

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



**FY 2015-16 STAFF FIGURE SETTING
DEPARTMENT OF MILITARY AND VETERANS
AFFAIRS**

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

**Prepared By:
Tom Dermody, JBC Staff
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For Further Information Contact:

Joint Budget Committee Staff
200 E. 14th Avenue, 3rd Floor
Denver, Colorado 80203
Telephone: (303) 866-2061
TDD: (303) 866-3472

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DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

Department Overview

The Department provides trained and ready military forces for the U.S. active armed services, and for preserving life and property during natural disasters and civil emergencies in Colorado; supports federal and state homeland security missions; maintains equipment and facilities for state military forces; provides for safekeeping of the public arms, military records, relics and banners of the state; assists veterans and National Guard members with benefits claims; maintains the Western Slope Veterans' Cemetery; supports the Civil Air Patrol, Colorado Wing; and assists in fighting the spread of drug trafficking and abuse.

Executive Request

The Department's request reflects an increase of \$216,952 total funds (0.1 percent) compared to the FY 2014-15 appropriation, including a \$68,786 (0.8 percent) increase in General Fund appropriations. The requested increase in total funds is primarily related to the increases in employee salaries, state contribution for employee benefits, adjustments to centrally appropriated line items, and request items R1 through R3.

Staff Recommendation

Staff recommends the Department's request with some changes. Minor adjustments have been made for centrally appropriated line items and total compensation common policies, as approved by the Committee. Staff makes recommendations regarding the Department's request for increased funding for County Veterans Service Officer payments (R3). Additionally, staff has adjusted the appropriation for the Colorado State Veteran's Trust Fund to reflect anticipated tobacco master settlement transfers. The staff recommendation is summarized in the following table.

DEPARTMENT REQUEST AND RECOMMENDATION SUMMARY

Department of Military and Veterans Affairs						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2014-15 Appropriation						
H.B. 14-1336 (Long Bill)	\$224,704,185	\$7,885,530	\$1,282,783	\$800,000	\$214,735,872	1,390.8
Other legislation	600,000	300,000	0	300,000	0	0.4
S.B. 15-155 (Supplemental)	<u>73,558</u>	<u>59,137</u>	<u>0</u>	<u>0</u>	<u>14,421</u>	<u>0.0</u>
TOTAL	\$225,377,743	\$8,244,667	\$1,282,783	\$1,100,000	\$214,750,293	1,391.2
FY 2015-16 Recommended Appropriation						
FY 2014-15 Appropriation	\$225,377,743	\$8,244,667	\$1,282,783	\$1,100,000	\$214,750,293	1,391.2
Centrally appropriated line items	144,061	(153,789)	1,526	0	296,324	0.0
R1 Process Improvement and safety champion	64,132	64,132	0	0	0	0.9
R3 State protocol vehicle	3,146	3,146	0	0	0	0.0
R2 County veteran service officer payment increase	0		0	0	0	0.0
Annualize prior year legislation	(600,000)	(300,000)	0	(300,000)	0	0.1
Annualize prior year funding	(74,580)	(60,160)	0	0	(14,420)	0.1
Tobacco master settlement agreement adjustment	(3,230)	0	(3,230)	0	0	0.0
NP1 Annual fleet vehicle request	<u>(578)</u>	<u>(578)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
TOTAL	\$224,910,694	\$7,797,418	\$1,281,079	\$800,000	\$215,032,197	1,392.3
Increase/(Decrease)	(\$467,049)	(\$447,249)	(\$1,704)	(\$300,000)	\$281,904	1.1
Percentage Change	(0.2%)	(5.4%)	(0.1%)	(27.3%)	0.1%	0.1%
FY 2015-16 Executive Request	\$225,594,695	\$8,313,453	\$1,283,941	\$800,000	\$215,197,301	1,392.3
Request Above/(Below) Recommendation	\$684,001	\$516,035	\$2,862	\$0	\$165,104	0.0

Description of Incremental Changes

R1 Process improvement and safety champion: The decision item includes a request for an appropriation of \$76,707 General Fund and 0.9 FTE in FY 2015-16 for the creation of a position in the EDO dedicated to strategic planning, process improvement, and safety review. The request would annualize in FY 2016-17 to \$78,262 General Fund and 1.0 FTE.

R2 County veteran services officer payments increase: The decision item includes a request for an appropriation of \$466,626 General Fund in FY 2015-16 and ongoing to increase the payments to counties in support of their Count Veterans Services Officer (CVSO) program.

R3 State protocol vehicle: The decision item includes a request for an appropriation of \$3,146 General Fund to the Vehicle Lease Payments line item in the EDO for FY 2015-16 for the lease of a permanent vehicle for the Department's Protocol Office. The request would annualize in FY 2016-17 to \$9,438.

NP1 Annual fleet vehicle request: The decision item includes a request for a base reduction of \$578 to the Vehicle Lease Payments line item in the EDO for changes in statewide vehicle costs.

Centrally appropriated line item adjustments: The request includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits;

merit pay; salary survey; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; workers' compensation; shift differential; legal services; payment to risk management and property funds; and Capitol complex leased space.

Annualize prior year legislation: The request includes adjustments related to prior year legislation.

Annualize prior year funding: The request includes adjustments related to prior year funding actions.

Tobacco master settlement agreement adjustment: The request is a staff initiated adjustment to the transfer of the revenue that the State receives from the Tobacco Master Settlement Agreement to the Colorado State Veterans Trust fund.

(1) EXECUTIVE DIRECTOR AND ARMY NATIONAL GUARD

The Executive Director's Office is responsible for the administration of the Department. It provides leadership to the Department by managing the general administrative functions, which include policy development; human resource management; accounting; purchasing and contracting; and budgeting. The Executive Director's Office is also responsible for the legislative program of the Department at the state and federal level.

The Army National Guard is funded by the federal government and managed and staffed by Federal Civil Service employees. The federal government fully funds National Guard training and provides most of the funding for construction of armories and other military facilities. Under its cooperative agreements with the federal government, the Department provides 50 percent of maintenance and utilities costs at nineteen state owned armories, and 20 or 25 percent of these costs at three federal armories.

DIVISION REQUEST AND RECOMMENDATION SUMMARY

Executive Director and Army National Guard						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2014-15 Appropriation						
H.B. 14-1336 (Long Bill)	\$12,294,068	\$5,370,766	\$128,045	\$800,000	\$5,995,257	85.8
Other legislation	600,000	300,000	0	300,000	0	0.0
S.B. 15-155 (Supplemental)	<u>73,558</u>	<u>59,137</u>	<u>0</u>	<u>0</u>	<u>14,421</u>	<u>0.0</u>
TOTAL	\$12,967,626	\$5,729,903	\$128,045	\$1,100,000	\$6,009,678	85.8
FY 2015-16 Recommended Appropriation						
FY 2014-15 Appropriation	\$12,967,626	\$5,729,903	\$128,045	\$1,100,000	\$6,009,678	85.8
Centrally appropriated line items	144,061	(153,789)	1,526	0	296,324	0.0
R1 Process Improvement and safety champion	64,132	64,132	0	0	0	0.9
R3 State protocol vehicle	3,146	3,146	0	0	0	0.0
Annualize prior year legislation	(600,000)	(300,000)	0	(300,000)	0	0.0
Annualize prior year funding	(198,309)	(99,326)	(3,697)	0	(95,286)	0.0
NP1 Annual fleet vehicle request	<u>(578)</u>	<u>(578)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
TOTAL	\$12,380,078	\$5,243,488	\$125,874	\$800,000	\$6,210,716	86.7
Increase/(Decrease)	(\$587,548)	(\$486,415)	(\$2,171)	(\$300,000)	\$201,038	0.9
Percentage Change	(4.5%)	(8.5%)	(1.7%)	(27.3%)	3.3%	1.0%
FY 2015-16 Executive Request:	\$12,594,223	\$5,292,897	\$125,506	\$800,000	\$6,375,820	86.7
Request Above/(Below) Recommendation	\$214,145	\$49,409	(\$368)	\$0	\$165,104	(0.0)

LINE ITEM DETAIL – EXECUTIVE DIRECTOR AND ARMY NATIONAL GUARD

➔ R1 Process Improvement and Safety Champion

Request: The Department requests a \$71,054 General Fund appropriation for the creation of a position in the EDO dedicated to strategic planning, process improvement, and safety review and quality control.

Analysis: The Process Improvement and Safety Champion's responsibilities will include: developing and maintaining the Department's Performance Plan pursuant to the SMART Act and OSPB instructions; finding and implementing process improvement practices; and analyzing safety processes and compliance within each of the Department's working groups. Planning and safety review positions are current and common positions within all branches of the military. The position will be classified as a General Professional IV.

The success of this position will be measured by assessing the success of completed process improvements and safety reviews. The Department has identified several potential projects to be undertaken by the PISC. These include: the effective and efficient management of capital equipment with a value greater than \$5,000; identifying and pursuing opportunities to grow the operating funds for cemetery operations; and addressing staff safety concerns identified in the Department's employee survey. The PISC will have access to and support from administrative staff. The position will have authority to work with the necessary staff members, depending on the nature of the project or process being undertaken.

The workload of the PISC position is anticipated to be split as follows: 30 percent time on strategic planning, 35 percent time on process improvement, and 35 percent time on safety review and quality control. The percentage of time the PISC spends on safety will be adjusted once they provide an assessment of the safety issues and develop a plan to alleviate the problems. The Department acknowledges that there is the potential for the safety aspects of the PISC responsibilities to require a significant portion of the position's workload.

Recommendation: Staff recommends \$64,132 General Fund for personal services and operating expense costs, consistent with Committee policy for consideration of new FTE requests.

Personal Services

This line item funds the FTE in the Executive Director's Office which includes administrative and professional staff and labor trades and crafts FTE who maintain and repair armories and other military facilities. Cash funds for this purpose are from armory rental fees, federal funds are from cooperative agreements with the federal government for operations of the Colorado National Guard.

Request and Recommendation: The Department requests an appropriation of 35.2 FTE and \$2,307,359 total funds, which includes salary survey and merit pay annualizations. The request includes an increase of \$58,479 General Fund related to R1. **Staff recommends approval of**

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the request and the fund splits included in the following table, but requests permission to adjust fund splits if necessary.

Executive Director and Army National Guard, Personal Services					
	Total Funds	General Fund	Cash Funds	Federal Funds	FTE
FY 2014-15 Appropriation					
H.B. 14-1336 (Long Bill)	<u>\$2,179,514</u>	<u>\$1,938,443</u>	<u>\$3,907</u>	<u>\$237,164</u>	<u>34.3</u>
TOTAL	\$2,179,514	\$1,938,443	\$3,907	\$237,164	34.3
FY 2015-16 Recommended Appropriation					
FY 2014-15 Appropriation	\$2,179,514	\$1,938,443	\$3,907	\$237,164	34.3
Annualize prior year funding	69,366	62,785	139	6,442	0.0
R1 Process Improvement and safety champion	<u>58,479</u>	<u>58,479</u>	<u>0</u>	<u>0</u>	<u>0.9</u>
TOTAL	\$2,307,359	\$2,059,707	\$4,046	\$243,606	35.2
Increase/(Decrease)	\$127,845	\$121,264	\$139	\$6,442	0.9
Percentage Change	5.9%	6.3%	3.6%	2.7%	2.6%
FY 2015-16 Executive Request:	\$2,307,359	\$2,059,707	\$4,046	\$243,606	35.2
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	0.0

Health, Life, and Dental

This line item funds the Department's share of group health, life and dental insurance plans for state employees. Health, life, and dental is appropriated to the Executive Director's Office and distributed as needed throughout the Department.

Request and Recommendation: The Department requests an appropriation of \$1,150,847 total funds. **Staff recommends \$941,350 total funds**, consistent with Committee policy, and the fund splits included in the following table.

Executive Director and Army National Guard, Health, Life, and Dental				
	Total Funds	General Fund	Cash Funds	Federal Funds
FY 2014-15 Appropriation				
H.B. 14-1336 (Long Bill)	<u>\$824,533</u>	<u>\$244,983</u>	<u>\$15,836</u>	<u>\$563,714</u>
TOTAL	\$824,533	\$244,983	\$15,836	\$563,714
FY 2015-16 Recommended Appropriation				
FY 2014-15 Appropriation	\$824,533	\$244,983	\$15,836	\$563,714
Centrally appropriated line items	116,817	49,848	1,351	65,618
R1 Process Improvement and safety champion	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	\$941,350	\$294,831	\$17,187	\$629,332
Increase/(Decrease)	\$116,817	\$49,848	\$1,351	\$65,618
Percentage Change	14.2%	20.3%	8.5%	11.6%
FY 2015-16 Executive Request:	\$1,150,847	\$339,592	\$16,819	\$794,436
Request Above/(Below) Recommendation	\$209,497	\$44,761	(\$368)	\$165,104

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Short-term Disability

This line item funds the Department's share of the short-term disability program for state employees, administered by the Department of Personnel.

Request and Recommendation: The Department requests an appropriation of \$16,734 total funds. **Staff recommends \$16,619 total funds**, consistent with Committee policy, and the fund splits included in the following table.

Executive Director and Army National Guard, Short-term Disability				
	Total Funds	General Fund	Cash Funds	Federal Funds
FY 2014-15 Appropriation				
H.B. 14-1336 (Long Bill)	<u>\$15,991</u>	<u>\$5,777</u>	<u>\$232</u>	<u>\$9,982</u>
TOTAL	\$15,991	\$5,777	\$232	\$9,982
FY 2015-16 Recommended Appropriation				
FY 2014-15 Appropriation	\$15,991	\$5,777	\$232	\$9,982
Centrally appropriated line items	628	(272)	(61)	961
R1 Process Improvement and safety champion	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	\$16,619	\$5,505	\$171	\$10,943
Increase/(Decrease)	\$628	(\$272)	(\$61)	\$961
Percentage Change	3.9%	(4.7%)	(26.3%)	9.6%
FY 2015-16 Executive Request:	\$16,734	\$5,620	\$171	\$10,943
Request Above/(Below) Recommendation	\$115	\$115	\$0	\$0

S.B. 04-257 Amortization Equalization Disbursement

This line item funds the costs associated with S.B. 04-257, which requires statutorily defined increases of state contributions for employees PERA accounts.

Request and Recommendation: The Department requests an appropriation of \$353,378 total funds. **Staff recommends an appropriation of \$351,072 total funds**, in accordance with Committee policy, and the fund splits included in the following table.

Executive Director and Army National Guard, S.B. 04-257 Amortization Equalization Disbursement				
	Total Funds	General Fund	Cash Funds	Federal Funds
FY 2014-15 Appropriation				
H.B. 14-1336 (Long Bill)	<u>\$308,254</u>	<u>\$110,913</u>	<u>\$4,451</u>	<u>\$192,890</u>
TOTAL	\$308,254	\$110,913	\$4,451	\$192,890
FY 2015-16 Recommended Appropriation				
FY 2014-15 Appropriation	\$308,254	\$110,913	\$4,451	\$192,890
Centrally appropriated line items	42,818	5,311	(859)	38,366
R1 Process Improvement and safety champion	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	\$351,072	\$116,224	\$3,592	\$231,256
Increase/(Decrease)	\$42,818	\$5,311	(\$859)	\$38,366
Percentage Change	13.9%	4.8%	(19.3%)	19.9%
FY 2015-16 Executive Request:	\$353,378	\$118,530	\$3,592	\$231,256
Request Above/(Below) Recommendation	\$2,306	\$2,306	\$0	\$0

S.B. 06-235 Supplemental Amortization Equalization Disbursement

Senate Bill 06-235 created a mechanism to increase the State's PERA contribution rate, in lieu of pay increases, beginning on January 1, 2008.

Request and Recommendation: The Department requests an appropriation of \$341,330 total funds. **Staff recommends an appropriation of \$339,103 total funds**, in accordance with Committee policy, and the fund splits included in the following table.

Executive Director and Army National Guard, S.B. 06-235 Supplemental Amortization Equalization Disbursement				
	Total Funds	General Fund	Cash Funds	Federal Funds
FY 2014-15 Appropriation				
H.B. 14-1336 (Long Bill)	\$288,988	\$103,981	\$4,173	\$180,834
TOTAL	\$288,988	\$103,981	\$4,173	\$180,834
FY 2015-16 Recommended Appropriation				
FY 2014-15 Appropriation	\$288,988	\$103,981	\$4,173	\$180,834
Centrally appropriated line items	50,115	8,281	(704)	42,538
R1 Process Improvement and safety champion	0	0	0	0
TOTAL	\$339,103	\$112,262	\$3,469	\$223,372
Increase/(Decrease)	\$50,115	\$8,281	(\$704)	\$42,538
Percentage Change	17.3%	8.0%	(16.9%)	23.5%
FY 2015-16 Executive Request:	\$341,330	\$114,489	\$3,469	\$223,372
Request Above/(Below) Recommendation	\$2,227	\$2,227	\$0	\$0

Salary Survey

Pursuant to Section 24-50-104 (4) (c), C.R.S., the Department of Personnel's total compensation report recommends salary adjustments for each year, which are funded by this line item.

Request and Recommendation: The Department requests \$96,157 total funds for this purpose. **Staff recommends approval of the request**, consistent with Committee policy, and the fund splits included in the following table.

Executive Director and Army National Guard, Salary Survey				
	Total Funds	General Fund	Cash Funds	Federal Funds
FY 2014-15 Appropriation				
H.B. 14-1336 (Long Bill)	\$207,008	\$74,787	\$3,009	\$129,212
TOTAL	\$207,008	\$74,787	\$3,009	\$129,212
FY 2015-16 Recommended Appropriation				
FY 2014-15 Appropriation	\$207,008	\$74,787	\$3,009	\$129,212
Centrally appropriated line items	96,157	37,390	893	57,874
Annualize prior year funding	(207,008)	(74,787)	(3,009)	(129,212)
TOTAL	\$96,157	\$37,390	\$893	\$57,874
Increase/(Decrease)	(\$110,851)	(\$37,397)	(\$2,116)	(\$71,338)
Percentage Change	(53.5%)	(50.0%)	(70.3%)	(55.2%)
FY 2015-16 Executive Request:	\$96,157	\$37,390	\$893	\$57,874
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0

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Merit Pay

Employee performance-based pay is centrally appropriated and funded by this line item pursuant to Section 24-50-104 (1) (c) (I), C.R.S.

Request and Recommendation: The Department requests \$94,496 total funds for this purpose. **Staff recommends approval of the request**, consistent with Committee policy, and the fund splits included in the following table.

Executive Director and Army National Guard, Merit Pay				
	Total Funds	General Fund	Cash Funds	Federal Funds
FY 2014-15 Appropriation				
H.B. 14-1336 (Long Bill)	\$86,174	\$28,187	\$827	\$57,160
TOTAL	\$86,174	\$28,187	\$827	\$57,160
FY 2015-16 Recommended Appropriation				
FY 2014-15 Appropriation	\$86,174	\$28,187	\$827	\$57,160
Centrally appropriated line items	94,496	31,592	906	61,998
Annualize prior year funding	(86,174)	(28,187)	(827)	(57,160)
TOTAL	\$94,496	\$31,592	\$906	\$61,998
Increase/(Decrease)	\$8,322	\$3,405	\$79	\$4,838
Percentage Change	9.7%	12.1%	9.6%	8.5%
FY 2015-16 Executive Request:	\$94,496	\$31,592	\$906	\$61,998
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0

Shift Differential.

This line item pays for shift premiums for personnel working outside of regular business hours.

Request and Recommendation: The Department requests \$23,285 for this purpose. **Staff recommends approval of the request**, consistent with Committee policy, and the fund splits included in the following table.

Executive Director and Army National Guard, Shift Differential		
	Total Funds	Federal Funds
FY 2014-15 Appropriation		
H.B. 14-1336 (Long Bill)	\$26,806	\$26,806
TOTAL	\$26,806	\$26,806
FY 2015-16 Recommended Appropriation		
FY 2014-15 Appropriation	\$26,806	\$26,806
Centrally appropriated line items	(3,521)	(3,521)
TOTAL	\$23,285	\$23,285
Increase/(Decrease)	(\$3,521)	(\$3,521)
Percentage Change	(13.1%)	(13.1%)
FY 2015-16 Executive Request:	\$23,285	\$23,285
Request Above/(Below) Recommendation	\$0	\$0

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Workers' Compensation

This line item is used to pay the Department's share of the State's workers' compensation program administered by DPA.

Request and Recommendation: The Department requests an appropriation of \$80,350 total funds including \$27,705 General Fund. **Staff recommendation for this line item is pending the approval of a Committee policy.** Staff requests permission to adjust all pending line items and apply a fund split, once Committee policy is established.

Executive Director and Army National Guard, Workers' Compensation			
	Total Funds	General Fund	Federal Funds
FY 2014-15 Appropriation			
H.B. 14-1336 (Long Bill)	\$83,494	\$28,805	\$54,689
TOTAL	\$83,494	\$28,805	\$54,689
FY 2015-16 Recommended Appropriation			
FY 2014-15 Appropriation	\$83,494	\$28,805	\$54,689
Centrally appropriated line items	(3,144)	(1,100)	(2,044)
TOTAL	\$80,350	\$27,705	\$52,645
Increase/(Decrease)	(\$3,144)	(\$1,100)	(\$2,044)
Percentage Change	(3.8%)	(3.8%)	(3.7%)
FY 2015-16 Executive Request:	\$80,350	\$27,705	\$52,645
Request Above/(Below) Recommendation	\$0	\$0	\$0

Operating Expenses

Expenditures from this line item range from office equipment and supplies to travel expenses to utilities/maintenance costs.

Request and Recommendation: The Department requests \$2,373,338 total funds. The request includes an increase of \$5,653 General Fund related to R1. **Staff recommends approval of the request** and the fund splits included in the following table.

Executive Director and Army National Guard, Operating Expenses				
	Total Funds	General Fund	Cash Funds	Federal Funds
FY 2014-15 Appropriation				
H.B. 14-1336 (Long Bill)	\$2,367,685	\$1,479,980	\$46,000	\$841,705
TOTAL	\$2,367,685	\$1,479,980	\$46,000	\$841,705
FY 2015-16 Recommended Appropriation				
FY 2014-15 Appropriation	\$2,367,685	\$1,479,980	\$46,000	\$841,705
R1 Process Improvement and safety champion	5,653	5,653	0	0
TOTAL	\$2,373,338	\$1,485,633	\$46,000	\$841,705
Increase/(Decrease)	\$5,653	\$5,653	\$0	\$0
Percentage Change	0.2%	0.4%	0.0%	0.0%
FY 2015-16 Executive Request:	\$2,373,338	\$1,485,633	\$46,000	\$841,705
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0

Information Technology Asset Maintenance

This line item provides funding for the upkeep and maintenance of the Department's information technology infrastructure.

Request and Recommendation: The Department requests a continuation appropriation of \$22,372 General Fund. **Staff recommends approval of the request.**

Legal Services for 110 Hours

This line item funds the purchase of legal services from the Department of Law. The Department requests a continuation appropriation of 110 hours of legal services.

Request and Recommendation: The Department requests an appropriation of \$10,396 total funds for 110 hours of legal services. **Staff recommends the request, the dollar amount for this appropriation is pending Committee approval of the FY 2014-15 legal services rate.** Staff requests permission to adjust all pending line items and apply a fund split, once Committee policy is established.

Executive Director and Army National Guard, Legal Services		
	Total Funds	General Fund
FY 2014-15 Appropriation		
H.B. 14-1336 (Long Bill)	\$10,891	\$10,891
TOTAL	\$10,891	\$10,891
FY 2015-16 Recommended Appropriation		
FY 2014-15 Appropriation	\$10,891	\$10,891
Centrally appropriated line items	(495)	(495)
TOTAL	\$10,396	\$10,396
Increase/(Decrease)	(\$495)	(\$495)
Percentage Change	(4.5%)	(4.5%)
FY 2015-16 Executive Request:	\$10,396	\$10,396
Request Above/(Below) Recommendation	\$0	\$0

Payments to OIT

This line item represents payments to the Governor's Office of Information Technology (OIT).

Request and Recommendation: The Department requests an appropriation of \$240,919 General Fund for this line item. **Staff recommendation is pending Committee approval of a common policy for this line item.** Staff requests permission to adjust all pending line items and apply a fund split, once Committee policy is established.

Executive Director and Army National Guard, Payments to OIT		
	Total Funds	General Fund
FY 2014-15 Appropriation		
H.B. 14-1336 (Long Bill)	\$532,292	\$532,292
S.B. 15-155 (Supplemental)	4,110	4,110
TOTAL	\$536,402	\$536,402
FY 2015-16 Recommended Appropriation		
FY 2014-15 Appropriation	\$536,402	\$536,402

Executive Director and Army National Guard, Payments to OIT		
	Total Funds	General Fund
Centrally appropriated line items	(291,373)	(291,373)
Annualize prior year funding	<u>(4,110)</u>	<u>(4,110)</u>
TOTAL	\$240,919	\$240,919
Increase/(Decrease)	(\$295,483)	(\$295,483)
Percentage Change	(55.1%)	(55.1%)
FY 2015-16 Executive Request:	\$240,919	\$240,919
Request Above/(Below) Recommendation	\$0	\$0

Payment to Risk Management and Property Funds

This line item funds the Department's share of the costs of the State's self-insurance program for property losses and other risks.

Request and Recommendation: The Department requests an appropriation of \$102,860 General Fund. **Staff recommendation is pending Committee approval of a common policy for this line item.** Staff requests permission to adjust all pending line items and apply a fund split, once Committee policy is established.

Executive Director and Army National Guard, Payment to Risk Management and Property Funds		
	Total Funds	General Fund
FY 2014-15 Appropriation		
H.B. 14-1336 (Long Bill)	<u>\$110,427</u>	<u>\$110,427</u>
TOTAL	\$110,427	\$110,427
FY 2015-16 Recommended Appropriation		
FY 2014-15 Appropriation	\$110,427	\$110,427
Centrally appropriated line items	<u>(7,567)</u>	<u>(7,567)</u>
TOTAL	\$102,860	\$102,860
Increase/(Decrease)	(\$7,567)	(\$7,567)
Percentage Change	(6.9%)	(6.9%)
FY 2015-16 Executive Request:	\$102,860	\$102,860
Request Above/(Below) Recommendation	\$0	\$0

Vehicle Lease Payments

This line item funds lease costs of the Department's vehicle fleet.

➔ R3 State Protocol Vehicle

Request: The Department requests a \$3,146 General Fund appropriation in FY 2015-16 for the leasing of a dedicated vehicle for the Protocol Office. This request would annualize in FY 2016-17 to \$9,438.

Analysis: The Protocol Office is involved in planning, preparation, set-up, and take-down of various Department events held around the state and for various other departments of state, including the Governor's office, Lieutenant Governor's office, Public Safety, and the Colorado

Legislative Council. The number of events held annually has remained steady, averaging 61 major events. Events include unit activations, unit departure and return ceremonies, unveilings, changes of command, promotion ceremonies, funeral and memorial services, etc.

A persistent problem is access to an acceptable vehicle that can transport event supplies. The Protocol Office requires an acceptable vehicle for transporting all the necessary equipment from their warehouse at Buckley Air Force Base to events across the state. Examples of event equipment are flags, flag stands, and large plastic totes. The Department believes that the best suited vehicle for their needs is an all-wheel drive, mid-sized, crossover sports utility vehicle (SUV). This vehicle type would provide roughly 64 cubic feet of cargo space, a maximum payload of approximately 1,150 pounds, and a towing capacity of 3,500 pounds.

Recommendation: Staff recommends approval of the request, but requests permission to adjust the specific amounts in accordance with Committee common policy.

➔ NP1 Annual Fleet Vehicle Request

Request: The Department requests a \$578 decrease in appropriations for this line item.

Recommendation: Staff recommends approval of the request, but requests permission to adjust the specific amounts in accordance with Committee common policy.

Request and Recommendation: The Department requests an appropriation of \$50,255 General Fund for this purpose. The request includes an increase of \$3,146 General Fund related to R3 and a decrease of \$578 General Fund related to NP1. **Staff recommendation is pending Committee approval of a common policy for this line item.** Staff requests permission to adjust all pending line items and apply a fund split, once Committee policy is established.

Executive Director and Army National Guard, Vehicle Lease Payments		
	Total Funds	General Fund
FY 2014-15 Appropriation		
H.B. 14-1336 (Long Bill)	\$47,687	\$47,687
TOTAL	\$47,687	\$47,687
FY 2015-16 Recommended Appropriation		
FY 2014-15 Appropriation	\$47,687	\$47,687
R3 State protocol vehicle	3,146	3,146
NP1 Annual fleet vehicle request	(578)	(578)
TOTAL	\$50,255	\$50,255
Increase/(Decrease)	\$2,568	\$2,568
Percentage Change	5.4%	5.4%
FY 2015-16 Executive Request:	\$50,255	\$50,255
Request Above/(Below) Recommendation	\$0	\$0

Leased Space

This line item funds the lease for the offices of the Division of Veterans Affairs.

Request and Recommendation: The Department requests a continuation appropriation of \$44,978 General Fund. **Staff recommends approval of the request.**

Capitol Complex Leased Space

This line item provides funding for the buildings occupied by the Colorado National Guard occupied at Camp George West. The federal government pays a share of the Camp George West utilities costs; it does not pay any of the other Capital complex leased space costs.

Request and Recommendation: The Department requests an appropriation of \$69,148 total funds. **Staff recommendation is pending Committee approval of a common policy for this line item.** Staff requests permission to adjust all pending line items and apply a fund split, once Committee policy is established.

Executive Director and Army National Guard, Capitol Complex Leased Space			
	Total Funds	General Fund	Federal Funds
FY 2014-15 Appropriation			
H.B. 14-1336 (Long Bill)	\$47,548	\$30,050	\$17,498
TOTAL	\$47,548	\$30,050	\$17,498
FY 2015-16 Recommended Appropriation			
FY 2014-15 Appropriation	\$47,548	\$30,050	\$17,498
Centrally appropriated line items	<u>21,600</u>	<u>13,651</u>	<u>7,949</u>
TOTAL	\$69,148	\$43,701	\$25,447
Increase/(Decrease)	\$21,600	\$13,651	\$7,949
Percentage Change	45.4%	45.4%	45.4%
FY 2015-16 Executive Request:	\$69,148	\$43,701	\$25,447
Request Above/(Below) Recommendation	\$0	\$0	\$0

COFRS Modernization

This line item funds a project to replace the statewide accounting system (COFRS) used by the State Controller to record all state revenues and expenditures.

Request and Recommendation: The Department requests an appropriation of \$65,220 General Fund. **Staff recommendation is pending Committee approval of a common policy for this line item.** Staff requests permission to adjust all pending line items and apply a fund split, once Committee policy is established.

Executive Director and Army National Guard, COFRS Modernization			
	Total Funds	General Fund	Federal Funds
FY 2014-15 Appropriation			
H.B. 14-1336 (Long Bill)	\$37,690	\$1,418	\$36,272
S.B. 15-155 (Supplemental)	<u>69,448</u>	<u>55,027</u>	<u>14,421</u>
TOTAL	\$107,138	\$56,445	\$50,693

JBC Staff Figure Setting – FY 2015-16
Staff Working Document – Does Not Represent Committee Decision

Executive Director and Army National Guard, COFRS Modernization			
	Total Funds	General Fund	Federal Funds
FY 2015-16 Recommended Appropriation			
FY 2014-15 Appropriation	\$107,138	\$56,445	\$50,693
Centrally appropriated line items	27,530	945	26,585
Annualize prior year funding	(69,448)	(55,027)	(14,421)
TOTAL	\$65,220	\$2,363	\$62,857
Increase/(Decrease)	(\$41,918)	(\$54,082)	\$12,164
Percentage Change	(39.1%)	(95.8%)	24.0%
FY 2015-16 Executive Request:	\$65,220	\$2,363	\$62,857
Request Above/(Below) Recommendation	\$0	\$0	\$0

Civil Air Patrol Operations

The Civil Air Patrol is a federally-chartered nonprofit organization that serves as a civilian auxiliary of the U.S. Air Force. It has three key missions: emergency services (which includes search and rescue, and disaster relief operations), aerospace education, and cadet programs for teenage youth. The Colorado Wing of the Patrol consists of approximately 2,000 volunteers and has 15 aircraft located around the state. The Colorado Wing receives support from the Federal Government; the Department supports the Wing by providing 1.0 FTE and by paying part of the minor aircraft maintenance and operating expenses.

Request and Recommendation: The Department requests a continuation appropriation of \$58,638 General Fund. **Staff recommends approval of the request.**

Local Armory Incentive Program

This line item provides spending authority for revenues collected for armory rentals and pays for rental-related costs.

Request and Recommendation: The Department requests a continuation appropriation of \$46,610 cash funds. **Staff recommends approval of the request.**

Distance Learning

This line item provides spending authority for revenues received from the use of the Department's distance learning facilities.

Request and Recommendation: The Department requests a continuation appropriation of \$3,000 cash funds from fees on distance learning facilities and equipment. **Staff recommends approval of the request.**

Colorado National Guard Tuition Fund

This line item provides funding for tuition assistance for members of the Colorado National Guard who attend Colorado state universities and colleges.

Request and Recommendation: The Department requests a continuation appropriation of \$1,296,157 total funds, comprised of \$496,157 General Fund and \$800,000 reappropriated funds from the Department of Higher Education. **Staff recommends approval of the request.**

Army National Guard Cooperative Agreement

This line item funds programs that are 100.0 percent federally funded under the Department's cooperative agreements with the U.S. National Guard Bureau for the operations and maintenance of the Colorado Army National Guard program. The line item includes both personal services and operating expenses.

Request and Recommendation: The Department requests an appropriation of \$3,647,331 federal funds and 51.5 FTE. **Staff recommends the approval of the request.**

Executive Director and Army National Guard, Army National Guard Cooperative Agreement			
	Total Funds	Federal Funds	FTE
FY 2014-15 Appropriation			
H.B. 14-1336 (Long Bill)	<u>\$3,647,331</u>	<u>\$3,647,331</u>	<u>51.5</u>
TOTAL	\$3,647,331	\$3,647,331	51.5
FY 2015-16 Recommended Appropriation			
FY 2014-15 Appropriation	\$3,647,331	\$3,647,331	51.5
Annualize prior year funding	<u>99,065</u>	<u>99,065</u>	<u>0.0</u>
TOTAL	\$3,746,396	\$3,746,396	51.5
Increase/(Decrease)	\$99,065	\$99,065	0.0
Percentage Change	2.7%	2.7%	0.0%
FY 2015-16 Executive Request:	\$3,746,396	\$3,746,396	51.5
Request Above/(Below) Recommendation	\$0	\$0	0.0

(2) DIVISION OF VETERANS AFFAIRS

The Division of Veterans Affairs represents veterans in federal benefits claims, provides information and training to county veterans service officers, and operates and maintains the Western Slope Military Veterans Cemetery in Grand Junction. The State Board of Veterans Affairs advises the Division on matters pertaining to veterans, makes grants from the Colorado State Veterans Trust Fund for capital improvements and amenities at state veterans nursing homes; costs of state veterans cemeteries; costs of the Division, and for veterans programs operated by non-profit veterans organizations.

DIVISION REQUEST AND RECOMMENDATION SUMMARY

	Division of Veterans Affairs			Reappropriated Funds	Federal Funds	FTE
	Total Funds	General Fund	Cash Funds			
FY 2014-15 Appropriation						
H.B. 14-1336 (Long Bill)	\$3,410,317	\$2,138,679	\$1,154,738	\$0	\$116,900	17.4
Other legislation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.4</u>
TOTAL	\$3,410,317	\$2,138,679	\$1,154,738	\$0	\$116,900	17.8
FY 2015-16 Recommended Appropriation						
FY 2014-15 Appropriation	\$3,410,317	\$2,138,679	\$1,154,738	\$0	\$116,900	17.8
R2 County veteran service officer payment increase	0	0	0	0	0	0.0
Annualize prior year legislation	0	0	0	0	0	0.1
Annualize prior year funding	30,682	26,985	3,697	0	0	0.1
Tobacco master settlement agreement adjustment	<u>(3,230)</u>	<u>0</u>	<u>(3,230)</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
TOTAL	\$3,437,769	\$2,165,664	\$1,155,205	\$0	\$116,900	18.0
Increase/(Decrease)	\$27,452	\$26,985	\$467	\$0	\$0	0.2
Percentage Change	0.8%	1.3%	0.0%	0.0%	0.0%	1.1%
FY 2015-16 Executive Request:	\$3,907,625	\$2,632,290	\$1,158,435	\$0	\$116,900	18.0
Request Above/(Below) Recommendation	\$469,856	\$466,626	\$3,230	\$0	\$0	(0.0)

LINE ITEM DETAIL – DIVISION OF VETERANS AFFAIRS

Veterans Service Operations

This line item funds salaries, operating and administrative expenses of the Division of Veterans Affairs. These FTE are responsible for assisting veterans in obtaining federal and state benefits, and provide training and support to county veterans service officers. The Department requests \$834,127 total funds including \$791,930 General Fund, and 12.0 FTE for this purpose.

Request and Recommendation: The Department requests \$834,127 total funds, including \$791,930 General Fund and 12.0 FTE for this purpose. **Staff recommends the Committee approve the request** and the fund splits included in the following table.

JBC Staff Figure Setting – FY 2015-16
Staff Working Document – Does Not Represent Committee Decision

Division of Veterans Affairs, Veterans Service Operations				
	Total Funds	General Fund	Cash Funds	FTE
FY 2014-15 Appropriation				
H.B. 14-1336 (Long Bill)	<u>\$811,896</u>	<u>\$769,699</u>	<u>\$42,197</u>	<u>12.0</u>
TOTAL	\$811,896	\$769,699	\$42,197	12.0
FY 2015-16 Recommended Appropriation				
FY 2014-15 Appropriation	\$811,896	\$769,699	\$42,197	12.0
Annualize prior year funding	<u>22,231</u>	<u>22,231</u>	<u>0</u>	<u>0.0</u>
TOTAL	\$834,127	\$791,930	\$42,197	12.0
Increase/(Decrease)	\$22,231	\$22,231	\$0	0.0
Percentage Change	2.7%	2.9%	0.0%	0.0%
FY 2015-16 Executive Request:	\$834,127	\$791,930	\$42,197	12.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	0.0

County Veterans Service Officer Payments

This line item funds payments to counties for administrative support of county veterans service officers. Section 28-5-801 (1), C.R.S. requires each county to appoint a County Veterans Service Officer (CVSO). The state makes assistance payments to the counties part-time and full-time officers, the rate of which is set by the Department.



R2 County Veterans Service Officer Payments Increase

Request: The Department requests a \$466,626 General Fund appropriation in FY 2015-16 to increase the assistance payment rate to counties in support of their County Veterans Service Officers (CVSO).

Analysis: During the Department's briefing, staff recommended the Committee sponsor legislation to address ambiguous language in Section 28-5-707 (1) (a), C.R.S., which has led to improper administration of these payments. This Section authorizes the Division of Veterans Affairs (DVA) to make assistance payments to counties for the operation of their veteran service office, which includes the employment of a CVSO. **The amount of the assistance payments made by the DVA currently cannot exceed the amount a county has budgeted for the operation of their veterans service office.** This 1:1 matching requirement applies to expenses associated with the operation of county veterans service offices, which includes the employment of a CVSO and their support staff. If two or more adjacent counties choose to create a partnership to share a CVSO, the county that houses the officer may receive payments up to the sum of the payments that each individual county would have received. A county must provide documentation to the DVA of the amounts they have budgeted for their veterans service office.

Taken in full, statute sets three limits on the amount counties can receive for CVSO payments:

1. The amount each county has budgeted for their veterans service office and officer;
2. The appropriation for CVSO assistance payments set by the General Assembly; and
3. The limit of one officially appointed CVSO per county (Section 28-5-801 (1), C.R.S.).

Program Administration

As the program is currently administered, the DVA ignores this matching requirement because they have misinterpreted Section 28-5-707 (1) (a), C.R.S. The DVA incorrectly assumes that their CVSO assistance payments are separate from any overall assistance provided counties for the operation of their veterans service office; therefore, the CVSO payments are not subject to the limits set in statute. If the program continues to operate under the DVA's interpretation of current statute, the increase in the payment rate to counties for their CVSO will result in a significant increase in the number of state assistance payments exceeding statutory limits. This increase is shown in the following table.

Estimated Number of State Assistance Payments to Counties in Noncompliance with Current Statutory Limit		
	Funding Total for Line Item	Number of Payments
Cont. of FY 2014-15 Appropriation	\$190,654	2
Department FY 2015-16 Request	\$657,280	21

Assuming continuation level funding for this line item, noncompliant payments represent approximately 3.1 percent of all payments. If the Department's request is approved and statute is not adjusted, noncompliant payments will increase to over 32.8 percent of all payments.

Program Funding

The Department reports that of the \$190,654 appropriated to the DVA for the CVSO payments in FY 2014-15, \$103,054 was utilized for a pilot program to increase the scope and visibility of local veteran service offices in counties including Larimer, El Paso, Douglas, Park, and Arapahoe. The remaining \$87,600 was used for payments for CVSOs across all counties. The DVA plans to end the pilot program, which they consider a success, and use those funds for CVSO payments to all counties. The Department's FY 2015-16 appropriation request for this line item would increase the hourly rate to \$8.00 for full-time and part-time CVSOs.

The following table shows a comparison of the current assistance payment rate with two alternative funding scenarios. Alternative 1 assumes that appropriations for the CVSO Payments line item remain at its current level and the DVA re-purposes the funding from its pilot program to support payments across all counties. Alternative 2 assumes that the Department's request is approved. In both alternative cases, the payment rate increases.

CVSO Payment Rate Comparison: Current Rate vs. Two Alternatives				
	Hourly rate	Annual Rate per County	Counties at Rate	Annual Total
DMVA FY 2014-15 Payment Rate				
Full-time FTE	\$1.15	\$2,400	12	\$28,800
Part-time FTE	1.15	1,200	49	58,800
			Total	\$87,600
Payment Rate at Current Appropriation (Alt. 1)				
Full-time FTE	\$2.31	\$4,800	15	\$72,000

CVSO Payment Rate Comparison: Current Rate vs. Two Alternatives				
	Hourly rate	Annual Rate per County	Counties at Rate	Annual Total
Part-time FTE	2.31	2,400	49	117,600
			Total	\$189,600
FY 15-16 Requested Payment Rate (Alt. 2)				
Full-time FTE	\$8.00	\$16,640	15	\$249,600
Part-time FTE	8.00	8,320	49	407,680
			Total	\$657,280

Proposed Legislation

The proposed legislation before the Committee clarifies statutory language and adjusts the matching requirement for state assistance payments for CVSOs. The legislation clarifies that CVSO assistance payments are a sub-set of overall county assistance payments made by the state. The legislation further **creates a two-tiered qualification system that will allow the DVA to make a 2:1 (state to county) assistance payment to any county ranked in the bottom 60th percentile of counties based on the total assessed value of property in each county.** Counties that are not in the bottom 60th percentile will still be subject to the 1:1 matching requirement currently in statute. Below is a summary table of the qualification criteria and number of impacted counties and veterans. The number of veterans in counties is based off statistics provided by the U.S. Department of Veterans Affairs.

2013 Assessed Valuation: County and Veterans Population Percentile Breakdown			
Percentile	Quintiles	Counties within Percentile	No. of Vets in Counties
Min	\$39,309,266	1	81
20	105,490,923	13	4,177
40	232,704,709	26	13,083
60	487,396,144	38	37,934
80	1,832,673,414	51	88,633
Max	\$11,264,201,810	64	413,271

Staff estimates the number of counties that have not budgeted any funding for their CVSOs is three, one of which partners with a neighboring county to provide services and another provides funding for operating expenses. Of the 38 counties that would qualify for the 2:1 matching assistance payments, 35 currently employ part-time CVSOs. Half of the qualifying counties have budgeted less than or equal to \$3,108 for their officer. The following table shows a basic breakdown of the 38 qualifying counties' CVSO salary budgets.

County Budgets for Veterans Service Officer Salaries: Bottom 60th percentile	
Minimum	\$0
50th Percentile	3,108
Average	9,082
Maximum	\$38,874

Funding Impact of Proposed Legislation

Analysis of the proposed legislation shows that **to fully fund the CVSO assistance payment program, the General Assembly would need to appropriate total funds of \$998,400.** The following assumptions are used to reach this total: 1) an hourly rate of \$8.00 for full-time and part-time CVSO assistance payments; 2) counties maintain their current CVSO FTE levels; and 3) counties adjust their budgets to maximize their state assistance payments. This represents a \$341,120 increase to the Department's request.

Due to the 2:1 matching provision for qualified counties in the proposed legislation, a qualified county with a part-time CVSO would be eligible for a state assistance payment of \$16,640. A qualified county with a full-time CVSO would be eligible for a state assistance payment of \$33,280. The following table shows a breakdown of total maximum assistance payments by qualified and non-qualified counties for part-time and full-time assistance payments, based on the assumptions stated in the previous paragraph.

Proposed Legislation: Total CVSO Assistance Payment Program Funding		
	Number of Counties	Total Assistance Payments
Qualified Counties - Part-time	35	\$582,400
Qualified Counties - Full-Time	3	99,840
Non-qualified counties - Part-time	14	116,480
Non-qualified counties - Full-time	12	199,680
<i>Total Funding</i>		\$998,400

Recommendation: Staff recommends the following:

- **The Committee approves continuation level appropriation of \$190,654 General Fund for the Long Bill.**
- **The Committee sponsor legislation to clarify the language in Section 28-5-707, C.R.S., to ensure that program administration and statute are harmonized, and include an additional \$807,746 General Fund appropriation to fully fund the assistance payment program.**

Division of Veterans Affairs, County Veterans Service Officer Payments			
	Total Funds	General Fund	FTE
FY 2014-15 Appropriation			
H.B. 14-1336 (Long Bill)	\$190,654	\$190,654	0.0
TOTAL	\$190,654	\$190,654	0.0
FY 2015-16 Recommended Appropriation			
FY 2014-15 Appropriation	\$190,654	\$190,654	0.0
R2 County veteran service officer payment increase	0	0	0.0
TOTAL	\$190,654	\$190,654	0.0
Increase/(Decrease)	\$0		0.0
Percentage Change	0.0%	0.0%	0.0%
FY 2015-16 Executive Request:	\$657,280	\$657,280	0.0
Request Above/(Below) Recommendation	\$466,626	\$466,626	0.0

Colorado State Veterans Trust Fund Expenditures

The Colorado State Veterans Trust fund is funded by a transfer of one percent of the revenue that the State receives from the Tobacco Master Settlement Agreement (MSA), up to a maximum of \$1.0 million per fiscal year. Pursuant to Section 28-5-709 (3) (c), C.R.S., 90.0 percent of the moneys transferred, plus accumulated interest earned by the Trust, are subject to annual appropriation by the General Assembly. These funds can be used for capital improvements and amenities at state veterans nursing homes; costs of state veterans cemeteries; costs of the Division, and for veterans programs operated by non-profit veterans organizations.

Request and Recommendation: The Department requests a continuation appropriation of \$880,000 cash funds. **Staff recommends \$876,770 cash funds**, which reflects 90.0 percent of the anticipated tobacco transfer for FY 2015-16 and available interest in the fund. **Staff further recommends the inclusion of a new Request for Information (RFI) for this line item** and permission to update the line item once the Committee approves the language. The specific language for this request will be presented on February 19, 2015 during the Department of Public Health and Environment figure setting presentation.

Division of Veterans Affairs, Colorado State Veterans Trust Fund Expenditures		
	Total Funds	Cash Funds
FY 2014-15 Appropriation		
H.B. 14-1336 (Long Bill)	\$880,000	\$880,000
TOTAL	\$880,000	\$880,000
FY 2015-16 Recommended Appropriation		
FY 2014-15 Appropriation	\$880,000	\$880,000
Tobacco master settlement agreement adjustment	(3,230)	(3,230)
TOTAL	\$876,770	\$876,770
Increase/(Decrease)	(\$3,230)	(\$3,230)
Percentage Change	(0.4%)	(0.4%)
FY 2015-16 Executive Request:	\$880,000	\$880,000
Request Above/(Below) Recommendation	\$3,230	\$3,230

Mental Health, Employment, Housing and other Veterans Services

This line item was added during conference committee for the Long Bill in FY 2012-13. The moneys are used to provide grants to non-profit and governmental agencies providing services to Veterans.

Request and Recommendation: The Department requests an appropriation of \$1.0 million General Fund and 0.5 FTE. **Staff recommends approval of the request.**

Division of Veterans Affairs, Mental Health, Employment, Housing and Other Veterans Services			
	Total Funds	General Fund	FTE
FY 2014-15 Appropriation			
H.B. 14-1336 (Long Bill)	\$1,000,000	\$1,000,000	0.0

JBC Staff Figure Setting – FY 2015-16
Staff Working Document – Does Not Represent Committee Decision

Division of Veterans Affairs, Mental Health, Employment, Housing and Other Veterans Services			
	Total Funds	General Fund	FTE
Other legislation	<u>0</u>	<u>0</u>	<u>0.4</u>
TOTAL	\$1,000,000	\$1,000,000	0.4
FY 2015-16 Recommended Appropriation			
FY 2014-15 Appropriation	\$1,000,000	\$1,000,000	0.4
Annualize prior year legislation	<u>0</u>	<u>0</u>	<u>0.1</u>
TOTAL	\$1,000,000	\$1,000,000	0.5
Increase/(Decrease)	\$0	\$0	0.1
Percentage Change	0.0%	0.0%	25.0%
FY 2015-16 Executive Request:	\$1,000,000	\$1,000,000	0.5
Request Above/(Below) Recommendation	\$0	\$0	0.0

Western Slope Military Veterans Cemetery

This line item provides funding for personal services costs for the cemetery, as well as for cemetery operating costs such as utilities, routine maintenance, minor construction and improvement, and administrative costs.

Request and Recommendation: The Department requests an appropriation of \$536,218 total funds and 5.5 FTE. **Staff recommends approval of the request** and the fund splits included in the following table.

Division of Veterans Affairs, Western Slope Veterans Cemetery					
	Total Funds	General Fund	Cash Funds	Federal Funds	FTE
FY 2014-15 Appropriation					
H.B. 14-1336 (Long Bill)	<u>\$527,767</u>	<u>\$178,326</u>	<u>\$232,541</u>	<u>\$116,900</u>	<u>5.4</u>
TOTAL	\$527,767	\$178,326	\$232,541	\$116,900	5.4
FY 2015-16 Recommended Appropriation					
FY 2014-15 Appropriation	\$527,767	\$178,326	\$232,541	\$116,900	5.4
Annualize prior year funding	<u>8,451</u>	<u>4,754</u>	<u>3,697</u>	<u>0</u>	<u>0.1</u>
TOTAL	\$536,218	\$183,080	\$236,238	\$116,900	5.5
Increase/(Decrease)	\$8,451	\$4,754	\$3,697	\$0	0.1
Percentage Change	1.6%	2.7%	1.6%	0.0%	1.9%
FY 2015-16 Executive Request:	\$536,218	\$183,080	\$236,238	\$116,900	5.5
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	0.0

(3) AIR NATIONAL GUARD

This Division funds the State's share of the costs of the Colorado Air National Guard and represents some of the related federal funding. The federal government fully funds National Guard training and provides most of the funding for construction of armories and other military facilities.

DIVISION REQUEST AND RECOMMENDATION SUMMARY

	Air National Guard					FTE
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	
FY 2014-15 Appropriation						
H.B. 14-1336 (Long Bill)	<u>\$3,353,431</u>	<u>\$376,085</u>	<u>\$0</u>	<u>\$0</u>	<u>\$2,977,346</u>	<u>48.6</u>
TOTAL	\$3,353,431	\$376,085	\$0	\$0	\$2,977,346	48.6
FY 2015-16 Recommended Appropriation						
FY 2014-15 Appropriation	\$3,353,431	\$376,085	\$0	\$0	\$2,977,346	48.6
Annualize prior year funding	<u>93,047</u>	<u>12,181</u>	<u>0</u>	<u>0</u>	<u>80,866</u>	<u>0.0</u>
TOTAL	\$3,446,478	\$388,266	\$0	\$0	\$3,058,212	48.6
Increase/(Decrease)	\$93,047	\$12,181	\$0	\$0	\$80,866	0.0
Percentage Change	2.8%	3.2%	0.0%	0.0%	2.7%	0.0%
FY 2015-16 Executive Request:	\$3,446,478	\$388,266	\$0	\$0	\$3,058,212	48.6
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

LINE ITEM DETAIL – AIR NATIONAL GUARD

Operations and maintenance agreement for Buckley/Greeley

This line item provides General Fund support and reflects federal support for the operations and maintenance costs of the Air National Guard activities that are housed at Buckley Air Force Base and Greeley. These costs include personal services, operating expenses, and utilities. The portion of General Fund and federal funds is based on the annual cooperative agreement between the Department and the U.S. Department of Defense.

Request and Recommendation: The Department requests \$2,114,435 total funds and 26.1 FTE for this line item. **Staff recommends approval of the request** and the fund splits included in the following table.

Air National Guard, Operations and Maintenance Agreement for Buckley/Greeley				
	Total Funds	General Fund	Federal Funds	FTE
FY 2014-15 Appropriation				
H.B. 14-1336 (Long Bill)	<u>\$2,056,610</u>	<u>\$376,085</u>	<u>\$1,680,525</u>	<u>26.1</u>
TOTAL	\$2,056,610	\$376,085	\$1,680,525	26.1
FY 2015-16 Recommended Appropriation				
FY 2014-15 Appropriation	\$2,056,610	\$376,085	\$1,680,525	26.1
Annualize prior year funding	<u>57,825</u>	<u>12,181</u>	<u>45,644</u>	<u>0.0</u>
TOTAL	\$2,114,435	\$388,266	\$1,726,169	26.1

JBC Staff Figure Setting – FY 2015-16
Staff Working Document – Does Not Represent Committee Decision

Air National Guard, Operations and Maintenance Agreement for Buckley/Greeley				
	Total Funds	General Fund	Federal Funds	FTE
Increase/(Decrease)	\$57,825	\$12,181	\$45,644	0.0
Percentage Change	2.8%	3.2%	2.7%	0.0%
FY 2015-16 Executive Request:	\$2,114,435	\$388,266	\$1,726,169	26.1
Request Above/(Below) Recommendation	\$0	\$0	\$0	0.0

Buckley Cooperative Agreement

This line item reflects the federal contribution for operations and maintenance of the Air National Guard. It funds personal services, operating expenses, and utilities.

Request and Recommendation: The Department requests \$1,092,616 Federal Funds and 17.5 FTE. **Staff recommends approval of the request.**

Air National Guard, Buckley Cooperative Agreement			
	Total Funds	Federal Funds	FTE
FY 2014-15 Appropriation			
H.B. 14-1336 (Long Bill)	<u>\$1,063,725</u>	<u>\$1,063,725</u>	<u>17.5</u>
TOTAL	\$1,063,725	\$1,063,725	17.5
FY 2015-16 Recommended Appropriation			
FY 2014-15 Appropriation	\$1,063,725	\$1,063,725	17.5
Annualize prior year funding	<u>28,891</u>	<u>28,891</u>	<u>0.0</u>
TOTAL	\$1,092,616	\$1,092,616	17.5
Increase/(Decrease)	\$28,891	\$28,891	0.0
Percentage Change	2.7%	2.7%	0.0%
FY 2015-16 Executive Request:	\$1,092,616	\$1,092,616	17.5
Request Above/(Below) Recommendation	\$0	\$0	0.0

Security for Space Command Facility at Greeley

The federal government pays the State to employ five full-time security guards at the Greeley facility.

Request and Recommendation: The Department requests \$239,427 federal funds and 5.0 FTE for this purpose. **Staff recommends approval the request.**

Air National Guard, Security for Space Command Facility at Greeley			
	Total Funds	Federal Funds	FTE
FY 2014-15 Appropriation			
H.B. 14-1336 (Long Bill)	<u>\$233,096</u>	<u>\$233,096</u>	<u>5.0</u>
TOTAL	\$233,096	\$233,096	5.0
FY 2015-16 Recommended Appropriation			
FY 2014-15 Appropriation	\$233,096	\$233,096	5.0
Annualize prior year funding	<u>6,331</u>	<u>6,331</u>	<u>0.0</u>
TOTAL	\$239,427	\$239,427	5.0
Increase/(Decrease)	\$6,331	\$6,331	0.0

JBC Staff Figure Setting – FY 2015-16
Staff Working Document – Does Not Represent Committee Decision

Air National Guard, Security for Space Command Facility at Greeley			
	Total Funds	Federal Funds	FTE
Percentage Change	2.7%	2.7%	0.0%
FY 2015-16 Executive Request:	\$239,427	\$239,427	5.0
Request Above/(Below) Recommendation	\$0	\$0	0.0

(4) FEDERAL FUNDED PROGRAMS

This section is included for informational purposes only, and describes federal funding that is managed by the Department but is not subject to appropriation by the General Assembly. These programs provide training one weekend per month and two weeks per year for members of the Colorado National Guard.

DIVISION REQUEST AND RECOMMENDATION SUMMARY

	Federal Funded Programs					FTE
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	
FY 2014-15 Appropriation						
H.B. 14-1336 (Long Bill)	\$205,646,369	\$0	\$0	\$0	\$205,646,369	1,239.0
TOTAL	\$205,646,369	\$0	\$0	\$0	\$205,646,369	1,239.0
FY 2015-16 Recommended Appropriation						
FY 2014-15 Appropriation	\$205,646,369	\$0	\$0	\$0	\$205,646,369	1,239.0
TOTAL	\$205,646,369	\$0	\$0	\$0	\$205,646,369	1,239.0
Increase/(Decrease)	\$0	\$0	\$0	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FY 2015-16 Executive Request:	\$205,646,369	\$0	\$0	\$0	\$205,646,369	1,239.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

LINE ITEM DETAIL – FEDERAL FUNDED PROGRAMS

Federal Funded Programs Operations

This line item combines the personal services, operation and maintenance, construction and special programs that do not flow through the state.

Request and Recommendation: The Department requests a continuation appropriation of \$205,646,369 federal funds and 1,239.0 FTE for FY 2015-16. **Staff recommends approval of the request.**

Long Bill Footnotes and Requests for Information

LONG BILL FOOTNOTES

Staff recommends the following footnote be continued:

Department of Military and Veterans Affairs, Division of Veterans Affairs, Mental Health, Employment, Housing and Other Veterans Services -- These moneys will be granted to non-profit or governmental entities that provide mental health, family counseling, job training, employment, housing, and other services to veterans; and that the Colorado Board of Veterans Affairs assist the Division in developing grant-making criteria and selecting grant recipients. Up to three percent of this appropriation may be used for related administrative expenses incurred by the department.

REQUESTS FOR INFORMATION

Specific language for a Request For Information regarding the transfer of Tobacco Master Settlement moneys to the Colorado State Veterans Trust Fund is pending Committee approval.

JBC Staff Staff Figure Setting - FY 2015-16
Staff Working Document - Does Not Represent Committee Decision

Appendix A: Number Pages

	FY 2012-13 Actual	FY 2013-14 Actual	FY 2014-15 Appropriation	FY 2015-16 Request	FY 2015-16 Recommendation
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DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

H. Michael Edwards, Adjutant General

(1) EXECUTIVE DIRECTOR AND ARMY NATIONAL GUARD

Provides trained and ready forces to the U.S. active armed services and provides trained and ready forces for the preservation of life and property during natural disasters and civil emergencies in Colorado. The cash funds sources are armory rental fees, the Western Slope Military Veterans Cemetery Fund; real estate proceeds; and the Distance Learning Cash Fund. Reappropriated funds are from the Department of Higher Education.

Personal Services	<u>2,013,630</u>	<u>1,977,127</u>	<u>2,179,514</u>	<u>2,307,359</u>	<u>2,307,359</u> *
FTE	30.2	30.0	34.3	35.2	35.2
General Fund	1,795,942	1,735,300	1,938,443	2,059,707	2,059,707
Cash Funds	0	0	3,907	4,046	4,046
Federal Funds	217,688	241,827	237,164	243,606	243,606
Health, Life, and Dental	<u>214,930</u>	<u>240,675</u>	<u>824,533</u>	<u>1,150,847</u>	<u>941,350</u> *
General Fund	196,640	224,839	244,983	339,592	294,831
Cash Funds	18,290	15,836	15,836	16,819	17,187
Federal Funds	0	0	563,714	794,436	629,332
Short-term Disability	<u>4,119</u>	<u>4,232</u>	<u>15,991</u>	<u>16,734</u>	<u>16,619</u> *
General Fund	3,998	4,092	5,777	5,620	5,505
Cash Funds	121	140	232	171	171
Federal Funds	0	0	9,982	10,943	10,943
S.B. 04-257 Amortization Equalization					
Disbursement	<u>73,739</u>	<u>80,344</u>	<u>308,254</u>	<u>353,378</u>	<u>351,072</u> *
General Fund	71,536	77,552	110,913	118,530	116,224
Cash Funds	2,203	2,792	4,451	3,592	3,592
Federal Funds	0	0	192,890	231,256	231,256

* This line item includes a decision item

P - This line item is pending. The figure shown reflects the request amount.

JBC Staff Staff Figure Setting - FY 2015-16
Staff Working Document - Does Not Represent Committee Decision

	FY 2012-13 Actual	FY 2013-14 Actual	FY 2014-15 Appropriation	FY 2015-16 Request	FY 2015-16 Recommendation
S.B. 06-235 Supplemental Amortization					
Equalization Disbursement	<u>63,075</u>	<u>226,207</u>	<u>288,988</u>	<u>341,330</u>	<u>339,103</u> *
General Fund	61,182	69,777	103,981	114,489	112,262
Cash Funds	1,893	2,520	4,173	3,469	3,469
Federal Funds	0	153,910	180,834	223,372	223,372
Salary Survey	<u>0</u>	<u>102,808</u>	<u>207,008</u>	<u>96,157</u>	<u>96,157</u>
General Fund	0	99,159	74,787	37,390	37,390
Cash Funds	0	3,649	3,009	893	893
Federal Funds	0	0	129,212	57,874	57,874
Merit Pay	<u>0</u>	<u>39,676</u>	<u>86,174</u>	<u>94,496</u>	<u>94,496</u>
General Fund	0	38,188	28,187	31,592	31,592
Cash Funds	0	1,488	827	906	906
Federal Funds	0	0	57,160	61,998	61,998
Shift Differential	<u>24,020</u>	<u>20,864</u>	<u>26,806</u>	<u>23,285</u>	<u>23,285</u>
Federal Funds	24,020	20,864	26,806	23,285	23,285
Workers' Compensation	<u>67,511</u>	<u>77,843</u>	<u>83,494</u>	<u>80,350</u>	<u>80,350</u> P
General Fund	22,954	26,863	28,805	27,705	27,705
Federal Funds	44,557	50,980	54,689	52,645	52,645
Operating Expenses	<u>2,204,153</u>	<u>2,774,087</u>	<u>2,367,685</u>	<u>2,373,338</u>	<u>2,373,338</u> *
General Fund	1,161,474	1,167,398	1,479,980	1,485,633	1,485,633
Cash Funds	0	0	46,000	46,000	46,000
Federal Funds	1,042,679	1,606,689	841,705	841,705	841,705

* This line item includes a decision item

P - This line item is pending. The figure shown reflects the request amount.

JBC Staff Staff Figure Setting - FY 2015-16
Staff Working Document - Does Not Represent Committee Decision

	FY 2012-13 Actual	FY 2013-14 Actual	FY 2014-15 Appropriation	FY 2015-16 Request	FY 2015-16 Recommendation
Information Technology Asset Maintenance	<u>21,812</u>	<u>22,325</u>	<u>22,372</u>	<u>22,372</u>	<u>22,372</u>
General Fund	21,812	22,325	22,372	22,372	22,372
Legal Services	<u>4,065</u>	<u>1,633</u>	<u>10,891</u>	<u>10,396</u>	<u>10,396</u> P
General Fund	4,065	1,633	10,891	10,396	10,396
Payments to OIT	<u>0</u>	<u>0</u>	<u>536,402</u>	<u>240,919</u>	<u>240,919</u> P
General Fund	0	0	536,402	240,919	240,919
Purchase of Services from Computer Center	<u>335,207</u>	<u>434,505</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	335,207	434,505	0	0	0
Multiuse Network Payments	<u>92,051</u>	<u>86,378</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	92,051	86,378	0	0	0
Payment to Risk Management and Property Funds	<u>161,082</u>	<u>65,699</u>	<u>110,427</u>	<u>102,860</u>	<u>102,860</u> P
General Fund	161,082	65,699	110,427	102,860	102,860
Vehicle Lease Payments	<u>33,964</u>	<u>10,501</u>	<u>47,687</u>	<u>50,255</u>	<u>50,255</u> *P
General Fund	33,964	10,501	47,687	50,255	50,255
Leased Space	<u>44,193</u>	<u>44,977</u>	<u>44,978</u>	<u>44,978</u>	<u>44,978</u>
General Fund	44,193	44,977	44,978	44,978	44,978

* This line item includes a decision item

P - This line item is pending. The figure shown reflects the request amount.

JBC Staff Staff Figure Setting - FY 2015-16
Staff Working Document - Does Not Represent Committee Decision

	FY 2012-13 Actual	FY 2013-14 Actual	FY 2014-15 Appropriation	FY 2015-16 Request	FY 2015-16 Recommendation
Capitol Complex Leased Space	<u>75,101</u>	<u>87,165</u>	<u>47,548</u>	<u>69,148</u>	<u>69,148</u> P
General Fund	46,391	59,616	30,050	43,701	43,701
Federal Funds	28,710	27,549	17,498	25,447	25,447
Communication Services Payments	<u>26,235</u>	<u>19,898</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	26,235	19,898	0	0	0
COFRS Modernization	<u>0</u>	<u>1,418</u>	<u>107,138</u>	<u>65,220</u>	<u>65,220</u> P
General Fund	0	1,418	56,445	2,363	2,363
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	50,693	62,857	62,857
Civil Air Patrol Operations	<u>56,153</u>	<u>41,504</u>	<u>58,638</u>	<u>58,638</u>	<u>58,638</u>
General Fund	56,153	41,504	58,638	58,638	58,638
Information Technology Security	<u>0</u>	<u>5,692</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	5,692	0	0	0
Local Armory Incentive Plan	<u>16,434</u>	<u>17,167</u>	<u>46,610</u>	<u>46,610</u>	<u>46,610</u>
Cash Funds	16,434	17,167	46,610	46,610	46,610
Distance Learning	<u>0</u>	<u>0</u>	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	3,000	3,000	3,000
Colorado National Guard Tuition fund	<u>993,818</u>	<u>1,252,380</u>	<u>1,296,157</u>	<u>1,296,157</u>	<u>1,296,157</u>
General Fund	246,157	496,157	496,157	496,157	496,157
Reappropriated Funds	747,661	756,223	800,000	800,000	800,000

* This line item includes a decision item

P - This line item is pending. The figure shown reflects the request amount.

JBC Staff Staff Figure Setting - FY 2015-16
Staff Working Document - Does Not Represent Committee Decision

	FY 2012-13 Actual	FY 2013-14 Actual	FY 2014-15 Appropriation	FY 2015-16 Request	FY 2015-16 Recommendation
Army National Guard Cooperative Agreement	<u>5,773,803</u>	<u>5,662,102</u>	<u>3,647,331</u>	<u>3,746,396</u>	<u>3,746,396</u>
FTE	55.8	55.7	51.5	51.5	51.5
Federal Funds	5,773,803	5,662,102	3,647,331	3,746,396	3,746,396
Comprehensive Report on the Value of United States Military Activities Fund	<u>0</u>	<u>0</u>	<u>300,000</u>	<u>0</u>	<u>0</u>
General Fund	0	0	300,000	0	0
Comprehensive Report on the Value of United States Military Activities	<u>0</u>	<u>0</u>	<u>300,000</u>	<u>0</u>	<u>0</u>
Reappropriated Funds	0	0	300,000	0	0
TOTAL - (1) Executive Director and Army National Guard	12,299,095	13,297,207	12,967,626	12,594,223	12,380,078
FTE	<u>86.0</u>	<u>85.7</u>	<u>85.8</u>	<u>86.7</u>	<u>86.7</u>
General Fund	4,381,036	4,733,471	5,729,903	5,292,897	5,243,488
Cash Funds	38,941	43,592	128,045	125,506	125,874
Reappropriated Funds	747,661	756,223	1,100,000	800,000	800,000
Federal Funds	7,131,457	7,763,921	6,009,678	6,375,820	6,210,716

* This line item includes a decision item

P - This line item is pending. The figure shown reflects the request amount.

JBC Staff Staff Figure Setting - FY 2015-16
Staff Working Document - Does Not Represent Committee Decision

	FY 2012-13 Actual	FY 2013-14 Actual	FY 2014-15 Appropriation	FY 2015-16 Request	FY 2015-16 Recommendation
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(2) DIVISION OF VETERANS AFFAIRS

The Division represents veterans in federal benefits claims, provides information and training to county veterans service officers, and maintains the Western Slope Veterans' Cemetery in Grand Junction. The State Board of Veterans Affairs makes grants to veterans service organizations from the Veterans Trust Fund, which is derived from tobacco settlement proceeds.

Veterans Service Operations	<u>531,942</u>	<u>633,723</u>	<u>811,896</u>	<u>834,127</u>	<u>834,127</u>
FTE	8.4	12.0	12.0	12.0	12.0
General Fund	507,684	603,689	769,699	791,930	791,930
Cash Funds	24,258	30,034	42,197	42,197	42,197
Reappropriated Funds	0	0	0	0	0
County Veterans Service Officer Payments	<u>178,854</u>	<u>184,600</u>	<u>190,654</u>	<u>657,280</u>	<u>190,654</u> *
General Fund	178,854	184,600	190,654	657,280	0
Colorado State Veterans Trust Fund Expenditures	<u>871,330</u>	<u>770,120</u>	<u>880,000</u>	<u>880,000</u>	<u>876,770</u>
Cash Funds	871,330	770,120	880,000	880,000	876,770
Mental Health, Employment, Housing and Other					
Veterans Services	<u>963,336</u>	<u>943,435</u>	<u>1,000,000</u> 0.4	<u>1,000,000</u> 0.5	<u>1,000,000</u> 0.5
FTE	0	0	0.4	0.5	0.5
General Fund	963,336	943,435	1,000,000	1,000,000	1,000,000
Western Slope Veterans Cemetery	<u>379,901</u>	<u>292,938</u>	<u>527,767</u>	<u>536,218</u>	<u>536,218</u>
FTE	5.0	4.5	5.4	5.5	5.5
General Fund	128,448	131,471	178,326	183,080	183,080
Cash Funds	201,047	161,467	232,541	236,238	236,238
Federal Funds	50,406	0	116,900	116,900	116,900

* This line item includes a decision item

P - This line item is pending. The figure shown reflects the request amount.

JBC Staff Staff Figure Setting - FY 2015-16
Staff Working Document - Does Not Represent Committee Decision

	FY 2012-13 Actual	FY 2013-14 Actual	FY 2014-15 Appropriation	FY 2015-16 Request	FY 2015-16 Recommendation
TOTAL - (2) Division of Veterans Affairs	2,925,363	2,824,816	3,410,317	3,907,625	3,437,769
<i>FTE</i>	<u>13.4</u>	<u>16.5</u>	<u>17.8</u>	<u>18.0</u>	<u>18.0</u>
General Fund	1,778,322	1,863,195	2,138,679	2,632,290	2,165,664
Cash Funds	1,096,635	961,621	1,154,738	1,158,435	1,155,205
Reappropriated Funds	0	0	0	0	0
Federal Funds	50,406	0	116,900	116,900	116,900

* This line item includes a decision item

P - This line item is pending. The figure shown reflects the request amount.

JBC Staff Staff Figure Setting - FY 2015-16
Staff Working Document - Does Not Represent Committee Decision

	FY 2012-13 Actual	FY 2013-14 Actual	FY 2014-15 Appropriation	FY 2015-16 Request	FY 2015-16 Recommendation
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(3) AIR NATIONAL GUARD

Provides ready forces to the U.S. active armed services and provides ready forces for the preservation of life and property during natural disasters and in Colorado.

Operations and Maintenance Agreement for

Buckley/Greeley	<u>1,341,494</u>	<u>1,374,954</u>	<u>2,056,610</u>	<u>2,114,435</u>	<u>2,114,435</u>
FTE	16.9	16.6	26.1	26.1	26.1
General Fund	354,247	362,084	376,085	388,266	388,266
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	987,247	1,012,870	1,680,525	1,726,169	1,726,169

Buckley Cooperative Agreement

FTE	<u>21.9</u>	<u>19.8</u>	<u>17.5</u>	<u>17.5</u>	<u>17.5</u>
Federal Funds	1,757,091	1,683,175	1,063,725	1,092,616	1,092,616

Security for Space Command Facility at Greeley

FTE	<u>6.5</u>	<u>6.3</u>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>
Federal Funds	360,355	367,313	233,096	239,427	239,427

TOTAL - (3) Air National Guard	3,458,940	3,425,442	3,353,431	3,446,478	3,446,478
<i>FTE</i>	<u>45.3</u>	<u>42.7</u>	<u>48.6</u>	<u>48.6</u>	<u>48.6</u>
General Fund	354,247	362,084	376,085	388,266	388,266
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	3,104,693	3,063,358	2,977,346	3,058,212	3,058,212

* This line item includes a decision item

P - This line item is pending. The figure shown reflects the request amount.

JBC Staff Staff Figure Setting - FY 2015-16
Staff Working Document - Does Not Represent Committee Decision

	FY 2012-13 Actual	FY 2013-14 Actual	FY 2014-15 Appropriation	FY 2015-16 Request	FY 2015-16 Recommendation
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(4) FEDERAL FUNDED PROGRAMS

Trains state military forces. Note: This section is included in the Long Bill for informational purposes only. These funds are not subject to Assembly and do not pass through the state accounting system. Totals are reported based on the federal fiscal year beginning October 1, not the State beginning July 1.

Federal Funded Programs Operations	<u>205,646,369</u>	<u>205,646,369</u>	<u>205,646,369</u>	<u>205,646,369</u>	<u>205,646,369</u>
FTE	1,239.0	1,239.0	1,239.0	1,239.0	1,239.0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	205,646,369	205,646,369	205,646,369	205,646,369	205,646,369

TOTAL - (4) Federal Funded Programs	205,646,369	205,646,369	205,646,369	205,646,369	205,646,369
FTE	<u>1,239.0</u>	<u>1,239.0</u>	<u>1,239.0</u>	<u>1,239.0</u>	<u>1,239.0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	205,646,369	205,646,369	205,646,369	205,646,369	205,646,369

TOTAL - Department of Military and Veterans					
Affairs	224,329,767	225,193,834	225,377,743	225,594,695	224,910,694
FTE	<u>1,383.7</u>	<u>1,383.9</u>	<u>1,391.2</u>	<u>1,392.3</u>	<u>1,392.3</u>
General Fund	6,513,605	6,958,750	8,244,667	8,313,453	7,797,418
Cash Funds	1,135,576	1,005,213	1,282,783	1,283,941	1,281,079
Reappropriated Funds	747,661	756,223	1,100,000	800,000	800,000
Federal Funds	215,932,925	216,473,648	214,750,293	215,197,301	215,032,197

* This line item includes a decision item

P - This line item is pending. The figure shown reflects the request amount.

TO: Joint Budget Committee Members

FROM: Tom Dermody, JBC Staff

SUBJECT: MIL - County Veterans Service Officer Line Item Recommendations Considered

DATE: February 10, 2015

One of the Department's justifications for requesting an increase in funding for assistance payments to counties for their veterans service officers (CVSOs) is to provide additional aid to counties in need. These needy counties can generally be classified as small and rural, for whom any increase in assistance payments help. The Department's request, however, only partially addresses this issue. Current statute hinders the Department's ability to target and provide meaningful assistance to these needy counties, even when the requested increase is assumed.

The proposed legislation before the Committee, which is recommended by staff, provides the framework to better address this programmatic weakness. The legislation generously defines the qualifications for need and provides targeted state assistance to those counties. While the proposed legislation, as funded by staff's figure setting recommendation, would significantly increase the overall program funding and General Fund appropriation, it also clearly sets limits to program spending. Statute also requires that counties use the state assistance payments only for the operation of veterans service offices and in support of their CVSOs, ensuring that state moneys are used for their intended purpose.

Recommendations Considered by Staff

- **Option 1: Deny the Department's request and leave statute unchanged.**
 - Under this option, most counties would be slightly better off than they are now. As a result of the termination of the pilot program, the amount of each county's assistance payment would double. Assuming the Department administers the assistance payments in accordance with statute, only two counties would not receive assistance payments. The appropriation for this option would be \$190,654 General Fund.
- **Option 2: Approve the Department's request and leave statute unchanged.**
 - Under this option, 21 counties would not be eligible to receive the full \$8.00 per hour rate for their CVSOs based on their veterans service office budgets. Of these 21 counties, 17 fall in the bottom 60th percentile group as defined by staff. These 17 counties would miss out on a combined \$72,464 worth of state assistance payments, unless they significantly increased their respective budgets. While the intent of this program is to encourage counties to fund their veterans service office, the program is also intended to assist those counties who are truly in need. Counties that fall in the bottom 60th percentile may not have the available resources to maximize their state assistance payments. The appropriation for this option would be \$657,280 General Fund.

- **Option 3: Approve Department's request and adjust statute in accordance with staff recommendations.**
 - Under this option, the requested increase would be insufficient to cover all assistance payments to counties. Assuming counties maintain their current CVSO budgets and FTE, funding for the program would fall short by over \$125,000. Under funding the program would create a disincentive for counties to increase their CVSO funding and would force the Department to select the counties they feel most deserve state assistance. The program is not currently structure to be competitive. The appropriation for this option would be \$657,280 General Fund.
- **Option 4: Approve staff funding recommendations**
 - Under this option, the adjusted statute creates a framework for targeting needy counties and providing them with significantly increased state assistance. By fully funding the program, given its statutory limits and the Department's desired \$8.00 per hour payment rate, the Department has the flexibility to encourage counties to increase either their CVSO funding or FTE or both. Staff estimates that the state assistance payments to all counties under the proposed legislation, given current county budgets, totals \$782,600. In order to fully fund this program, assuming counties maintain their current FTE but adjust their budgets to maximize state assistance payments, the Committee would need to appropriate \$998,400. The difference between fully funding the program and current total state assistance payment estimates allows the Department to actively encourage counties to increase their CVSO funding. **Staff recommends this option.**

Update to County Budgets for Veterans Service Officer Salaries Table

Staff collected updated data for the following table, which is located on page 20 of the Department's figure setting document.

Estimated County Budgets for Veterans Service Officer: Bottom 60th percentile	
Minimum	\$0
50th Percentile	\$3,944
Average	\$9,849
Maximum	\$38,874