

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



**SUPPLEMENTAL REQUESTS FOR
FY 2014-15 and FY 2015-16
DEPARTMENT OF PERSONNEL**

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

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DEPARTMENT OF PERSONNEL

Department Overview

The Department of Personnel is responsible for administering the state personnel system, which includes approximately 31,000 full time equivalent (FTE) staff, excluding the Department of Higher Education. The Department also provides general support services for state agencies including: oversight of state purchasing and financial activities; maintenance of state archives; maintenance of the buildings in the Capitol Complex; provision of central business services; provision of administrative law judge services; coordination of capital construction and controlled maintenance projects; management of the State's motor vehicle fleet; centralized lease management for state agencies; administration of the State's personnel selection, classification, and compensation programs; administration of the State's employee benefit programs; and oversight of the State's liability, property, and workers' compensation insurance programs.

Summary: FY 2014-15 Appropriation and Recommendation

Department of Personnel: Recommended Changes for FY 2014-15						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2014-15 Appropriation						
FY 2014-15 Appropriation	<u>\$174,822,433</u>	<u>\$7,130,338</u>	<u>\$14,873,826</u>	<u>\$152,818,269</u>	<u>\$0</u>	<u>393.1</u>
Current FY 2014-15 Appropriation	\$174,822,433	\$7,130,338	\$14,873,826	\$152,818,269	\$0	393.1
Recommended Changes						
Current FY 2014-15 Appropriation	\$174,822,433	7,130,338	\$14,873,826	\$152,818,269	\$0	393.1
2016 S03 IDS Operating Increase Spending Authority	134,643	0	0	134,643	0	0.0
2016 S04 Risk Management Appropriation Adjustments	<u>250,367</u>	<u>0</u>	<u>0</u>	<u>250,367</u>	<u>0</u>	<u>0.0</u>
Recommended FY 2014-15 Appropriation	\$175,207,443	\$7,130,338	\$14,873,826	\$153,203,279	\$0	393.1
Recommended Increase/(Decrease)	\$385,010	\$0	\$0	\$385,010	\$0	0.0
Percentage Change	0.2%	0.0%	0.0%	0.3%	0.0%	0.0%
FY 2014-15 Executive Request						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

Request/Recommendation Descriptions

S03 IDS Operating Increase Spending Authority: The request and recommendation is for an additional \$134,643 reappropriated funds for Integrated Document Solutions operating expenses.

JBC Staff Supplemental Recommendations: FY 2015-16
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S04 Risk Management Appropriation Adjustments: The request and recommendation is for an additional \$250,367 reappropriated funds for workers' compensation legal services.

Summary: FY 2015-16 Appropriation and Recommendation

Department of Personnel: Recommended Changes for FY 2015-16						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2015-16 Appropriation						
SB 15-234 (Long Bill)	\$181,200,121	\$11,711,626	\$13,830,708	\$155,657,787	\$0	406.4
Other Legislation	<u>1,200</u>	<u>0</u>	<u>0</u>	<u>1,200</u>	<u>0</u>	<u>1.0</u>
Current FY 2015-16 Appropriation	\$181,201,321	\$11,711,626	\$13,830,708	\$155,658,987	\$0	407.4
Recommended Changes						
Current FY 2015-16 Appropriation	\$181,201,321	11,711,626	\$13,830,708	\$155,658,987	\$0	407.4
S01 Perceptive Cost Adjustment	428,467	0	428,467	0	0	0.0
S02 Address Confidentiality Program Adjustment	(3,963)	105,992	(109,955)	0	0	0.0
S03 IDS Operating Increase Spending Authority	2,100,000	0	0	2,100,000	0	0.0
S04 Risk Management Appropriation Adjustments	499,015	0	0	499,015	0	0.0
S05 CORE Payments	3,950,659	0	0	3,950,659	0	0.0
S06 Collections Module Staffing	144,432	0	144,432	0	0	2.7
S07 Annual Fleet Supplemental True-up	0	0	0	0	0	0.0
SNP01 Annual Fleet Supplemental True-up	(14,959)	0	0	(14,959)	0	0.0
SNP Fleet-related non-prioritized supplementals	22,100	0	0	22,100	0	0.0
SNP IDS-related non-prioritized supplementals	<u>1,429,410</u>	<u>0</u>	<u>0</u>	<u>1,429,410</u>	<u>0</u>	<u>0.0</u>
Recommended FY 2015-16 Appropriation	\$189,756,482	\$11,817,618	\$14,293,652	\$163,645,212	\$0	410.1
Recommended Increase/(Decrease)	\$8,555,161	\$105,992	\$462,944	\$7,986,225	\$0	2.7
Percentage Change	4.7%	0.9%	3.3%	5.1%	0.0%	0.7%
FY 2015-16 Executive Request	\$188,087,329	\$11,817,618	\$14,293,652	\$161,976,059	\$0	410.1
Request Above/(Below) Recommendation	(\$1,669,153)	\$0	\$0	(\$1,669,153)	\$0	(0.0)

Request/Recommendation Descriptions

S01 Perceptive Cost Adjustment: The request and recommendation is for an additional \$428,467 cash funds from the Supplier Database Cash Fund.

S02 Address Confidentiality Program Adjustment: The request and recommendation is for a net decrease of \$3,963 total funds, including an increase of \$105,992 General Fund and a decrease of \$109,955 cash funds.

S03 IDS Operating Increase Spending Authority: The request is for an additional \$1,263,271 cash funds. The recommendation is for an additional \$2,100,000 cash funds.

S04 Risk Management Appropriation Adjustments: The request and recommendation is for an additional \$499,015 reappropriated funds.

S05 Colorado Operations Resource Engine Payments: The request and recommendation is for an additional \$3,950,659 reappropriated funds from the Supplier Database Cash Fund.

S06 Collections Module Staffing: The request and recommendation is for an additional 2.7 FTE and \$144,432 cash funds.

S07 Annual Fleet Supplemental True Up: The request is for a decrease of \$832,424 reappropriated funds from the Motor Fleet Management Fund, representing a "true-up" of Fleet Management's, *Vehicle Replacement Lease/Purchase* line item. The recommendation is for no adjustment. This adjustment is an accounting "true-up" and is not necessary for budget purposes; actual savings will revert without additional budget action.

Supplemental Non-prioritized Common Policy Adjustments: The request is for a decrease of \$14,959 reappropriated funds for the Department's portion of the Annual Fleet Supplemental True Up. The common policy recommendation is to make no adjustments for negative appropriations at the statewide common policy level. Staff concurs that this negative adjustment is an accounting exercise and is unnecessary for budget purposes; actual savings will revert regardless of an appropriation adjustment; and therefore staff recommends no adjustment at the Department level.

Supplemental Non-prioritized Fleet Requests (SNP03, SNP04, and SNP06): The request is for an additional \$22,100 reappropriated funds from the Motor Fleet Management Fund for the *Vehicle Replacement Lease/Purchase* line item in Fleet Management. The request reflects additional vehicle purchases for three requests from state agencies. Staff makes no recommendation on non-prioritized items; the JBC acts on these items in the respective department requests for those vehicles.

Supplemental Non-prioritized IDS Requests (SNP02 CBMS 1095-B Client Correspondence and RMS Adjustment and SNP05 Income Tax Refund Fraud): The request is for an additional \$1,429,410 cash funds from the Department of Personnel Revolving Fund. The requests reflect printing services and postage. Staff makes no recommendation on non-prioritized items; the JBC acts on these items in the respective department requests.

Prioritized Supplemental Requests

SUPPLEMENTAL REQUEST, DEPARTMENT PRIORITY #1 PERCEPTIVE COST ADJUSTMENT

	Request	Recommendation
Total	<u>\$428,467</u>	<u>\$428,467</u>
FTE	0.0	0.0
Cash Funds	428,467	428,467

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 data that was not previously available.	

Department Request: The Department requests \$428,467 cash funds from the Supplier Database Cash Fund for additional electronic content management (ECM) cost for additional concurrent licenses, sub-integration server packs, and a test environment as a part of CORE.

Staff Recommendation: Staff recommends that the Committee approve the request.

Staff Analysis: ECM enables the state to store documents and eliminate paper files. The industry standard for concurrent licenses is 25 percent. It was originally estimated that 500 licenses would support 2,000 CORE users. However, since FY 2015-16 the number of CORE users has increased to 4,000, requiring 1,000 licenses. The FY 2014-15 appropriation included \$390,600 for 500 concurrent licenses. The additional licenses will total \$391,382. Additionally, sub-integration server packs are the communication pipelines between CORE and Perceptive, the system vendor, for the storage of documents. Each pack allows for 4,800 transactions per day. Ten server packs at \$1,200 each (\$12,000 annually) will support 48,000 transactions per day. Currently CORE users average just under 16,000 transactions per day including weekends. However the system routinely handles 40,000 transactions in a day. Additionally, the number of transactions will grow as more modules are implemented. Perceptive requires a test environment for any changes to be tested prior to production. The annual cost for a Perceptive test environment is \$25,085. Total cost for additional licenses, server packs, and the test environment is \$428,467. The Department proposes funding this cost from the Supplier Database Cash Fund which, with this expenditure, is projected to have a year-end fund balance of \$3.7 million.

**SUPPLEMENTAL REQUEST, DEPARTMENT PRIORITY #2
ADDRESS CONFIDENTIALITY PROGRAM ADJUSTMENT**

	Request	Recommendation
Total	<u>(\$3,963)</u>	<u>(\$3,963)</u>
FTE	0.0	0.0
General Fund	105,992	105,992
Cash Funds	(109,955)	(109,955)

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 data that was not previously available.	

Department Request: The Department requests an increase of \$105,992 General Fund and a decrease of \$109,955 cash funds for the Address Confidentiality Program (ACP) in FY 2015-16.

Staff Recommendation: Staff recommends that the Committee approve the request.

Staff Analysis: In FY 2015-16, the ACP continues to experience an increase in operating costs due to ongoing program growth. Additionally, the program was unable to access State Victim Assistance and Law Enforcement (VALE) grant funding which it has previously received due to the requirement that the program conduct statewide outreach. Due to program growth, it was determined that additional outreach would continue to generate additional growth that would further outstrip revenue, and the program chose to forego VALE grant funding for the year. Additionally, operating common policy costs increased \$39,000 for the program primarily due to increases in the Payments to OIT common policy which increased \$35,000. Operating common policy allocations are calculated on the program's FTE count which increased from 2.0 to 3.4 FTE, representing a 70.0 percent increase in FTE. The Department requests a refinancing of cash fund with General Fund for FY 2015-16, in order to prevent the program from experiencing a program overexpenditure and deficit in its cash fund.

**SUPPLEMENTAL REQUEST, DEPARTMENT PRIORITY #3
IDS OPERATING INCREASE SPENDING AUTHORITY**

	Request	Recommendation
Total	<u>\$1,263,271</u>	<u>\$2,100,000</u>
FTE	0.0	0.0
Reappropriated Funds	1,263,271	2,100,000

JBC Staff Supplemental Recommendations: FY 2015-16
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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 data that was not previously available.	

Department Request: The Department requests \$1,263,271 reappropriated funds in FY 2015-16 and ongoing, to increase the Integrated Document Solutions (IDS) operating expenses line item to accommodate additional pass-through payments for outsourced commercial print services.

Staff Recommendation: Staff recommends that the Committee approve an appropriation of \$2,100,000 for a new line item, Commercial Print Payments, for the purpose of paying commercial printers for outsourced print services.

Staff Analysis: While the IDS program has historically relied on outsourced commercial print services, the program has recently increased its use for a variety of reasons related to cost advantages and internal capacity. The Department has requested an additional \$1.3 million (since the request, the Department clarified an estimated need of \$1,332,150) to accommodate additional pass-through payments for outsourced commercial print services.

The outsourced commercial print process works as follows:

- IDS determines that an outsourced job is the best solution for a state agency print request;
- IDS manages the negotiation of pricing, turnaround, and quality for the state agency;
- the print job is delivered and IDS is billed by the commercial printer;
- IDS bills the state agency and passes through the payment to the vendor.

While it is theoretically possible to direct bill the state agency, the current process assures that IDS represents the customer to the vendor. Therefore this process is a reasonable solution that arrives at a lowest cost outcome for state agencies although the pass-through payments are reflected as double the appropriation for a single payment for services.

But because of this process, staff recommends that the Committee provide a new line item for the program, Commercial Print Payments, for the purpose of paying commercial printers for outsourced print services, and which will reflect pass-through payments exclusively. This line item will also provide information related to IDS's use of internal or outsourced print services for state agencies on an ongoing basis.

Staff further recommends that the Committee approve an appropriation of \$2,100,000 for the new line item. This amount represents the additional \$1.3 million requested by the Department and the \$0.8 million which the Department estimates has been included in the operating expenses line item for this purpose. Staff is not recommending an offsetting adjustment to the operating expenses line item due to the Department's recent need to exercise executive branch transfer authority to accommodate additional expenditures from the operating expenses line item. Staff has monitored empty spending authority in the IDS operating expenses line items over time and will continue to monitor and make recommendations as necessary in the future.

**SUPPLEMENTAL REQUEST, DEPARTMENT PRIORITY #4
RISK MANAGEMENT APPROPRIATION ADJUSTMENTS**

	Request	Recommendation
Total	<u>\$499,015</u>	<u>\$499,015</u>
FTE	0.0	0.0
Reappropriated Funds	499,015	499,015

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 data that was not previously available.	

Department Request: The Department requests an additional \$499,015 reappropriated funds for risk management appropriations in FY 2015-16, including \$467,482 for workers' compensation legal services and \$31,533 for the risk management information system.

Staff Recommendation: Staff recommends that the Committee approve the request.

Staff Analysis: Prior to FY 2011-12, Pinnacol Assurance was the State's third party administrator for workers' compensation and provided in-house legal services. Since that time, the State's third party administrator contract does not include in-house legal services and the Department uses legal services from the Department of Law as well as outside counsel. Beginning with the FY 2016-17 request, the Department received an estimate of legal services costs with the annual projection of claims from the State's actuary. The Department requests the supplemental for FY 2015-16 in an amount equal to the actuarial projection for FY 2016-17.

The Risk Management Information System is a web-based program which provides tracking and reporting of the State's risk management programs claims activity. The request for an increase in spending authority is due to the expiration of a contract in December 2015. In September 2015, the same vendor was selected, but at a higher rate than the last five years due to an increase in the number of users of the system. The new contract provides for 250 users, while the previous contract provided for 100 users.

Adjustments to these line items will not necessitate additional allocations to state agencies for FY 2015-16.

SUPPLEMENTAL REQUEST, DEPARTMENT PRIORITY #5
COLORADO OPERATIONS RESOURCE ENGINE PAYMENTS

	Request	Recommendation
Total	<u>\$3,950,659</u>	<u>\$3,950,659</u>
FTE	0.0	0.0
Reappropriated Funds	3,950,659	3,950,659

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.	

Department Request: The Department requests \$3,950,659 reappropriated funds for lease purchase payments for CORE in a new line item, *Colorado Operations Resource Engine Payments*, that was not included in a capital construction request in FY 2015-16 at the time that CORE operations was transferred from the Governor's Office of Information Technology (OIT) to the Department. The Department requests this appropriation in the operating budget as ongoing lease purchase payments once the system is implemented are now located in the operating budget rather than the capital budget.

Staff Recommendation: Staff recommends that the Committee approve an appropriation of \$3,950,659 reappropriated funds in a new line item in the operating budget. However, staff recommends that the line item be named *CORE Lease Purchase Payments*. This name will more clearly identify this lease purchase payments line and differentiate it from the existing *Payments for CORE and Support Modules* which represent annual operating payments for the CORE system.

Staff Analysis: The Department inadvertently failed to request a capital budget request for the lease purchase payments for the CORE system in FY 2015-16, at the time of the CORE operations transfer from OIT. Beginning with the FY 2015-16 budget, any lease purchase payments located in the capital budget are moved to the operating budget once the capital project is constructed or implemented. The lease purchase payments in this case reflect payments for development of the original COFRS Modernization system now known as CORE. The reappropriated funds are available from common policy allocations made to all state agencies and only the spending authority for the lease purchase payment is lacking. The Department has proposed naming the new line item *Colorado Operations Resource Engine Payments*, however staff recommends naming the new line item, *CORE Lease Purchase Payments*. The Department's proposed name is very similar to the existing *Payments for CORE and Support Modules* line item. To more transparently identify the payments made from this line item, staff recommends including the term lease purchase.

**SUPPLEMENTAL REQUEST, DEPARTMENT PRIORITY #6
COLLECTIONS MODULE STAFFING**

	Request	Recommendation
Total	<u>\$144,432</u>	<u>\$144,432</u>
FTE	2.7	2.7
Cash Funds	144,432	144,432

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 data that was not previously available.	

Department Request: The Department requests 2.7 FTE and \$144,432 cash funds from the Debt Collection Fund for FY 2015-16, annualizing to 8.0 FTE and \$411,042 in FY 2016-17 and ongoing for additional debt collections staff for Central Collections Services (CCS).

Staff Recommendation: Staff recommends that the Committee approve this request.

Staff Analysis: The Department is requesting 8.0 FTE in collectors, in addition to the program's existing 8.0 FTE in collectors, in order to take advantage of additional functionality in the new collections information system. In calendar year 2014, CCS was assigned just under 50,000 accounts totaling \$80.1 million in receivables, or approximately 521 accounts per month per collector. In 2014, CCS returned \$23.2 million to the State, and of this, \$6.8 million was collected by CCS staff, for an average of \$848,673 per collector. The Department estimates that doubling the staff will generate an additional 50-65 percent in collections, due to the diminishing returns on accounts that are more difficult to collect. Nevertheless, the Department conservatively estimates additional collections of \$3.4 million, generating an average of \$637,000 per collector. The Department is requesting the maximum number of additional staff that can be housed in current program space.

CCS prioritizes delinquent accounts as platinum, gold, silver, and bronze corresponding to the likelihood of collection. Currently, silver and bronze accounts are referred to outside collection agencies. Current practice at CCS is to work accounts for 90 days and then refer uncollected accounts to private collection agencies. CCS charges an 18 percent fee, while private collection agencies charge a 21 percent fee.

The standard microeconomic argument would be to increase collectors to the point that the incremental cost of the next collector equaled the revenue generated. The Department is requesting a substantial number of collectors that will double the size of the program, but that remains far below the microeconomic breakeven threshold. While the increase in FTE is surprising and the most challenging aspect of this request, it is reasonable that the State should maximize collections by adding staff to this cash-funded program.

**SUPPLEMENTAL REQUEST, DEPARTMENT PRIORITY #7
ANNUAL FLEET SUPPLEMENTAL TRUE UP**

Department Operating	Request	Recommendation
Total	<u>\$(832,424)</u>	<u>\$0</u>
FTE	0.0	0.0
Reappropriated Funds	(832,424)	0

All Departments – Vehicle Lease Payments	Request	Recommendation
Total	<u>\$(2,882,605)</u>	<u>\$2,828</u>
FTE	0.0	0.0
General Fund	(857,358)	2,828
Cash Funds	(1,709,547)	0
Reappropriated Funds	(248,941)	0
Federal Funds	(66,759)	0

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 data that was not available.	

Department Request: The Department requests a decrease of \$832,424 reappropriated funds for its Vehicle Replacement Lease/Purchase line item in Fleet Management Services. The Department also requests adjustments to state agency Vehicle Lease Payments line items for a total decrease of \$2,882,605, including fund splits as identified in the table above.

Staff Recommendation: Staff recommends that the Committee deny the requested adjustment to the Department line item; this request is an accounting true-up and is not necessary for budget purposes. Staff recommends that the Committee approve an increase of \$2,828 General Fund for the Governor's Office for the requested common policy line item adjustments; this adjustment represents a 29.7 percent increase for the Office of Economic Development and International Trade's FY 2015-16 General Fund appropriation of \$9,516 and is a necessary budget adjustment to provide adequate funds for the Office to pay for its vehicles.

The remaining department adjustments are accounting true-ups and are not necessary for budget purposes. Staff analysts for all other departments have been instructed to offer adjustment recommendations for their departments for the purpose of better aligning fund splits or for refinancing General Fund or other cash funds for other requests specific to those departments as they are determined necessary by the analyst.

Staff Analysis: The annual fleet supplemental true-up is predominantly unnecessary for budget purposes and merely serves to match up budgeted amounts with newly projected amounts

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based on two months of actual vehicle lease payments. Based on staff's similar recommendations in prior years and the Committee's ongoing acceptance of staff's recommendation to establish a standard policy for addressing individual department adjustments for increases of 10.0 percent or greater, staff recommends making the adjustment for the Governor's Office, which represents a 29.7 percent increase in the General Fund appropriation of \$9,516 for the Office of Economic Development and International Trade.

The requested adjustments for the Department of Natural Resources includes a \$193 General Fund increase, representing a 0.08% adjustment, and a \$625 federal funds increase, representing a 1.08 percent adjustment for an informational or non-appropriated fund source. All other requested adjustments are negative appropriations and therefore unnecessary for the purpose of adequately making vehicle lease payments to the Fleet Program. Unlike other common policy billings which predominantly allocate to state agencies actual program costs in the following year, and which billings are collected at the amounts appropriated, the Fleet Program bills for actual vehicle lease payments plus the fleet management fee. Any savings for state agencies will be recognized and spending authority reverted regardless of an over-appropriation.

The following table outlines the Department's requested Vehicle Lease Payment line item adjustments for all departments.

Department Requested Fleet Supplemental True-up						
	FY 2015-16 Appropriation	FY 2015-16 Requested Adjustment	General Fund	Cash Funds	Reapprop. Funds	Federal Funds
Agriculture	\$261,926	(\$59,020)	\$0	(\$59,020)	\$0	\$0
Corrections	3,263,106	(591,999)	(507,312)	(84,687)	0	0
Education	16,235	(1,697)	(1,697)	0	0	0
Governor	98,150	(5,448)	2,828	0	(8,276)	0
Human Services	1,079,507	(38,136)	(19,351)	(2,677)	(10,096)	(6,012)
Judicial	207,772	(8,353)	(8,353)	0	0	0
Labor and Employment	146,117	(24,045)	0	(18,034)	0	(6,011)
Law	70,416	(17,319)	(2,803)	(2,878)	(11,094)	(544)
Local Affairs	81,927	(3,220)	(2,900)	0	(320)	0
Military and Veterans Affairs	50,656	(7,823)	(7,823)	0	0	0
Natural Resources	3,833,123	(223,260)	193	(210,411)	(13,667)	625
Personnel	75,146	(14,959)	0	0	(14,959)	0
Public Health and Environment	351,365	(41,283)	0	0	(35,000)	(6,283)
Public Safety	9,134,003	(1,769,847)	(290,597)	(1,275,187)	(155,529)	(48,534)
Regulatory Agencies	219,218	(2,249)	0	(2,249)	0	0
Revenue	604,671	(73,381)	(19,543)	(53,838)	0	0
State	926	(566)	0	(566)	0	0
Total - Appropriated Agencies	\$19,494,264	(\$2,882,605)	(\$857,358)	(\$1,709,547)	(\$248,941)	(\$66,759)

Non-prioritized Supplemental Requests

Statewide Common Policy Supplemental Requests

These requests are not prioritized and are not analyzed in this section. The JBC acts on these items when it makes decisions regarding common policies.

Department's Portion of Statewide Supplemental Request	Total	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
SNP01 Annual Fleet Supplemental True Up	(14,959)	0	0	(14,959)	0	0.0
Department's Total Statewide Common Policy Supplemental Requests	(\$14,959)	\$0	\$0	(\$14,959)	\$0	0.0

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

Fleet-related Non-prioritized Supplemental Requests

These requests are non-prioritized adjustments to the Fleet Management, Vehicle Replacement Lease/Purchase line item, as a result of additional vehicles requested by state agencies. These requests are not prioritized and are not analyzed in this section. The JBC acts on these items when it makes decisions regarding the prioritized request items for other departments.

Fleet-related NP Supplemental Requests	Total	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
SNP03 – Hemp Reg and Seed Cert Program Support	\$3,640	\$0	\$0	\$3,640	\$0	0
SNP04 – Pesticide Applicator Inspection and Enforcement	16,720	0	0	16,720	0	0
SNP06 – Marijuana Enforcement Division FTE	<u>1,740</u>	<u>0</u>	<u>0</u>	<u>1,740</u>	<u>0</u>	<u>0</u>
Department's Total Fleet-related NP Supplemental Requests	\$22,100	\$0	\$0	\$22,100	\$0	0

Staff Recommendation: Staff asks permission to include, or adjust as necessary, the corresponding appropriations in the Department's supplemental bill if the Committee approves the prioritized agency requests.

Integrated Document Solutions-related Non-prioritized Supplemental Requests

These requests are non-prioritized adjustments to the Integrated Document Solutions line items, as a result of print and postage services requested by state agencies. These requests are not prioritized and are not analyzed in this section. The JBC acts on these items when it makes decisions regarding the prioritized request items for other departments.

IDS-related NP Supplemental Requests	Total	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
SNP02 – CBMS 1095-B Client Correspondence and RMS Adjustment	\$1,425,539	\$0	\$0	\$1,425,539	\$0	0
SNP05 – Income Tax Refund Fraud	<u>3,871</u>	<u>0</u>	<u>0</u>	<u>3,871</u>	<u>0</u>	<u>0</u>
Department's Total IDS-related NP Supplemental Requests	\$1,429,410	\$0	\$0	\$1,429,410	\$0	0

Staff Recommendation: Staff asks permission to include, or adjust as necessary, the corresponding appropriations in the Department's supplemental bill if the Committee approves the prioritized agency requests.

FY 2014-15 Supplemental Requests

FY 2014-15 SUPPLEMENTAL REQUEST, DEPARTMENT PRIORITY #3 IDS OPERATING INCREASE SPENDING AUTHORITY

	Request	Recommendation
Total	<u>\$134,643</u>	<u>\$134,643</u>
FTE	0.0	0.0
Reappropriated Funds	134,643	134,643

Department Request: The Department requests \$134,643 reappropriated funds in FY 2014-15 for the Integrated Document Solutions (IDS) operating expenses line item.

Staff Recommendation: Staff recommends that the Committee approve the request.

Staff Analysis: The Department experienced an overexpenditure in the Integrated Document Solutions operating expenses line item in FY 2014-15 due to additional pass-through payments for outsourced commercial print services. The Department requests the appropriation to release

the spending authority restriction for FY 2015-16. This line item includes an appropriation of \$5.5 million total funds, including \$5.3 million reappropriated funds. This adjustment represents a 2.5 percent increase over the prior appropriation.

**FY 2014-15 SUPPLEMENTAL REQUEST, DEPARTMENT PRIORITY #4
RISK MANAGEMENT APPROPRIATION ADJUSTMENTS**

	Request	Recommendation
Total	<u>\$250,367</u>	<u>\$250,367</u>
FTE	0.0	0.0
Reappropriated Funds	250,367	250,367

Department Request: The Department requests an additional \$250,367 reappropriated funds for workers' compensation legal services in FY 2014-15.

Staff Recommendation: Staff recommends that the Committee approve the request.

Staff Analysis: The Department experienced an overexpenditure in the workers' compensation legal services line item in FY 2014-15. The Department requests the appropriation to release the spending authority restriction for FY 2015-16. The original appropriation totaled \$1,085,089 which was increased by \$900,000 in the Department's 2015 supplemental bill. The overexpenditure represents a 12.6 percent increase over the prior appropriation.

JBC Staff Supplemental Recommendations - FY 2015-16
Staff Working Document - Does Not Represent Committee Decision

Appendix A: Number Pages

	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2015-16 Requested Change	FY 2015-16 Rec'd Change	FY 2015-16 Total w/Rec'd Change
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DEPARTMENT OF PERSONNEL
June Taylor, Executive Director

S01 Perceptive Cost Adjustment

(5) DIVISION OF ACCOUNTS AND CONTROL

(c) CORE Operations

Payments for CORE and Support Modules	<u>0</u>	<u>4,844,555</u>	<u>428,467</u>	<u>428,467</u>	<u>5,273,022</u>
Cash Funds	0	0	428,467	428,467	428,467
Reappropriated Funds	0	4,844,555	0	0	4,844,555

Total for S01 Perceptive Cost Adjustment	0	4,844,555	428,467	428,467	5,273,022
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Cash Funds	0	0	428,467	428,467	428,467
Reappropriated Funds	0	4,844,555	0	0	4,844,555

JBC Staff Supplemental Recommendations - FY 2015-16
Staff Working Document - Does Not Represent Committee Decision

	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2015-16 Requested Change	FY 2015-16 Rec'd Change	FY 2015-16 Total w/Rec'd Change
S02 Address Confidentiality Program Adjustment					
(1) EXECUTIVE DIRECTOR'S OFFICE					
(A) Department Administration					
Workers' Compensation	<u>239,093</u>	<u>184,433</u>	<u>0</u>	<u>0</u>	<u>184,433</u>
General Fund	63,331	48,871	1,450	1,450	50,321
Cash Funds	21,796	21,324	(1,450)	(1,450)	19,874
Reappropriated Funds	153,966	114,238	0	0	114,238
Payment to Risk Management and Property Funds	<u>607,909</u>	<u>571,070</u>	<u>0</u>	<u>0</u>	<u>571,070</u>
General Fund	158,082	151,327	4,538	4,538	155,865
Cash Funds	63,356	66,741	(4,538)	(4,538)	62,203
Reappropriated Funds	386,471	353,002	0	0	353,002
Capitol Complex Leased Space	<u>1,684,254</u>	<u>2,388,386</u>	<u>0</u>	<u>0</u>	<u>2,388,386</u>
General Fund	958,689	1,318,341	1,941	1,941	1,320,282
Cash Funds	228,422	232,983	(1,941)	(1,941)	231,042
Reappropriated Funds	497,143	837,062	0	0	837,062
Payments to OIT	<u>1,695,279</u>	<u>3,768,561</u>	<u>0</u>	<u>0</u>	<u>3,768,561</u>
General Fund	316,349	998,631	37,111	37,111	1,035,742
Cash Funds	53,014	545,750	(37,111)	(37,111)	508,639
Reappropriated Funds	1,325,916	2,224,180	0	0	2,224,180
CORE Operations	<u>219,444</u>	<u>401,287</u>	<u>0</u>	<u>0</u>	<u>401,287</u>
General Fund	57,063	106,337	3,952	3,952	110,289
Cash Funds	22,870	58,111	(3,952)	(3,952)	54,159
Reappropriated Funds	139,511	236,839	0	0	236,839

JBC Staff Supplemental Recommendations - FY 2015-16
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	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2015-16 Requested Change	FY 2015-16 Rec'd Change	FY 2015-16 Total w/Rec'd Change
(4) CENTRAL SERVICES					
(B) Integrated Document Solutions					
Address Confidentiality Program	<u>195,306</u>	<u>198,687</u>	<u>(3,963)</u>	<u>(3,963)</u>	<u>194,724</u>
FTE	2.5	3.4	0.0	0.0	3.4
General Fund	60,303	50,902	57,000	57,000	107,902
Cash Funds	135,003	147,785	(60,963)	(60,963)	86,822
Total for S02 Address Confidentiality Program					
Adjustment	4,641,285	7,512,424	(3,963)	(3,963)	7,508,461
FTE	<u>2.5</u>	<u>3.4</u>	<u>0.0</u>	<u>0.0</u>	<u>3.4</u>
General Fund	1,613,817	2,674,409	105,992	105,992	2,780,401
Cash Funds	524,461	1,072,694	(109,955)	(109,955)	962,739
Reappropriated Funds	2,503,007	3,765,321	0	0	3,765,321

JBC Staff Supplemental Recommendations - FY 2015-16
Staff Working Document - Does Not Represent Committee Decision

	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2015-16 Requested Change	FY 2015-16 Rec'd Change	FY 2015-16 Total w/Rec'd Change
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S03 IDS Operating Increase Spending Authority

(4) CENTRAL SERVICES

(B) Integrated Document Solutions

Operating Expenses	<u>6,147,519</u>	<u>5,531,325</u>	<u>1,263,271</u>	<u>0</u>	<u>5,531,325</u>
Cash Funds	240,313	240,313	0	0	240,313
Reappropriated Funds	5,907,206	5,291,012	1,263,271	0	5,291,012
Commercial Print Payments	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,100,000</u>	<u>2,100,000</u>
Reappropriated Funds	0	0	0	2,100,000	2,100,000

Total for S03 IDS Operating Increase Spending Authority	6,147,519	5,531,325	1,263,271	2,100,000	7,631,325
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Cash Funds	240,313	240,313	0	0	240,313
Reappropriated Funds	5,907,206	5,291,012	1,263,271	2,100,000	7,391,012

***JBC Staff Supplemental Recommendations - FY 2015-16
Staff Working Document - Does Not Represent Committee Decision***

	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2015-16 Requested Change	FY 2015-16 Rec'd Change	FY 2015-16 Total w/Rec'd Change
S04 Risk Management Appropriation Adjustments					
(2) DIVISION OF HUMAN RESOURCES					
(C) Risk Management Services					
Risk Management Information System	<u>137,448</u>	<u>137,448</u>	<u>31,533</u>	<u>31,533</u>	<u>168,981</u>
Reappropriated Funds	137,448	137,448	31,533	31,533	168,981
Workers' Compensation Legal Services	<u>2,235,456</u>	<u>1,985,089</u>	<u>467,482</u>	<u>467,482</u>	<u>2,452,571</u>
Reappropriated Funds	2,235,456	1,985,089	467,482	467,482	2,452,571
Total for S04 Risk Management Appropriation					
Adjustments	2,372,904	2,122,537	499,015	499,015	2,621,552
<i>FTE</i>	0.0	0.0	0.0	0.0	0.0
Reappropriated Funds	2,372,904	2,122,537	499,015	499,015	2,621,552

JBC Staff Supplemental Recommendations - FY 2015-16
Staff Working Document - Does Not Represent Committee Decision

	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2015-16 Requested Change	FY 2015-16 Rec'd Change	FY 2015-16 Total w/Rec'd Change
S05 CORE Payments					
(5) DIVISION OF ACCOUNTS AND CONTROL					
(c) CORE Operations					
CORE Lease Purchase Payments	<u>0</u>	<u>0</u>	<u>3,950,659</u>	<u>3,950,659</u>	<u>3,950,659</u>
Reappropriated Funds	0	0	3,950,659	3,950,659	3,950,659
Total for S05 CORE Payments	0	0	3,950,659	3,950,659	3,950,659
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Reappropriated Funds	0	0	3,950,659	3,950,659	3,950,659

JBC Staff Supplemental Recommendations - FY 2015-16
Staff Working Document - Does Not Represent Committee Decision

	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2015-16 Requested Change	FY 2015-16 Rec'd Change	FY 2015-16 Total w/Rec'd Change
S06 Collections Module Staffing					
(5) DIVISION OF ACCOUNTS AND CONTROL					
(A) Financial Operations and Reporting					
(2) Collections Services					
Personal Services	<u>0</u>	<u>983,060</u>	<u>104,243</u>	<u>104,243</u>	<u>1,087,303</u>
FTE	0.0	20.0	2.7	2.7	22.7
General Fund	0	0	0	0	0
Cash Funds	0	983,060	104,243	104,243	1,087,303
Operating Expenses	<u>0</u>	<u>545,801</u>	<u>40,189</u>	<u>40,189</u>	<u>585,990</u>
Cash Funds	0	545,801	40,189	40,189	585,990
Total for S06 Collections Module Staffing	0	1,528,861	144,432	144,432	1,673,293
<i>FTE</i>	<u>0.0</u>	<u>20.0</u>	<u>2.7</u>	<u>2.7</u>	<u>22.7</u>
General Fund	0	0	0	0	0
Cash Funds	0	1,528,861	144,432	144,432	1,673,293

JBC Staff Supplemental Recommendations - FY 2015-16
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	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2015-16 Requested Change	FY 2015-16 Rec'd Change	FY 2015-16 Total w/Rec'd Change
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S07 Annual Fleet Supplemental True-up

(4) CENTRAL SERVICES

(C) Fleet Management Program and Motor Pool Services

Vehicle Replacement Lease/Purchase	16,070,129	17,439,929	(832,424)	0	17,439,929
Reappropriated Funds	16,070,129	17,439,929	(832,424)	0	17,439,929
Total for S07 Annual Fleet Supplemental True-up	16,070,129	17,439,929	(832,424)	0	17,439,929
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Reappropriated Funds	16,070,129	17,439,929	(832,424)	0	17,439,929

Totals Excluding Pending Items					
PERSONNEL					
TOTALS for ALL Departmental line items	166,211,115	181,201,321	5,449,457	7,118,610	188,319,931
<i>FTE</i>	<u>370.2</u>	<u>407.4</u>	<u>2.7</u>	<u>2.7</u>	<u>410.1</u>
General Fund	6,245,114	11,711,626	105,992	105,992	11,817,618
Cash Funds	12,913,699	13,830,708	462,944	462,944	14,293,652
Reappropriated Funds	147,052,302	155,658,987	4,880,521	6,549,674	162,208,661
Federal Funds	0	0	0	0	0