

# COLORADO OFFICE OF THE STATE AUDITOR



STATE OF COLORADO

## CASH FUNDS UNCOMMITTED RESERVES

FISCAL YEAR ENDED JUNE 30, 2016



MAY 2017

PERFORMANCE AUDIT

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IS TO IMPROVE GOVERNMENT  
FOR THE PEOPLE OF COLORADO

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# OFFICE OF THE STATE AUDITOR



May 5, 2017

DIANNE E. RAY, CPA  
—  
STATE AUDITOR

Members of the Legislative Audit Committee:

This report contains the results of a performance audit of the *Cash Funds Uncommitted Reserves Report* for the Fiscal Year Ended June 30, 2016. The audit was conducted pursuant to Section 24-30-207(3), C.R.S., which requires the State Auditor to conduct an audit of the *Cash Funds Uncommitted Reserves Report* prepared by the Office of the State Controller. This report presents our findings, conclusions, and recommendations and the responses of the various departments.

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# REPORT HIGHLIGHTS



CASH FUNDS UNCOMMITTED RESERVES  
FISCAL YEAR ENDED JUNE 30, 2016  
PERFORMANCE AUDIT

STATE OF COLORADO  
OFFICE OF THE STATE CONTROLLER

## CONCERN

The Office of the State Controller (OSC) did not meet the statutory deadline for the cash funds report. In addition, six departments had cash funds with excess uncommitted reserves and, therefore, did not comply with statutory requirements.

## KEY FACTS AND FINDINGS

- The OSC submitted the cash funds report to the JBC and OSPB on October 26, 2016, which was approximately 1 month beyond the September 20 statutory requirement.
- We identified problems that contributed to the OSC's failure to meet the statutory deadline such as delays that occurred in closing the State's accounting periods.
- We determined that six departments had funds with excess uncommitted reserves as of June 30, 2016.
- Within those six departments, seven total cash funds had excess uncommitted reserves of \$4.0 million. This was a decrease from the previous year with six departments and nine total cash funds and a total of \$7.3 million.
- Five of the seven funds have been out of compliance for more than 3 years.
- The departments that we identified as having cash funds with excess uncommitted reserves as of June 30, 2016, are:
  - Department of Agriculture
  - Department of Law
  - Department of Personnel & Administration
  - Department of Public Health and Environment
  - Department of Public Safety
  - Department of State

## BACKGROUND

- Section 24-75-402, C.R.S., limits the amount that departments can keep in certain cash funds at the end of a fiscal year.
- A cash fund has an excess uncommitted reserve when the year-end balance is greater than statutory reserve limits.
- The OSC is required to prepare the Cash Funds Excess Uncommitted Reserves Report by September 20 to determine which funds are in compliance.
- Each department verifies the financial information prepared by the OSC. This information is audited as part of the Statewide Financial audit.

## KEY RECOMMENDATIONS

- The OSC should ensure that it prepares and issues the cash funds report in accordance with statutory deadlines by ensuring fiscal year accounting periods are closed in a timely manner.
- The departments with excess uncommitted reserves should monitor cash funds excess uncommitted reserves and take appropriate action to ensure that all cash funds are in compliance with applicable statutory requirements.

The Departments generally agreed with the recommendations.



# CHAPTER 1

## OVERVIEW

In 1998, the General Assembly limited the amount of reserves that state agencies may maintain in cash funds by passing Senate Bill 98-194. Codified in Section 24-75-402, C.R.S., the law establishes a reserve limit for all cash funds, except those specifically exempted, equal to 16.5 percent of the total expenditures in the fund during the fiscal year. This amount is roughly equal to a 2-month spending reserve. Some funds may be subject to alternative reserve limits that statutes establish elsewhere. If a particular fund's uncommitted reserve balance exceeds the applicable statutory limit, the agency responsible for the fund is required to reduce fees accordingly or increase expenditures in order to reduce the excess.

To help enforce these constraints, the General Assembly included a provision requiring the Office of the State Controller (OSC or State Controller) to produce an annual report of the uncommitted reserves that exist in each state cash fund. The Legislature codified this provision in Section 24-30-207, C.R.S., which specifically requires that the State Controller submit the *Cash Funds Uncommitted Reserves Report* (Report) to the Office of State Planning and Budgeting (OSPB) and the Joint Budget Committee (JBC) on or before September 20 of each year. The law also requires the State Auditor to audit the Report.

## METHODOLOGY TO IDENTIFY CASH FUNDS WITH EXCESS UNCOMMITTED RESERVES

Section 24-75-402, C.R.S., prescribes a methodology to determine the amount of excess uncommitted reserves for each of the State’s cash funds. EXHIBIT 1.1 demonstrates the activity and account balances used to calculate the excess uncommitted reserve of a hypothetical cash fund to illustrate the methodology.

Fund balance (adjusted for exempt assets and previously appropriated amounts), and revenue (categorized by fee and non-fee sources), are used to derive the amount of excess uncommitted reserves. EXHIBIT 1.1 shows that cash fund “Z” has an excess uncommitted reserve of \$283,000 at the end of the fiscal year.

**EXHIBIT 1.1. HYPOTHETICAL BALANCES FOR CASH FUND Z  
CALCULATION OF EXCESS UNCOMMITTED RESERVE  
BALANCES AS OF JUNE 30, 20XX**

HYPOTHETICAL BALANCES:				
	Ending fund balance	\$ 400,000	A	
	Exempt assets (e.g. inventory)	\$ 2,000	B	
	Previously appropriated fund balance (e.g., capital construction)	\$ 3,000	C	
	Fiscal Year 20XX revenue and expenses:			
	Fee revenue	\$ 200,000	D	
	Non-fee revenue	\$ 50,000	E	
	Total revenue	\$ 250,000	F	
	Total expenses	\$ 200,000	G	
STEPS USED TO CALCULATE THE AMOUNT OF EXCESS UNCOMMITTED RESERVES:				
<b>1</b>	<b>CALCULATE THE UNCOMMITTED RESERVE</b>			
A	Reduce fund balance by exempt assets and any previously appropriated fund balance			
	Fund balance	\$ 400,000	A	
LESS:	Exempt assets	\$ (2,000)	B	
	Previously appropriated fund balance	\$ (3,000)	C	
	Reduced fund balance			\$ 395,000
B	Multiply reduced fund balance by the ratio of fee revenue to total revenue			
	Fee revenue	\$ 200,000	D	
	Total revenue	\$ 250,000	F	
	Ratio of fee revenue to total revenue			80%
	Uncommitted reserve			\$ 316,000
	<i>(Note: Reduced fund balance multiplied by the ratio.)</i>			
<b>2</b>	<b>CALCULATE THE MAXIMUM RESERVE</b>			
A	Multiply total expenses by 16.5 percent			
	Total expenses	\$ 200,000	G	
		x	16.5%	
	Maximum reserve			\$ 33,000
<b>3</b>	<b>CALCULATE THE EXCESS UNCOMMITTED RESERVE</b>			
A	Subtract maximum reserve from the uncommitted reserve			
	<b>EXCESS UNCOMMITTED RESERVE</b>			<b>\$ 283,000</b>

## CASH FUNDS UNCOMMITTED RESERVES FOR FISCAL YEAR 2016

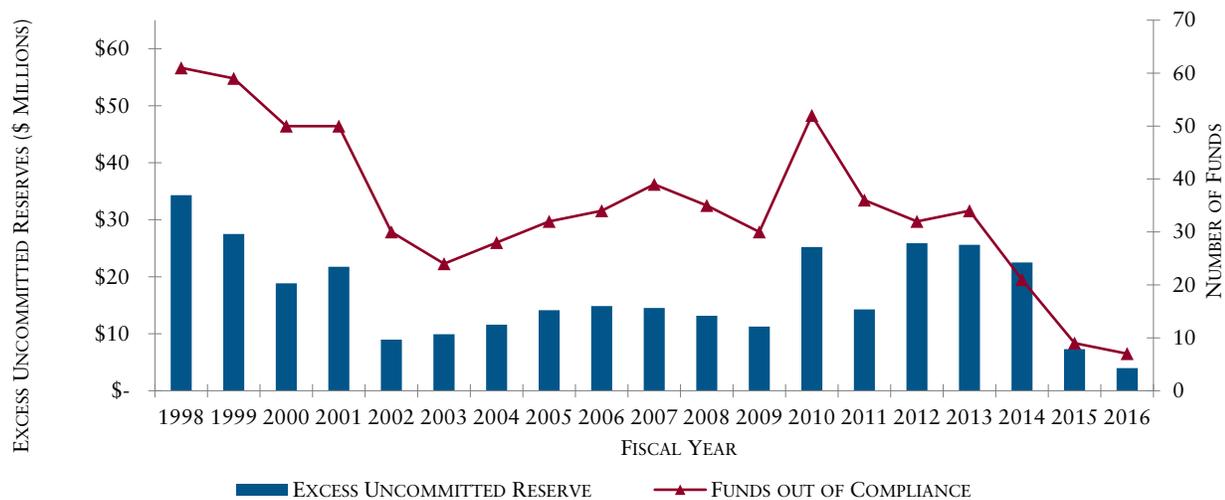
The purpose of Section 24-75-402, C.R.S., was not only to eliminate excess uncommitted reserves existing on June 30, 1998, but also to keep all cash funds from increasing their uncommitted reserves in future years.

In Fiscal Year 2015, the General Assembly changed the requirements for calculating excess uncommitted reserves, stating that only funds with uncommitted reserves greater than \$200,000 with an excess are out of compliance. Prior to Fiscal Year 2015, a fund was out of compliance if it had an uncommitted reserve balance greater than \$50,000 with an excess. The General Assembly also added a provision that allows departments to request that the OSC average the calculated uncommitted reserve for a cash fund over a multi-year period if the program has a multi-year revenue collection period. As of the date of this report the OSC has not received any requests to average uncommitted reserves in accordance with this provision.

The Fiscal Year 2016 Report indicates that, overall, Section 24-75-402, C.R.S., has reduced total excess uncommitted reserves since 1998. The Fiscal Year 2016 Report shows seven cash funds with excess uncommitted reserves of about \$4 million, compared with 61 cash funds with excess uncommitted reserves of about \$34.3 million in the Fiscal Year 1998 Report. Further, the total excess uncommitted reserves decreased by \$3.3 million and two funds from Fiscal Year 2015 to Fiscal Year 2016.

EXHIBIT 1.2 shows the excess uncommitted reserves by fiscal year and the number of noncompliant funds since Fiscal Year 1998.

**EXHIBIT 1.2. STATE OF COLORADO  
CASH FUNDS EXCESS UNCOMMITTED RESERVES AND NUMBER OF  
NONCOMPLIANT FUNDS  
BY FISCAL YEAR**



SOURCE: Office of the State Auditor analysis of the Cash Funds Uncommitted Reserves Report for Fiscal Years 1998 through 2016.

NOTE: Beginning with Fiscal Year 2015, funds with excess uncommitted reserves are defined as funds with uncommitted reserves greater than \$200,000 with an excess. For Fiscal Years 1998 through 2014, the definition applied to funds with uncommitted reserves greater than \$50,000.

EXHIBIT 1.3 lists the seven individual funds out of compliance and each of their corresponding departments, along with the total number of years the funds have been out of compliance with statutory requirements.

EXHIBIT 1.3. STATE OF COLORADO CASH FUNDS WITH EXCESS UNCOMMITTED RESERVES BALANCES AS OF JUNE 30, 2016				
DEPARTMENT	FUND NAME	NUMBER OF YEARS OUT OF COMPLIANCE	EXCESS UNCOMMITTED RESERVES 2016	EXCESS UNCOMMITTED RESERVES 2015
Public Health and Environment	Medical Marijuana	13	\$169,156	\$1,426,724
Department of State	Department of State Cash Fund	10	248,901	0
Personnel & Administration	Supplier Database	7	1,805,137	2,209,436
Department of Law	Uniform Consumer Credit Code	7	265,230	0
Department of Agriculture	Agricultural Products Inspection Fund	4	255,635	154,541
Public Safety	Instant Criminal Background Check	2	747,725	1,418,615
Department of Law	Insurance Fraud Cash Fund	2	480,764	115,851
TOTAL			\$3,972,548	\$5,325,167

SOURCE: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Report* for the Fiscal Years Ended June 30, 2016

## TAXPAYER'S BILL OF RIGHTS (TABOR) IMPLICATIONS

Each year, the OSC prepares the *Schedule of Computations Required Under Article X, Section 20, of the State Constitution (TABOR)*, which calculates the annual amount of TABOR revenue, and the annual TABOR revenue limit. If the State collects revenue in excess of the limit, it must refund that excess to taxpayers. The excess has traditionally been paid from the General Fund, not cash funds. TABOR revenue consists of two major parts: State tax revenues including income and sales taxes, and fees from cash-funded activities. The financial information relating to fee revenue contained in this audit report is a component of all fees from cash-funded activities. As reported by the OSC as of February 2017, the State had over \$12.8 billion in TABOR revenue for Fiscal Year 2016. This included \$2.9 billion in all cash funds, with \$1 billion in funds subject to the requirements of this report.

TABOR allows the State to keep revenue up to the calculated limit that is

based on revenue and collections from prior fiscal years; this limit is known as the Excess State Revenues Cap (Cap). Fiscal Year 2016 revenue was under the Cap by \$122 million.

Section 24-75-402(3)(c), C.R.S., requires a department to reduce fees if the department has excess uncommitted reserves. The General Assembly added a new provision in 2015 via House Bill 15-1261 that decreased the number of funds that have been out of compliance for three or more consecutive years. Codified in Section 24-75-402(12), C.R.S., this statute instructs the State Controller to restrict spending of any appropriation from the cash fund for the next fiscal year in an amount equal to the lesser of the excess uncommitted reserve or the applicable maximum reserve requirement. Statute also instructs the State Controller to release the restriction when the fund complies with the maximum or alternative maximum reserve requirement, or when the Joint Budget Committee approves a waiver for the fund beginning in Fiscal Year 2016. The State Controller's restriction could reduce cash fund spending beginning with Fiscal Year 2018.

When the State's TABOR revenue exceeds the Cap, excess fee revenue in cash funds may impact whether the State will owe TABOR refunds.

## DEPARTMENT REPORTING REQUIREMENTS TO OSPB

Each year, the OSPB requires each department to submit a budget packet by November 1. As part of that annual submission, the OSPB requires departments to include detailed information for all cash funds that have an appropriation from the General Assembly, including funds that are otherwise exempt from the requirements of Section 24-75-402, C.R.S. This detailed information is submitted in a report known as the "Schedule 9". The purpose of this schedule is to provide summary financial information to the OSPB and the JBC to assist with budget and funding decisions.

The OSPB also requires departments to submit a compliance plan in its Schedule 9 for any fund that has an excess uncommitted reserve greater than \$200,000. The July 2016 budget instructions indicate that these plans may contain information regarding whether the department plans to increase expenditures, reduce fees, or both. Of the six departments with excess uncommitted reserves, four departments were required to submit compliance plans. In our review of these compliance plans, we noted no instances of noncompliance with OSPB requirements related to cash funds reporting.

## REPORTING REQUIREMENTS

Section 24-75-402(5), C.R.S., identifies specific funds to be excluded from the Report, as well as criteria for exclusion. These criteria include the exclusion of any cash fund established to fund capital construction, any trust fund, and any cash fund with uncommitted reserves of less than \$200,000. Additionally, during Fiscal Year 2011, a legal memorandum from the Office of Legislative Legal Services concluded that if a cash fund has fees set in statute, those funds are excluded from fee revenue in the calculation of excess uncommitted reserves.

House Bill 15-1261 specifically added state institutions of higher education to exempted entities, added repeal dates to the exclusion for 20 funds effective for Fiscal Year 2018, and added four funds to the excluded list. A complete list of excluded funds can be found in NOTE 3 on PAGE 45. The legislation also removed the exclusion for the Department of Personnel Revolving Fund.

EXHIBIT 1.4 shows a summary of the Report. The summary includes only cash funds with uncommitted reserves of more than \$200,000 as of June 30, 2016 or 2015, and provides the amount of excess uncommitted reserves at the end of Fiscal Year 2016 and 2015. The complete Report with all cash funds with uncommitted reserves greater than \$200,000 and subject to Section 24-75-402, C.R.S., is on PAGES 40 and 41.

**EXHIBIT 1.4. STATE OF COLORADO  
CASH FUNDS UNCOMMITTED RESERVES REPORT SUMMARY FOR THE FISCAL  
YEAR ENDED JUNE 30, 2016 – RESERVES EQUAL TO OR GREATER THAN \$200,000  
AND AN EXCESS (WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR  
ENDED JUNE 30, 2015)**

Fund	Fee Revenue	Total Revenue	Total Expense	2016				2015	
				Non-Fee Fund Balance	Uncommitted Reserve	Maximum Reserve	Excess Uncommitted Reserve	Excess Uncommitted Reserve	
<b>DEPARTMENT OF AGRICULTURE</b>									
1030	Agricultural Products	\$ 2,261,493	\$ 2,267,063	\$ 2,179,683	\$ 1,515	\$ 615,283	\$ 359,648	\$ 255,635	\$ 154,541
16R0	Inspect & Consumer Service				N/A				93,819
	<b>SUBTOTAL</b>	<b>2,261,493</b>	<b>2,267,063</b>	<b>2,179,683</b>	<b>1,515</b>	<b>615,283</b>	<b>359,648</b>	<b>255,635</b>	<b>248,360</b>
<b>DEPARTMENT OF LAW</b>									
1510	Uniform Consumer Credit Code	1,649,489	1,695,687	1,407,629	13,933	497,489	232,259	265,230	0
16Z0	Insurance Fraud	1,986,551	2,004,414	1,637,613	6,753	750,970	270,206	480,764	115,851
	<b>SUBTOTAL</b>	<b>3,636,040</b>	<b>3,700,101</b>	<b>3,045,242</b>	<b>20,686</b>	<b>1,248,459</b>	<b>502,465</b>	<b>745,994</b>	<b>115,851</b>
<b>DEPARTMENT OF PERSONNEL &amp; ADMINISTRATION</b>									
2810	Supplier Database	1,228,804	2,143,784	2,204,687	1,614,992	2,168,910	363,773	1,805,137	2,209,436
<b>DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT</b>									
1210	Newborn Genetics				N/A				1,335,988
14V0	Medical Marijuana	1,619,089	1,644,578	3,622,235	12,072	766,825	597,669	169,156	1,426,724
	<b>SUBTOTAL</b>	<b>1,619,089</b>	<b>1,644,578</b>	<b>3,622,235</b>	<b>12,072</b>	<b>766,825</b>	<b>597,669</b>	<b>169,156</b>	<b>2,762,712</b>
<b>DEPARTMENT OF PUBLIC SAFETY</b>									
27J0	Instant Criminal Background Check	2,486,008	2,504,330	3,168,340	9,364	1,270,501	522,776	747,725	1,418,615
<b>DEPARTMENT OF REVENUE</b>									
1920	Auto Dealer License				N/A				196,059
2360	Liquor Law Enforcement				N/A				333,340
	<b>SUBTOTAL</b>								<b>529,399</b>
<b>DEPARTMENT OF STATE</b>									
2000	Department of State	20,622,269	21,462,890	20,429,464	151,684	3,721,140	3,472,239	248,901	0
<b>GRAND TOTAL</b>		<b>\$31,853,703</b>	<b>\$33,722,746</b>	<b>\$34,649,651</b>	<b>\$1,810,313</b>	<b>\$ 9,791,118</b>	<b>\$ 5,818,570</b>	<b>\$ 3,972,548</b>	<b>\$7,284,373</b>

SOURCE: Office of the State Auditor analysis of the Cash Funds Uncommitted Reserves Report for the Fiscal Years Ended June 30, 2016 and 2015, prepared by the Office of the State Controller.

## AUDIT PURPOSE, SCOPE, AND METHODOLOGY

Section 24-30-207(3), C.R.S., requires the State Auditor to conduct an audit of the OSC's Report. We performed our audit work during the period October 2016 through April 2017. We acknowledge the cooperation and assistance provided by the State Controller and staff at the OSC, as well as staff at the various departments.

The overall objective of our audit was to determine compliance of the State's cash funds in accordance with Section 24-75-402, C.R.S., and to determine whether the schedules contained in the State Controller's Report were prepared in accordance with Statute. The Report is included in the Financial Information section of this audit report.

We also performed testwork to determine if departments submitted cash funds information to the OSPB in accordance with OSPB requirements. The instructions require departments to submit a Schedule 9 for each cash fund that has an appropriation from the General Assembly. If a cash fund has an excess uncommitted reserve greater than \$200,000, departments must also submit a compliance plan. We examined whether departments submitted a separate Schedule 9 and required compliance plan for each fund that had reportable excesses.

Our audit work was designed to assess the effectiveness of those internal controls that were significant to our audit objectives. Our conclusions on the effectiveness of those controls are described in the audit findings and recommendations.

To accomplish our audit objectives, we:

- Researched applicable state laws and regulations.
- Reviewed the OSC's calculation for Excess Uncommitted Reserves.
- Reviewed the internal controls the OSC has in place for Fiscal Year 2016 including the OSC's procedures for preparing the Report.
- Reviewed departments' compliance with cash fund statutes and OSPB rules for Fiscal Year 2016.

We conducted this audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The scope of this audit does not include an opinion on the fair presentation, in all material respects, of the financial position of cash funds included in the financial statements for the State of Colorado. The financial statements for the State of Colorado were audited as part of the Fiscal Year 2016 Statewide Financial Audit. This report is based on the cash funds report provided by the OSC in October 2016, with further updates received in April 2017.

We planned our audit work to assess the effectiveness of those internal controls that were significant to our audit objectives. Our conclusions about the effectiveness of those controls, as well as specific details regarding instances of noncompliance with applicable cash funds statutes to support our findings, conclusions, and recommendations are described in CHAPTER 2.



# CHAPTER 2

## FINDINGS AND RECOMMENDATIONS

# OSC COMPLIANCE AND CONTROLS OVER CASH FUNDS REPORTING

Section 24-30-207(3), C.R.S., instructs the Office of the State Controller (OSC) to create a report of the State's uncommitted reserves, known as the *Cash Funds Uncommitted Reserves Report* (Report). The Report is calculated in accordance with Section 24-75-402, C.R.S. The Report contains information for each cash fund and is submitted to the Office of State Planning and Budgeting (OSPB). The OSPB and Joint Budget Committee (JBC) use this information to assist with budget planning and funding decisions.

## WHAT AUDIT WORK WAS PERFORMED AND WHAT WAS ITS PURPOSE?

We reviewed the OSC's process over the preparation of the Report to determine key internal controls and compliance with applicable statutes. We obtained the Fiscal Year 2016 Report from the OSC and reviewed the key calculations and significant balances on the Report, which included testing of fee revenue.

The purpose of the audit work was to evaluate the OSC's controls over the preparation of the Report to determine if the OSC complied with its statutory requirement to create an accurate report of the State's cash funds by the statutorily required deadline.

In addition, our audit work also included following up on our Fiscal Year 2015 audit recommendation that the OSC ensures it closes accounting periods in a timely manner and formalizes communication by requiring departments respond during the turnaround process to ensure accurate reporting. The OSC agreed with this recommendation and

stated that they planned to improve the timeliness of accounting period closes, and formalize the process for obtaining feedback on cash fund balances from departments.

## HOW WERE THE RESULTS OF THE AUDIT WORK MEASURED?

Statute requires the OSC to submit the Report to the OSPB and JBC on or before September 20 each year, as discussed in CHAPTER 1.

As part of the process to prepare the final Report, the OSC distributes sections of the draft Report to each department to obtain their feedback and approval of the figures in the Report. The OSC calls this procedure the “turnaround process” and is a key control utilized by the OSC to ensure the accuracy of the Report. Because statute requires that the OSC prepare the Report by September 20, the OSC typically provides a draft Report to departments in August.

## WHAT PROBLEM DID THE AUDIT WORK IDENTIFY AND WHY DID THE PROBLEM OCCUR?

The OSC did not meet the September 20, 2016, statutory deadline for cash fund reporting. The OSC submitted the final Report to the JBC and OSPB on October 26, 2016, or approximately 1 month beyond the statutory deadline.

In addition, the OSC did not ensure that accounting periods were closed in CORE in a timely manner to provide a draft Report to departments in August and complete the turnaround process.

The OSC continued to experience delays in closing the Fiscal Year 2016 financial accounting records that enabled departments to make adjustments to cash fund activity beyond the September 20 statutory reporting deadline. Because of these delays, the OSC was unable to meet its statutory reporting requirements.

## WHY DOES THIS PROBLEM MATTER?

By not meeting the statutory deadline for submitting the Fiscal Year 2016 Report in September, the departments, OSPB, and JBC did not have timely information regarding cash funds in order to make budget decisions during the annual budget setting process that began in November. In addition, by not completing the turnaround process, the OSC did not receive feedback from the departments to ensure accuracy of the Report. Thirdly, the departments with non-compliant funds that did not take timely action to reduce fees and excess uncommitted reserves may not have been able to adequately assess the need to adjust fees due to untimely closings of accounting periods during the fiscal year. Finally, fees collected in cash funds are classified as TABOR revenue that the State collects and could contribute in future years to an excess that requires State refunds.

# RECOMMENDATION 1

The Office of the State Controller should ensure that it completes the turnaround process and prepares and issues the *Cash Funds Uncommitted Reserves Report* in accordance with the statutory deadline by ensuring fiscal year accounting periods in the Colorado Operations Resource Engine system are closed in a timely manner.

## RESPONSE

### OFFICE OF THE STATE CONTROLLER

AGREE. IMPLEMENTATION DATE: SEPTEMBER 2017.

With the implementation of the Colorado Operations Resource Engine in July 2014, Fiscal Year 2015 accounting period closes were delayed due to issues experienced with the labor allocation process. These issues were minimized and a regular accounting period close was established in late Fiscal Year 2016. Monthly accounting periods have closed on time throughout Fiscal Year 2017. The OSC published the Fiscal Year 2017/2018 Open/Close Calendar in April 2017, which specifies that the official books of the State for Fiscal Year 2017 will close on August 4, 2017; 35 days after the last day of the fiscal year in accordance with statute. In addition, the State anticipates providing a draft of the Cash Funds Uncommitted Reserves Report to departments in August 2017 so it can complete the turnaround process and meet the September 20 statutory deadline for Fiscal Year 2017 cash fund reporting.

# COMPLIANCE WITH STATUTORY RESERVE REQUIREMENTS

Cash funds statutes list key dates that specify when cash funds should be in compliance with statutory requirements. Section 24-75-402(6), C.R.S., specifies that excess uncommitted reserves limitations do not apply to funds that have been in existence for fewer than 2 full fiscal years.

OSPB budget instructions state that departments must submit detailed cash funds information on the Schedule 9 with their annual budget submissions in November for each cash fund that has an appropriation from the General Assembly, even if the fund is otherwise exempt from the requirements of Section 24-75-402, C.R.S. OSPB also requires departments to include compliance plans for all funds that had excess uncommitted reserves greater than \$200,000 as of the end of the most recent fiscal year.

## WHAT AUDIT WORK WAS PERFORMED AND WHAT WAS THE PURPOSE?

As part of our Fiscal Year 2016 audit of the Report, we reviewed departments' cash fund balances, obtained fund descriptions, and performed testwork on significant balances. We also examined budget packet submissions to OSPB for the six departments that had cash funds with excess uncommitted reserves at the end of Fiscal Year 2016. We found four of the six departments were required to include a Schedule 9 with their annual budget submission. We examined the Schedule 9 submissions for those four departments to determine if they included compliance plans when required and noted no exceptions.

The purpose of our audit work was to determine compliance with statutory limits on excess uncommitted reserves, and OSPB rules related to cash funds.

## HOW WERE THE RESULTS OF THE AUDIT WORK MEASURED?

Departments are allowed to keep cash fund reserves subject to limits as outlined in statute. If a cash fund is found to be out of compliance with the statutory limits, statute requires that departments take action to reduce excess uncommitted reserves by decreasing fees charged to citizens.

## WHAT PROBLEM DID THE AUDIT WORK IDENTIFY?

During our audit, we found that six departments had excess uncommitted reserves for Fiscal Year 2016 totaling approximately \$4 million in seven cash funds that are subject to statutory limits. The departments and funds not in compliance as of June 30, 2016, are described in the following department sections in this report, along with the number of years each fund has shown an excess, based on the first year of required compliance.

## WHY DID THIS PROBLEM OCCUR?

The six departments with excess uncommitted reserves for Fiscal Year 2016 did not effectively monitor their cash fund balances or take action to ensure compliance with cash funds uncommitted reserves in accordance with statutory limits.

## WHY DOES THIS PROBLEM MATTER?

As discussed in CHAPTER 1, because the departments did not take the necessary action to reduce fees, excess reserves were not mitigated

effectively. Further, because cash fund fees are considered part of TABOR revenue, excess cash reserves contribute to the State potentially exceeding TABOR limits in the current year.

# DEPARTMENT OF AGRICULTURE

As of June 30, 2016, the Department of Agriculture had one cash fund out of compliance, with excess uncommitted reserves totaling approximately \$256,000.

## AGRICULTURAL PRODUCTS INSPECTION FUND

**PURPOSE:** Fixed fees assessed for the inspection and certification of fruits, vegetables, and other agricultural products. All monies collected pay for operational costs.

**FIRST YEAR OF REQUIRED COMPLIANCE:** Fiscal Year 2003.

**STATUS:** Fiscal Year 2016 was the fourth year the Fund was not in compliance.

EXHIBIT 2.1. AGRICULTURAL PRODUCTS INSPECTION FUND	
FISCAL YEAR	AMOUNT OF EXCESS
2003-2007*	\$ -
2008	\$ 27,353
2009	\$ 40,802
2010-2014*	\$ -
2015	\$ 154,541
2016	\$ 255,635

SOURCE: Office of the State Auditor analysis of the Cash Funds Uncommitted Reserves Report for the Fiscal Years Ended June 30, 2003–2016.

\*This fund was in compliance during these years.

## RECOMMENDATION 2

The Department of Agriculture should monitor its cash funds excess uncommitted reserves and take the appropriate action to ensure that the Agricultural Products Inspection Fund complies with applicable statutory requirements.

## RESPONSE

### DEPARTMENT OF AGRICULTURE

AGREE. IMPLEMENTATION DATE: JULY 2017.

The Fruit & Vegetable Inspection Service performs mandatory and non-mandatory inspections of fruits and vegetables to determine grade, size, and quality. Inspection fees were reduced by 10 percent in September 2016 in order to bring the fund into compliance.

# DEPARTMENT OF LAW

As of June 30, 2016, the Department of Law had two cash funds out of compliance, with excess uncommitted reserves totaling approximately \$746,000.

## INSURANCE FRAUD FUND

**PURPOSE:** To provide adequate funds to the Colorado Department of Law for the investigation and prosecution of allegations of insurance fraud.

**FIRST YEAR OF REQUIRED COMPLIANCE:** Fiscal Year 2014.

**STATUS:** Fiscal Year 2016 was the second year the Fund was not in compliance.

EXHIBIT 2.3. INSURANCE FRAUD FUND	
FISCAL YEAR	AMOUNT OF EXCESS
2014*	\$ -
2015	\$ 115,851
2016	\$ 480,764

SOURCE: Office of the State Auditor analysis of the Cash Funds Uncommitted Reserves Report for the Fiscal Years Ended June 30, 2014–2016.

\*This fund was in compliance during this year.

## UNIFORM CONSUMER CREDIT CODE FUND

**PURPOSE:** To collect license fees and court awards related to the enforcement of the Uniform Consumer Credit Code.

**FIRST YEAR OF REQUIRED COMPLIANCE:** Fiscal Year 2003.

**STATUS:** Fiscal Year 2016 was the seventh year the Fund was not in compliance.

EXHIBIT 2.4. UNIFORM CONSUMER CREDIT CODE FUND	
FISCAL YEAR	AMOUNT OF EXCESS
2003	\$ 146,836
2004*	\$ —
2005	\$ 69,796
2006	\$ 187,293
2007	\$ 113,989
2008-2010*	\$ —
2011	\$ 35,918
2012	\$ 176,400
2013-2015*	\$ —
2016	\$ 265,230

SOURCE: Office of the State Auditor analysis of the Cash Funds Uncommitted Reserves Report for the Fiscal Years Ended June 30, 2003–2016.  
\*This fund was in compliance during these years.

## RECOMMENDATION 3

The Department of Law should monitor its cash funds excess uncommitted reserves and take appropriate action as follows:

- A Ensure that the Insurance Fraud Cash Fund complies with applicable cash funds statutory requirements.
- B Ensure that the Uniform Consumer Credit Code Fund complies with applicable cash funds statutory requirements.

## RESPONSE

### DEPARTMENT OF LAW

- A AGREE. IMPLEMENTATION DATE: JUNE 2018.

The Department of Law is ongoing in its efforts to comply with all fiscal and statutory requirements, including Senate Bill 98-194. The Department consistently monitors cash reserves and includes the impact of SB98-194 requirements as one component of annual fee setting. The Department of Law works closely with those in the Division of Insurance charged with fee setting to accommodate program needs (e.g., increases in insurance fraud investigations), as well as taking the fund balance and estimated reserves into consideration. The fee charged to regulated insurance companies was reduced during fee setting in April 2015 and again reduced for FY 16 to address the projected excess reserves. The Department is projecting a roughly \$205,000 reduction in the fund balance for FY 17. The Department anticipates this fund being in compliance by FY 18 fiscal year close. The Department will continue to monitor all its cash funds for compliance and make adjustments to fees as necessary.

B AGREE. IMPLEMENTATION DATE: JUNE 2018.

The Department of Law is ongoing in its efforts to comply with all fiscal and statutory requirements, including Senate Bill 98-194. The Department consistently monitors cash reserves and includes the impact of SB98-194 requirements as one component of annual fee setting. This fund witnessed a change over in personnel resulting in a reversion of 1.8 FTE and associated salary and state paid benefits. This FTE reversion is roughly 14% of the total FTE associated with the program. The Department is estimating a reduction in the end of year fund balance of roughly \$60K for FY 17 compared to FY 16, due to adjustments in established fees. The Department anticipates this fund being in compliance by FY 18 fiscal year close. The Department will continue to monitor all its cash funds for compliance and make adjustments to fees as necessary.

# DEPARTMENT OF PERSONNEL & ADMINISTRATION

As of June 30, 2016, the Department of Personnel & Administration had one cash fund out of compliance, with excess uncommitted reserves totaling approximately \$1,805,000.

## SUPPLIER DATABASE FUND

**PURPOSE:** To maintain the centralized database of providers of goods and services.

**FIRST YEAR OF REQUIRED COMPLIANCE:** Fiscal Year 2003.

**STATUS:** Fiscal Year 2016 was the seventh year the Fund was not in compliance.

EXHIBIT 2.5. SUPPLIER DATABASE FUND	
FISCAL YEAR	AMOUNT OF EXCESS
2003-2009*	\$ -
2010	\$ 142,569
2011	\$ 88,699
2012	\$ 181,983
2013	\$ 259,252
2014	\$ 1,295,229
2015	\$ 2,209,436
2016	\$ 1,805,137

SOURCE: Office of the State Auditor analysis of the Cash Funds Uncommitted Reserves Report for the Fiscal Years Ended June 30, 2003–2016.  
\*This fund was in compliance during these years.

## RECOMMENDATION 4

The Department of Personnel & Administration should monitor its cash funds excess uncommitted reserves and take appropriate action to ensure that the Supplier Database Fund complies with applicable cash funds statutory requirements.

## RESPONSE

### DEPARTMENT OF PERSONNEL & ADMINISTRATION

AGREE. IMPLEMENTATION DATE: JUNE 2019.

The Department of Personnel & Administration continues to work toward ensuring the Supplier Database Fund complies with statutory requirements. For Fiscal Years 2017 and 2018, the Department will utilize \$4.1 million and \$1.4 million from this fund, respectively, to offset CORE allocations through the CORE common policy request. The Department will continue to use this fund to offset common policy allocations for CORE. Pursuant to Section 24-75-402(8), C.R.S., the Joint Budget Committee approved a waiver from the maximum reserve limit for this fund for Fiscal Year 2016-17 through Fiscal Year 2018-19.

# DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

As of June 30, 2016, the Department of Public Health and Environment had one cash fund out of compliance, with excess uncommitted reserves totaling approximately \$169,000.

## MEDICAL MARIJUANA FUND

**PURPOSE:** To create an identification registry for cardholders and partially offset the costs of administering the medical marijuana program.

**FIRST YEAR OF REQUIRED COMPLIANCE:** Fiscal Year 2004.

**STATUS:** Fiscal Year 2016 was the thirteenth year the Fund was not in compliance.

EXHIBIT 2.6. MEDICAL MARIJUANA FUND	
FISCAL YEAR	AMOUNT OF EXCESS
2004**	\$ 282
2005**	\$ 16,170
2006**	\$ 23,018
2007**	\$ 84,580
2008**	\$ 189,920
2009**	\$ 222,546
2010**	\$ 4,127,911
2011**	\$ 7,321,922
2012	\$ 11,322,309
2013	\$ 12,542,567
2014	\$ 12,977,819
2015	\$ 1,426,724
2016	\$ 169,156

SOURCE: Office of the State Auditor analysis of the Cash Funds Uncommitted Reserves Report for the Fiscal Years Ended June 30, 2004–2016.

\*\* This fund was not reported with excess uncommitted reserves for these years due to the Department's improper coding of revenue.

# RECOMMENDATION 5

The Department of Public Health and Environment should monitor its cash funds excess uncommitted reserves and take appropriate action to ensure that the Medical Marijuana Fund complies with applicable cash funds statutory requirements.

## RESPONSE

### DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

AGREE. IMPLEMENTATION DATE: JUNE 2017.

CDPHE has initiated a variety of measures to reduce excess uncommitted reserves in the Medical Marijuana Fund. Efforts to date are as follows:

- 1 Fee reduction - The Colorado Board of Health (BOH) reduced the application fee twice; in January 2012 from \$90 to \$35, and in February 2014 from \$35 to \$15.
- 2 Budget Requests - the General Assembly approved the following budget requests to use fund resources to support initiatives related to medical marijuana research, data management, and education:
  - A \$10 million for marijuana research studies (exempt from the 16.5% reserve requirement through FY 2018-19 per SB14-155);
  - B \$1,117,284 for the Medical Marijuana Registration System (Capital Construction appropriation per HB 14-1336, implemented January 1, 2017); and
  - C \$1,068,560 for the Caregiver Registry (per SB15-014, implemented January 1, 2017).

In addition, the Central Finance Team meets with Center for Health and Environmental Data Division staff regularly to monitor and

manage fund resources. Through these efforts, the Department anticipates that the fund will be in compliance at the end of FY 2016-17.

# DEPARTMENT OF PUBLIC SAFETY

As of June 30, 2016, the Department of Public Safety had one cash fund out of compliance, with excess uncommitted reserves totaling approximately \$748,000.

## INSTANT CRIMINAL BACKGROUND CHECK FUND

**PURPOSE:** To conduct criminal history record checks.

**FIRST YEAR OF REQUIRED COMPLIANCE:** Fiscal Year 2015.

**STATUS:** Fiscal Year 2016 was the second year the Fund was not in compliance.

EXHIBIT 2.7. INSTANT CRIMINAL BACKGROUND CHECK FUND	
FISCAL YEAR	AMOUNT OF EXCESS
2015	\$ 1,418,615
2016	\$ 747,725

SOURCE: Office of the State Auditor analysis of the Cash Funds Uncommitted Reserves Report for the Fiscal Years Ended June 30, 2015–2016.

## RECOMMENDATION 6

The Department of Public Safety should monitor its cash funds excess uncommitted reserves and take appropriate action to ensure that the Instant Criminal Background Check Fund complies with applicable cash funds statutory requirements.

## RESPONSE

### DEPARTMENT OF PUBLIC SAFETY

AGREE. IMPLEMENTATION DATE: JULY 2017.

The Colorado Bureau of Investigations (CBI) has a plan that includes increasing staff levels to improve customer service levels and add system upgrades to automate certain functions. These efforts are expected to bring the fund into compliance by the end of FY 2016-17.

# DEPARTMENT OF STATE

As of June 30, 2016, the Department of State had one cash fund out of compliance, with excess uncommitted reserves totaling approximately \$249,000.

## DEPARTMENT OF STATE FUND

**PURPOSE:** To record collection of fee revenue and disbursement of licensing payments.

**FIRST YEAR OF REQUIRED COMPLIANCE:** Fiscal Year 2003.

**STATUS:** Fiscal Year 2016 was the tenth year the Fund was not in compliance.

EXHIBIT 2.8. DEPARTMENT OF STATE FUND	
FISCAL YEAR	AMOUNT OF EXCESS
2003	\$ 4,757,996
2004	\$ 4,667,217
2005	\$ 2,554,809
2006	\$ 2,847,970
2007	\$ 709,445
2008	\$ 2,069,888
2009*	\$ -
2010	\$ 1,911,907
2011	\$ 3,221,197
2012	\$ 4,061,078
2013-2015*	\$ -
2016	\$ 248,901

SOURCE: Office of the State Auditor analysis of the Cash Funds Uncommitted Reserves Report for the Fiscal Years Ended June 30, 2003–2016.

\*This fund was in compliance during these years.

# RECOMMENDATION 7

The Department of State should monitor its cash funds excess uncommitted reserves and take appropriate action to ensure that the Department of State Fund complies with applicable cash funds statutory requirements.

## RESPONSE

### DEPARTMENT OF STATE

AGREE. IMPLEMENTATION DATE: JUNE 2018.

At the end of FY 2016, the Department of State Cash Fund exceeded the alternative maximum cash fund reserve by \$248,901 or approximately 7 percent. This excess was driven by a combination of slightly greater than anticipated revenues and slightly lower than anticipated expenses.

In FY 2017, the Department has taken action to address the excess reserves. Specifically, it has significantly reduced three of its fees related to dissolving businesses (entity dissolutions, delinquent entity dissolutions, and foreign (out-of-state) entity dissolutions). The Department projects that the aforementioned fee reductions will reduce revenue sufficiently and bring the cash fund into compliance with statutory requirements by the end of FY 2018 (June 30, 2018). The Department will continue to monitor its cash fund balance and take additional action if necessary.



# CASH FUNDS

UNCOMMITTED RESERVES

REPORT FOR THE

FISCAL YEAR ENDED

JUNE 30, 2016

STATE OF COLORADO  
 CASH FUNDS UNCOMMITTED RESERVES REPORT  
 REPORT OF FUNDS WITH UNCOMMITTED RESERVES GREATER THAN \$200,000  
 FISCAL YEAR 2016 AS OF JUNE 30, 2016

FUND	FUND BALANCE (NOTE 4)*	EXEMPT ASSETS (NOTE 5)	CAPITAL RESERVE (NOTE 6)	PREVIOUSLY APPROPRIATED FUND BALANCE (NOTE 7)
<b>Department of Agriculture</b>				
1030 Agricultural Products Inspection Fund	\$ 617,600	802	-	\$ -
16R0 Inspection and Consumer Services Cash Fund	1,669,011	-	-	-
23S0 Plant Health, Pest Control and Environmental Protection Fund	779,278	17,449	-	-
<b>SUBTOTAL</b>	<b>3,065,889</b>	<b>18,251</b>	<b>-</b>	<b>-</b>
<b>Department of Education</b>				
2930 Educator Licensure Cash Fund	240,725	-	-	-
<b>Department of Health Care Policy and Financing</b>				
11G0 Children's Basic Health Plan Trust	32,152,035	-	-	-
22X0 Medicaid Nursing Facility Cash Fund	314,611	-	-	-
24A0 Hospital Provider Fee Cash Fund	7,514,235	-	-	-
<b>SUBTOTAL</b>	<b>39,980,881</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Judicial Branch</b>				
26J0 Judicial Collection Enhancement Fund	4,415,037	364	-	-
<b>Department of Labor and Employment</b>				
1510 Uniform Consumer Credit Code Cash Fund	511,722	300	-	-
16Z0 Insurance Fraud Cash Fund	757,972	249	-	-
<b>SUBTOTAL</b>	<b>1,269,694</b>	<b>549</b>	<b>-</b>	<b>-</b>
<b>Department of Local Affairs</b>				
11E0 Moffat Tunnel Cash Fund	215,820	-	-	-
<b>Department of Personnel &amp; Administration</b>				
2810 Supplier Database Cash Fund	3,783,902	-	-	-
6040 Debt Collection Fund	1,383,307	746,034	252,345	-
<b>SUBTOTAL</b>	<b>5,167,209</b>	<b>746,034</b>	<b>252,345</b>	<b>-</b>
<b>Department of Public Health and Environment</b>				
1210 Newborn Genetics Fund	1,219,132	-	-	-
14V0 Medical Marijuana Cash Fund	778,897	-	-	-
2650 Health Facilities General Licensure Cash Fund	290,453	600	-	-
<b>SUBTOTAL</b>	<b>2,288,482</b>	<b>600</b>	<b>-</b>	<b>-</b>
<b>Department of Public Safety</b>				
27J0 Instant Criminal Background Check Fund	1,280,178	313	-	-
<b>Department of Regulatory Agencies</b>				
1840 Public Utilities Commission Fixed Utility Fund	596,156	759	-	-
2120 Real Estate Cash Fund	386,338	-	-	-
2440 Public Deposit Administration Fund	349,685	-	-	-
2820 Division of Insurance Cash	448,557	3,064	-	-
<b>SUBTOTAL</b>	<b>1,780,736</b>	<b>3,823</b>	<b>-</b>	<b>-</b>
<b>Department of Revenue</b>				
1920 Auto Dealers License Fund	535,262	1,211	-	-
2360 Liquor Enforcement Division & State Licensing Authority	302,754	2,499	-	-
<b>SUBTOTAL</b>	<b>838,016</b>	<b>3,710</b>	<b>-</b>	<b>-</b>
<b>Department of State</b>				
2000 Department of State Cash Fund	4,360,149	487,325	-	-
<b>GRAND TOTAL</b>	<b>\$ 64,902,816</b>	<b>\$ 1,260,969</b>	<b>\$ 252,345</b>	<b>\$ -</b>

\* Note numbers in column headings refer to the Notes to the Cash Funds Uncommitted Reserves Report beginning on Page 45, prepared by the Office of the State Controller.

SOURCE: Office of the State Controller.

FEE REVENUES (NOTE 8)	TOTAL REVENUE	TOTAL EXPENSE	NON-FEE FUND BALANCE (NOTE 9)	UNCOMMITTED RESERVES (NOTE 10)	MAXIMUM RESERVE (NOTE 11)	ALTERNATIVE MAXIMUM RESERVE (NOTE 12)	EXCESS UNCOMMITTED RESERVE (NOTE 13)
\$ 2,261,493	\$ 2,267,063	\$ 2,179,683	\$ 1,515	\$ 615,283	\$ 359,648	\$ -	\$ 255,635
2,889,980	3,017,944	3,223,555	70,768	1,598,243	531,887	1,611,778	-
4,699,570	4,763,522	5,056,920	10,228	751,601	834,392	2,528,460	-
9,851,043	10,048,529	10,460,158	82,511	2,965,127	1,725,927	4,140,238	255,635
3,054,975	3,054,975	2,930,896	-	240,725	483,598	-	-
1,123,899	28,795,070	14,927,840	30,897,110	1,254,925	2,463,094	-	-
49,579,446	49,580,644	49,642,125	8	314,603	8,190,951	-	-
803,590,003	803,960,121	799,933,390	3,459	7,510,776	131,989,009	-	-
854,293,348	882,335,835	864,503,355	30,900,577	9,080,304	142,643,054	-	-
482,187	5,776,994	5,964,533	4,046,195	368,478	984,148	-	-
1,649,489	1,695,687	1,407,629	13,933	497,489	232,259	-	265,230
1,986,551	2,004,414	1,637,613	6,753	750,970	270,206	-	480,764
3,636,040	3,700,101	3,045,242	20,686	1,248,459	502,465	-	745,994
26,659	28,489	71	13,863	201,957	12	250,000	-
1,228,804	2,143,784	2,204,687	1,614,992	2,168,910	363,773	-	1,805,137
3,324,394	3,503,503	2,897,958	19,679	365,249	478,163	-	-
4,553,198	5,647,287	5,102,645	1,634,671	2,534,159	841,936	-	1,805,137
6,077,377	6,077,377	7,394,382	-	1,219,132	1,220,073	-	-
1,619,089	1,644,578	3,622,235	12,072	766,825	597,669	-	169,156
2,047,854	2,050,119	1,895,708	320	289,533	312,792	-	-
9,744,320	9,772,074	12,912,325	12,392	2,275,490	2,130,534	-	169,156
2,486,008	2,504,330	3,168,340	9,364	1,270,501	522,776	-	747,725
11,351,815	12,020,596	11,034,103	33,126	562,271	1,820,627	-	-
5,457,271	5,639,879	5,260,813	12,509	373,829	868,034	-	-
4,478,353	4,501,872	4,875,296	1,827	347,858	804,424	-	-
9,484,466	10,786,546	10,524,802	53,777	391,716	1,736,592	-	-
30,771,905	32,948,893	31,695,014	101,239	1,675,674	5,229,677	-	-
3,045,372	3,221,630	3,497,132	29,218	504,833	577,027	-	-
2,256,269	2,378,357	2,924,800	15,413	284,842	482,592	-	-
5,301,641	5,599,987	6,421,932	44,631	789,675	1,059,619	-	-
20,622,269	21,462,890	20,429,464	151,684	3,721,140	3,370,862	3,472,239	248,901
\$ 944,823,593	\$ 982,880,384	\$ 966,633,975	\$ 37,017,813	\$ 26,371,689	\$ 159,494,608	\$ 7,862,477	\$ 3,972,548



# NOTES

TO THE CASH FUNDS  
UNCOMMITTED  
RESERVES REPORT



#### NOTE 1—PURPOSE

Section 24-30-207, Colorado Revised Statutes (C.R.S.), requires the State Controller to prepare a report showing the amount of uncommitted reserves credited to each of the State of Colorado's cash funds. Fund definitions within this report are based on GAAP definitions, rather than the statutory definition of any particular fund. This report will be audited annually by the State Auditor. The report is to be delivered to the Office of State Planning and Budgeting and to the Joint Budget Committee on or before September 20 of each year.

#### NOTE 2—CASH FUND DEFINED

Section 24-75-402(2)(b) C.R.S. defines "cash fund" to mean any fund that is established by law for a specific program or purpose and that includes money from fees; except that "cash fund" excludes the state general fund, any federal fund, and any fund used by a state institution of higher education.

#### NOTE 3—CASH FUNDS EXCLUDED

The following cash funds are specifically excluded from the cash reserves report. As applicable, the repeal date for the exclusion of the fund is listed in parentheses.

- Any cash fund for which revenue is derived solely from fees, the amounts of which are established by the federal government;
- Any cash fund for which revenue is derived solely from fees set by the Colorado Supreme Court in the exercise of its exclusive authority to regulate the practice of law;
- Any cash fund for which revenue is derived solely from fees set by an enterprise, as defined in Section 24-77-102(3), C.R.S., or a special purpose authority;
- Any cash fund that is established for capital construction;
- Any cash fund for which the reserve amounts are based on actuarial requirements;

SOURCE: Office of the State Controller.

- Any trust fund;
- Any cash fund with uncommitted reserves of less than \$200,000;
- The Petroleum Storage Tank Fund;
- The Hazardous Substance Response Fund (7/1/2017);
- The Land and Water Management Fund (7/1/2017);
- The Brand Inspection Fund;
- The Colorado State Fair Authority Cash Fund (7/1/2017);
- The Highway Users' Tax Fund;
- The State Highway Fund;
- The Worker's Compensation Cash Fund (7/1/2017);
- The Worker's Compensation Cost Containment Fund (7/1/2017);
- The State Commission on Judicial Performance Cash Fund (7/1/2017);
- The Motorcycle Operator Safety Training Fund (7/1/2017);
- The Colorado Disabled Telephone Users Fund (7/1/2017);
- The Colorado Bureau of Investigation Identification Unit Fund (7/1/2017);
- The Buildings and Grounds Cash Fund (7/1/2017);
- The Judicial Department Information Technology Cash Fund (7/1/2017);
- The Private Activity Bond Allocations Fund (7/1/2017);
- The Colorado High Cost Administration Fund (7/1/2017);
- The Public School Construction and Inspection Cash Fund (7/1/2017);
- The Marijuana Cash Fund (7/1/2017);
- The Health Facility Construction and Inspection Cash Fund;
- The Medical Marijuana License Fund (7/1/2017);
- The Emergency Fire Fund;
- The Wildland Fire Equipment Repair Fund;
- The Wildland Fire Cost Recovery Fund;
- The Wildfire Emergency Response Fund;
- The Wildfire Preparedness Fund;
- The Efficient Schools and Communities Performance Contracting Fund (7/1/2017);
- The Enterprise Services Cash Fund;
- The Public Safety Inspection Fund (7/1/2017);
- The Employee Leasing Company Certification Fund (7/1/2017);

SOURCE: Office of the State Controller.

- The Conveyance Safety Fund (7/1/2017);
- The Oil and Gas Conservation and Environmental Response Fund; and,
- Any cash fund used to fund a single program if the program has been in existence less than two full fiscal years.

Although the Private Activity Bond Allocations Fund is specifically excluded from the cash reserves report based on the cash funds report statute, the language included in the fund’s enabling statute provides for an alternate maximum reserve for the fund. The alternate maximum reserve is applicable to funds reported on the cash reserves report. Therefore, we are including the fund in the cash reserves report for informational purposes only.

Although the Medical Marijuana Program Cash Fund is listed as an excluded fund, only the portion of the fund transferred to or available for transfer to the Health Research subaccount is excluded from the limitations of the cash funds report statute.

#### NOTE 4—FUND BALANCE

Fund balance is the net of total assets and total liabilities in each fund as of June 30, 2016. This amount does not include net assets related to pension liabilities.

#### NOTE 5—EXEMPT ASSETS

Exempt assets are any long-term assets or non-monetary current assets held by the fund at June 30, 2016. “Non-monetary” current assets are those that either cannot be converted to cash or are held with the intent of being used rather than converted to cash, including but not limited to consumable inventory and prepaid expenses.

#### NOTE 6—CAPITAL RESERVE

The capital reserve is the amount equal to the depreciation of

SOURCE: Office of the State Controller.

depreciable components of a capital outlay or capital construction, where a cash fund has been appropriated moneys for capital purposes.

#### NOTE 7—PREVIOUSLY APPROPRIATED FUND BALANCE

Previously appropriated fund balance is that portion of fund balance that has been appropriated for capital construction or other multi-year purposes.

#### NOTE 8—FEE REVENUE

Fee revenue means any moneys collected by an entity, except that fee revenue does not include:

- Any moneys collected from sources excluded from state fiscal year spending, as defined in Section 24-77-102(17), C.R.S.;
- Any moneys received through the imposition of penalties or fines or surcharges imposed on any person convicted of a crime;
- Any moneys appropriated from the state general fund;
- Any moneys received through the imposition of taxes;
- Any moneys received from charges or assessments, the amount of which are not determined by the entity;
- Any moneys received from gifts or donations;
- Any moneys received from local government grants or contracts;
- Any moneys received through direct transfers from another entity, an enterprise, or a special purpose authority; or
- Any moneys received as interest or other investment income.

#### NOTE 9—NON-FEE FUND BALANCE

Non-fee fund balance is calculated by subtracting any exempt assets and previously appropriated fund balance from total fund balance and multiplying the result times the ratio of non-fee revenue to total revenue.

#### NOTE 10—UNCOMMITTED RESERVE

Uncommitted reserve is calculated by subtracting any exempt assets and

SOURCE: Office of the State Controller.

previously appropriated fund balance from total fund balance and multiplying the result by the ratio of fee revenue to total revenue.

#### NOTE 11—MAXIMUM RESERVE

Maximum reserve is defined as 16.5 percent of Fiscal Year 2016 expenditures of the cash fund.

#### NOTE 12—ALTERNATIVE MAXIMUM RESERVE

In some cases an alternative maximum reserve is used in place of a maximum reserve when there is a reserve limit established by statute.

#### NOTE 13—EXCESS UNCOMMITTED RESERVE

Excess uncommitted reserve is the amount by which the uncommitted reserve exceeds the alternative maximum reserve (if provided) or the maximum reserve of the cash fund.



# APPENDIX A



# DESCRIPTIONS OF CASH FUNDS

These cash funds are included on the Cash Funds Uncommitted Reserves Report (PAGES 40 and 41) for the Fiscal Year Ended June 30, 2016, prepared by the Office of the State Controller.

## AGRICULTURE

1030	Agricultural Products Inspection	Fees are assessed for the inspection and certification of fruits and vegetables. All monies collected pay for operational costs.
16R0	Inspection and Consumer Services	Fees are charged to issue inspection certificates for scales, eggs, meat, fertilizer, feed, grain, anhydrous ammonia.
23S0	Plant Health, Pest Control, and Environment Protection	Fees, fines, and penalties collected to implement, administer, and enforce provisions including, but not limited to: biological pest control, bee inspection efforts, ground water protection efforts, and pesticide applicator license and inspection efforts.

## EDUCATION

2930	Educator Licensure Cash Fund	Fees charged to cover the costs to administer examinations and to review applications for licenses, endorsements, and certificates, as authorized by the State Board of Education. Fees are set annually and effective March 1, 2016 were set for the initial license at \$90 for in-state educators and \$110 for out-of-state educators. In addition, the fee is \$60 for a substitute license.
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## HEALTH CARE POLICY AND FINANCING

11G0	Children's Basic Health Plan Trust	A percentage of the tobacco litigation settlement is allocated for and transferred to this fund. The purpose of the fund is to pay for the administration and purchase of insurance and health care services for clients of the Children's Basic Health Plan established by HB 97-1304 and HB 98-1325. Funds can only be used for operations and services for the Children's Basic Health Plan. Unspent fund balance does not revert to General Fund at fiscal year-end. General Assembly establishes annual limitations on use of funds via appropriations.
22X0	Medicaid Nursing Facility	Created by HB 08-1114, the fund is used to collect provider fees on health care items or services provided by nursing facility providers for the purpose of obtaining federal financial participation under the state's medical assistance program. The provider fees shall be used to sustain or increase reimbursement for providing medical

		care under the state's medical assistance program for nursing facility providers.
24A0	Hospital Provider Fee	Created by HB 09-1293, the fund is used to collect provider fees on health care items or services provided by hospital providers for the purpose of obtaining federal financial participation under the State's medical assistance program. The provider fees shall be used to sustain or increase reimbursement for providing medical care under the state's medical assistance program for hospital providers and to expand services to additional populations as defined by the Act.

**JUDICIAL**

26J0	Judicial Collection Enhancement Fund	This fund contains monies from a fee assessed for a payment plan for any defendant who requires additional time to pay for all fines, fees, costs, surcharges, or other monetary assessments with regard to the sentencing, disposition, or adjudication of a felony, misdemeanor, juvenile delinquency petition, petty offense, traffic offense, or traffic infraction. In accordance with Section 16-11-101.6, C.R.S., the initial payment plan fee is \$25. In addition, a late penalty fee of \$10 may be assessed against a defendant each time a payment toward the fines, fee, costs, surcharges, or other amounts owed is not received on or before the date due. The money collected shall remain in the fund for appropriation to the judicial department for ongoing enforcement and collection of restitution, fines, fees, costs, surcharges, and other monetary assessments.
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**LAW**

1510	Uniform Consumer Credit Code Cash Fund	This fund was created pursuant to Section 5-6-204(1), C.R.S. All fees collected under the provision of the code are for the purposes of the administration and enforcement of the uniform consumer credit code. Revenues are derived from licensing fees and volume fees, interest on the UCCC cash fund, and court awarded funds that are custodial in nature.
16Z0	Insurance Fraud Cash Fund	This fund was created pursuant to Section 10-3-207, C.R.S., for the purpose of providing adequate funds to the Colorado Department of Law for the investigation and prosecution of allegations of insurance fraud. Fee revenue is collected for application fees, renewal fees, and fees for entities that have direct written premiums, gross contract funds, or charges received in Colorado.

**LOCAL AFFAIRS**

11E0	Moffat Tunnel Cash Fund	Cash, proceeds, and other monies collected by the department pursuant to this article shall be transmitted
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to the state treasurer who shall credit the same to the Moffat tunnel cash fund, which fund is hereby created. Monies in the fund not subject to immediate transfer pursuant to section 32-8-124.7 (2) shall be subject to annual appropriation by the general assembly for the direct and indirect costs of the administration of this article.

**PERSONNEL & ADMINISTRATION**

2810 Supplier Database Fees are assessed for registration in the centralized database of providers of goods and services to the State. Monies are used to fund the operational costs of maintaining the database.

6040 Debt Collection Collection fees are assessed to individuals for collection of past due debts owed to the State. Monies are used to fund the operations of the Central Collection Services unit.

**PUBLIC HEALTH AND ENVIRONMENT**

1210 Newborn Genetics Fee revenue consists of charges for laboratory blood tests for newborns and for genetic counseling; the fees shall be utilized to conduct newborn screening, follow-up care, and genetic counseling, as well as to provide educational awareness programs.

14V0 Medical Marijuana Cash Fund The fees are used to operate and implement the program to ensure that patients suffering from legitimate debilitating medical conditions are able to safely gain access to medical marijuana

2650 Health Facilities General Licensure The fees are used to inspect and license health facilities.

**PUBLIC SAFETY**

27J0 Instant Criminal Background Check Fund Fee revenue in this fund consists of monies received from the collection of a fee for performing instant criminal background checks.

**REGULATORY AGENCIES**

1840 Public Utilities Commission Fixed Utility Fund Ninety-seven percent of fees paid by other than telephone public utilities collected under CRS 40-2-113 shall be expended only to defray the full amount determined by the general assembly for the administrative expenses of the commission for the supervision and regulation of the public utilities and for the financing of the office of consumer counsel. Any unexpended balance remaining in the fund at the end of any fiscal year shall be retained to defray the future cost of administrative expenses of the commission and this amount shall be taken into account by the director of the department of revenue when computing the percentage upon which fees for the ensuing fiscal year will be based.

2120	Real Estate Cash Fund	Fees that the Division of Real Estate is authorized by law to collect. The Division shall propose, as part of its annual budget request, an adjustment in the amount of each fee. The requested changes shall adjust fees so that revenue adjusted from said fees approximates its direct and indirect costs.
2440	Public Deposit Administration Fund	Monies are used for the administration and enforcement of the provisions of the fund. All fees are derived from an annual fee established by the banking board for every eligible public depository.
2820	Division of Insurance Cash Fund	Fees and taxes collected from self-insurance pools, medical-surgical and health services corporations, nonprofit hospitals, and cash-bail agents designated for the division of insurance. The monies are used to fund all direct and indirect expenditures of the division of insurance, which is charged with the execution of the laws relating to insurance, and has a supervising authority over the business of insurance in Colorado.

#### REVENUE

1920	Auto Dealers License Board	Fees are for the licensing of motor vehicle dealers, wholesalers, buyer agents, and salespersons. Fees are for the purpose of supporting the regulatory oversight function of the Motor Vehicle Dealer Board. Monies can be used by the Motor Vehicle Dealer Board to pay for the Board's administration. Any funds remaining at the end of the fiscal year are to be used for educational and enforcement purposes.
2360	Liquor Law Enforcement	A licensing fee of \$25 is collected from manufacturers, distributors, wholesalers, and retailers of liquor. Application fees for licenses and permits are also collected. Fees are used for costs associated with the overall administration, licensing, and enforcement of Colorado liquor laws.

#### SECRETARY OF STATE

2000	Secretary of State Fees	Fees are collected for filing articles of incorporation, issuing official certificates, and making official copies of documents. Monies are used to fund the operational costs of the Department of State.
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# APPENDIX B



# CASH FUNDS UNCOMMITTED RESERVES REPORT FOR THE FISCAL YEAR JUNE 30, 2016 ALL FUNDS

The *Cash Funds Uncommitted Reserves Report* (PAGES 40 and 41) prepared by the Office of the State Controller does not include funds that have an uncommitted reserves balance of less than \$200,000. The following report includes all of the cash funds with fee revenue and uncommitted reserve balances at June 30, 2016, greater than zero.

STATE OF COLORADO  
CASH FUNDS UNCOMMITTED RESERVES REPORT  
REPORT OF FUNDS WITH UNCOMMITTED RESERVES GREATER THAN \$0  
FISCAL YEAR 2016 AS OF JUNE 30, 2016

FUND	FUND BALANCE (NOTE 4)*	EXEMPT ASSETS (NOTE 5)	CAPITAL RESERVE (NOTE 6)	PREVIOUSLY APPROPRIATED FUND BALANCE (NOTE 7)
<b>Department of Agriculture</b>				
1030 Agricultural Products Inspection Fund	\$ 617,600	802	-	\$ -
1040 Veterinary Vaccine and Service Fund	18,378	-	-	-
2610 Colorado Aquaculture Fund	883	-	-	-
2940 Pet Animal Care and Facility Fund	85,561	-	-	-
16R0 Inspection and Consumer Services Cash Fund	1,669,011	-	-	-
2260 Wine Development Fund	161,604	-	-	-
22L0 Agriculture Management Fund	2,845,415	16,265	-	-
23S0 Plant Health, Pest Control and Environmental Protection Fund	779,278	17,449	-	-
28J0 Industrial Hemp Registration Program Cash Fund	84,078	-	-	-
<b>SUBTOTAL</b>	<b>6,261,808</b>	<b>34,516</b>	<b>-</b>	<b>-</b>
<b>Department of Corrections</b>				
22D0 Correctional Education Program Fund	49,684	0	0	-
<b>Department of Education</b>				
2930 Educator Licensure Cash Fund	240,725	-	-	-
<b>Office of the Governor</b>				
1560 Economic Development Fund	23,608,523	1,849	-	-
13N0 Travel and Tourism Promotion Fund	178,911	-	-	-
21K0 Venture Capital Authority Staffing Fund	18,447	-	-	-
28A0 Advanced Industries Export Acceleration Cash Fund	195,567	-	-	-
28G0 Electric Vehicle Grant Fund	100,150	-	-	-
<b>SUBTOTAL</b>	<b>24,101,598</b>	<b>1,849</b>	<b>-</b>	<b>-</b>
<b>Department of Health Care Policy and Financing</b>				
11G0 Children's Basic Health Plan Trust	32,152,035	-	-	-
15B0 Medicaid Buy-In Cash Fund	3,420	-	-	-
16Y0 Service Fee Fund	11,340	-	-	-
22X0 Medicaid Nursing Facility Cash Fund	314,611	-	-	-
23G0 Department of Health Care Policy and Financing Cash Fund	4,118	-	-	-
24A0 Hospital Provider Fee Cash Fund	7,514,235	-	-	-
<b>SUBTOTAL</b>	<b>39,999,759</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Department of Higher Education</b>				
2220 Private Occupational Schools Fund	73,052	-	-	-
7250 History Colorado Restricted Donations	1,477,268	-	-	-
<b>SUBTOTAL</b>	<b>1,550,320</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Department of Human Services</b>				
1250 Alcohol and Drug Abuse Counselor Training Fund	4,737	-	-	-
5160 Work Therapy Cash Fund	151,060	21,849	5,479.00	-
12T0 Child Care Licensing Cash Fund	67,485	-	-	-
15M0 Controlled Substance Program Fund	3,158	-	-	-
17K0 Records and Reports Fund	47,046	-	-	-
18R0 Food Distribution Program Service Fund	239,086	-	-	-
<b>SUBTOTAL</b>	<b>512,572</b>	<b>21,849</b>	<b>5,479.00</b>	<b>-</b>
<b>Judicial Branch</b>				
2860 Mediation Cash Fund	23,458	-	-	-
26J0 Judicial Collection Enhancement Fund	4,415,037	364	-	-
27S0 Restorative Justice Surcharge Fund	866,126	-	-	-
700J Other Judicial Special Revenue Funds	64,250	33,829	-	-
<b>SUBTOTAL</b>	<b>5,368,871</b>	<b>34,193</b>	<b>-</b>	<b>-</b>
<b>Department of Labor and Employment</b>				
1360 Displaced Homemakers	31,428	-	-	-
1370 Boiler Inspection Fund	147,860	-	-	-
1390 Utilization Review	37,694	-	-	-
1400 Workmens' Compensation Self-Insurance Fund	128,341	-	-	-
1440 Liquefied Petroleum Gas Inspection Fund	94,607	-	-	-
2590 Physicians Accreditation Program Fund	86,344	-	-	-
<b>SUBTOTAL</b>	<b>526,274</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* Note numbers in column headings refer to the Notes to the Cash Funds Uncommitted Reserves Report beginning on Page 45, prepared by the Office of the State Controller.

SOURCE: Office of the State Controller.

FEE REVENUES (NOTE 8)	TOTAL REVENUE	TOTAL EXPENSE	NON-FEE FUND BALANCE (NOTE 9)	UNCOMMITTED RESERVES (NOTE 10)	MAXIMUM RESERVE (NOTE 11)	ALTERNATIVE MAXIMUM RESERVE (NOTE 12)	EXCESS UNCOMMITTED RESERVE (NOTE 13)
\$ 2,261,493	\$ 2,267,063	\$ 2,179,683	\$ 1,515	\$ 615,283	\$ 359,648	\$ -	\$ 255,635
404,924	404,924	402,074	-	18,378	66,342	-	-
4,687	4,687	10,576	-	883	1,745	-	-
710,263	737,292	737,292	3,137	82,424	121,653	-	-
2,889,980	3,017,944	3,223,555	70,768	1,598,243	531,887	1,611,778	-
2,682	757,102	872,694	161,032	572	143,995	-	-
1,192	2,996,431	1,897,231	2,828,025	1,125	313,043	-	-
4,699,570	4,763,522	5,056,920	10,228	751,601	834,392	2,528,460	-
94,136	94,186	94,186	45	84,033	15,541	-	68,492
11,068,927	15,043,151	14,474,211	3,074,750	3,152,542	2,388,246	4,140,238	324,127
506,323	548,416	498,732	3,813	45,871	82,291	-	-
3,054,975	3,054,975	2,930,896	-	240,725	483,598	-	-
1,801	292,533	1,438,234	23,461,338	145,336	237,309	-	-
372,842	396,076	1,255,231	10,495	168,416	207,113	-	-
6,380	6,674	35,567	813	17,634	5,869	-	11,765
19,459	321,213	247,785	183,720	11,847	40,885	-	-
104,800	104,800	82,750	-	100,150	13,654	-	86,496
505,282	1,121,296	3,059,567	23,656,366	443,383	504,830	-	98,261
1,123,899	28,795,070	14,927,840	30,897,110	1,254,925	2,463,094	-	-
1,925,580	1,925,580	1,932,078	-	3,420	318,793	-	-
224,150	2,106,159	2,095,185	10,133	1,207	345,706	-	-
49,579,446	49,580,644	49,642,125	8	314,603	8,190,951	-	-
664,688	664,688	664,688	-	4,118	109,674	-	-
803,590,003	803,960,121	799,933,390	3,459	7,510,776	131,989,009	-	-
857,107,766	887,032,262	869,195,306	30,910,710	9,089,049	143,417,227	-	-
737,938	737,938	843,895	-	73,052	139,243	-	-
4,920	387,168	409,734	1,458,495	18,773	67,606	-	-
742,858	1,125,106	1,253,629	1,458,495	91,825	206,849	-	-
12,300	13,500	9,403	421	4,316	1,551	-	2,765
443,398	498,322	500,772	13,637	110,095	82,627	-	27,468
828,451	831,230	807,035	226	67,259	133,161	-	-
6,500	6,524	5,780	12	3,146	954	-	2,192
784,499	784,499	809,383	-	47,046	133,548	-	-
100,365	875,998	874,150	211,693	27,393	144,235	-	-
2,175,513	3,010,073	3,006,523	225,989	259,255	496,076	-	32,425
2,931	2,931	-	-	23,458	-	-	23,458
482,187	5,776,994	5,964,533	4,046,195	368,478	984,148	-	-
6,435	961,022	796,078	860,326	5,800	131,353	-	-
246,412	558,628	608,272	17,002	13,419	100,365	-	-
737,965	7,299,575	7,368,883	4,923,523	411,155	1,215,866	-	23,458
107,414	107,414	120,888	-	31,428	19,947	-	11,481
1,047,108	1,050,743	1,333,518	512	147,348	220,030	1,400,481	-
14,317	14,317	19,679	-	37,694	3,247	-	34,447
162,000	162,000	119,633	-	128,341	19,739	-	108,602
228,448	229,173	195,964	299	94,308	32,334	-	61,974
122,209	122,209	92,783	-	86,344	15,309	-	71,035
1,681,496	1,685,856	1,882,465	811	525,463	310,606	1,400,481	287,539

STATE OF COLORADO  
 CASH FUNDS UNCOMMITTED RESERVES REPORT  
 REPORT OF FUNDS WITH UNCOMMITTED RESERVES GREATER THAN \$0  
 FISCAL YEAR 2016 AS OF JUNE 30, 2016

FUND	FUND BALANCE (NOTE 4)*	EXEMPT ASSETS (NOTE 5)	CAPITAL RESERVE (NOTE 6)	PREVIOUSLY APPROPRIATED FUND BALANCE (NOTE 7)
<b>Department of Law</b>				
1500 Collection Agency Cash Fund	\$ 181,734	-	-	\$ -
1510 Uniform Consumer Credit Code Cash Fund	511,722	300	-	-
2960 P.O.S.T. Board Cash Fund	1,345,497	94,316	-	-
16Z0 Insurance Fraud Cash Fund	757,972	249	-	-
26Q0 Legal Services Cash Fund	2,767,836	1,337,936	298,690.00	-
<b>SUBTOTAL</b>	<b>5,564,761</b>	<b>1,432,801</b>	<b>298,690.00</b>	<b>-</b>
<b>Legislative Branch</b>				
24S0 Legislative Department Cash	10,194,394	-	-	-
700M Other Legislature Special Revenue Funds	15,792	-	-	-
<b>SUBTOTAL</b>	<b>10,210,186</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Department of Local Affairs</b>				
11E0 Moffat Tunnel Cash Fund	215,820	-	-	-
16E0 Private Activity Bond Allocation Fund	180,984	-	-	-
7470 HUD Community Development Block Grant Fund	1,080,601	52,579	-	-
<b>SUBTOTAL</b>	<b>1,477,405</b>	<b>52,579</b>	<b>-</b>	<b>-</b>
<b>Department of Natural Resources</b>				
1660 Satellite Monitoring System Cash Fund	143,135	-	-	-
1680 Office of Active and Inactive Mines Operation Fund	41,085	-	-	-
2560 Mined Land Reclamation Fund	740,241	-	-	-
16S0 Well Inspection Cash Fund	73,497	-	-	-
23D0 Interbasin Compact Committee Operation Fund	1,486,438	-	-	-
26S0 Water Resources Cash Fund	209,847	-	-	-
27F0 Colorado Avalanche Information Center	18,510	981	-	-
<b>SUBTOTAL</b>	<b>2,712,753</b>	<b>981</b>	<b>-</b>	<b>-</b>
<b>Department of Personnel &amp; Administration</b>				
2810 Supplier Database Cash Fund	3,783,902	-	-	-
6040 Debt Collection Fund	1,383,307	746,034	252,345.00	-
22Y0 Professional Development Cash Fund	270,471	-	-	-
24Y0 State Archives and Public Records Cash Fund	229,030	-	-	-
6110 Administrative Hearings Fund	483,549	151,163	151,163.00	-
<b>SUBTOTAL</b>	<b>6,150,259</b>	<b>897,197</b>	<b>403,508</b>	<b>-</b>
<b>Department of Public Health and Environment</b>				
1170 Solid Waste Management Reserve Fund	1,046,302	-	-	-
1210 Newborn Genetics Fund	1,219,132	-	-	-
1230 Radiation Control Fund	429,912	-	-	-
1240 Vital Records Fund	83,786	-	-	-
1260 Hazardous Waste Service Fund	1,118,320	-	-	-
1280 Sludge Management Fund	218,524	-	-	-
2240 Medication Administration Fund	30,803	-	-	-
2650 Health Facilities General Licensure Cash Fund	290,453	600	-	-
2770 Pollution Prevention Fund	89,596	-	-	-
2790 Hazardous Waste Commission Fund	32,297	-	-	-
11S0 Lead Hazard Reduction Fund	64,766	-	-	-
12A0 Trauma System Cash Fund	7,729	-	-	-
14V0 Medical Marijuana Cash Fund	778,897	-	-	-
14X0 Hazardous Substance Settlement Fund	6,269,753	-	-	-
17A0 Process and End Users Fund	3,934,981	-	-	-
17B0 Coroner Training Fund	1,404	-	-	-
22R0 Home Care Agency Cash Fund	71,498	-	-	-
23K0 Animal Feeding Operations Fund	229,504	-	-	-
23Y0 Visa Waiver Program Fund	11,426	-	-	-
2460 Assisted Living Residence Fund	105,612	-	-	-
26A0 Laboratory Cash Fund	160,475	-	-	-
26C0 Waste Tire Market Development Fund	441,012	-	-	-
<b>SUBTOTAL</b>	<b>16,636,182</b>	<b>600</b>	<b>-</b>	<b>-</b>

\* Note numbers in column headings refer to the Notes to the Cash Funds Uncommitted Reserves Report beginning on Page 45, prepared by the Office of the State Controller.

SOURCE: Office of the State Controller.

FEE REVENUES (NOTE 8)	TOTAL REVENUE	TOTAL EXPENSE	NON-FEE FUND BALANCE (NOTE 9)	UNCOMMITTED RESERVES (NOTE 10)	MAXIMUM RESERVE (NOTE 11)	ALTERNATIVE MAXIMUM RESERVE (NOTE 12)	EXCESS UNCOMMITTED RESERVE (NOTE 13)
\$ 821,500	\$ 827,551	\$ 772,017	\$ 1,329	\$ 180,405	\$ 127,383	\$ -	\$ 53,022
1,649,489	1,695,687	1,407,629	13,933	497,489	232,259	-	265,230
202,480	4,734,247	4,914,946	1,197,669	53,512	810,966	-	-
1,986,551	2,004,414	1,637,613	6,753	750,970	270,206	-	480,764
2,315,864	35,711,151	35,989,130	1,057,851	73,359	5,938,206	-	-
6,975,884	44,973,050	44,721,335	2,277,535	1,555,735	7,379,020	-	799,016
3,032	4,214,291	2,874,145	10,187,060	7,334	474,234	-	-
8,721	8,796	11,503	135	15,657	1,898	-	13,759
11,753	4,223,087	2,885,648	10,187,195	22,991	476,132	-	13,759
26,659	28,489	71	13,863	201,957	12	250,000	-
173,741	173,741	111,921	-	180,984	18,467	-	162,517
250	82,139,145	82,726,661	1,028,019	3	13,649,899	-	-
200,650	82,341,375	82,838,653	1,041,882	382,944	13,668,378	250,000	162,517
220,445	260,843	312,760	22,168	120,967	51,605	-	69,362
1,470	345,536	353,511	40,910	175	58,329	-	-
559	1,026,681	1,042,771	739,838	403	172,057	-	-
69,456	261,445	274,426	53,972	19,525	45,280	-	-
2,051	680,330	387,766	1,481,957	4,481	63,981	-	-
133,172	481,267	807,515	151,780	58,067	133,240	-	-
4,151	880,677	880,643	17,446	83	145,306	-	-
431,304	3,936,779	4,059,392	2,508,071	203,701	669,798	-	69,362
1,228,804	2,143,784	2,204,687	1,614,992	2,168,910	363,773	-	1,805,137
3,324,394	3,503,503	2,897,958	19,679	365,249	478,163	-	-
161,500	1,009,747	896,066	227,212	43,259	147,851	-	-
124,732	150,598	2,917	39,337	189,693	481	-	189,212
104,970	5,407,956	5,080,120	177,705	3,518	838,220	-	-
4,944,400	12,215,588	11,081,748	2,078,925	2,770,629	1,828,488	-	1,994,349
188,416	3,901,077	4,064,571	995,767	50,535	670,654	-	-
6,077,377	6,077,377	7,394,382	-	1,219,132	1,220,073	-	-
605,307	2,721,686	2,676,378	334,299	95,613	441,602	-	-
3,390,934	3,387,952	3,416,319	(74)	83,860	563,693	-	-
31,271	2,228,306	1,984,381	1,102,626	15,694	327,423	-	-
2,473	171,457	169,145	215,372	3,152	27,909	-	-
288,905	288,905	305,366	-	30,803	50,385	-	-
2,047,854	2,050,119	1,895,708	320	289,533	312,792	-	-
3	172,173	152,958	89,594	2	25,238	-	-
70,889	70,889	68,906	-	32,297	11,369	-	20,928
32,549	78,389	46,762	37,874	26,892	7,716	-	19,176
678,725	679,394	678,603	8	7,721	111,969	-	-
1,619,089	1,644,578	3,622,235	12,072	766,825	597,669	-	169,156
84	410,344	859,482	6,268,470	1,283	141,815	-	-
5,147	4,588,570	3,867,145	3,930,567	4,414	638,079	-	-
(500)	(500)	8,700	-	1,404	1,436	-	-
1,045,291	1,155,533	1,014,980	6,821	64,677	167,472	-	-
20	445,348	505,852	229,494	10	83,466	-	-
10,500	10,548	939	52	11,374	155	-	11,219
1,247,843	1,247,843	1,142,231	-	105,612	188,468	-	-
916,741	916,741	973,219	-	160,475	160,581	-	-
15,925	369,040	269,275	421,981	19,031	44,430	-	-
18,274,843	32,615,769	35,117,537	13,645,243	2,990,339	5,794,394	-	220,479

STATE OF COLORADO  
 CASH FUNDS UNCOMMITTED RESERVES REPORT  
 REPORT OF FUNDS WITH UNCOMMITTED RESERVES GREATER THAN \$0  
 FISCAL YEAR 2016 AS OF JUNE 30, 2016

FUND		FUND BALANCE (NOTE 4)*	EXEMPT ASSETS (NOTE 5)	CAPITAL RESERVE (NOTE 6)	PREVIOUSLY APPROPRIATED FUND BALANCE (NOTE 7)
<b>Department of Public Safety</b>					
12E0	Fireworks Licensing Cash Fund	\$ 73,690	-	-	\$ -
2030	Firefighter, First and Haz Mat Responder Certification Fund	3,806	-	-	-
2070	Victims Assistance and Law Enforcement Fund	1,732,568	-	-	-
2710	State Patrol Special Events Fund	35,484	-	-	-
12B0	Fire Service Education and Training Fund	17,634	-	-	-
12C0	Fire Suppression Cash Fund	66,387	-	-	-
16C0	Sex Offender Registry Fund	13,881	-	-	-
19Q0	Identity Theft Financial Fraud Fund	505,638	4,060	-	-
21N0	Criminal Justice Training Fund	49,439	-	-	-
22N0	Cigarette Ignition Standards & Firefighter Protection Act	105,155	-	-	-
22P0	Wildland-Urban Interface Training Fund	127,593	-	-	-
25M0	School Safety Resource Center Cash Fund	60,354	-	-	-
27J0	Instant Criminal Background Check Fund	1,280,178	313	-	-
29U0	Vehicle Identification Number Fund	30,287	-	-	-
<b>SUBTOTAL</b>		<b>4,102,094</b>	<b>4,373</b>	<b>-</b>	<b>-</b>
<b>Department of Regulatory Agencies</b>					
1850	Public Utilities Commission Motor Carrier Fund	38,720	-	-	-
16Z0	Insurance Fraud Cash Fund	588	-	-	-
1840	Public Utilities Commission Fixed Utility Fund	596,156	759	-	-
2130	Division of Securities Cash Fund	10,143	5,833	-	-
2440	Public Deposit Administration Fund	349,685	-	-	-
2720	Financial Services Cash Fund	147,472	-	-	-
2820	Division of Insurance Cash	448,557	3,064	-	-
18S0	Prescription Drug Monitoring Fund	32,497	-	-	-
19U0	Mortgage Company and Loan Originator Licensing Cash Fund	136,988	-	-	-
22H0	Certificate of Conservation Easement Holders Fund	33	-	-	-
22J0	Consumer Outreach and Education Fund	26,393	-	-	-
25Q0	HOA Information and Resource Center Cash Fund	11,552	-	-	-
27T0	Moving Outreach Fund	3,896	-	-	-
18W0	Viatical Settlements Cash Fund	89,681	-	-	-
2120	Real Estate Cash Fund	386,338	-	-	-
28F0	Conservation Easement Tax Credit Fund	15,095	-	-	-
<b>SUBTOTAL</b>		<b>2,293,794</b>	<b>9,656</b>	<b>-</b>	<b>-</b>
<b>Department of Revenue</b>					
1920	Auto Dealers License Fund	535,262	1,211	-	-
2360	Liquor Enforcement Division & State Licensing Authority	302,754	2,499	-	-
2370	Tax Lien Certification Fund	27,103	-	-	-
4010	Limited Gaming Fund	2,409,657	32,892	-	-
16V0	Racing Cash Fund	171,449	-	-	-
20A0	Private Letter Ruling Fund	26,481	-	-	-
25C0	Prepaid Wireless Trust Cash Fund	5,814	-	-	-
26B0	Gambling Payment Intercept Fund	52,495	-	-	-
<b>SUBTOTAL</b>		<b>3,531,015</b>	<b>36,602</b>	<b>-</b>	<b>-</b>
<b>Department of State</b>					
2000	Department of State Cash Fund	4,360,149	487,325	-	-
<b>Department of Treasury</b>					
4060	AIR Account	4,375,325	-	-	-
8270	Unclaimed Property Fund	55,056,301	2,251	-	-
<b>SUBTOTAL</b>		<b>59,431,626</b>	<b>2,251</b>	<b>-</b>	<b>-</b>
<b>GRAND TOTAL</b>		<b>\$ 195,081,835</b>	<b>3,016,772</b>	<b>707,677.00</b>	<b>\$ -</b>

\* Note numbers in column headings refer to the Notes to the Cash Funds Uncommitted Reserves Report beginning on Page 45, prepared by the Office of the State Controller.

SOURCE: Office of the State Controller.

FEE REVENUES (NOTE 8)	TOTAL REVENUE	TOTAL EXPENSE	NON-FEE FUND BALANCE (NOTE 9)	UNCOMMITTED RESERVES (NOTE 10)	MAXIMUM RESERVE (NOTE 11)	ALTERNATIVE MAXIMUM RESERVE (NOTE 12)	EXCESS UNCOMMITTED RESERVE (NOTE 13)
\$ 50,051	\$ 50,475	\$ 3,172	\$ 619	\$ 73,071	\$ 523	\$ -	\$ 72,548
214,237	214,237	219,390	-	3,806	36,199	-	-
1,351	2,017,833	1,999,006	1,731,408	1,160	329,836	-	-
69,048	2,674,991	2,674,991	34,568	916	441,374	-	-
49,386	49,641	63,743	91	17,543	10,518	-	7,025
146,369	146,768	114,158	180	66,207	18,836	-	47,371
1,189	1,315	202	1,330	12,551	33	-	12,518
36,000	552,572	449,456	468,900	32,678	74,160	-	-
57,837	72,917	76,068	10,225	39,214	12,551	-	26,663
87,761	87,761	39,732	-	105,155	6,556	-	98,599
494	47,040	15,866	126,253	1,340	2,618	-	-
3,500	89,776	32,687	58,001	2,353	5,393	-	-
2,486,008	2,504,330	3,168,340	9,364	1,270,501	522,776	-	747,725
64,213	64,393	182,606	85	30,202	30,130	-	72
3,267,444	8,574,049	9,039,417	2,441,024	1,656,697	1,491,503	-	1,012,521
2,070,689	2,266,868	2,269,691	3,351	35,369	374,499	-	-
581	588	-	7	581	-	-	581
11,351,815	12,020,596	11,034,103	33,126	562,271	1,820,627	-	-
4,149,423	4,149,423	4,607,251	-	4,310	760,196	-	-
4,478,353	4,501,872	4,875,296	1,827	347,858	804,424	-	-
1,732,789	1,739,831	1,648,806	597	146,875	272,053	-	-
9,484,466	10,786,546	10,524,802	53,777	391,716	1,736,592	-	-
167,302	196,440	415,221	4,820	27,677	68,511	-	-
1,000,563	1,017,041	983,262	2,219	134,769	162,238	-	-
154,880	154,880	159,237	-	33	26,274	-	-
144,235	144,937	131,761	128	26,265	21,741	-	4,524
175,889	177,336	238,212	94	11,458	39,305	-	-
1,719	1,795	5,073	165	3,731	837	-	2,894
8,800	8,800	1,903	-	89,681	314	-	89,367
5,457,271	5,639,879	5,260,813	12,509	373,829	868,034	-	-
243,896	243,896	270,389	-	15,095	44,614	-	-
40,622,671	43,050,728	42,425,820	112,620	2,171,518	7,000,259	-	97,366
3,045,372	3,221,630	3,497,132	29,218	504,833	577,027	-	-
2,256,269	2,378,357	2,924,800	15,413	284,842	482,592	-	-
7,385	7,385	-	-	27,103	-	-	27,103
916,082	118,646,012	118,810,115	2,358,414	18,351	19,603,669	-	-
1,329,469	1,375,668	1,351,048	5,758	165,691	222,923	-	-
11,600	11,600	11,600	-	26,481	1,914	-	24,567
9,342	9,342	4,630	-	5,814	764	-	5,050
18,800	18,800	7,630	-	52,495	1,259	-	51,236
7,594,319	125,668,794	126,606,955	2,408,803	1,085,610	20,890,148	-	107,956
20,622,269	21,462,890	20,429,464	151,684	3,721,140	3,370,862	3,472,239	248,901
5,900	8,943,006	8,208,220	4,372,438	2,887	1,354,356	-	-
6,475	127,660,076	151,718,978	55,051,258	2,792	25,033,631	-	-
12,375	136,603,082	159,927,198	59,423,696	5,679	26,387,987	-	-
\$ 980,539,017	\$ 1,435,585,901	\$ 1,442,803,379	\$ 160,531,135	\$ 30,826,251	\$ 238,062,558	\$ 9,262,958	\$ 5,492,036





