.

Staff Recommendation: This request will be considered during the presentation of the Department of Health Care Policy and Financing’s FY 2011-12 supplemental requests scheduled for January 19, 2012. **Staff asks permission to include the corresponding appropriation for this supplemental request in the Office of the Governor’s supplemental bill after the Committee acts on the request during the Department of Health Care Policy and Financing’s supplemental presentation.**

Statewide Common Policy Supplemental Requests

These requests are not prioritized and are not analyzed in this packet. The JBC will act on these items later when it makes decisions regarding common policies.

| Department's Portion of Statewide Supplemental Request | Total | General Fund | Cash Funds | Reapprop. Funds | Federal Funds | FTE |
|---|------------------|----------------|------------|-------------------|---------------|------------|
| Capitol Complex Leased Space True-Up | \$14,893 | \$8,508 | \$0 | \$6,385 | \$0 | 0.0 |
| Annual Fleet True-Up | (17,955) | 0 | 0 | (17,955) | 0 | 0.0 |
| Department's Total Statewide Supplemental Requests | (\$3,062) | \$8,508 | \$0 | (\$11,570) | \$0 | 0.0 |

**OFFICE OF THE GOVERNOR
FY 2011-12 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Staff Recommendation: The staff recommendation for these requests is pending Committee approval of common policy supplementals. **Staff asks permission to include the corresponding appropriations in the Department's supplemental bill when the Committee approves common policy supplementals.** If staff believes there is reason to deviate from the common policy, staff will appear before the Committee later to present the relevant analysis.

| | FY 2010-11 Actual | FY 2011-12 Appropriation | FY 2011-12 Requested Change | FY 2011-12 Rec'd Change | FY 2011-12 Total With Rec'd Change |
|--|----------------------|-----------------------------|--------------------------------|----------------------------|---------------------------------------|
|--|----------------------|-----------------------------|--------------------------------|----------------------------|---------------------------------------|

| |
|--|
| GOVERNOR - LIEUTENANT GOVERNOR - STATE PLANNING AND BUDGETING John Hickenlooper, Governor |
|--|

Supplemental #1 - FY 2011-12 Statewide Indirect Cost Assessment True-Up

(1) OFFICE OF THE GOVERNOR
(B) Special Purpose

| | | | | | |
|------------------------------|----------------|----------------|----------|----------|----------------|
| Capitol Complex Leased Space | <u>461,386</u> | <u>462,762</u> | <u>0</u> | <u>0</u> | <u>462,762</u> |
| General Fund | 262,014 | 264,382 | 2,024 | 2,024 | 266,406 |
| Reappropriated Funds | 199,372 | 198,380 | (2,024) | (2,024) | 196,356 |

(1) OFFICE OF THE GOVERNOR
(C) Governor's Energy Office

| | | | | | |
|--------------------------|----------|---------------|---------------|---------------|---------------|
| Indirect Cost Assessment | <u>0</u> | <u>37,036</u> | <u>33,544</u> | <u>33,544</u> | <u>70,580</u> |
| Cash Funds | 0 | 37,036 | 33,544 | 33,544 | 70,580 |

(4) ECONOMIC DEVELOPMENT PROGRAMS

| | | | | | |
|--------------------------|---------------|---------------|---------------|---------------|---------------|
| Indirect Cost Assessment | <u>22,030</u> | <u>22,030</u> | <u>16,292</u> | <u>16,292</u> | <u>38,322</u> |
| Cash Funds | 22,030 | 22,030 | 16,292 | 16,292 | 38,322 |

**Total for Supplemental #1 - FY 2011-12 Statewide
Indirect Cost Assessment True-Up**

| | | | | | |
|----------------------|------------|------------|------------|------------|------------|
| FTE | <u>0.0</u> | <u>0.0</u> | <u>0.0</u> | <u>0.0</u> | <u>0.0</u> |
| General Fund | 262,014 | 264,382 | 2,024 | 2,024 | 266,406 |
| Cash Funds | 22,030 | 59,066 | 49,836 | 49,836 | 108,902 |
| Reappropriated Funds | 199,372 | 198,380 | (2,024) | (2,024) | 196,356 |

Supplemental #2 - Governor's Office Leased Space Technical Correction

(1) OFFICE OF THE GOVERNOR
(B) Special Purpose

| | | | | | |
|----------------------|----------------|------------------|-----------|-----------|------------------|
| Leased Space | <u>923,660</u> | <u>1,290,813</u> | <u>0</u> | <u>0</u> | <u>1,290,813</u> |
| General Fund | 0 | 563,490 | (563,490) | (563,490) | 0 |
| Reappropriated Funds | 923,660 | 727,323 | 563,490 | 563,490 | 1,290,813 |

| | FY 2010-11 Actual | FY 2011-12 Appropriation | FY 2011-12 Requested Change | FY 2011-12 Rec'd Change | FY 2011-12 Total With Rec'd Change |
|---|----------------------|-----------------------------|--------------------------------|----------------------------|---------------------------------------|
| Total for Supplemental #2 - Governor's Office Leased | | | | | |
| Space Technical Corrections | <u>923,660</u> | <u>1,290,813</u> | <u>0</u> | <u>0</u> | <u>1,290,813</u> |
| <i>FTE</i> | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| General Fund | 0 | 563,490 | (563,490) | (563,490) | 0 |
| Reappropriated Funds | 923,660 | 727,323 | 563,490 | 563,490 | 1,290,813 |

JBC Staff Initiated Supplemental – OIT Common Policy Technical Correction

(5) OFFICE OF INFORMATION TECHNOLOGY
 (B) Computer Center Services
 (I) Computer Services

| | | | | | |
|--|------------------|------------------|----------|----------------|------------------|
| Operating Expenses | <u>5,456,156</u> | <u>5,761,199</u> | <u>0</u> | <u>500,000</u> | <u>6,261,199</u> |
| Cash Funds | 2,328 | 2,328 | 0 | 0 | 2,328 |
| Reappropriated Funds | 5,453,828 | 5,758,871 | 0 | 500,000 | 6,258,871 |
| Total for JBC Staff Initiated Supplemental – OIT Common Policy Technical Correction | <u>5,456,156</u> | <u>5,761,199</u> | <u>0</u> | <u>500,000</u> | <u>6,261,199</u> |
| <i>FTE</i> | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Cash Funds | 2,328 | 2,328 | 0 | 0 | 2,328 |
| Reappropriated Funds | 5,453,828 | 5,758,871 | 0 | 500,000 | 6,258,871 |

| | | | | | |
|--|--------------------|--------------------|---------------|----------------|--------------------|
| Totals Excluding Pending Items | | | | | |
| OFFICE OF THE GOVERNOR | | | | | |
| TOTALS for ALL Departmental line items | <u>167,102,528</u> | <u>183,734,940</u> | <u>49,836</u> | <u>549,836</u> | <u>184,284,776</u> |
| <i>FTE</i> | 991.0 | 1,046.8 | 0.0 | 0.0 | 1046.8 |
| General Fund | 10,750,350 | 11,175,194 | (561,466) | (561,466) | 10,613,728 |
| Cash Funds | 31,593,851 | 23,643,160 | 49,836 | 49,836 | 23,692,996 |
| Reappropriated Funds | 122,723,406 | 125,124,833 | 561,466 | 1,061,466 | 126,186,299 |
| Federal Funds | 1,950,397 | 23,791,753 | 0 | 0 | 23,791,753 |

| | FY 2010-11 Actual | FY 2011-12 Appropriation | FY 2011-12 Requested Change | FY 2011-12 Rec'd Change | FY 2011-12 Total With Rec'd Change |
|--|----------------------|-----------------------------|--------------------------------|----------------------------|---------------------------------------|
|--|----------------------|-----------------------------|--------------------------------|----------------------------|---------------------------------------|

Non-prioritized Supplemental #1 - Statewide Common Policy True-Up

(1) OFFICE OF THE GOVERNOR
(B) Special Purpose

| | | | | | |
|--|----------------|----------------|---------------|----------------|----------------|
| Capitol Complex Leased Space | <u>461,386</u> | <u>462,762</u> | <u>14,893</u> | <u>Pending</u> | <u>Pending</u> |
| General Fund | 262,014 | 264,382 | 8,508 | | |
| Reappropriated Funds | 199,372 | 198,380 | 6,385 | | |
| Total for Non-prioritized Supplemental #1 - Statewide Common Policy True-Up | <u>461,386</u> | <u>462,762</u> | <u>14,893</u> | <u>Pending</u> | <u>Pending</u> |
| <i>FTE</i> | <u>0.0</u> | <u>0.0</u> | <u>0.0</u> | | |
| General Fund | 262,014 | 264,382 | 8,508 | | |
| Reappropriated Funds | 199,372 | 198,380 | 6,385 | | |

Non-prioritized Supplemental #2 - Statewide Vehicle Lease Payments True-Up

(1) OFFICE OF THE GOVERNOR
(B) Special Purpose

| | | | | | |
|---|----------------|----------------|-----------------|----------------|----------------|
| Vehicle Lease Payments | <u>104,363</u> | <u>116,449</u> | <u>(17,955)</u> | <u>Pending</u> | <u>Pending</u> |
| Reappropriated Funds | 104,363 | 116,449 | (17,955) | | |
| Total for Non-prioritized Supplemental #2 - Statewide Vehicle Lease Payments True-Up | <u>104,363</u> | <u>116,449</u> | <u>(17,955)</u> | <u>Pending</u> | <u>Pending</u> |
| <i>FTE</i> | <u>0.0</u> | <u>0.0</u> | <u>0.0</u> | | |
| Reappropriated Funds | 104,363 | 116,449 | (17,955) | | |

Non-prioritized Supplemental #3 - Hospital Provider Fee Administrative True-Up

(5) OFFICE OF INFORMATION TECHNOLOGY
Colorado Benefits Management System

| | | | | | |
|----------------------|----------|-------------------|------------------|----------------|----------------|
| Operating Expenses | <u>0</u> | <u>19,007,729</u> | <u>1,466,040</u> | <u>Pending</u> | <u>Pending</u> |
| Reappropriated Funds | 0 | 19,007,729 | 1,466,040 | | |

| | FY 2010-11 Actual | FY 2011-12 Appropriation | FY 2011-12 Requested Change | FY 2011-12 Rec'd Change | FY 2011-12 Total With Rec'd Change |
|---|----------------------|-----------------------------|--------------------------------|----------------------------|---------------------------------------|
| Total for Non-prioritized Supplemental #3 - Hospital Provider Fee Administrative True-Up | <u>0</u> | <u>19,007,729</u> | <u>1,466,040</u> | <u>Pending</u> | <u>Pending</u> |
| <i>FTE</i> | 0.0 | 0.0 | 0.0 | | |
| Reappropriated Funds | 0 | 19,007,729 | 1,466,040 | | |

| Totals Including Pending Items | | | | | |
|--|--------------------|--------------------|------------------|----------------|--------------------|
| OFFICE OF THE GOVERNOR | | | | | |
| TOTALS for ALL Departmental line items | <u>167,102,528</u> | <u>183,734,940</u> | <u>1,512,814</u> | <u>549,836</u> | <u>184,284,776</u> |
| <i>FTE</i> | 991.0 | 1,046.8 | 0.0 | 0.0 | 1046.8 |
| General Fund | 10,750,350 | 11,175,194 | (552,958) | (561,466) | 10,613,728 |
| Cash Funds | 31,593,851 | 23,643,160 | 49,836 | 49,836 | 23,692,996 |
| Reappropriated Funds | 122,723,406 | 125,124,833 | 2,015,936 | 1,061,466 | 126,186,299 |
| Federal Funds | 1,950,397 | 23,791,753 | 0 | 0 | 23,791,753 |