

COLORADO GENERAL ASSEMBLY

JOINT BUDGET COMMITTEE



FY 2006-07 SUPPLEMENTAL:

DEPARTMENT OF STATE

PRIORITIZED AND NON-PRIORITIZED REQUESTS

JBC Working Document - Subject to Change

Staff Recommendation Does Not Represent Committee Decision

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January 17, 2007

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**DEPARTMENT OF STATE
FY 2006-07 SUPPLEMENTAL RECOMMENDATION
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Totals for All Supplementals	3	N.A.

	FY 2005-06	FY 2006-07	Fiscal Year 2006-07 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
<div> DEPARTMENT OF STATE Secretary of State -- Mike Coffman </div>					
Supplemental #1 - Line Item Reorganization for the Statewide Disaster Recovery Center					
<i>(3) Information Technology Services</i>					
Personal Services - CF	2,889,520	4,640,870	(1,357,746)	0	4,640,870
Operating Expenses	<u>2,626,827</u>	<u>1,404,776</u>	<u>(772,084)</u>	<u>0</u>	<u>1,404,776</u>
Cash Funds /a	2,626,827	1,393,934	(772,084)	0	1,393,934
Cash Funds Exempt	0	10,842	0	0	10,842
Hardware/Software Maintenance - CF	654,401	899,578	(36,938)	0	899,578
<i>(4) Statewide Disaster Recovery Center -- NEW LINE ITEM GROUP</i>					
Leased Space - CF	0	0	1,699,740	0	0
Personal Services - CF	0	0	173,028	0	0
Operating Expenses - CF	0	0	247,000	0	0
Hardware/Software Maintenance - CF	0	0	47,000	0	0
Total for Supplemental #1	<u>6,170,748</u>	<u>6,945,224</u>	<u>0</u>	<u>0</u>	<u>6,945,224</u>
Cash Funds	6,170,748	6,934,382	0	0	6,934,382
Cash Funds Exempt	0	10,842	0	0	10,842

	FY 2005-06	FY 2006-07	Fiscal Year 2006-07 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
<hr/>					
Previously Approved 1331 Supplemental - Legal Services					
<i>(1) Administration</i>					
Legal Services	<u>108,350</u>	<u>116,903</u>	<u>160,978</u>	<u>160,978</u>	<u>277,881</u>
Cash Funds	108,350	116,903	160,978	160,978	277,881
Cash Funds Exempt	0	0	0	0	0
<i>Hours Equivalent</i>	<i>1,681</i>	<i>1,725</i>	<i>2,375</i>	<i>2,375</i>	<i>4,100</i>
<hr/>					
a/ Unless otherwise indicated, the fund source is the Department of State Cash Fund					
<hr/>					
Totals <i>Excluding</i> Pending Items					
DEPARTMENT OF STATE					
TOTALS for ALL Departmental line items	19,239,595	26,375,873	160,978	160,978	26,536,851
FTE	<u>112.2</u>	<u>126.5</u>	<u>0.0</u>	<u>0.0</u>	126.5
Cash Funds	16,143,447	17,450,876	160,978	160,978	17,611,854
FTE	96.9	114.5	0.0	0.0	114.5
Cash Funds Exempt	2,987,209	8,924,997	0	0	8,924,997
FTE	15.3	12.0	0.0	0.0	12.0
Federal Funds	108,939	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0
<hr/>					
Statewide Supplementals					
(see narrative for more detail)	<u>N.A.</u>	<u>N.A.</u>	<u>0</u>	<u>Pending</u>	<u>N.A.</u>
Cash Funds			0		
Cash Funds Exempt			0		

	FY 2005-06	FY 2006-07	Fiscal Year 2006-07 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
Totals Including Pending Items in Request					
DEPARTMENT OF STATE					
TOTALS for ALL Departmental line items	19,239,595	26,375,873	160,978	160,978	26,536,851
FTE	<u>112.2</u>	<u>126.5</u>	<u>0.0</u>	<u>0.0</u>	<u>126.5</u>
Cash Funds	16,143,447	17,450,876	160,978	160,978	17,611,854
FTE	96.9	114.5	0.0	0.0	114.5
Cash Funds Exempt	2,987,209.0	8,924,997	0	0	8,924,997
FTE	15.3	12.0	0.0	0.0	12.0
Federal Funds	108,939	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0

Key:

"N.A." = Not Applicable

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Supplemental # 1 - Line Item Reorganization for Statewide Disaster Recovery Center

	Request	Recommendation
Total	<u>\$0</u>	<u>\$0</u>
General Fund	0	0
Cash Funds	0	0
Cash Funds Exempt	0	0
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria?

NO

[An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]

The Department indicates that new information is now available regarding the proper allocation of costs for the Statewide Disaster Recovery Center between personal services, operating expenses, etc., and that the actual amounts do not match the allocation of costs anticipated within the original appropriation. Staff believes that, because the total of the actual costs fits within the original appropriation, changes in the detailed allocation do not satisfy the Committee's new information criterion.

Department Request: The Department is requesting the addition of a new line item group in the Long Bill, and reallocation of the current fiscal year's appropriation, to clearly identify the costs associated with the Statewide Disaster Recovery Center commonly known as e-FOR³T. Because the Department negotiated the inclusion of items such as operation of the data center facility environmental systems that had previously been considered to be separate expenses into a single lease, the Department has exceeded the leased space line item in its current fiscal year appropriation. However, the request does not involve an increase or decrease in the current fiscal year's total appropriations to the Department.

Staff Recommendation: Staff recommends that the Committee deny the Department's supplemental request because it does not meet the necessary criteria. The Department does have new information regarding the details of the costs associated with the e-FOR³T undertaking, but the total amount is unchanged, and funding sources are unchanged. Staff believes that because the total is unchanged and the funding sources are unchanged, the changes in the detailed allocation do not satisfy the Committee's criterion for new information.

Under an assumption that the request does meet the necessary criteria, staff still recommends that the Committee deny the supplemental request. The Department states that the only consequence of not implementing the requested change is that it will be more difficult to obtain an accurate picture of how the e-FOR³T funds are actually spent. The supplemental request itself provides an accurate view for FY 2005-06. The Department has submitted the same request as an amendment to its budget request for FY 2007-08. Staff believes that, because e-FOR³T is a facility that can be and is being used by multiple agencies, there is merit in clearly identifying the costs associated with the facility as a separate line item group within the Long Bill.

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Staff anticipates recommending that the new group proposed by the Department be included, and expenses allocated accordingly, in the Long Bill for FY 2007-08. However, staff does not believe that the benefits of amending the 2006 Long Bill at this point in time outweigh the costs of doing so.

Previously Approved 1331 Supplemental - Legal Services

	Previously Approved	Current Staff Recommendation
Total	\$160,978	\$160,978
Cash Funds	160,978	5,000
Cash Funds Exempt	0	0

Description of Supplemental: The Department's original appropriation for legal services for FY 2006-07 was \$116,903. Through the first three months of the fiscal year, the Department was billed for \$170,698 by the Department of Law for legal services. The Department was, at the time the 1331 supplemental was submitted, involved in five additional lawsuits. The Department, in consultation with the Department of Law, estimated that it would incur at least another \$107,283 in expenses for the remainder of the fiscal year. This results in an estimated total legal services expense for the fiscal year of \$277,981, which produces the requested supplemental amount of \$160,978.

Staff Recommendation: Staff recommends that this amount be included in the supplemental bill for the Department of State, as previously approved by the JBC.

Statewide Common Policy Supplemental Requests

These requests are not prioritized and are not analyzed in this packet . These items will be acted on separately by the JBC when it makes a decision regarding common policies.

State Department's Portion of Statewide Supplemental Request	General Fund	Cash Funds	Cash Funds Exempt	Federal Funds	Total	FTE
1. Vehicle Reconciliation	\$0	\$0	\$0	\$0	\$0	0.0
2. Vehicle Replacement	0	0	0	0	0	0.0
3. MNT / Telecommunications	0	0	0	0	0	0.0
4. Computer Service (GGCC)	0	0	0	0	0	0.0

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State Department's Portion of Statewide Supplemental Request	General Fund	Cash Funds	Cash Funds Exempt	Federal Funds	Total	FTE
5. ALJ Adjustments	0	0	0	0	0	0.0
6. Communication Services Payments	0	0	0	0	0	0.0
7. Capitol Complex Lease - Technical	0	0	0	0	0	0.0
8. Capitol Complex Utilities	0	0	0	0	0	0.0
9. Risk Management	0	0	0	0	0	0.0
Total Statewide Supplemental Requests for State Department	0	0	0	0	0	0.0

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