

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



**SUPPLEMENTAL REQUESTS FOR
FY 2014-15
CAPITAL CONSTRUCTION**

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

**Prepared By:
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CAPITAL CONSTRUCTION

Summary: FY 2014-15 Appropriation and Recommendation

Capital Construction: Requested Changes for FY 2014-15					
	Total Funds	Capital Construction Fund	Cash Funds	Reappropriated Funds	Federal Funds
FY 2014-15 Appropriation					
HB 14-1336 (Long Bill)	\$492,833,491	\$364,420,213	\$116,124,738	\$8,566,515	\$3,722,025
Current FY 2014-15 Appropriation	\$492,833,491	\$364,420,213	\$116,124,738	\$8,566,515	\$3,722,025
Requested Changes					
Current FY 2014-15 Appropriation	\$492,833,491	364,420,213	\$116,124,738	\$8,566,515	\$3,722,025
<i>Supplementals Recommended by the CDC</i>					
S1 HED/HistCO: Ute Indian Museum Landscape Parking Lot Redesign	0	0	0	0	0
S2 MIL: Perform Structural Repairs, Aurora Readiness Center	540,500	0	0	0	540,500
S3 DNR: Park Infrastructure Facilities	0	0	0	0	0
S4 PER: Water Well, Camp George West	0	0	0	0	0
*S5 HED/HistCO: Ute Indian Museum Expansion	500,000	500,000	0	0	0
*S6 HUM: Veterans Nursing Homes Upgrades	0	1,443,000	0	0	(1,443,000)
S7 PER: Capitol Annex Bldg. Renovation	1,958,732	1,958,732	0	0	0
S8 PER: Centennial Building Renovation	2,841,987	2,841,987	0	0	0
*S9 DPS: Arvada CBI Lab	4,022,154	4,022,154	0	0	0
*S10 DPS: 690/700 Kipling Vacated Space	2,522,576	2,522,576	0	0	0
<i>Supplementals Recommended by the JTC</i>					
*S11 HUM: MHI/DYC, Electronic Record and Pharmacy System Replacement	935,000	935,000	0	0	0
*S12 OIT: Human Resource Info. System	15,218,801	15,218,801	0	0	0
<i>Previously Approved Interim Supplementals</i>					
IS1 AGR: Department Office Consolidation (COP Payment)	528,063	0	528,063	0	0
IS2 HED/UCBoulder: Ketchum Arts and Sciences Building	9,150,000	0	9,150,000	0	0
IS3 PER: Colorado State House and Senate Chamber Renovations	1,000,000	0	1,000,000	0	0
*IS4 OIT: COFRS Modernization (CORE)	<u>5,080,604</u>	<u>4,463,642</u>	<u>616,962</u>	<u>0</u>	<u>0</u>
Requested FY 2014-15 Appropriation	\$537,131,908	\$398,326,105	\$127,419,763	\$8,566,515	\$2,819,525
Requested Increase/(Decrease)	\$44,298,417	\$33,905,892	\$11,295,025	\$0	(\$902,500)
Percentage Change	9.0%	9.3%	9.7%	0.0%	(24.2%)

* State-funded projects recommended by OSPB.

JBC Staff Supplemental Recommendations: FY 2014-15
Staff Working Document – Does Not Represent Committee Decision

Capital Construction: Recommended Changes for FY 2014-15					
	Total Funds	Capital Construction Fund	Cash Funds	Reappropriated Funds	Federal Funds
FY 2014-15 Appropriation					
HB 14-1336 (Long Bill)	\$492,833,491	\$364,420,213	\$116,124,738	\$8,566,515	\$3,722,025
Current FY 2014-15 Appropriation	\$492,833,491	\$364,420,213	\$116,124,738	\$8,566,515	\$3,722,025
Recommended Changes					
Current FY 2014-15 Appropriation	\$492,833,491	364,420,213	\$116,124,738	\$8,566,515	\$3,722,025
Supplementals Recommended by the CDC					
S1 HED/HistCO: Ute Indian Museum Landscape Parking Lot Redesign	0	0	0	0	0
S2 MIL: Perform Structural Repairs, Aurora Readiness Center	540,500	0	0	0	540,500
S3 DNR: Park Infrastructure Facilities	0	0	0	0	0
S4 PER: Water Well, Camp George West	0	0	0	0	0
* S5 HED/HistCO: Ute Indian Museum Expansion	500,000	500,000	0	0	0
*S6 HUM: Veterans Nursing Homes Upgrades	0	1,443,000	0	0	(1,443,000)
S7 PER: Capitol Annex Bldg. Renovation	0	0	0	0	0
S8 PER: Centennial Building Renovation	0	0	0	0	0
*S9 DPS: Arvada CBI Lab	2,768,058	2,768,058	0	0	0
*S10 DPS: 690/700 Kipling Vacated Space	0	0	0	0	0
Supplementals Recommended by the JTC					
* S11 HUM: MHI/DYC, Electronic Record and Pharmacy System Replacement	935,000	935,000	0	0	0
*S12 OIT: Human Resource Info. System	15,218,801	15,218,801	0	0	0
Previously Approved Interim Supplementals					
IS1 AGR: Department Office Consolidation (COP Payment)	528,063	0	528,063	0	0
IS2 HED/UCBoulder: Ketchum Arts and Sciences Building	9,150,000	0	9,150,000	0	0
IS3 PER: Colorado State House and Senate Chamber Renovations	1,000,000	0	1,000,000	0	0
*IS4 OIT: COFRS Modernization (CORE)	5,080,604	4,463,642	616,962	0	0
Supplementals Recommended by JBC Staff					
JS2 OIT: Refinance CORE 1331	0	(3,574,265)	0	3,574,265	0
Recommended FY 2014-15 Appropriation	\$528,554,517	\$386,174,449	\$127,419,763	\$12,140,780	\$2,819,525
Recommended Increase/(Decrease)	\$35,721,026	\$21,754,236	\$11,295,025	\$3,574,265	(\$902,500)
Percentage Change	7.2%	6.0%	9.7%	41.7%	(24.2%)
FY 2014-15 Total Request	\$537,131,908	\$398,326,105	\$127,419,763	\$8,566,515	\$2,819,525
Request Above/(Below) Recommendation	\$8,577,391	\$12,151,656	\$0	(\$3,574,265)	\$0

* State-funded projects recommended by OSPB.

Non-state-funded Technical Recommendations by the CDC

S1 – UTE INDIAN MUSEUM LANDSCAPE AND PARKING LOT REDESIGN (DEPARTMENT OF HIGHER EDUCATION, HISTORY CO)

	Request	Recommendation
Total	<u>\$0</u>	<u>\$0</u>
Capital Construction Fund	0	0
Cash Funds	0	0
Reappropriated Funds	0	0
Federal Funds	0	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 when the original appropriation was made.	

Department Request: The Department requests to extend spending authority through FY 2016-17 for a parking lot project for the Ute Indian Museum. The current spending authority expires at the end of FY 2014-15.

Staff Recommendation: Staff recommends that the Committee approve the request. This adjustment will involve amending the footnote in S.B. 13-107 which extended the spending authority in the 2013 capital construction supplemental bill.

Staff Analysis: The landscape and parking lot project is tied to the Ute Indian Museum Expansion. State funds were appropriated for the project in 2007 to accompany cash and federal funds, but most of the state funds were rescinded in 2009 due to an economic downturn. A supplemental request was approved in June 2012 to extend cash and federal funds spending authority and to use remaining unspent state funds. Under the approved supplemental, the parking lot project was rescoped as a stand-alone project since the museum expansion did not receive funding at that time. History Colorado has since received an appropriation for the Ute Indian Museum Expansion project and the parking lot project will be redesigned to fully integrate with the museum expansion.

S2 – PERFORM STRUCTURAL REPAIRS AND CODE-COMPLIANCE UPGRADES, AURORA READINESS CENTER (DEPARTMENT OF MILITARY AND VETERANS AFFAIRS)

	Request	Recommendation
Total	<u>\$540,500</u>	<u>\$540,500</u>
Capital Construction Fund	0	0
Cash Funds	0	0
Reappropriated Funds	0	0
Federal Funds	540,500	540,500

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: This request is a Capital Development Committee-initiated supplemental recommendation on behalf of the Department of Military and Veterans Affairs. The recommendation corrects an omission in the FY 2014-15 appropriation to add matching federal funds for the project.

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

Staff Analysis: The project performs an overhaul on the armory, which was built in 1967 on unstable soils, and includes additional code-compliance improvement projects. The FY 2014-15 appropriation erroneously left out the matching federal funds for the project.

S3 – PARK INFRASTRUCTURE AND FACILITIES (DEPARTMENT OF NATURAL RESOURCES, DIVISION OF PARKS AND WILDLIFE)

	Request	Recommendation
Total	<u>\$0</u>	<u>\$0</u>
Capital Construction Fund	0	0
Cash Funds	0	0
Reappropriated Funds	0	0
Federal Funds	0	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 a technical error.	

Department Request: The Department requests a technical adjustment to a cash fund letter note to allow access to HUTF funds for this item.

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

Staff Analysis: The Division of Parks and Wildlife receives an annual appropriation from the Highway Users Tax Fund (HUTF) for the construction, improvement, repair, and maintenance of public roads in state recreation areas and parks. The Division's FY 2014-15 capital construction request erroneously omitted the \$300,000 of HUTF funding.

S4 – REPLACE WATER WELL AND SPRINKLER SYSTEM, CAMP GEORGE WEST (DEPARTMENT OF PERSONNEL)

	Request	Recommendation
Total	<u>\$0</u>	<u>\$0</u>
Capital Construction Fund	0	0
Cash Funds	0	0
Reappropriated Funds	0	0
Federal Funds	0	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 a technical error.	

Department Request: This request is a Capital Development Committee-initiated supplemental recommendation on behalf of the Department of Personnel. The recommendation corrects the placement of a capital project line item in the Department of Personnel that was erroneously placed in the Department of Public Safety.

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

Staff Analysis: The \$193,600 controlled maintenance project is to replace the water well and sprinkler system at Camp George West. The facility is administered and maintained by Capitol Complex in the Department of Personnel but occupied by the Department of Public Safety. The project was erroneously placed in the Department of Public Safety capital budget. The correction will allow the Department of Personnel to complete the project as the property manager.

State-funded Requests Recommended by the CDC

S5 – UTE INDIAN MUSEUM EXPANSION (DEPARTMENT OF HIGHER EDUCATION, HISTORY COLORADO)

	Request	Recommendation
Total	<u>\$500,000</u>	<u>\$500,000</u>
Capital Construction Fund	500,000	500,000
Cash Funds	0	0
Reappropriated Funds	0	0
Federal Funds	0	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 when the original appropriation was made.	

Department Request: The Department requests an additional \$500,000 Capital Construction Fund to cover inflation in construction costs and design revisions since the project's last cost estimate in 2009.

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

Staff Analysis: The project expands and improves the Ute Indian Museum in Montrose, adding 5,440 square feet to the existing 4,657-square-foot facility. The project improves exhibits, classrooms, support facilities, public orientation, and security functions.

Since the project's inception in FY 2001-02, state and cash funds have been appropriated and rescinded on multiple occasions during economic downturns, with the most recent rescission taking place in 2009. In addition to construction cost inflation, the agency cites a change in vision for the project by new tribal leadership, a push to include more revenue-generating space in the museum, and the addition of energy-efficient elements to the project's design as contributors to the increase in project cost. Prior appropriations for this project total \$2.8 million including \$2.4 million CCF and \$400,000 cash funds. The supplemental request represents a 17.8 percent increase for construction cost inflation over a 6-year period and design changes.

S6 – SERVICES FOR PEOPLE WITH DISABILITIES, STATE AND VETERANS NURSING HOMES, RESIDENT SUPPORT AREAS AND SECURITY UPGRADES (DEPARTMENT OF HUMAN SERVICES)

	Request	Recommendation
Total	<u>\$0</u>	<u>\$0</u>
Capital Construction Fund	1,443,000	1,443,000
Cash Funds	0	0
Reappropriated Funds	0	0
Federal Funds	(1,443,000)	(1,443,000)

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

Department Request: The Department requests an additional \$1,443,000 Capital Construction Fund to replace an equivalent amount of federal funds which the Department was unable to access.

Staff Recommendation: With reservations, staff recommends that the Committee approve the request.

Staff Analysis: The approved FY 2014-15 appropriation included \$1.4 million CCF and \$1.4 million federal funds for safety and security improvements and facility upgrades for three State Veterans Community Living Centers. The Department requests \$1.4 million CCF to replace \$1.4 million in federal funds which the Department has determined are not available from the US Department of Veterans Affairs (VA) State Home Construction Grant as originally anticipated. The Department states that it applied for the grant but received notice in 2014 from the VA that the project will not be eligible due to reduced federal funding levels for the VA's grant program.

Staff is recommending that the Committee approve the request due to the life-safety issues cited in the request and the relatively rigorous vetting process for capital projects which led to this request being funded in FY 2014-15. However, staff is concerned that the anticipated matching funds may have played a role in the decision for funding approval.

Capital construction appropriation headnotes include the requirement that appropriations from state funds shall be reduced by the amount of any funds received from other sources and not appropriated. This leads to supplemental requests to identify additional funds for the purpose of expanding the scope of a project, rather than diminishing the state-funded portion. The situation presented in this supplemental request is almost the reverse. Federal funds were identified in the appropriation but were not, in the end, available as anticipated, leading to this request for a state-

funded backfill to complete the project. While staff is not suggesting, nor is staff aware, that there has been any intentional manipulation of the capital funding process in this case, it may be appropriate for the Committee to identify a policy for addressing state-funded backfill requests for inclusion in Long Bill headnotes for capital construction in the future.

S7 – CAPITOL ANNEX BUILDING (1375 SHERMAN STREET) RENOVATION (DEPARTMENT OF PERSONNEL)

	Request	Recommendation
Total	<u>\$1,958,732</u>	<u>\$0</u>
Capital Construction Fund	1,958,732	0
Cash Funds	0	0
Reappropriated Funds	0	0
Federal Funds	0	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.]	NO
While JBC staff and the Department agree that this request is the result of data that was not previously available, there is no original appropriation for this item. This is essentially a new request and should have been requested as a budget amendment for FY 2015-16. The Department states that supplemental funding for FY 2014-15 was requested because the submission deadline for regular capital construction requests elapsed before the Department received the Capitol Complex Master Plan that is the basis of this request.	

Department Request: The Department requests an additional \$1,958,732 Capital Construction Fund for the renovation of the Capitol Annex Building at 1375 Sherman Street. The FY 2014-15 request is for the design phase of the \$27.9 million (total cost) project.

Staff Recommendation: Staff recommends that the Committee deny the supplemental request and refer the request to the Capital Development Committee for consideration for FY 2015-16.

Staff Analysis: The 2014 Capitol Complex Master Plan recommended as the top priority for existing buildings the full renovation of the Capitol Annex Building at 1375 Sherman Street. The Annex building is seven stories and has 114,228 gross square feet. It was constructed in 1937 as a New Deal – Federal Emergency Administration of Public Works project and was placed on the Historic Registry with the adjacent Boiler Plant building in 1991.

Phase 1 of the project is for design services and will include full design services, including schematic design, design development, construction documentation, and bidding and construction administration. The building has outdated and poor performing heating and cooling systems, inefficient light fixtures and controls, and a building envelope assembly (walls, windows, and exterior doors) that is failing to control the weather from negatively affecting the

internal environment. The building is in need of a major renovation including replacing major building systems, extensive retrofits of the existing systems, and installing additional energy meters. The building can dramatically benefit from energy retrofits and achieve significant energy usage reductions. A prolonged system-by-system renovation is more expensive than renovating the entire building at once.

Renovation construction costs are estimated at \$25.95 million. The estimated 10-year lease cost for tenants in a Class A or B building is \$36.6 million. The building has a net estimated market value of \$436,000. This includes an estimated value of \$17.1 million, minus estimated minimum remodel costs for commercial space of \$12.7 million, and brokerage fees and marketing downtime carrying costs of \$4.0 million.

Additional Considerations

Staff's recommendation is to deny the supplemental request for FY 2014-15 and to refer the request to the Capital Development Committee for consideration and prioritization for FY 2015-16. This recommendation is on the basis that this request does not qualify as a supplemental request. However, staff would like to address additional issues related to this request that the Committee should consider in its decision-making.

It has come to Staff's attention that there is legislative interest in addressing safety concerns for legislators crossing Colfax Avenue on foot from the 1525 Sherman Street building to the Capitol. It is possible that the construction of a pedestrian tunnel or bridge across Colfax may be proposed. Staff's concern is that as with the *crime of opportunity* that summarily secured legislative space in the 1525 Sherman building, there are actions taken for the purpose of mollifying legislative concerns and interests that are not necessarily good long-term planning decisions for the Capitol Complex for legislative needs and for the State generally.

Staff recommends that the Committee may want to consider the Capitol Annex building at the corner of 14th Avenue and Sherman Street as a more appropriate legislative space than the 1525 Sherman building. Locating in the Capitol Annex building would place those legislators in a better location for legislative purposes with additional easy access to the Legislative Services Building across Sherman which houses two large, regularly-used, committee rooms and the JBC committee room. This location also provides a superior alternative for street-crossing safety than is afforded by the need to safely cross Colfax that would necessitate the construction of a pedestrian tunnel or bridge.

Additionally, the scale of the Capitol Annex building would provide space for additional legislative support agency staff currently located in the 1525 Sherman building as well as the potential to locate additional executive branch offices currently located in commercial leased space. Such offices identified in the Capitol Complex Master Plan include the Secretary of State, the Treasurer's Unclaimed Property Program, the Governor's Office of Economic Development and International Trade (OEDIT), Energy Office (CEO) and Office of Information Technology (OIT).

The Capitol Complex Master Plan also identifies that the Department of Revenue would prefer to have their offices co-located for efficiency. In addition to the Capitol Annex building, the

Department of Revenue also has functions housed at 1881 Pierce. Given the taxpayer-centered program operations of the Department that entail regular and frequent visits by the general public to the Department of Revenue, it may be more appropriate to locate all Department of Revenue operations in a location with access to more public parking than is available in the Capitol area.

Should the Committee determine that some action should be taken immediately to resolve additional issues around this supplemental request, **staff recommends that the Committee may want to approve the supplemental request for the design phase of the renovation with the instruction to Capitol Complex and the State Architect that the Capitol Annex building should be designed to house legislative and other Governor's office and elected official programs.** This recommendation would also require the need to identify a concurrent co-location solution for the Department of Revenue.

S8 – CENTENNIAL BUILDING (1313 SHERMAN STREET) RENOVATION (DEPARTMENT OF PERSONNEL)

	Request	Recommendation
Total	<u>\$2,841,987</u>	<u>\$0</u>
Capital Construction Fund	2,841,987	0
Cash Funds	0	0
Reappropriated Funds	0	0
Federal Funds	0	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.]	NO
While JBC staff and the Department agree that this request is the result of data that was not previously available, there is no original appropriation for this item. This is essentially a new request and should have been requested as a budget amendment for FY 2015-16. The Department states that supplemental funding for FY 2014-15 was requested because the submission deadline for regular capital construction requests elapsed before the Department received the Capitol Complex Master Plan that is the basis of this request.	

Department Request: The Department requests an additional \$2,841,987 Capital Construction Fund for the renovation of the Centennial Building at 1313 Sherman Street. The FY 2014-15 request is for the design phase of the \$44.0 million (total cost) project.

Staff Recommendation: Staff recommends that the Committee deny the supplemental request and refer the request to the Capital Development Committee for consideration for FY 2015-16.

Staff Analysis: The 2014 Capitol Complex Master Plan recommended as the second priority for existing buildings the full renovation of the Centennial Building at 1313 Sherman Street. The

Centennial Building is a 10-story high rise and has 205,315 gross square feet. It was dedicated in October 1976 during the State's centennial year.

Phase 1 of the project is for design services and will include full design services, including schematic design, design development, construction documentation, and bidding and construction administration. The building has outdated and poor performing heating and cooling systems, inefficient light fixtures and controls, and a building envelope assembly (walls, windows, and exterior doors) that is failing to control the weather from negatively affecting the internal environment. The building is in need of a major renovation including replacing major building systems, extensive retrofits of the existing systems, and installing additional energy meters. The building can dramatically benefit from energy retrofits and achieve significant energy usage reductions.

The master planning consultant's report evaluated the building condition as poor and recommended that all building systems and components other than the core and shell be removed. It is apparent that the building was originally constructed with a very limited budget: lights for an entire floor are switched together, the electrical distribution are in floor raceways with outlets mounted in trip-hazard "tombstones" (in-floor electrical outlets), the HVAC system has very limited controls and utilizes an out-of-date distribution system. The building was originally designed for an open office layout but has subsequently been reconfigured into inefficient private offices.

The construction phase of the project will replace the HVAC, electrical, fire alarm, fire sprinkler, and plumbing systems and address building code compliance and accessibility issues. Departments of Natural Resources, Local Affairs, and Personnel – State Archives staff must vacate the building for 15 months during construction. It is assumed that the State Archives collection housed on levels B2 and B3 would remain in the building.

A prolonged system-by-system renovation is more expensive than renovating the entire building at once. Renovation construction costs are estimated at \$41.2 million. The estimated 10-year lease cost for current tenants in a Class A or B building is \$65.7 million. The building has a net estimated market value of \$4.2 million. This includes an estimated value of \$30.8 million, minus estimated minimum remodel costs for commercial space of \$19.5 million, and brokerage fees and marketing downtime carrying costs of \$7.2 million.

S9 – ACQUISITION OF ADDITIONAL DENVER CBI LAB SPACE TO COMPLY WITH HOUSE BILL 13-1020 (DEPARTMENT OF PUBLIC SAFETY)

	Request	Recommendation
Total	<u>\$4,022,154</u>	<u>\$2,768,058</u>
Capital Construction Fund	4,022,154	2,768,058
Cash Funds	0	0
Reappropriated Funds	0	0
Federal Funds	0	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 when the original appropriation was made.	

Department Request: The Department requests an additional \$4,022,154 Capital Construction Fund for the revised estimate of construction renovation costs associated with the new CBI forensic laboratory in Arvada.

Staff Recommendation: Staff recommends that the Committee approve an additional \$2,768,058 Capital Construction Fund.

Staff Analysis: House Bill 13-1020 established new requirements regarding the collection and treatment of forensic medical evidence of sexual assault kits, addressing the backlog of evidence and establishing rules for newly submitted sexual assault kits. To process the expected volume of newly submitted sexual assault kits, the Department received a capital construction appropriation of \$7.2 million in FY 2014-15 to purchase and renovate a vacant lab space in Arvada.

Sequence of Events

1. In January 2014, Roth Sheppard Architects was contracted to provide expertise and estimates. They provided the Department with an original estimate of \$3.3 million to renovate the building to accommodate the forensic lab, including direct construction costs of \$2.9 million.
2. The building was purchased on July 18, 2014, for \$3.7 million.
3. On July 21, 2014, CBI received a feasibility study from Roth Sheppard Architects and a third-party construction firm that estimated the direct construction budget at \$2.8 million.

4. In early September 2014, a construction firm was awarded the contract. Shortly thereafter, the construction firm, J.E. Dunn, and Roth Sheppard Architects performed independent cost estimates using more detailed design documents.

5. On September 16, 2014, J.E. Dunn and Roth Sheppard Architects informed the CBI that the direct construction costs would be \$5.8 million rather than \$2.8 million quoted on July 21st. The Department inquired why the initial feasibility study was substantially less and it was suggested that the initial study significantly underestimated the HVAC, plumbing, and electrical needs for this forensic laboratory.

6. CBI asked Roth Sheppard Architects to reevaluate and redesign the renovation that would be within the \$2.8 million budget. On November 21, 2014, CBI was informed that it was not possible to design a forensic lab that would meet the International Organization for Standardization (ISO) accreditation in the Arvada lab building within the \$2.8 million construction budget originally estimated and allocated.

Transfer Request

The Department also identifies an unexpended balance from H.B. 13-1020, which totals \$2,756,822 General Fund, which they are requesting be transferred to the Capital Construction Fund to offset the cost of this request. Based on their request amount of \$4,022,154, this reduces their actual additional need to \$1,265,332.

The Department has submitted supplemental request #1 in their operating budget supplemental request package for this transfer. In consultation with the JBC staff analyst for Public Safety, the capital construction staff analyst will address that request item later in this document in item JS3, since a transfer to the Capital Construction Fund is more reasonably addressed in the capital construction budget process.

Project and Request Analysis

The following table outlines the summary need as presented in the request narrative.

CBI Arvada Lab Summary Need Table	
Arvada CBI Lab Appropriation	\$7,200,000
Purchase of Arvada Building	(\$3,675,000)
Original Construction (and Equip.)	(\$2,836,000)
Original Design Cost	(\$375,000)
Original Public Art Cost	<u>(28,000)</u>
Remaining Appropriation	286,000
Rev. Construction Estim. Additional	(3,000,000)
Amount Remaining to be Funded	2,714,000
Amount Requested	<u>4,022,154</u>
Diff. from Explained Summary Need	\$1,308,154

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The request includes \$1.3 million more than the reason identified and explained in the request narrative which identifies the \$3.0 million increase in construction estimate from \$2.8 million to \$5.8 million. The following table outlines the project cost specs table included in the request narrative, as well as staff recommended appropriation amounts.

CBI Arvada Lab Project Cost					
	Original Request	Supp. Request	Staff's Cost Calculations	Staff Supp. Recommend.	Total Approp. Recommend.
Building Acquisition	\$3,675,000	\$0	\$0	\$0	\$3,675,000
Renovation Specs					
Design and Professional Services	375,000	365,000	365,000	0	375,000
Inflation for Design (0.0%)	n/a	0	0	0	0
Construction	2,240,000	3,029,364	3,029,364	3,029,364	5,269,364
Inflation for Construction (3.5%)	n/a	180,328	184,428	0	0
Equipment	596,000	0	0	0	596,000
Inflation on Equipment (3.5%)	n/a	20,860	20,860	0	0
Art in Public Places at 1%	<u>28,000</u>	<u>26,497</u>	<u>24,694</u>	<u>24,694</u>	<u>52,694</u>
Subtotal Renovation Project Costs	3,239,000	3,622,049	3,624,345	3,054,058	6,293,058
Renovation Contingency (10%)	286,000	400,105	362,435	(286,000)	0
Total Request/Recommendation	\$7,200,000	\$4,022,154	\$3,986,780	\$2,768,058	\$9,968,058
Difference from Request			(35,374)	(1,254,096)	
Design, Contingency, and Art			752,128	(261,306)	
Construction			\$3,029,364	\$3,029,364	

Staff recommends a supplemental appropriation of \$2.8 million as identified in the table. The recommendation includes an increase in construction costs of \$3.0 million and an increase of \$25,000 for the one percent on construction costs for Art in Public Spaces. This amount is offset by the amount of the contingency amount included in the original appropriation. Staff recommends no additional contingency as this supplemental appropriation serves as the project contingency. Additionally, the original appropriation of \$286,000 for project contingency should offset the additional identified cost.

Staff excludes inflation because this project was estimated for FY 2014-15, this supplemental is for FY 2014-15, and it is expected that this project should begin renovation construction within the current fiscal year. There is no good reason to adjust the original estimate for inflation.

Design and professional services fees have doubled in cost in the revised project cost estimate and request. This request is unexplained in the narrative. Because this additional cost is entirely unexplained, staff considers this part of the request unjustified. Staff is recommending that the request for additional design and professional services not be funded. Staff is concerned that the events which caused the Department to bring a supplemental request and revised project cost at more than double the original estimate are apparently due to the Department's architectural advisors' incompetence. It appears that those advisors are still involved in the project and are now expecting to be paid twice the original estimate. Staff recommends that if the Department chooses to keep the current architect on the project that no additional design costs be funded. If

the Department chooses to work with another architect for this project, the Department should then bring a supplemental request for design services for a new architect.

At this time, based on the Capital Development Committee's recommendation for funding and its oversight of the capital construction process generally, staff will defer to that Committee's professional judgment in terms of questioning the validity of the architectural and construction professionals' past and ongoing participation and judgments related to additional project needs. Despite the poor execution of oversight and judgment by the Department, this project needs to be funded and finished due to the public safety issues, and on that basis staff recommends funding the additional \$2.8 million identified in staff's analysis.

S10 – REDESIGN OF 690 AND 700 KIPLING STREET VACATED SPACE (DEPARTMENT OF PUBLIC SAFETY)

	Request	Recommendation
Total	<u>\$2,522,576</u>	<u>\$0</u>
Capital Construction Fund	2,522,576	0
Cash Funds	0	0
Reappropriated Funds	0	0
Federal Funds	0	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.]	NO
While JBC staff and the Department agree that this request is the result of data that was not previously available, there is no original appropriation for this item. This is essentially a new request and should have been requested as a budget amendment for FY 2015-16.	

Department Request: The Department requests an additional \$2,522,576 Capital Construction Fund for relocation and improvement expenses to backfill vacated space in 690 and 700 Kipling.

Staff Recommendation: Staff recommends that the Committee deny the supplemental request and refer the request to the Capital Development Committee for consideration for FY 2015-16.

Staff Analysis: The Department of Agriculture vacated the fourth floor at 700 Kipling in April 2014. The Department of Public Safety currently occupies floors one through three. Additionally, the third floor of 690 Kipling was previously occupied by the InstaCheck Unit until 2013. These two floors total 21,000 square feet.

The Department states that its current lease for commercial leased space at 710 Kipling Street, which houses CBI Investigations and Community Corrections, will expire on June 30, 2015. The Department is seeking to terminate the lease at that time by moving staff into the available space at 690 and 700 Kipling.

Staff was always concerned by this request, that the Department could not possibly make this timeline of renovating space and moving staff by the end of June. Additional interactions that the Department had with the Capital Development Committee, and the recommendation from the CDC that the Department maintain their lease at 710 Kipling for another year just to be sure suggest that any savings the Department was projecting for this purpose will not be experienced.

Due to the nature of this request as a new project – not a supplemental to an existing project – and the lack of an emergency because of the recommended extension of the existing lease, staff recommends that the Committee deny this supplemental request and forward the request to the Capital Development Committee for consideration for FY 2015-16, as the request should have been submitted.

JBC Staff-initiated Supplemental Recommendation

JS1 – A COMMITTEE POLICY FOR DEFINING AND ANNUALIZING MINIMUM EXPECTED BASELINE OPERATING EFFICIENCIES FOR IT CAPITAL PROJECTS

Staff Recommendation: Staff recommends that the Committee adopt a policy for annualizing implied out-year operating efficiencies – personal services and operating expenses base reductions – for funded IT capital projects as follows:

1. In the second fiscal year of implementation (between 12 and 24 months), personal services will be offset by a base reduction equal to 10.0 percent of the IT project cost. Additionally, in the second fiscal year of implementation, operating expenses will be offset by an equivalent, ongoing base reduction for annual operating or maintenance costs associated with the IT system. (If operating or maintenance costs are expected to vary over out years, an average of those out year costs should be taken as the base reduction.)
2. For supplemental or additional appropriations made for the project which are considered necessary to complete the system as originally requested, the personal services base reduction will be equal to 15.0 percent of the supplemental or additional appropriations. Additionally, increases in the annual operating or maintenance costs associated with the IT system over original estimates will be assessed an additional 10.0 percent base reduction for the additional amount.
3. Actual project costs that are lower than appropriated will reduce the out-year base reduction annualization using the same formula.

Staff Analysis:

IT Capital Requests Don't Identify Savings

IT capital project requests from state agencies request funding for new IT systems that presumably either create operating efficiencies or enhance program operations but do not identify operating efficiencies or program enhancements specifically. Generally, staff is in favor of updating IT systems as a way of gaining operating efficiencies and improving program operations. However, the cost of IT systems are generally high and all come with the general expectation of delivering some form of operating efficiencies or program enhancements.

Staff had initially recommended that the Committee pursue legislation to require that IT capital projects specifically include cost-benefit analysis with the intention of identifying operating efficiencies. On this basis, projects that deliver more operating efficiencies would presumably have a greater likelihood of being funded.

However, there appears to be general resistance to this legislative recommendation based on responses from OSPB. And staff's sense is that even with a statutory requirement, the quantification of operating efficiencies would likely still not be addressed satisfactorily.

Legislative Authority over Appropriation

Rather than argue or disagree about the arbitrary nature of methodology and projections for identifying operating efficiencies for the purpose of *paying for* an IT capital project, this recommendation simply states that the value of operating efficiencies (or program enhancements) is going to be assumed or implied for every project according to this formula. State agencies can independently determine whether a particular project is worthwhile based on that formula or cost.

The base reduction formula of 10.0 percent is essentially equal to a 10-year capitalization or depreciation schedule, which is reasonable for most large IT systems. The ongoing or permanent 10.0 percent base reduction also assumes that efficiency gains from an IT system are essentially permanent.

The formula does two things:

1. It recaptures 100 percent of the cost of an IT capital project over 10 years; and
2. It establishes a penalty of an additional base reduction equal to 5.0 percent of supplemental or additional appropriations that are needed due to poor project planning or implementation; and a penalty of 10.0 percent for ongoing costs that are higher than originally estimated.

The goal with this recommendation is to fund essentially any project that state agencies request for funding with the caveat that the state agency will be paying for the project with base reductions to personal services and operating expenses accordingly. The state agency should determine prior to the request, that such a request is worth at least that cost. It also encourages state agencies to more completely plan and exercise due diligence prior to requesting a project, rather than knowing they can always come back for more, when the original appropriation has been spent due to poor planning or poor implementation.

It really is up to the state agency to deliver on the project, because they will be paying for it whether it works or not. This does not absolve the JBC or the General Assembly from doing its own due diligence in vetting IT capital project requests. However, staff's concern is that state agencies do not really have to deliver efficiencies once a project has been funded. If a project is worth funding – because of the benefits that a project is expected to deliver – then the state agency can determine whether the 'cost' is worth the project. This relieves the burden on the JTC, the JBC, and the General Assembly for approving projects that in hindsight did not deliver as proposed – the cost will be recovered, regardless. And state agencies will know the tradeoff or cost.

RFI for Annualizations

It is envisioned that most, if not all, IT capital projects will need to include a request for information that asks the state agency to identify the line items that will be annualized with base reductions in future fiscal years. Failure to provide this annualization allocation will necessitate

that JBC staff analysts will independently make those annualization recommendations in figure setting without state agency input.

For projects associated with central service agencies like the Office of Information Technology (OIT) and the Department of Personnel, those base reductions would be allocated to all state agencies according to a reasonable allocation formula tied to the funded project. Base reductions for such central service IT systems should generally be assessed at the executive director's office level for personal services and operating expenses reductions, given their central service function; in some departments, central services provision may occur in division or program administration offices, which necessitates the RFI. For projects in a given department, agency, or program, reductions should be taken specific to the department, agency, or program that benefits from the IT system, and similarly necessitates the RFI to allow the department, agency, or program to best determine the location of base reductions.

Example

The following is an example of how this policy would work.

The JTC has approved and forwarded a supplemental request from OIT for the Department of Personnel's Human Resource Information System (HRIS). The supplemental is for an additional \$15.2 million in state funds. The original appropriation was for \$16.1 million in state funds. Additionally, the project will experience annual, ongoing maintenance costs of \$3.04 million. The project has a planned "go live" date of May 2017.

In FY 2016-17, the project will begin to experience annual, ongoing maintenance costs of \$3.04 million. The second fiscal year of implementation will be FY 2017-18 based on the "go live" date of May 2017.

In FY 2017-18, the following base reductions will be allocated and taken statewide:

- \$3.04 million in operating expenses;
- \$1.61 million in personal services for the primary appropriation;
- \$2.28 million in personal services for the supplemental appropriation.

- \$6.93 million in total base reductions.

Over 10 years, those base reduction savings total \$69.3 million. The project cost was \$31.3 million and experienced \$30.4 million in annual maintenance costs, for a 10-year total cost of \$61.7 million. The difference of \$7.6 million is the supplemental "penalty" amount.

Based on an allocation equivalent to the CORE allocation requested for FY 2015-16, the following table outlines base reductions for the HRIS project in FY 2017-18. For purposes of comparison, the two columns on the right include total operating appropriations for FY 2014-15 and the percentage that the base reduction represents of that total department appropriation.

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HRIS Base Reduction Allocation in FY 2017-18				
	FY 2015-16 Req. Core Allocation	FY 2017-18 Base Reduction	FY 2014-15 Total Appropriation	Base Reduction Percent of Total Appropriation
Agriculture	0.7%	\$51,099	\$44,184,405	0.12%
Corrections	5.9%	408,982	808,028,400	0.05%
Education	2.0%	139,004	5,251,199,806	0.00%
Governor	1.7%	116,916	284,943,658	0.04%
Health Care Policy	15.4%	1,069,545	7,876,855,463	0.01%
Higher Education	0.9%	64,059	3,442,742,629	0.00%
Human Services	16.1%	1,115,870	1,901,273,647	0.06%
Judicial	15.6%	1,083,771	614,943,426	0.18%
Labor and Employment	2.9%	203,595	167,437,131	0.12%
Law	0.6%	39,535	73,966,331	0.05%
Legislature	0.3%	18,771	42,029,278	0.04%
Local Affairs	3.9%	267,439	310,257,918	0.09%
Military Affairs	0.6%	43,647	225,304,185	0.02%
Natural Resources	16.6%	1,153,645	256,122,267	0.45%
Personnel	3.9%	268,554	173,354,939	0.15%
Public Health	3.4%	237,020	551,305,467	0.04%
Public Safety	2.5%	175,643	401,203,913	0.04%
Regulatory Agencies	1.8%	125,093	86,666,820	0.14%
Revenue	2.9%	198,961	327,080,067	0.06%
State	0.2%	11,398	22,136,875	0.05%
Transportation	1.2%	80,143	1,283,197,431	0.01%
Treasurer	0.8%	57,310	438,771,136	0.01%
Total Statewide Base Reduction		\$6,930,000		

Supplementals Recommended by the JTC

S11 – BEHAVIORAL HEALTH SERVICES, MENTAL HEALTH INSTITUTES, ELECTRONIC HEALTH RECORD AND PHARMACY SYSTEM REPLACEMENT (DEPARTMENT OF HUMAN SERVICES)

	Request	Recommendation
Total	<u>\$935,000</u>	<u>\$935,000</u>
Capital Construction Fund	935,000	935,000
Cash Funds	0	0
Reappropriated Funds	0	0
Federal Funds	0	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 when the original appropriation was made.	

Department Request: The Department requests an additional \$935,000 Capital Construction Fund to add the Division of Youth Corrections (DYC) to the electronic health record (EHR) and pharmacy information system for the Mental Health Institutes, funded in FY 2014-15.

Staff Recommendation: Staff recommends that the Committee approve the request. Staff is not recommending out-year program operating base reduction annualizations for this request.

Staff Analysis: The Department's electronic health record and pharmacy information system for the Mental Health Institutes was approved and totaled \$9.85 million Capital Construction Fund in FY 2014-15. The Department seeks to add DYC to this system. The project would replace a number of separate, loosely integrated systems and result in a comprehensive EHR system that is fully integrated with clinical operations and systems. An August 2014 audit by the Office of the State Auditor identified issues related to medication management at DYC and recommended that the Department consider implementing a single, integrated EHR.

The Department estimates \$45,000 per site for 10 facilities to create wireless environments for this system, for a total cost of \$450,000. Software and licensing is expected to total \$400,000 and the project includes a 10.0 percent contingency of \$85,000.

The Joint Technology Committee recommended funding this request. Staff recommends that the Committee approve this request that will allow the DYC EHR to be developed and implemented within the larger EHR system for the Mental Health Institutes. At this time staff does not

recommend out-year program operating base reduction annualizations due to the scale of the supplemental relative to the original appropriation. The original appropriation was approved prior to the staff recommendation for Committee policy to take such out-year base reductions. This supplemental appropriation totals less than 10.0 percent of the original appropriation. However, staff recommends that if the entire project – the original and supplemental appropriations – require additional future supplementals to complete the project, staff may recommend such out-year annualizations in future budget item recommendations.

S12 – HUMAN RESOURCE INFORMATION SYSTEM (OFFICE OF INFORMATION TECHNOLOGY, GOVERNOR – LIEUTENANT GOVERNOR – STATE PLANNING AND BUDGETING)

	Request	Recommendation
Total	<u>\$15,218,801</u>	<u>\$15,218,801</u>
Capital Construction Fund	15,218,801	15,218,801
Cash Funds	0	0
Reappropriated Funds	0	0
Federal Funds	0	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 when the original appropriation was made.	

Department Request: The Governor's Office of Information Technology (OIT) requests an additional \$15,218,801 Capital Construction Fund for the Statewide Leave, Time Tracking, and Human Resources Management System Modernization project, and that the project be renamed the Human Resource Information System (HRIS).

Staff Recommendation: Staff recommends that the Committee approve the request. Staff recommends that the Committee establish out-year operating base reduction annualizations in FY 2017-18 to be allocated to state agencies as outlined in the table on page 21 as included in item JS1.

Staff Analysis: The Statewide Leave, Time Tracking, and Human Resources Management System Modernization project was initially planned and funded in FY 2014-15. The original appropriation totaled \$16.1 million Capital Construction Fund. The project was for the purchase of timekeeping software from Kronos and a core human resource management software from a to-be-determined enterprise resource planning vendor. In 2014, OIT hired a consultant to perform an analysis of the original project scope. The consultant determined that the initial scope and funding did not adequately address all of the Department of Personnel's needs.

The following elements comprise the proposed HRIS:

- **Payroll** – This application serves as a hybrid between a house payroll and outsourced payroll.
- **Attendance** – The attendance application provides the ability to track basic leave accruals.
- **Training** – The training application provides the ability to track when an employee has taken a class and when classes need to be taken.
- **Employee Self-service** – This application allows employees, supervisors, and department managers the ability to view and modify specific employee-related information online.
- **Benefit Open Enrollment** – This application allows for an automated process where employees can enroll for benefits online.
- **Position Control** – This application serves as the single source database for personnel and position tracking in which all HR modules will be connected. HR applications track data by the employee. Position control tracks data specific to the position.
- **Recruiting** – This application provides the ability for a candidate to apply for an open position online, submit a resume, and check the status of submission via account and update data.
- **Performance Management and Compensation Adjustment** – The performance management application will allow organizations to automate the review process.
- **Succession Planning** – The succession planning application provides the ability to identify key employees, plan career path, training need, and skills gaps in the organization.

The revised estimated total cost of the project is based upon the consultant's findings. Four vendors were contacted to provide industry price points for all critical components of the system. OIT states that the cost estimates were based on the low-end quotes received by vendors in each applicable category. The following table outlines the revised cost estimate for the HRIS provided in the request narrative.

HRIS Revised Cost Estimate	
Contract Professional Services	\$12,699,999
Software Licensing	6,294,936
Software Maintenance w/o Subscription	3,437,746
Related Enterprise HRIS Costs	<u>8,856,120</u>
Subtotal - HRIS Project Costs	31,288,801
Original Appropriation	16,070,000
Remaining Need	\$15,218,801

The Joint Technology Committee (JTC) recommends funding the supplemental request for the enhanced HRIS. Staff is concerned that some of the elements described appear to be *wants* more than *needs*. However, based on the JTC's recommendation, staff will defer to their judgment on the suitability or need for these elements in a statewide IT system. On that basis, **staff recommends that the Committee fund the supplemental request.**

Additionally, staff recommends that the Committee establish out-year operating base reduction annualizations in FY 2017-18 to be allocated to state agencies as outlined in the table on page 21 as included in item JS1. Staff particularly recommends this annualization due to:

- the lack of adequate planning for the original request and *do-over* nature of the supplemental request;
- the cursory cost detail information provided in the request narrative; and
- staff's concern that this request includes information system elements that may be more of an optional, unnecessary nature.

Should OIT and the Department of Personnel decide that the cost of out-year base reductions is too high to justify some elements of the HRIS, they can adjust their scope for the project to elements that are worth the cost of out-year base reductions to accommodate the cost of the system and reduce the total annualizations in FY 2017-18.

Previously Approved Supplemental Requests

IS1 – DEPARTMENT OFFICE CONSOLIDATION (COP PAYMENT FOR DEPARTMENT OF AGRICULTURE) 1331 – SEPTEMBER 2014

Previously Approved	
Total	<u>\$528,063</u>
Cash Funds	528,063

Summary: The Committee approved this interim supplemental in September 2014. The Department requested \$528,063 cash funds spending authority for FY 2014-15 to pay the second year of 21 annual lease payments for its Department Office Consolidation request. The Department failed to request spending authority during the FY 2014-15 capital budget process for the second year of COP payments. Staff recommended and the Committee approved the request.

The rules governing interim supplementals in Section 24-75-111 (5), C.R.S., require the Committee to introduce all interim supplementals that it approves. Staff will include this supplemental in the Department's supplemental bill.

IS2 – KETCHUM ARTS AND SCIENCES BUILDING (UNIVERSITY OF COLORADO AT BOULDER, DEPARTMENT OF HIGHER EDUCATION) 1331 – NOVEMBER 2014

Previously Approved	
Total	<u>\$9,150,000</u>
Cash Funds	9,150,000

Summary: The Committee approved this interim supplemental in November 2014. The Department requested \$9,150,000 cash funds spending authority for FY 2014-15 to use cash funds in conjunction with state funds for a project which was approved in FY 2014-15 Long Bill conditioned on the receipt of General Fund surplus. Surplus revenues were disbursed on September 15, 2014.

The rules governing interim supplementals in Section 24-75-111 (5), C.R.S., require the Committee to introduce all interim supplementals that it approves. Staff will include this supplemental in the Department's supplemental bill.

**IS3 – COLORADO STATE CAPITOL HOUSE AND SENATE CHAMBER
RENOVATIONS (DEPARTMENT OF PERSONNEL)
1331 – NOVEMBER 2014**

	Previously Approved
Total	<u>\$1,000,000</u>
Cash Funds	1,000,000

Summary: The Committee approved this interim supplemental in November 2014. The Department requested \$1,000,000 cash funds spending authority for FY 2014-15 from the Legislative Cash Fund for the House and Senate Chamber Restoration project. The appropriation was erroneously left out of the Long Bill.

The rules governing interim supplementals in Section 24-75-111 (5), C.R.S., require the Committee to introduce all interim supplementals that it approves. Staff will include this supplemental in the Department's supplemental bill.

**IS4 – CORE ENHANCEMENTS AND ONGOING CONFIGURATION
(OFFICE OF INFORMATION TECHNOLOGY, GOVERNOR –
LIEUTENANT GOVERNOR – STATE PLANNING AND BUDGETING)
1331 – JANUARY 2015**

	Previously Approved
Total	<u>\$616,962</u>
General Fund/Capital Construction Fund	0
Cash Funds	616,962

Summary: The Committee approved this interim supplemental on January 5, 2015. The Department requested \$5.1 million total funds, including \$4.5 million General Fund and \$617,000 cash funds from the Supplier Database Cash Fund in the Department of Personnel for ongoing configuration of the Colorado Operations Resource Engine (CORE) system and the implementation of additional functionality or system modules. Staff recommended a technical adjustment to correctly locate the appropriation in the capital construction budget with an appropriation from the Capital Construction Fund that includes an offsetting reduction to another line item in OIT's capital budget to fund the state funds portion of the request. The Committee approved the entire request amount and approved the CCF for GF fund adjustment.

Although the Capital Construction Fund appropriation is reflected as zero due to the offsetting CCF reduction, staff's interim supplemental document included the expectation of a recommendation for an additional General Fund transfer to the Capital Construction Fund at

regular supplemental time. This was intended to fully fund the state-funded request amount and fully fund the line item in the capital budget which was offset at the time of the 1331.

The rules governing interim supplementals in Section 24-75-111 (5), C.R.S., require the Committee to introduce all interim supplementals that it approves. Staff will include this supplemental in the Department's supplemental bill.

JBC Staff-initiated Supplemental Recommendations

JS2 – REFINANCE THE CORE 1331 AND REPLACE CCF OFFSET

OIT – Capital Construction	Previously Approved	Recommendation
Total	<u>\$5,080,604</u>	<u>\$5,080,604</u>
Capital Construction Fund	4,463,642	889,377
Cash Funds	616,962	616,962
Reappropriated Funds	0	3,574,265
Federal Funds	0	0

All Departments – CP Allocations	Previously Approved	Recommendation
Total	<u>\$0</u>	<u>\$3,574,265</u>
General Fund	0	2,270,366
Cash Funds	0	983,229
Reappropriated Funds	0	320,670
Federal Funds	0	0

Staff Recommendation:

1. Staff recommends that the Committee refinance the January 5, 2015, 1331 interim supplemental for CORE enhancements for the purpose of offsetting direct state funding with reappropriated funds through the use of COFRS Modernization line item allocations to state agencies. Additionally, staff recommends replacing the offsetting CCF adjustment that was made to the Statewide Leave, Time Tracking, and Human Resource Management System Modernization line item to enable funding the CORE 1331 request with CCF in the capital budget. If the refinance and offset replacement are approved by the Committee, this will require a General Fund transfer to the Capital Construction Fund totaling \$889,377.

OR

2. If the Committee does not approve the refinance, staff recommends replacing the offsetting CCF adjustment that was made to the Statewide Leave, Time Tracking, and Human Resource Management System Modernization line item to enable funding the CORE 1331 request with CCF in the capital budget. This will require a General Fund transfer to the Capital Construction Fund of \$4,463,642.

Staff Analysis: The staff document for the CORE 1331 stated that staff would likely propose additional adjustments to the CORE 1331 request for the capital construction supplemental bill that included the following:

- The General Fund/Capital Construction Fund appropriation should instead be proportional allocations to state agencies in departments', COFRS Modernization line items, with an equivalent increase in the reappropriated funds for OIT's, COFRS Modernization line item in the capital budget. This will ensure that cash funds pay their share of this CORE build-out.
- The Security and Workflow module should be paid by Judicial and Law, since those departments insisted on further security enhancements for their purposes despite the State Controller's position that those enhancements are unnecessary.
- The Grants Management module should be paid by the departments that will be primarily using this module for "outgoing grants" management.

The following table summarizes the CORE 1331 recommended refinance by module.

CORE 1331 Refinance by Module	
Original State-funded Total	\$4,463,642
Federal-funded Share (19.9%)	<u>889,377</u>
Balance For Statewide Allocation	3,574,265
Security and Workflow Module	278,481
Grants Management Module	<u>1,398,154</u>
Remaining for allocation statewide	\$1,897,630

The FY 2014-15 COFRS Modernization line item allocation to state agencies identifies \$1.7 million of the \$8.5 million total as federal funds, or 19.9 percent. In order to avoid billing federal sources through this refinancing, staff recommends funding 19.9 percent of the state-funded appropriation with Capital Construction Fund and the remaining balance allocated to General Fund, cash funds, and reappropriated funds through the COFRS Modernization line item.

The following table outlines recommended allocations for the CORE 1331 by department.

CORE 1331 Refinance Allocations to State Agencies						
	FY 2012-13 COFRS Records Actual Usage	FY 2014-15 CORE Allocation Percentage	CORE 1331 Security and Workflow Module	CORE 1331 Grants Management Module	CORE 1331 Modules For Statewide Allocation	CORE 1331 Total Allocation by Department
Agriculture	121,025	0.84%	\$0	\$9,851	\$15,906	\$25,757
Corrections	1,027,949	7.12%	0	83,674	135,097	218,771
Education	321,971	2.23%	0	26,208	42,315	68,523
Governor	166,981	1.16%	0	13,592	21,945	35,537
Health Care Policy	2,573,600	17.82%	0	275,306	338,234	613,540
Higher Education	164,417	1.14%	0	13,383	21,608	34,992
Human Services	2,683,253	18.58%	0	287,036	352,645	639,681
Judicial	2,381,104	16.49%	269,297	193,819	312,935	776,050
Labor and Employment	466,359	3.23%	0	49,888	61,291	111,179
Law	81,204	0.56%	9,184	6,610	10,672	26,466
Legislature	35,577	0.25%	0	2,896	4,676	7,572

JBC Staff Supplemental Recommendations: FY 2014-15
Staff Working Document – Does Not Represent Committee Decision

CORE 1331 Refinance Allocations to State Agencies						
	FY 2012-13 COFRS Records Actual Usage	FY 2014-15 CORE Allocation Percentage	CORE 1331 Security and Workflow Module	CORE 1331 Grants Management Module	CORE 1331 Modules For Statewide Allocation	CORE 1331 Total Allocation by Department
Local Affairs	655,113	4.54%	0	70,080	86,098	156,177
Military Affairs	88,569	0.61%	0	7,209	11,640	18,850
Natural Resources	1,190,684	8.25%	0	127,371	156,485	283,856
Personnel	393,652	2.73%	0	32,043	51,735	83,778
Public Health	551,443	3.82%	0	58,990	72,473	131,463
Public Safety	372,990	2.58%	0	39,900	49,020	88,920
Regulatory Agencies	262,680	1.82%	0	21,382	34,523	55,904
Revenue	505,897	3.50%	0	41,179	66,487	107,666
State	25,071	0.17%	0	2,041	3,295	5,336
Transportation	219,972	1.52%	0	23,531	28,910	52,441
Treasurer	149,448	1.04%	0	12,165	19,641	31,806
Total	14,438,959	100.00%	\$278,481	\$1,398,154	\$1,897,630	\$3,574,265

The Department of Personnel recommends an FY 2014-15 CORE common policy allocation based on FY 2012-13 actual usage of COFRS. The first column in the allocation table outlines actual usage and the second column reflects the allocation percentage. At the 1331 hearing, the Department and the State Controller identified several departments with predominant need for grants management including: Health Care Policy and Financing, Human Services, Labor and Environment, Local Affairs, Natural Resources, Public Health and Environment, Public Safety, and Transportation. The State Controller also stated that just about all departments will have some need for aspects of the grants management module. On that basis, staff has calculated a split of two-thirds of the cost of the grants management module to be allocated to the identified departments and one-third of the cost to the remaining departments. The security and workflow module is allocated to Judicial and Law based on their combined proportional share of CORE allocations.

The following table outlines recommended fund splits for the allocation to COFRS Modernization line items.

CORE 1331 Refinance Allocations to State Agencies with Fund Splits					
	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	Total Funds
Agriculture	\$3,332	\$22,425	\$0	\$0	\$25,757
Corrections	193,023	12,337	13,411	0	218,771
Education	40,364	13,309	14,849	0	68,523
Governor	17,529	18,008	0	0	35,537
Health Care Policy	401,964	210,654	922	0	613,540
Higher Education	23,420	10,498	1,073	0	34,992
Human Services	492,691	146,991	0	0	639,681
Judicial	776,050	0	0	0	776,050
Labor and Employment	0	111,179	0	0	111,179
Law	0	0	26,466	0	26,466
Legislature	7,572	0	0	0	7,572

JBC Staff Supplemental Recommendations: FY 2014-15
Staff Working Document – Does Not Represent Committee Decision

CORE 1331 Refinance Allocations to State Agencies with Fund Splits					
	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	Total Funds
Local Affairs	102,623	0	53,555	0	156,177
Military Affairs	18,850	0	0	0	18,850
Natural Resources	81,770	193,940	8,146	0	283,856
Personnel	21,785	8,731	53,262	0	83,778
Public Health	0	0	131,463	0	131,463
Public Safety	25,833	48,700	14,387	0	88,920
Regulatory Agencies	1,183	51,584	3,138	0	55,904
Revenue	48,064	59,602	0	0	107,666
State	0	5,336	0	0	5,336
Transportation	0	52,441	0	0	52,441
Treasurer	14,312	17,493	0	0	31,806
Total	\$2,270,366	\$983,229	\$320,670	\$0	\$3,574,265

The refinance has the effect of saving \$1.3 million General Fund in allocations paid by cash and reappropriated fund sources or 29.2 percent of the original \$4.5 million state-funded 1331 appropriation adjustment.

JS3 – DPS OPERATING S1 REQUEST – TRANSFER H.B. 13-1020 SURPLUS TO CCF

	Request	Recommendation
Total	<u>\$0</u>	<u>\$0</u>
Capital Construction Fund	0	0
Cash Funds	0	0
Reappropriated Funds	0	0
Federal Funds	0	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 when the original appropriation was made.	

Department Request: The Department requests that a surplus of \$2,756,822 General Fund from H.B. 13-1020 be transferred to the Capital Construction Fund to offset the need for additional capital construction appropriations for the Arvada CBI Lab included in supplemental item S9.

Staff Recommendation: Staff recommends that the Committee pursue legislation to transfer \$2,756,822 cash funds from the Department's subaccount in the State Employee Reserve

Fund, created in Section 24-50-104 (1) (j) (II), C.R.S., to the Capital Construction Fund. Staff also recommends that the Committee transfer \$3,594,180 cash funds from the Department's subaccount in the State Employee Reserve Fund to the General Fund to provide necessary funding for the Department to carry out the requirements in H.B. 13-1020.

Staff Analysis:

Sequence of Events

1. House Bill 13-1020 provided \$6.4 million General Fund to the Department in FY 2013-14 for sexual assault kit testing.
2. The Department requested and was granted roll-forward spending authority into FY 2014-15 for H.B. 13-1020 in the Department's 2014 supplemental bill.
3. The Department failed to notify the State Controller of the roll-forward authority.
4. On June 30, 2014, the State Controller and State Treasurer transferred \$6.4 million General Fund, that would otherwise have reverted to the General Fund, into the Department's subaccount of the State Employee Reserve Fund pursuant to Section 24-50-104 (1) (j) (IV), C.R.S.
5. The Department, unaware that its appropriation had been "swept", submitted operating supplemental request S1 for the transfer of \$2.8 million GF to the CCF to fund a portion of its \$4.0 capital construction supplemental request for its Arvada CBI lab renovation project.
6. JBC staff determine that the fund transfer request is better addressed by the capital construction analyst.
7. Staff requests additional information from the Office of the State Controller (OSC) and the Department of Personnel and the OSC inform staff that \$6.4 million General Fund was transferred into the State Employee Reserve Account from the Department's operating appropriations that were unexpended at the end of FY 2013-14.

Staff recommends that the Committee pursue legislation to return \$3,594,180 of the transferred funds to the General Fund to allow the Department to have access to funds to carry out the purposes of H.B. 13-1020 with its previously granted roll-forward authority.
The amount identified is the Department's total estimated cost to carry out the bill.

Staff recommends that the Committee also transfer \$2,756,822 cash funds from the Department's subaccount in the State Employee Reserve Fund to the Capital Construction Fund. The amount identified is the Department's request for transfer included in operating request S1. Both transfers total the appropriation of \$6,351,002 General Fund included in H.B. 13-1020.

State Employee Reserve Fund

The State Employee Reserve Fund (SERF) was created in H.B. 12-1321, Modernization of the State Personnel System Act. The provisions related to the fund instruct the State Controller and the State Treasurer to transfer unexpended General Fund (and statutorily specified cash funds – at this time there are no specified cash funds) from state agency operating budgets at the end of each fiscal year. Without this transfer, unexpended General Fund appropriations would revert to the General Fund. The transfer is credited to each Department's subaccount within the SERF for

the purpose of funding merit pay increase for state employees. The moneys in the SERF and in the subaccounts are continuously appropriated to each department for this purpose.

The intent of the legislation may have been to encourage General Fund savings by departments. The unrestricted nature of the transfer caused the Department of Public Safety's \$6.4 million appropriation for a special bill to be transferred. Staff does not have a specific recommendation to address this issue, but the Committee may want to consider adding limits to the appropriated funds included in the end-of-year transfer to prevent funds appropriated in special bills from being transferred. Encouraging General Fund savings in basic Long Bill operating budget line items may be appropriate. Additional funds accruing in the SERF and subaccounts due to overestimated costs of a bill should be discouraged. Those unexpended funds should revert to the General Fund.

JS4 – GF TO CCF TRANSFER

Staff Recommendation: Staff recommends that the Committee pursue legislation to transfer the necessary General Fund to the Capital Construction Fund for funding the state-funded supplemental requests approved by the Committee.

Staff Analysis: All department state-funded supplemental requests totaled \$33,905,892. OSPB's recommended supplemental projects total \$29,105,173. Staff recommends \$21,754,236 in state-funded capital requests. This amount would be offset by the recommended transfer from the State Employee Reserve Fund that totals \$2,756,822. This would require a General Fund transfer to the Capital Construction Fund of \$18,997,414. The following table outlines recommended state-funded appropriations from the Capital Construction Fund and the need for an additional General Fund transfer to the Capital Construction Fund.

State-funded Capital Recommendations and GF Transfer to CCF			
	All Requests/ CDC and JTC Recomm.	OSPB Recomm.	Staff Recomm.
S5 HED/HistCO: Ute Indian Museum Expansion	\$500,000	\$500,000	\$500,000
S6 HUM: Veterans Nursing Homes Upgrades	1,443,000	1,443,000	1,443,000
S7 PER: Capitol Annex Building Renovation	1,958,732	0	0
S8 PER: Centennial Building Renovation	2,841,987	0	0
S9 DPS: Arvada CBI Lab	4,022,154	4,022,154	2,768,058
S10 DPS: 690/700 Kipling Vacated Space	2,522,576	2,522,576	0
S11 HUM: MHI/DYC, Electronic Record and Pharmacy System Replacement	935,000	935,000	935,000
S12 OIT: Human Resource Info. System	15,218,801	15,218,801	15,218,801
IS4 OIT: COFRS Modernization (CORE)	4,463,642	4,463,642	4,463,642
JS2 OIT: Refinance CORE 1331	n/a	n/a	(3,574,265)
Subtotal - State-funded Capital Projects	\$33,905,892	\$29,105,173	\$21,754,236
JS3 - Transfer H.B. 13-1020 Surplus to CCF			2,756,822
Recommended GF Transfer to CCF			\$18,997,414

	FY 2013-14	FY 2014-15	Fiscal Year 2014-15 Interim Supplemental		
	Appropriation	Appropriation	Requested Change	Recommended Change	New Total with Recommendation

CAPITAL CONSTRUCTION

S2 - Perform Structural Repairs and Code Compliance Upgrades, Aurora Readiness Center

PART II - CONTROLLED MAINTENANCE

(7) DEPARTMENT OF VETERANS AND MILITARY AFFAIRS

Perform Structural Repairs and Code Compliance

Upgrades, Aurora Readiness Center	N/A	540,500	540,500	540,500	1,081,000
Capital Construction Fund		540,500	0	0	540,500
Cash Funds		0	0	0	0
Reappropriated Funds		0	0	0	0
Federal Funds		0	540,500	540,500	540,500

S3 - Park Infrastructure and Facilities

PART I - CAPITAL CONSTRUCTION, CAPITAL RENEWAL, AND CAPITAL LEASE PURCHASE PAYMENTS

(9) DEPARTMENT OF NATURAL RESOURCES

(A) Division of Parks and Wildlife - Capital Construction and Controlled Maintenance

Park Infrastructure and Facilities	11,959,200	12,632,244	0	0	12,632,244
Capital Construction Fund	0	0	0	0	0
Cash Funds	10,451,950	10,713,244	0	0	10,713,244
Reappropriated Funds	0	0	0	0	0
Federal Funds	1,507,250	1,919,000	0	0	1,919,000

	FY 2013-14	FY 2014-15	Fiscal Year 2014-15 Interim Supplemental		
	Appropriation	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
S4 - Replace Water Well and Sprinkler System, Camp George West					
PART II - CONTROLLED MAINTENANCE					
<i>(8) DEPARTMENT OF PERSONNEL</i>					
Replace Water Well and Sprinkler System, Camp George West	N/A	0	193,600	193,600	193,600
Capital Construction Fund		0	193,600	193,600	193,600
Cash Funds		0	0	0	0
Reappropriated Funds		0	0	0	0
Federal Funds		0	0	0	0
<i>(10) DEPARTMENT OF PUBLIC SAFETY</i>					
Replace Water Well and Sprinkler System, Camp George West	N/A	193,600	(193,600)	(193,600)	0
Capital Construction Fund		193,600	(193,600)	(193,600)	0
Cash Funds		0	0	0	0
Reappropriated Funds		0	0	0	0
Federal Funds		0	0	0	0
S5 - Ute Indian Museum Expansion					
PART I - CAPITAL CONSTRUCTION, CAPITAL RENEWAL, AND CAPITAL LEASE PURCHASE PAYMENTS					
<i>(4) DEPARTMENT OF HIGHER EDUCATION</i>					
<i>(M) History Colorado</i>					
Ute Indian Museum Expansion	2,806,789	0	500,000	500,000	500,000
Capital Construction Fund	2,406,789	0	500,000	500,000	500,000
Cash Funds	400,000	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

	FY 2013-14	FY 2014-15	Fiscal Year 2014-15 Interim Supplemental		
	Appropriation	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
S6 - Veterans Nursing Homes Upgrades					
PART I - CAPITAL CONSTRUCTION, CAPITAL RENEWAL, AND CAPITAL LEASE PURCHASE PAYMENTS					
<i>(5) DEPARTMENT OF HUMAN SERVICES</i>					
Services for People with Disabilities, State and Veterans Nursing Homes, Resident Support Areas and Security Upgrades	N/A	2,871,500	0	0	2,871,500
Capital Construction Fund		1,428,500	1,443,000	1,443,000	2,871,500
Cash Funds		0	0	0	0
Reappropriated Funds		0	0	0	0
Federal Funds		1,443,000	(1,443,000)	(1,443,000)	0
S7 - Capitol Annex Building Renovation					
PART I - CAPITAL CONSTRUCTION, CAPITAL RENEWAL, AND CAPITAL LEASE PURCHASE PAYMENTS					
<i>(10) DEPARTMENT OF PERSONNEL</i>					
Capitol Annex Building Renovation	N/A	0	1,958,732	0	0
Capital Construction Fund		0	1,958,732	0	0
Cash Funds		0	0	0	0
Reappropriated Funds		0	0	0	0
Federal Funds		0	0	0	0
S8 - Centennial Building Renovation					
PART I - CAPITAL CONSTRUCTION, CAPITAL RENEWAL, AND CAPITAL LEASE PURCHASE PAYMENTS					
<i>(10) DEPARTMENT OF PERSONNEL</i>					
Centennial Building Renovation	N/A	0	2,841,987	0	0
Capital Construction Fund		0	2,841,987	0	0
Cash Funds		0	0	0	0
Reappropriated Funds		0	0	0	0
Federal Funds		0	0	0	0

	FY 2013-14	FY 2014-15	Fiscal Year 2014-15 Interim Supplemental		
	Appropriation	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
S9 - Acquisition of Additional Denver CBI Lab Space to Comply with House Bill 13-1020					
PART I - CAPITAL CONSTRUCTION, CAPITAL RENEWAL, AND CAPITAL LEASE PURCHASE PAYMENTS					
<i>(12) DEPARTMENT OF PUBLIC SAFETY</i>					
Acquisition of Additional Denver CBI Lab Space to Comply with House Bill 13-1020	N/A	7,200,000	4,022,154	2,768,058	9,968,058
Capital Construction Fund		7,200,000	4,022,154	2,768,058	9,968,058
Cash Funds		0	0	0	0
Reappropriated Funds		0	0	0	0
Federal Funds		0	0	0	0
S10 - Redesign of 690 and 700 Kipling Street Vacated Space					
PART I - CAPITAL CONSTRUCTION, CAPITAL RENEWAL, AND CAPITAL LEASE PURCHASE PAYMENTS					
<i>(12) DEPARTMENT OF PUBLIC SAFETY</i>					
Redesign of 690 and 700 Kipling Street Vacated Space	N/A	0	2,522,576	0	0
Capital Construction Fund		0	2,522,576	0	0
Cash Funds		0	0	0	0
Reappropriated Funds		0	0	0	0
Federal Funds		0	0	0	0
S11 - Electronic Health Record and Pharmacy System Replacement					
PART I - CAPITAL CONSTRUCTION, CAPITAL RENEWAL, AND CAPITAL LEASE PURCHASE PAYMENTS					
<i>(5) DEPARTMENT OF HUMAN SERVICES</i>					
Behavioral Health Services, Mental Health Institutes, Electronic Health Record and Pharmacy System Replacement	N/A	9,849,610	935,000	935,000	10,784,610
Capital Construction Fund		9,849,610	935,000	935,000	10,784,610
Cash Funds		0	0	0	0
Reappropriated Funds		0	0	0	0
Federal Funds		0	0	0	0

	FY 2013-14	FY 2014-15	Fiscal Year 2014-15 Interim Supplemental		
	Appropriation	Appropriation	Requested Change	Recommended Change	New Total with Recommendation

S12 - Human Resource Information System

PART I - CAPITAL CONSTRUCTION, CAPITAL RENEWAL, AND CAPITAL LEASE PURCHASE PAYMENTS

(3) GOVERNOR - LIEUTENANT GOVERNOR - STATE PLANNING AND BUDGETING

(A) Office of Information Technology

~~Statewide Leave, Time Tracking, and Human Resources Management System Modernization~~
HUMAN RESOURCE INFORMATION

SYSTEM	N/A	16,070,000	15,218,801	15,218,801	31,288,801
Capital Construction Fund		16,070,000	15,218,801	15,218,801	31,288,801
Cash Funds		0	0	0	0
Reappropriated Funds		0	0	0	0
Federal Funds		0	0	0	0

IS1 - Department of Agriculture, Department Office Consolidation (COP Payments)

PART I - CAPITAL CONSTRUCTION, CAPITAL RENEWAL, AND CAPITAL LEASE PURCHASE PAYMENTS

(1) DEPARTMENT OF AGRICULTURE

Department Office Consolidation	2,800,000	0	528,063	528,063	528,063
Capital Construction Fund	0	0	0	0	0
Cash Funds	2,800,000	0	528,063	528,063	528,063
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

	FY 2013-14	FY 2014-15	Fiscal Year 2014-15 Interim Supplemental		
	Appropriation	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
IS2 - University of Colorado at Boulder, Ketchum Arts and Sciences Building					
PART I - CAPITAL CONSTRUCTION, CAPITAL RENEWAL, AND CAPITAL LEASE PURCHASE PAYMENTS					
<i>(4) DEPARTMENT OF HIGHER EDUCATION</i>					
<i>(I) University of Colorado at Boulder</i>					
Ketchum Arts and Sciences Building	N/A	12,742,240	9,150,000	9,150,000	21,892,240
Capital Construction Fund		11,592,712	0	0	11,592,712
Cash Funds		1,149,528	9,150,000	9,150,000	10,299,528
Reappropriated Funds		0	0	0	0
Federal Funds		0	0	0	0
IS3 - Department of Personnel, Colorado State Capitol House and Senate Chamber Renovations					
PART I - CAPITAL CONSTRUCTION, CAPITAL RENEWAL, AND CAPITAL LEASE PURCHASE PAYMENTS					
<i>(10) Department of Personnel</i>					
Colorado State Capitol House and Senate Chamber Renovations	2,000,000	1,000,000	1,000,000	1,000,000	2,000,000
Capital Construction Fund	2,000,000	1,000,000	0	0	1,000,000
Cash Funds	0	0	1,000,000	1,000,000	1,000,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

	FY 2013-14	FY 2014-15	Fiscal Year 2014-15 Interim Supplemental		
	Appropriation	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
IS4 - OIT (and Department of Personnel), CORE Enhancements and Ongoing Configuration					
PART I - CAPITAL CONSTRUCTION, CAPITAL RENEWAL, AND CAPITAL LEASE PURCHASE PAYMENTS					
<i>(3) Governor - Lieutenant Governor - State Planning and Budgeting</i>					
<i>(A) Office of Information Technology</i>					
COFRS Modernization	7,113,670	8,566,515	5,080,604	5,080,604	13,647,119
Capital Construction Fund	0	0	4,463,642	4,463,642	4,463,642
Cash Funds	0	0	616,962	616,962	616,962
Reappropriated Funds	7,113,670	8,566,515	0	0	8,566,515
Federal Funds	0	0	0	0	0
Statewide Leave, Time Tracking, and Human Resource Management System Modernization	N/A	16,070,000	0	(4,463,642)	11,606,358
Capital Construction Fund		16,070,000	0	(4,463,642)	11,606,358
Cash Funds		0	0	0	0
Reappropriated Funds		0	0	0	0
Federal Funds		0	0	0	0
JS2 - Refinance CORE 1331					
PART I - CAPITAL CONSTRUCTION, CAPITAL RENEWAL, AND CAPITAL LEASE PURCHASE PAYMENTS					
<i>(3) Governor - Lieutenant Governor - State Planning and Budgeting</i>					
<i>(A) Office of Information Technology</i>					
COFRS Modernization	7,113,670	13,647,119	0	0	13,647,119
Capital Construction Fund	0	4,463,642	0	(3,574,265)	889,377
Cash Funds	0	616,962	0	0	616,962
Reappropriated Funds	7,113,670	8,566,515	0	3,574,265	12,140,780
Federal Funds	0	0	0	0	0
Statewide Leave, Time Tracking, and Human Resource Management System Modernization	N/A	11,606,358	0	4,463,642	16,070,000
Capital Construction Fund		11,606,358	0	4,463,642	16,070,000
Cash Funds		0	0	0	0
Reappropriated Funds		0	0	0	0
Federal Funds		0	0	0	0

	FY 2013-14	FY 2014-15	Fiscal Year 2014-15 Interim Supplemental		
	Appropriation	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
Totals					
CAPITAL CONSTRUCTION					
TOTALS for ALL line items	33,793,329	112,989,686	44,298,417	35,721,026	148,710,712
Capital Construction Fund	4,406,789	80,014,922	33,905,892	21,754,236	101,769,158
Cash Funds	13,651,950	12,479,734	11,295,025	11,295,025	23,774,759
Reappropriated Funds	14,227,340	17,133,030	0	3,574,265	20,707,295
Federal Funds	1,507,250	3,362,000	(902,500)	(902,500)	2,459,500

Key: "N.A." = Not Applicable or Not Available