

State of Colorado

Cash Funds Uncommitted Reserves Fiscal Year Ended June 30, 2024

Performance Audit
November 2024
2454P



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KERRI L. HUNTER, CPA, CFE • STATE AUDITOR

November 13, 2024

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, 2024. 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. The report presents our findings, conclusions, and recommendations, and the responses of various departments.

Kerri L. Hunter



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Report Highlights



Cash Funds Uncommitted Reserves Fiscal Year Ended June 30, 2024

State of Colorado • Office of the State Controller
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C O L O R A D O

Key Concern

Eleven departments did not comply with uncommitted cash fund reserves statutory requirements for Fiscal Year 2024.

Key Findings

- We determined that 11 departments had funds with excess uncommitted reserves as of June 30, 2024. The departments that we identified as having cash funds with excess uncommitted reserves as of June 30, 2024, are:
 - Department of Agriculture
 - Office of the Governor
 - Department of Higher Education
 - Department of Human Services
 - Department of Labor and Employment
 - Department of Law
 - Department of Local Affairs
 - Department of Military and Veterans Affairs
 - Department of Public Health and Environment
 - Department of Regulatory Agencies
 - Department of Revenue
- Within those 11 departments, 19 total cash funds had excess uncommitted reserves totaling approximately \$25.4 million.
 - The total number of departments with excess uncommitted reserves increased by four from the prior year.
 - The total number of funds with excess uncommitted reserves increased by one from the prior year.
 - Total excess uncommitted reserves decreased by approximately \$23 million from the prior year.
- The Department of Local Affairs had two cash funds with excess uncommitted reserves for 3 consecutive years; as a result, the OSC will be required to restrict its spending authority in accordance with Section 24-75-402(12), C.R.S., beginning in Fiscal Year 2025.
- The Department of Public Health and Environment had one cash fund with excess uncommitted reserves for 4 consecutive years; as a result, the OSC began restricting its spending authority in Fiscal Year 2024 in accordance with Section 24-75-402(12), C.R.S. and will continue to restrict its spending authority in Fiscal Year 2025.

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 Office of the State Controller (OSC) is required to prepare the Cash Funds Excess Uncommitted Reserves Report annually by September 20 to determine which funds are in compliance.

Recommendations Made

19

Responses

Agree: **19**

Partially Agree: **0**

Disagree: **0**



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 maximum 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 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 calculate the amount of each cash fund's uncommitted reserves. Statute limits the amount of uncommitted reserves a fund can have at the end of each fiscal year. Funds that have any amount of uncommitted reserves in excess of either the statutory maximum, statutory alternative maximum, or the JBC-approved alternative maximum, as applicable, have "excess uncommitted reserves" and are out of compliance. The Exhibit 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)		\$ 1,000	B	
Capital Reserve		\$ 1,000	C	
Previously appropriated fund balance (e.g., capital construction)		\$ 3,000	D	
Fiscal Year 20XX revenue and expenses:				
Fee revenue		\$ 200,000	E	
Non-fee revenue		\$ 50,000	F	
Total revenue		\$ 250,000	G	
Total expenses		\$ 200,000	H	
Steps used to calculate the amount of excess uncommitted reserves:				
1 Calculate the uncommitted reserve				
Reduce fund balance by exempt assets and any previously appropriated fund balance				
Fund balance		\$ 400,000	A	
Less: Exempt assets		\$ (1,000)	B	
Capital reserve		\$ (1,000)	C	
Previously appropriated fund balance		\$ (3,000)	D	
Reduced fund balance				\$ 395,000
Multiply reduced fund balance by the ratio of fee revenue to total revenue				
Fee revenue		\$ 200,000	E	
Total revenue		\$ 250,000	G	
Ratio of fee revenue to total revenue				80%
Uncommitted reserve				\$ 316,000
<i>(Note: Reduced fund balance multiplied by the ratio.)</i>				
2 Calculate the Maximum reserve				
Multiply total expenses by 16.5 percent				
Total expenses		\$ 200,000	H	
X		16.5%		
Maximum reserve				\$ 33,000
3 Calculate the excess uncommitted reserve				
Subtract maximum reserve from the uncommitted reserve				
Excess uncommitted reserve				\$ 283,000

Cash Funds Uncommitted Reserves for Fiscal Year 2024

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 non-exempt 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 through House Bill 15-1261, which stated that only funds with uncommitted reserves greater than \$200,000 with an excess are out of compliance. The General Assembly also added a provision that allows departments to request that the State Controller 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 Office of the State Controller (OSC) indicates that it has not received any requests to average uncommitted reserves in accordance with this provision.

The bill also added a provision allowing departments to submit a request to the JBC to waive these reserve requirements for a specific period. Departments can specifically request either a full exemption for a cash fund or the establishment of an alternative maximum reserve amount for the cash fund. This waiver could be for any amount. Exhibit 1.2 shows the cash funds that have JBC-approved waivers as of the date of this report. The funds in this table noted as having an “Exemption” waiver are excluded from the cash funds reporting requirements and are, therefore, not included in any tables or appendices. The funds in this table noted as having an “Alternative Maximum” waiver are included in tables and appendices, and are included in this report if they have uncommitted reserves in excess of their alternative maximum reserve.

Exhibit 1.2

State of Colorado

Joint Budget Committee Approved Cash Fund Waivers for Cash Funds as of Fiscal Year 2024

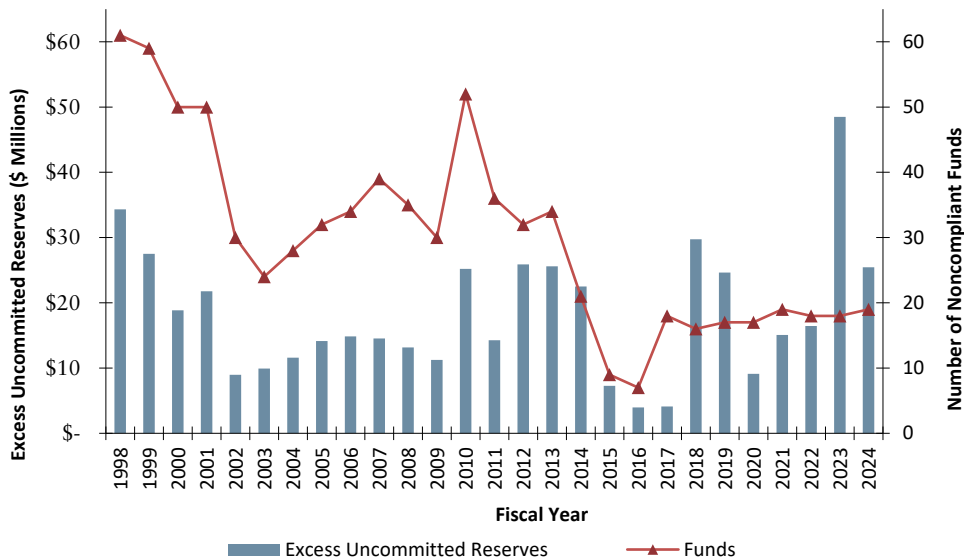
Fund Name	Waiver Type	Maximum Reserve	Alternative Maximum Reserve	Waiver Period (Fiscal Years)
Early Childhood				
Child Care Licensing Fund	Exemption	N/A	N/A	2024
Records and Reports Fund	Exemption	N/A	N/A	2024 through 2026
Judicial				
Information Technology Cash Fund	Exemption	N/A	N/A	2024 through 2026
Labor and Employment				
Wage Theft Enforcement Fund	Exemption	N/A	N/A	2022 through 2025
Personnel and Administration				
Supplier Database Cash Fund	Exemption	N/A	N/A	2023 through 2024
Public Health and Environment				
Medical Marijuana Cash Fund	Exemption	N/A	N/A	2024 through 2025
Public Safety				
Instant Criminal Background Check Cash Fund	Exemption	N/A	N/A	2022 through 2024
Colorado Bureau of Investigation Identification Unit Fund	Exemption	N/A	N/A	2023 through 2024
Regulatory Agencies				
Prescription Drug Monitoring Cash Fund	Exemption	N/A	N/A	2024
Division of Professions and Occupations Cash Fund	Exemption	N/A	N/A	2024
Revenue				
Colorado DRIVES Vehicle Services Account	Exemption	N/A	N/A	2024 through 2026

Source: Joint Budget Committee letters to the Office of the State Controller dated March 2021 through June 2024.

The results of our testwork that are reflected in this Fiscal Year 2024 Report indicate that, overall, Section 24-75-402, C.R.S., has reduced the total number of cash funds with excess uncommitted reserves since 1998. The Report shows 19 cash funds with excess uncommitted reserves of about \$25.4 million, compared with 61 cash funds with excess uncommitted reserves of about \$34.3 million identified in the Fiscal Year 1998 Report. From Fiscal Year 2023 to Fiscal Year 2024 the total excess uncommitted reserves decreased by approximately \$23 million, and the total number of funds increased by one.

Exhibit 1.3 shows the excess uncommitted reserves by fiscal year and the number of noncompliant funds since the implementation of the original cash funds legislation in Fiscal Year 1998.

Exhibit 1.3
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 Reports for Fiscal Years 1998 through 2024*.

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 with an excess.

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 collected by the State. If the State collects revenue in excess of a calculated limit, it must refund that excess to taxpayers. The excess has traditionally been paid from tax revenues in the General Fund, rather than fee revenues in 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 State Controller as of August 31, 2024, the State had approximately \$19.4 billion in TABOR revenue for Fiscal Year 2024. This included \$6.2 billion in revenues recorded in all cash funds, with \$275.6 million in cash fund revenues subject to the requirements of this report. Fiscal Year 2024 revenue was over the limit by \$1.4 billion. When the State’s TABOR revenue exceeds the limit, excess fee revenue in cash funds contributes to the amount of the State’s TABOR refund. Section 24-75-402(3)(c), C.R.S., requires a department to reduce fees or increase expenditures if the department has excess uncommitted reserves. For Fiscal Year 2024, the total amount of the State’s excess uncommitted reserves is \$25.4 million.

Exhibit 1.4 lists the top 10 individual funds with the largest excess uncommitted reserves balances, and their corresponding departments. The exhibit also shows the total number of years, not necessarily consecutive, that each fund has been out of compliance with statutory requirements.

Exhibit 1.4

State of Colorado

Cash Funds with 10 Largest Excess Uncommitted Reserves Balances as of June 30, 2024 with Comparison of Balances as of June 30, 2023

Department	Fund Name	Excess Uncommitted Reserves 2023	Excess Uncommitted Reserves 2024	Total Number of Years out of Compliance ¹
Department of Public Health and Environment	Perfluoroalkyl and Polyfluoroalkyl Substances Cash Fund	\$12,665,733	\$14,755,960	2
Department of Public Health and Environment	Newborn Genetics Fund	\$0	\$1,887,108	10
Department of Public Health and Environment	Vital Records Fund	\$1,405,922	\$1,788,384	6
Department of Public Health and Environment	Assisted Living Residence Fund	\$0	\$1,054,330	16
Department of Revenue	Auto Dealers License Fund	\$0	\$953,596	12
Department of Public Health and Environment	Home Care Agency Cash Fund	\$77,951	\$693,109	8
Department of Public Health and Environment	Health Facilities General Licensure Cash Fund	\$39,016	\$675,569	9
Department of Labor and Employment	Conveyance Safety Fund	\$0	\$643,927	3
Department of Agriculture	Industrial Hemp Registration Program Cash Fund	\$0	\$626,094	3
Department of Local Affairs	Mobile Home Park Act Dispute Resolution and Enforcement Fund	\$999,866	\$477,096	3

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2001, through 2024*.

¹Total number of years out of compliance may not necessarily represent consecutive years.

Restriction of Spending Authority

Section 24-75-402(12), C.R.S., requires the State Controller to restrict spending authority for cash funds that have been out of compliance for 3 consecutive fiscal years. Specifically, 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 an exemption waiver for the fund.

Exhibit 1.5 provides a listing of the cash funds with excess uncommitted reserves for 2 or more consecutive years as of June 30, 2024. As shown in the exhibit, the Private Activity Bond Allocation Fund and the Mobile Home Park Act Dispute Resolution and Enforcement Fund at the Department of Local Affairs each had an excess uncommitted reserve for 3 consecutive years. As a result, these funds are now subject to spending authority restriction in Fiscal Year 2025, in accordance with statute. The Vital Records Fund at the Department of Public Health and Environment had an excess uncommitted reserve for 4 consecutive years, and therefore, was subject to the spending authority restriction in Fiscal Year 2024. This fund will continue to be subject to the restriction in Fiscal Year 2025

The remaining funds, which have had excesses for 2 or more consecutive years, will be subject to the spending authority restriction in Fiscal Year 2026 if they continue to have an excess uncommitted reserve at the end of Fiscal Year 2025.

Exhibit 1.5
State of Colorado
Cash Funds with 2 or More Consecutive Years of Excess
Uncommitted Reserves as of June 30, 2024

Fund Name	Excess Uncommitted Reserves			
	2021	2022	2023	2024
Department of Local Affairs				
Private Activity Bond Allocation Fund	\$0	\$186,639	\$175,057	\$448,179
Mobile Home Park Act Dispute Resolution and Enforcement Fund	\$0	\$1,194,430	\$999,866	\$477,096
Department Subtotal	\$0	\$1,381,069	\$1,174,923	\$925,275
Department of Public Health and Environment				
Vital Records Fund	\$663,304	\$963,899	\$1,405,922	\$1,788,384
Home Care Agency Cash Fund	\$0	\$0	\$77,951	\$693,109
Health Facilities General Licensure Cash Fund	\$0	\$0	\$39,016	\$675,569
Perfluoroalkyl and Polyfluoroalkyl Substances Cash Fund	\$0	\$0	\$12,665,733	\$14,755,960
Department Subtotal	\$663,304	\$963,899	\$14,188,622	\$17,913,022
Grand Total	\$663,304	\$2,344,968	\$15,363,545	\$18,838,297

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2021 through 2024*.

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 fee revenue set in statute should be excluded from the cash fund’s fee revenue in the calculation of excess uncommitted reserves.

Current and Prior Year Compliance

In our *Fiscal Year 2024 Cash Funds Uncommitted Reserves* audit report we have made recommendations to 11 departments for 19 funds with excess uncommitted reserves that were out of compliance with Section 24-75-402(3)(c), C.R.S. By comparison, in the previous year, as a result of our Fiscal Year 2023 audit, we made recommendations to seven departments for 18 cash funds that were out of compliance.

Exhibit 1.6 shows cash funds with any excess uncommitted reserves at the end of Fiscal Year 2024 or Fiscal Year 2023. The complete Report with all cash funds with uncommitted reserves greater than \$200,000 at the end of Fiscal Year 2024 and subject to Section 24-75-402, C.R.S., is on pages 42 and 43.

Exhibit 1.6
State of Colorado
Cash Funds Excess Uncommitted Reserves Summary
for the Fiscal Years Ended June 30, 2023 and 2024

Fund Name	Excess Uncommitted Reserves	
	Fiscal Year 2023	Fiscal Year 2024
Department of Agriculture		
Industrial Hemp Registration Program Cash Fund	\$0	\$626,094
Department of Early Childhood		
Child Care Licensing Cash Fund	\$134,273	\$0
Records and Reports Fund	\$695,909	\$0
Department Subtotal	\$830,182	\$0
Office of the Governor		
Travel and Tourism Additional Sources Fund	\$288,720	\$0
Climate Change Mitigation and Adaptation Fund	\$0	\$190,464
Department Subtotal	\$288,720	\$190,464
Department of Higher Education		
Private Occupational Schools Fund	\$0	\$261,832

Department of Human Services		
Food Distribution Program Service Fund	\$0	\$62,790
Judicial Department		
Judicial Information Technology Cash Fund	\$12,790,045	\$0
Department of Labor and Employment		
Conveyance Safety Fund	\$0	\$643,927
Department of Law		
Uniform Consumer Credit Code Cash Fund	\$0	\$139,262
Department of Local Affairs		
Building Regulation Fund	\$519,221	\$0
Private Activity Bond Allocation Fund	\$175,057	\$448,179
Mobile Home Park Act Dispute Resolution and Enforcement Fund	\$999,866	\$477,096
Department Subtotal	\$1,694,144	\$925,275
Department of Military Affairs		
Veterans One-Stop Center Cash Fund	\$0	\$187,811
Department of Public Health and Environment		
Newborn Genetics Fund	\$0	\$1,887,108
Vital Records Fund	\$1,405,922	\$1,788,384
Sludge Management Fund	\$0	\$181,745
Fixed and Rotary-Wing Ambulances Cash Fund	\$0	\$268,162
Medical Marijuana Cash Fund	\$68,146	\$0
Home Care Agency Cash Fund	\$77,951	\$693,109
Assisted Living Residence Fund	\$0	\$1,054,330
Health Facilities General Licensure Cash Fund	\$39,016	\$675,569
Paint Stewardship Cash Fund	\$187,452	\$0
Perfluoroalkyl and Polyfluoroalkyl Substances Cash Fund	\$12,665,733	\$14,755,960
Department Subtotal	\$14,444,220	\$21,304,367
Department of Regulatory Agencies		
Disabled Telephone Users Fund	\$0	\$141,363
Division of Professions and Occupations Cash Fund	\$7,812,728	\$0
Prescription Drug Monitoring Fund	\$410,360	\$0
Financial Services Cash Fund	\$214,042	\$0
Department Subtotal	\$8,437,130	\$141,363
Department of Revenue		
Auto Dealers License Fund	\$0	\$953,596
Liquor Enforcement Division & State Licensing Authority Fund	\$635,586	\$0
Colorado DRIVES Fund	\$9,360,224	\$0
Department Subtotal	\$9,995,810	\$953,596
Grand Total	\$48,480,251	\$25,436,781

Audit Purpose, Scope, and Methodology

We conducted this performance audit pursuant to Section 24-30-207(3), C.R.S., which requires the State Auditor to perform an audit of the OSC's annual Report. We performed our audit work on the Fiscal Year 2024 Report during the period July 2024 through October 2024. We appreciate the cooperation and assistance provided by the State Controller and OSC staff, as well as staff at the various departments. We conducted this performance 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 key audit objectives were 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 full Report is included on pages 42 and 43 of this audit report.

To accomplish our audit objectives, we performed the following audit work:

- Determined whether the schedules contained in the Report, as prepared by the OSC, were prepared in accordance with statute.
- Obtained an understanding of internal control that is significant within the context of audit objectives. If significant to audit objectives, we evaluated the effectiveness of internal control in relation to the OSC's preparation of the financial report.
- Determined whether departments complied with Section 24-75-402, C.R.S., for cash funds with excess uncommitted reserves as of the Fiscal Year Ended June 30, 2024.
- Determined whether the OSC has created policies and procedures to ensure creation of an accurate list of funds for which they are required to restrict spending authority in accordance with Section 24-75-402(12), C.R.S.
- Followed up on prior year audit recommendations.

We relied on sampling to support some of our audit work. We selected a nonstatistical sample of 100 of the total 574 funds and performed detailed testing of the balances for those 100 funds that were reported in the OSC's Report. We chose the sample to provide sufficient coverage of those areas that were significant to the objectives of this audit and the results of our sample testing were not intended to be projected to the entire population. However, the sample results are valid for confirming that the departments generally recorded cash fund information in accordance with the OSC's Fiscal Procedures Manual (FPM) and, along with the other audit work performed, provide

sufficient, reliable evidence as the basis for our findings, conclusions, and recommendations. The OSC publishes the FPM each year to communicate policies and procedures to the departments, and it includes detailed policies for recording transactions related to cash funds. This is the main way the OSC communicates internal control information externally to each department.

As required by auditing standards, we planned our audit work to assess the effectiveness of those internal controls that were significant to our audit objectives. Our conclusions on the effectiveness of those controls that were significant to our audit objectives, as well as specific details about the audit work supporting our findings, conclusions, and recommendations, are described in the remainder of this report. The OSC reviewed a draft of this report and each department reviewed their respective findings and recommendations. We have incorporated the department and OSC comments into the report where relevant. The written responses to the recommendations and the related implementation dates are the sole responsibility of each department.

Obtaining the views of responsible officials is an important part of the Office of the State Auditor's (OSA) commitment to ensuring that the report is accurate, complete, and objective. The OSA was solely responsible for determining whether and how to revise the report, if appropriate, based on the departments' comments. The written responses to the recommendations and the related implementation dates were the sole responsibility of the departments. However, in accordance with auditing standards, we have included an Auditor's Addendum to responses that are inconsistent with the findings or conclusions or that do not adequately address the recommendations.

Overall Conclusion

Based on the results of our audit, we determined the schedules contained in the Report, as prepared by the OSC, were prepared in accordance with Section 24-75-402, et. seq., C.R.S., including within the deadline for submission to the OSPB and JBC outlined in Section 24-30-207(3), C.R.S. We obtained an understanding of internal controls that were significant within the context of our audit objectives, evaluated the effectiveness of internal control in relation to the State Controller's preparation of the financial report, and found no significant deficiencies.

We determined that the OSC has created and implemented policies and procedures to ensure creation of an accurate list of funds for which they are required to restrict spending authority in accordance with Section 24-75-402(12), C.R.S.

We determined that 11 departments did not comply with Section 24-75-402, C.R.S., for cash funds with excess uncommitted reserves as of the Fiscal Year Ended June 30, 2024. During our review of prior year audit recommendations, we determined that seven departments implemented our Fiscal Year 2023 recommendations for 12 cash funds, while two departments had six cash funds that continued to be out of compliance. We describe specific details regarding these instances of noncompliance, our findings, and recommendations to the various departments in Chapter 2.



Chapter 2

Findings and Recommendations

Compliance with Statutory Reserve Requirements

Cash funds statutes list key dates that specify when cash funds should comply 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.

What audit work was performed and what was the purpose?

As part of our audit of the Fiscal Year 2024 *Cash Funds Uncommitted Reserves Report* (Report) we reviewed the departments' cash fund balances, obtained fund descriptions, and performed testwork on significant balances. The purpose of our audit work was to determine departments' compliance with statutory limits on excess uncommitted cash funds reserves.

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, Section 24-75-402(3)(c) C.R.S. requires that departments take action to reduce excess uncommitted reserves by decreasing fees charged to citizens, taking into account any increases in expenditures from the fund. Section 24-75-402(12) C.R.S. also requires the State Controller to restrict spending authority of funds that have been out of compliance for 3 consecutive years.

What problem did the audit work identify?

During our audit, we found that 11 departments had excess uncommitted reserves as of the end of Fiscal Year 2024, totaling approximately \$25.4 million within 19 cash funds that are subject to statutory limits. The departments and funds not in compliance as of June 30, 2024, 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 11 departments with excess uncommitted reserves for Fiscal Year 2024 did not take action to ensure statutory compliance with cash funds uncommitted reserves limits such as reducing fees, spending down the balance, or seeking a waiver from the Joint Budget Committee.

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 a given year. For Fiscal Year 2024, the State was over the TABOR excess revenues cap by \$1.4 billion according to the State Controller's August 31 TABOR certification letter.

Department of Agriculture

As of June 30, 2024, the Department of Agriculture had one cash fund out of compliance with Section 24-75-402(3)(c), C.R.S., with excess uncommitted reserves totaling approximately \$0.6 million.

Industrial Hemp Registration Program Cash Fund

Purpose: To collect fees for hemp registration based on size and use of land area on which the person will conduct industrial hemp operations in addition to inspection fees to sample crops for THC level to certify as hemp.

First Year of Required Compliance: Fiscal Year 2016.

Status: Fiscal Year 2024 was the 3rd year in total since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.1
Industrial Hemp Registration Program Cash Fund

Fiscal Year	Amount of Excess
2016-2018 ¹	\$ –
2019	\$ 1,229,338
2020	\$ 1,178,171
2021-2023 ¹	\$ –
2024	\$ 626,094

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports* for the Fiscal Years Ended June 30, 2016, through 2024.

¹This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

Recommendation 1

The Department of Agriculture should take appropriate action to ensure that the Industrial Hemp Registration Program Cash Fund complies with applicable cash funds statutory requirements.

Response

Department of Agriculture

Agree

Implementation Date: June 2025

The Hemp Program (Fund 28J0) at the Colorado Department of Agriculture (CDA) has been experiencing cash solvency concerns since FY 2019-20. The program grew rapidly and reached a climax of more than 2000 registrations in 2019. At the program's peak, the cash fund had a reserve of more than \$1.6 mil. Since FY 2019-20 registrations have dropped sharply mainly due to surplus supply due to addtl states and tribes growing hemp following the 2018 Farm Bill, which has resulted in a significant reduction of the program revenue. In an effort to continue operations of the Hemp Program, CDA has attempted to strategically maximize the cash funds available, thus causing the department to become non-compliant with applicable cash funds statutory requirements. The hemp program has invested a lot in improving operations and cutting operating costs by building an online hemp registration and reporting portal, streamlining the enforcement process, and reducing staff to less than 2 FTE. The program also began utilizing 3rd party authorized samplers and testing labs in 2021 that are contracted by the hemp producers. Costs for utilizing the CDA lab and field staff have been significantly lowered. These cost saving measures have contributed to the non-compliance; however, CDA felt it was in the state's best interest to continue to operate the prog for the producers. In an effort to comply with the statutory requirement CDA will do the following: Monitor the cash fund in FY 2024-25 to ensure that cash funds are being spent appropriately to align with the goal of the Hemp Program. In the event that the program is out of compliance by the end of Fiscal Year 2025, CDA will seek a cash fund waiver.

Office of the Governor

As of June 30, 2024, the Office of the Governor had one cash fund out of compliance with Section 24-75-402(3)(c), C.R.S., with excess uncommitted reserves totaling approximately \$0.2 million.

Climate Change Mitigation and Adaptation Fund

Purpose: To collect fees related to the financing and administering of the building performance program which includes tracking compliance and enforcement with the program.

First Year of Required Compliance: Fiscal Year 2024.

Status: Fiscal Year 2024 was the 1st year since the Fund’s inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.2 Climate Change Mitigation and Adaptation Fund

Fiscal Year	Amount of Excess
2024	\$190,464

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Report* for the Fiscal Year Ended June 30, 2024.

Recommendation 2

The Office of the Governor should take appropriate action to ensure that the Climate Change Mitigation and Adaptation Fund complies with applicable cash funds statutory requirements.

Response

Office of the Governor

Agree

Implementation Date: June 2025

Fund CCMA receives most annual revenue in June of the fiscal year from the fee building owners pay. Therefore, during the fiscal year, the Colorado Energy Office uses other state funds to record program expenses and then transfers the expenditures to Fund CCMA. The projected revenue was underestimated in Fiscal Year 2023-24 as this is a new fund without long-term financial data to look back to.

The Colorado Energy Office will update the fund CCMA's policies and procedures to allocate program expenses directly to the fund based on updated revenue projections; and request a 3-year waiver from the Joint Budget Committee, after which revenue projections will be more accurate.

Department of Higher Education

As of June 30, 2024, the Department of Higher Education had one cash fund out of compliance with Section 24-75-402(3)(c), C.R.S., with excess uncommitted reserves totaling approximately \$0.3 million.

Private Occupational Schools Fund

Purpose: To collect fees from Private Occupational schools to pay for administrative costs to ensure that schools are authorized and certified so that students are protected from substandard or fraudulent schools.

First Year of Required Compliance: Fiscal Year 2003.

Status: Fiscal Year 2024 was the 5th year in total since the Fund’s inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.3
Private Occupational Schools Fund

Fiscal Year	Amount of Excess
2003	\$ –
2004	\$12,154
2005	\$16,378
2006	\$89,793
2007-2018 ¹	\$ –
2019	\$115,981
2020-2023 ¹	\$ –
2024	\$261,832

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports* for the Fiscal Years Ended June 30, 2003, through 2024.

¹This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

Recommendation 3

The Department of Higher Education should take appropriate action to ensure that the Private Occupational Schools Fund complies with applicable cash funds statutory requirements.

Response

Department of Higher Education

Agree

Implementation Date: June 2025

The Department of Higher Education agrees with the finding that appropriate action is needed to ensure that the Private Occupational Schools Fund complies with applicable cash funds statutory requirements. The Department is working with OSPB to request a cash fund waiver to allow the use of these funds to address IT and personnel needs within the Division of Private Occupational Schools.

Department of Human Services

As of June 30, 2024, the Department of Human Services had one cash fund out of compliance with Section 24-75-402(3)(c), C.R.S., with excess uncommitted reserves totaling approximately \$0.1 million.

Food Distribution Program Service Fund

Purpose: To collect fees to administer the food distribution programs.

First Year of Required Compliance: Fiscal Year 2003.

Status: Fiscal Year 2024 was the 6th year in total since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.4
Food Distribution Program Service Fund

Fiscal Year	Amount of Excess
2003-2006 ¹	\$ –
2007	\$21,979
2008	\$41,420
2009-2010 ¹	\$ –
2011	\$102,111
2012	\$50,362
2013	\$42,016
2014-2023 ¹	\$ –
2024	\$62,790

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports* for the Fiscal Years Ended June 30, 2003, through 2024.

¹This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

Recommendation 4

The Department of Human Services should take appropriate action to ensure that the Food Distribution Program Service Fund complies with applicable cash funds statutory requirements.

Response

Department of Human Services

Agree

Implementation Date: February 2025

The Department agrees with the recommendation and will be submitting a cash fund waiver request for Fund 18R0 during the January 1st supplemental submission. This fund has a large encumbrance for a truck rental contract that should draw down the fund and ultimately be in compliance with cash fund statutory requirements.

Department of Labor and Employment

As of June 30, 2024, the Department of Labor and Employment had one cash fund out of compliance with Section 24-75-402(3)(c), C.R.S., with excess uncommitted reserves totaling approximately \$0.6 million.

Conveyance Safety Fund

Purpose: To collect fees from conveyance owners to pay wages for inspectors and support staff that inspect and certify conveyances throughout the state, as well as program operating expenditures.

First Year of Required Compliance: Fiscal Year 2003.

Status: Fiscal Year 2024 was the 3rd year in total since the Fund’s inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.5 Conveyance Safety Fund

Fiscal Year	Amount of Excess
2003-2017 ¹	\$ –
2018	\$1,796,364
2019	\$376,218
2020-2023 ¹	\$ –
2024	\$643,927

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports* for the Fiscal Years Ended June 30, 2003, through 2024.

¹This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

Recommendation 5

The Department of Labor and Employment should take appropriate action to ensure that the Conveyance Safety Fund complies with applicable cash funds statutory requirements.

Response

Department of Labor and Employment

Agree

Implementation Date: June 2025

The Department of Labor and Employment intends to implement the recommendation by completing the Conveyance Salesforce Database Upgrade within Fiscal Year 2025. The project was originally scheduled to conclude at the end of Fiscal Year 2024 and draw down the Conveyance Fund balance, but experienced delays due to requirements gathering, procurement and contract negotiations between The Governor's Office of Information Technology, the Vendor, and Labor and Employment. Work on the project began in June 2024 and is almost 50% complete. Currently \$449,000 has been encumbered and once all of the invoices have been approved, the Conveyance Fund will be under the required \$200,000.

Department of Law

As of June 30, 2024, the Department of Law had one cash fund out of compliance with Section 24-75-402(3)(c), C.R.S., with excess uncommitted reserves totaling approximately \$0.1 million.

Uniform Consumer Credit Code Cash 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 2024 was the 12th year in total since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.6 Uniform Consumer Credit Code Cash Fund

Fiscal Year	Amount of Excess
2003	\$146,836
2004 ¹	\$ –
2005	\$69,796
2006	\$187,293
2007	\$113,989
2008-2010 ¹	\$ –
2011	\$35,918
2012	\$176,400
2013-2016 ¹	\$ –
2017	\$369,028
2018	\$202,047
2019	\$140,729
2020	\$193,429
2021 ¹	\$ –
2022	\$299,336
2023 ¹	\$ –
2024	\$139,262

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2003, through 2024*.

¹This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

Recommendation 6

The Department of Law should take appropriate action to ensure that the Uniform Consumer Credit Code Cash Fund complies with applicable cash funds statutory requirements.

Response

Department of Law

Agree

Implementation Date: June 2025

The Department of Law sought legislative change during the 2023 session to address uncertainties in fee setting, which included changing the statutory timing of fees to better enable DOL staff to forecast revenues to cover budgeted expenditures while meeting cash fund compliance requirements. SB23-248 established an alternate maximum reserve as well as adjusted the timing of revenue, effective July 1, 2024, and therefore DOL anticipates compliance by June 30, 2025.

Department of Local Affairs

As of June 30, 2024, the Department of Local Affairs had two cash funds out of compliance with Section 24-75-402(3)(c), C.R.S., with excess uncommitted reserves totaling approximately \$0.9 million.

Private Activity Bond Allocation Fund

Purpose: To collect administrative fees for direct allocations or from entities that receive bonding authority.

First Year of Required Compliance: Fiscal Year 2003.

Status: Fiscal Year 2024 was the 5th year in total since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S. The Fund has been out of compliance for 3 consecutive years and is, therefore, also subject to continuing spending restrictions noted in Section 24-75-402(12), C.R.S.

Exhibit 2.7
Private Activity Bond Allocation Fund

Fiscal Year	Amount of Excess
2003-2006 ¹	\$ –
2007	\$41,720
2008	\$90,944
2009-2021 ¹	\$ –
2022	\$186,639
2023	\$175,057
2024	\$448,179

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2003, through 2024.*

¹This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

Mobile Home Park Act Dispute Resolution and Enforcement Fund

Purpose: To collect fees for the purpose of administering the Mobile Home Park Act’s dispute resolution and enforcement program.

First Year of Required Compliance: Fiscal Year 2022.

Status: Fiscal Year 2024 was the 3rd year in total since the Fund’s inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S. The Fund has been out of compliance for 3 consecutive years and is, therefore, also subject to continuing spending restrictions noted in Section 24-75-402(12), C.R.S.

Exhibit 2.8
Mobile Home Park Act Dispute Resolution and Enforcement Fund

Fiscal Year	Amount of Excess
2022	\$1,194,430
2023	\$999,866
2024	\$477,096

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2022, through 2024.*

Recommendation 7

The Department of Local Affairs should take the appropriate action related to its cash funds excess uncommitted reserves including the following:

- A. Immediately addressing the Private Activity Bond Allocation Fund's excess uncommitted reserves in order to meet the requirements for the State Controller to release any spending restrictions on the Fund.
- B. Immediately addressing the Mobile Home Park Act Dispute Resolution and Enforcement Fund's excess uncommitted reserves in order to meet the requirements for the State Controller to release any spending restrictions on the Fund.

Response

Department of Local Affairs

- A. Agree

Implementation Date: June 2025

DOLA agrees with the recommendation. The department is completing an analysis to determine the estimated amount by which it will be out of compliance at the end of Fiscal Year 2024-25. DOLA may use the annual budget process in order to address Excess Uncommitted Reserve. The department expects to be in compliance by the end of Fiscal Year 2024-25.

- B. Agree

Implementation Date: June 2025

DOLA agrees with the recommendation. The Division of Housing's Mobile Home Park Oversight Program has frozen fee increases since the identification of an excess reserve. Since the number of mobile home parks that pay registration fees is effectively the same number every year, the total revenue for the program has been flat. Expenses related to staffing, indirect costs, and operating expenses have all increased. Flat revenue and rising expenses have enabled the department to lower the excess reserve. From FY 2022-23 to FY 2023-24, the program reduced the total excess reserve amount from \$1,234,186 to \$419,271, approximately 66%. DOLA anticipates it will be in compliance by the end of FY 2024-25.

Department of Military and Veterans Affairs

As of June 30, 2024, the Department of Military and Veterans Affairs had one cash fund out of compliance with Section 24-75-402(3)(c), C.R.S., with excess uncommitted reserves totaling approximately \$0.2 million.

Veterans One-Stop Center Cash Fund

Purpose: To collect fees for leasing space in the veterans’ one-stop center in Grand Junction, Colorado. The veterans’ one-stop center provides a central and accessible location where veterans, service members, and their family members in the western portion of the state may have access to assistance and resources.

First Year of Required Compliance: Fiscal Year 2020.

Status: Fiscal Year 2024 was the 1st year since the Fund’s inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.9 Veterans One-Stop Center Cash Fund

Fiscal Year	Amount of Excess
2020-2023 ¹	\$ –
2024	\$187,811

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports* for the Fiscal Years Ended June 30, 2020, through 2024.

¹This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

Recommendation 8

The Department of Military and Veterans Affairs should take appropriate action to ensure that the Veterans One-Stop Center Cash Fund complies with applicable cash funds statutory requirements.

Response

Department of Military and Veterans Affairs

Agree

Implementation Date: July 2025

The Department of Military and Veterans Affairs Veterans One-Stop Center Cash Fund is out of compliance with the statutory reserve requirement. A resolution plan is in place to bring the excess reserves in the fund into compliance by July 2025. The fund’s purpose is to pay the costs of operating the veterans one-stop center, which costs may include, but are not limited to, repair and replacement at the veterans one-stop center and salaries involved in the operation, maintenance, repair, and development of the veterans one-stop center. The Department believes that the fund can be brought into compliance without requesting any additional spending authority or modifying the lease agreements that drive revenue for the fund. The department spent 89% of the allotted

spending authority in State Fiscal Year 2024 and will work to spend closer to 100% in State Fiscal Year 2025. This additional expenditure will bring the fund into compliance. The Department resolution plan includes policies and procedures that will monitor excess uncommitted reserves to ensure all cash funds are in compliance with statutory requirements.

Department of Public Health and Environment

As of June 30, 2024, the Department of Public Health and Environment had eight cash funds out of compliance with Section 24-75-402(3)(c), C.R.S., with excess uncommitted reserves totaling approximately \$21.3 million.

Newborn Genetics Fund

Purpose: To support newborn screening, follow-up care, genetic counseling, and educational programs and functions.

First Year of Required Compliance: Fiscal Year 2001.

Status: Fiscal Year 2024 was the 10th year in total since the Fund’s inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.10
Newborn Genetics Fund

Fiscal Year	Amount of Excess
2001-2003 ¹	\$–
2004	\$322,335
2005	\$619,513
2006-2009 ¹	\$–
2010	\$653,048
2011	\$1,992,418
2012	\$2,330,296
2013	\$2,064,259
2014	\$2,022,921
2015	\$1,335,988
2016-2017 ¹	\$–
2018	\$233,012
2019-2023 ¹	\$–
2024	\$1,887,108

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2001, through 2024*.

¹This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

Vital Records Fund

Purpose: To maintain the State’s vital statistics system.

First Year of Required Compliance: Fiscal Year 2003.

Status: Fiscal Year 2024 was the 6th year in total since the Fund’s inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S. The Fund has been out of compliance for 4 consecutive years and is, therefore, also subject to continuing spending restrictions noted in Section 24-75-402(12), C.R.S.

Exhibit 2.11 Vital Records Fund

Fiscal Year	Amount of Excess
2003-2008 ¹	\$ –
2009	\$28,590
2010	\$271,261
2011-2020 ¹	\$ –
2021	\$663,304
2022	\$963,899
2023	\$1,405,922
2024	\$1,788,384

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2003, through 2024*.

¹This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

Sludge Management Fund

Purpose: To collect fees from the producers of biosolids to cover the costs of implementing a program for the beneficial use of biosolids.

First Year of Required Compliance: Fiscal Year 2003.

Status: Fiscal Year 2024 was the 6th year in total since the Fund’s inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.12
Sludge Management Fund

Fiscal Year	Amount of Excess
2003	\$128,389
2004	\$57,784
2005-2006 ¹	\$-
2007	\$18,884
2008	\$33,444
2009 ¹	\$-
2010	\$42,721
2011-2023 ¹	\$-
2024	\$181,745

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2003, through 2024*.

¹This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

Fixed and Rotary-Wing Ambulances Cash Fund

Purpose: To collect fees for licensing air ambulance services and for on-site inspections, investigations, changes of ownership, and other activities related to licensure.

First Year of Required Compliance: Fiscal Year 2004.

Status: Fiscal Year 2024 was the 3rd year in total since the Fund’s inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.13
Fixed and Rotary-Wing Ambulances Cash Fund

Fiscal Year	Amount of Excess
2004-2012 ¹	\$-
2013	\$49,684
2014	\$63,742
2015-2023 ¹	\$-
2024	\$268,162

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2004, through 2024*.

¹This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

Home Care Agency Cash Fund

Purpose: To collect fees for the administration and enforcement of home healthcare agencies.

First Year of Required Compliance: Fiscal Year 2011.

Status: Fiscal Year 2024 was the 8th year in total since the Fund’s inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.14
Home Care Agency Cash Fund

Fiscal Year	Amount of Excess
2011	\$24,378
2012	\$254,091
2013	\$12,648
2014-2018 ¹	\$-
2019	\$89,965
2020	\$39,520
2021	\$15,415
2022 ¹	\$-
2023	\$77,951
2024	\$693,109

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2011, through 2024.*

¹This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

Assisted Living Residence Fund

Purpose: To collect fees to support inspections and licensing of assisted living residences in order to ensure the protection of health and safety for residents who cannot live independently.

First Year of Required Compliance: Fiscal Year 2001.

Status: Fiscal Year 2024 was the 16th year in total since the Fund’s inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.15
Assisted Living Residence Fund

Fiscal Year	Amount of Excess
2001-2002 ¹	\$-
2003	\$307,280
2004	\$382,317
2005	\$182,142
2006	\$59,848
2007	\$81,393
2008	\$33,287
2009	\$60,746
2010	\$279,220
2011	\$472,596
2012	\$311,202
2013	\$302,604
2014	\$64,034
2015-2018 ¹	\$-
2019	\$336,177
2020	\$10,910
2021	\$182,922
2022-2023 ¹	\$-
2024	\$1,054,330

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2001, through 2024.*

¹This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

Health Facilities General Licensure Cash Fund

Purpose: To collect fees to support the licensing and oversight of health care facilities in Colorado including inspections, investigations, and enforcement actions.

First Year of Required Compliance: Fiscal Year 2003.

Status: Fiscal Year 2024 was the 9th year in total since the Fund’s inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.16
Health Facilities General Licensure Cash Fund

Fiscal Year	Amount of Excess
2003-2004 ¹	\$ –
2005	\$18,703
2006-2007 ¹	\$–
2008	\$122,044
2009	\$130,563
2010	\$102,308
2011	\$391,666
2012 ¹	\$ –
2013	\$520,041
2014	\$192,408
2015-2022 ¹	\$ –
2023	\$39,016
2024	\$675,569

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2003, through 2024*.

¹ This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS) Cash Fund

Purpose: To collect fees to support environmental response programs including regulating and inspecting liquefied petroleum gas and natural gas facilities in an effort to address PFAS contamination in Colorado.

First Year of Required Compliance: Fiscal Year 2023.

Status: Fiscal Year 2024 was the 2nd year since the Fund’s inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.17
Perfluoroalkyl and Polyfluoroalkyl Substances Cash Fund

Fiscal Year	Amount of Excess
2023	\$12,665,733
2024	\$14,755,960

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2023 through 2024*.

Recommendation 9

The Department of Public Health and Environment should take appropriate action related to its cash funds excess uncommitted reserves including the following:

- A. Ensuring that the Newborn Genetics Fund complies with applicable cash funds statutory requirements.
- B. Immediately addressing the Vital Records Fund's excess uncommitted reserves in order to meet the requirements for the State Controller to release any spending restrictions on the Fund.
- C. Ensuring that the Sludge Management Fund complies with applicable cash funds statutory requirements.
- D. Ensuring that the Fixed and Rotary-Wing Ambulance Cash Fund complies with applicable cash funds statutory requirements.
- E. Ensuring that the Home Care Agency Cash Fund complies with applicable cash funds statutory requirements.
- F. Ensuring that the Assisted Living Residence Fund complies with applicable cash funds statutory requirements.
- G. Ensuring that the Health Facilities General Licensure Cash Fund complies with applicable cash funds statutory requirements.
- H. Ensuring that the Perfluoroalkyl and Polyfluoroalkyl Substances Cash Fund complies with applicable cash funds statutory requirements.

Response

Department of Public Health and Environment

- A. Agree

Implementation Date: January 2025

Agree. For the Newborn Genetics Fund, the department submitted and received a waiver for FY 2022-23 and submitted and received approval for a decision item for increased spending authority effective July 1, 2024. As a result of these actions, the department anticipates being back in compliance with Section 24-75-402(3)(c) mid fiscal year 2024-25.

B. Agree

Implementation Date: July 2025

Agree. The department is coordinating with the Governor's Office of State Planning and Budgeting regarding any potential budget actions that are necessary to bring the fund back into compliance by July 1, 2025 and will submit an excess uncommitted reserves cash fund waiver request for the Vital Statistics Records Cash Fund for FY 2024-25. The financial situation in the Vital Records Fund has been extremely volatile due to service and revenue disruptions during the COVID-19 pandemic along with a required large IT Capital replacement project, which have required multi-year legislative budgetary actions to manage. The department has taken notable actions to reduce the balance in FY 2023-24 including lower fees for local vital records offices to participate in the program, continuing to successfully implement the long-term IT Capital replacement project, and continuing to fill eight vacant positions that have been difficult to plan through the financial unpredictability of the previous 4 years.

C. Agree

Implementation Date: July 2025

Agree. This is the first year that the Sludge Management Fund has had excess uncommitted reserves in 14 years and is a small cash fund (total reserves are equal to \$207k). The Department will pursue any necessary administrative and legislative budgetary action to bring the Fund back into compliance with the limitations before the end of the three-year period which would require spending restrictions including performing fee study in FY 2024-25 and submitting a cash fund waiver request.

D. Agree

Implementation Date: July 2025

Agree. This is the first year that the Fixed and Rotary-Wing Ambulance Fund has had excess uncommitted reserves in 10 years and is a small cash fund. However, the balance is large compared to the annual revenue of the Fund. The department is currently performing a fee study and will pursue any necessary administrative and legislative budgetary action to bring the Fund back into compliance with the limitations before the end of the three-year period which would require spending restrictions including submitting a cash fund waiver request.

E. Agree

Implementation Date: July 2027

Agree. The Home Care Agency Fund has been subject to several years of legislative budgetary action that has impacted the Fund's balance and trajectory. These actions include adding exempt assets from the excess cash funds requirements to the overall asset balance of the Fund totaling \$1,100,000 to relieve pressures from the pandemic. During the 2024 legislative session the General Assembly enacted budgetary actions related to CDPHE's R-03 and passed into law HB

24-1417 - CONCERNING LICENSE FEES PAYABLE TO HEALTH-CARE CASH FUNDS. These actions constitute the General Assembly's intent to provide a long-term funding solution for the three Health Facilities and Emergency Services Division's (the Assisted Living Residence Cash Fund, the Health Facilities General Licensure Cash Fund, and the Home Care Agency Cash Fund) related regulating and license health care facilities including setting fees in statute, indexing them to the Consumer Price Index, and taking into the cash fund balances to come into compliance with the excess cash funds requirements over a 3-year period. The Home Care Agency Fund is expected to come into compliance with these requirements by FY 2026-27. The department would like to thank the General Assembly and the Polis Administration for their actions to support the critical nature of these programs over the years since the COVID-19 pandemic.

F. Agree

Implementation Date: July 2025

Agree. The Assisted Living Residence Fund has been subject to several years of legislative budgetary action that has impacted the Fund's balance and trajectory. These actions include adding exempt assets from the excess cash funds requirements to the overall asset balance of the Fund totaling \$3,332,000 to relieve pressures from the pandemic. During the 2024 legislative session the General Assembly enacted budgetary actions related to CDPHE's R-03 and passed into law HB 24-1417 - CONCERNING LICENSE FEES PAYABLE TO HEALTH-CARE CASH FUNDS. These actions constitute the General Assembly's intent to provide a long-term funding solution for the three Health Facilities and Emergency Services Division's (the Assisted Living Residence Cash Fund, the Health Facilities General Licensure Cash Fund, and the Home Care Agency Cash Fund) related regulating and license health care facilities including setting fees in statute, indexing them to the Consumer Price Index, and taking into the cash fund balances to come into compliance with the excess cash funds requirements over a 3-year period. The Assisted Living Residence Fund is expected to come into compliance with these requirements by FY 2025-26. The department would like to thank the General Assembly and the Polis Administration for their actions to support the critical nature of these programs over the years since the COVID-19 pandemic.

G. Agree

Implementation Date: July 2026

Agree. The Health Facilities General Licensure has been subject to several years of legislative budgetary action that has impacted the Fund's balance and trajectory. These actions include adding exempt assets from the excess cash funds requirements to the overall asset balance of the Fund totaling \$2,053,000 to relieve pressures from the pandemic. During the 2024 legislative session the General Assembly enacted budgetary actions related to CDPHE's R-03 and passed into law HB 24-1417 - CONCERNING LICENSE FEES PAYABLE TO HEALTH-CARE CASH FUNDS. These actions constitute the General Assembly's intent to provide a long-term

funding solution for the three Health Facilities and Emergency Services Division's funds (the Assisted Living Residence Cash Fund, the Health Facilities General Licensure Cash Fund, and the Home Care Agency Cash Fund) related regulating and license health care facilities including setting fees in statute, indexing them to the Consumer Price Index, and taking into the cash fund balances to come into compliance with the excess cash funds requirements over a 3-year period. The Health Facilities General Licensure Fund is expected to come into compliance with these requirements by FY 2025-26. The department would like to thank the General Assembly and the Polis Administration for their actions to support the critical nature of these programs over the years since the COVID-19 pandemic.

H. Agree

Implementation Date: July 2025

Agree. This is the second year the Perfluoroalkyl and Polyfluoroalkyl Substances Cash Fund is subject to the statutory requirements on cash funds as it was created in FY 2020-21. As a newly created program, it is expected that the overall financial conditions of the Fund will be subject to volatility, and the department intends to come into compliance with the limitations before the end of the three-year period which would require spending restrictions. The department will pursue any administrative actions and/or legislative budgetary actions necessary to achieve compliance by July 2025.

Department of Regulatory Agencies

As of June 30, 2024, the Department of Regulatory Agencies had one cash fund out of compliance with Section 24-75-402(3)(c), C.R.S., with excess uncommitted reserves totaling approximately \$0.1 million.

Disabled Telephone Users Fund

Purpose: To collect fees from mobile wireless providers and voice-over-internet-protocol service providers for telecommunication relay services for individuals with hearing or speech disabilities.

First Year of Required Compliance: Fiscal Year 2001.

Status: Fiscal Year 2024 was the 6th year in total since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.18
Disabled Telephone Users Fund

Fiscal Year	Amount of Excess
2001	\$1,130,440
2002	\$1,574,099
2003	\$493,858
2004	\$787,783
2005	\$333,685
2006-2023 ¹	\$-
2024	\$141,363

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2001, through 2024.*

¹This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

Recommendation 10

The Department of Regulatory Agencies should take the appropriate action to ensure that the Disabled Telephone Users Fund complies with applicable cash funds statutory requirements.

Response

Department of Regulatory Agencies

Agree

Implementation Date: June 2025

The Department agrees with the recommendation and continually monitors all cash funds for compliance with SB 98-194 and the statutory limitation on excess uncommitted reserves. In the case of the Disabled Telephone Users Fund, current expenditure projections and the current assessed fee should result in immediate compliance as of June 2025. Effective April 1, 2023, the telecommunications line surcharge that supports revenue was reduced from \$0.06 per line, per month to \$0.03 per line, per month and this fee level was intended to support projected spending through June 2025.

Department of Revenue

As of June 30, 2024, the Department of Revenue had one cash fund out of compliance with Section 24-75-402(3)(c), C.R.S., with excess uncommitted reserves totaling approximately \$1.0 million.

Auto Dealers License Fund

Purpose: To collect fees from motor vehicle dealers which are used to cover the costs associated with regulating and licensing motor vehicle dealers in the state including investigations, enforcement, and administrative functions ensuring proper oversight of car dealerships within Colorado.

First Year of Required Compliance: Fiscal Year 2001.

Status: Fiscal Year 2024 was the 12th year in total since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.19 Auto Dealers License Fund

Fiscal Year	Amount of Excess
2001	\$163,256
2002-2006 ¹	\$ –
2007	\$569,256
2008-2009 ¹	\$ –
2010	\$644,669
2011	\$331,550
2012	\$144,635
2013	\$488,433
2014	\$618,714
2015	\$196,059
2016 ¹	\$ –
2017	\$183,138
2018-2020 ¹	\$ –
2021	\$1,162,700
2022	\$233,245
2023 ¹	\$–
2024	\$953,596

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2001, through 2024*.

¹This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

Recommendation 11

The Department of Revenue should take appropriate action to ensure that the Auto Dealers License Fund complies with applicable cash funds statutory requirements.

Response

Department of Revenue

Agree

Implementation Date: June 2025

The Auto Dealer Division (AID) had a 13 percent staffing vacancy rate in Fiscal Year 2023-24. The vacancy rate was higher than normal partly due to the uncertainty of the impact of the statewide System Maintenance Study (SMS) for the Criminal Investigator series that was conducted by DPA. The outcome could have had significant implications for AID given the composition of their staff. AID paused hiring until the SMS outcomes were known, which contributed to an underspend in personal services and the excess cash fund balance. The division is now focusing on filling all positions in the current fiscal year, and will continue to monitor cash fund balance health to ensure compliance.

**Cash Funds Uncommitted
Reserves Report for the
Fiscal Year Ended
June 30, 2024**

State of Colorado
Cash Funds Uncommitted Reserves Report
Report of Funds with Uncommitted Reserves Greater Than \$200,000
Fiscal Year 2024 as of June 30, 2024

Fund	Fund Balance (Note 4) ¹	Exempt Assets (Note 5)	Capital Reserve (Note 6)	Previously Appropriated Fund Balance (Note 7)	Fee Revenue (Note 8)
Department of Agriculture					
Inspection and Consumer Services Cash Fund	\$1,422,366	\$0	\$10,532	\$0	\$3,317,123
Plant Health, Pest Control and Environmental Protection Fund	3,016,932	-	17,085	-	5,295,629
Industrial Hemp Registration Program Cash Fund	654,990	-	2,589	-	151,998
Subtotal	5,094,288	-	30,206	-	8,764,750
Office of the Governor					
Climate Change Mitigation and Adaptation Fund	313,932	-	-	-	173,696
Health Care Policy & Financing					
Medicaid Nursing Facility Cash Fund	1,024,314	-	-	-	54,385,198
Department of Higher Education					
Private Occupational Schools Fund	457,661	1,263	-	-	1,418,250
Department of Human Services					
Food Distribution Program Service Fund	724,704	-	-	-	526,087
Judicial Branch					
Judicial Collection Enhancement Fund	7,973,491	-	-	-	511,924
Labor and Employment					
Boiler Inspection Fund	248,031	-	-	-	1,490,947
Conveyance Safety Fund	846,750	-	-	-	637,854
Employment Support Fund	50,955,923	48,534	-	-	4,225
Subtotal	52,050,704	48,534	-	-	2,133,026
Department of Law					
Uniform Consumer Credit Code Cash Fund	703,064	-	201,982	-	2,447,134
Local Affairs					
Moffat Tunnel Cash Fund	305,972	-	-	-	29,659
Building Regulation Fund	253,758	-	-	-	1,269,048
Private Activity Bond Allocation Fund	459,793	-	-	-	328,286
Mobile Home Park Act Dispute Resolution and Enforcement	853,433	-	-	-	1,076,500
Subtotal	1,872,956	-	-	-	2,703,493
Military and Veterans Affairs					
Veterans One-Stop Center Cash Fund	230,325	-	-	-	132,106
Public Health and Environment					
Hazardous Substances Response Fund	779,724	-	-	-	2,191,084
Stationary Sources Fund	34,337,914	11,663	-	-	4,144,058
Newborn Genetics Fund	3,335,020	25,300	-	-	6,419,992
Radiation Control Fund	342,177	-	-	-	2,755,896
Vital Records Fund	2,338,410	-	-	-	3,316,583
Sludge Management Fund	220,111	-	-	-	177,929
Fixed and Rotary-Wing Ambulances Cash Fund	292,203	-	-	-	124,549
Home Care Agency Cash Fund	1,568,356	-	-	-	1,529,689
Assisted Living Residence Fund	1,731,010	-	-	-	3,161,232
Health Facilities General Licensure Cash Fund	1,249,050	-	-	-	2,287,102
Perfluoroalkyl and Polyfluoroalkyl Substances Cash Fund	16,807,289	-	-	-	6,165,052
Subtotal	63,001,264	36,963	-	-	32,273,166
Public Safety					
Public School Construction and Inspection Fund	214,150	-	-	-	1,594,398
Health Facility Construction and Inspection Fund	323,300	-	-	-	1,812,054
Subtotal	537,450	-	-	-	3,406,452
Regulatory Agencies					
Disabled Telephone Users Fund	813,727	52	-	-	4,147,087
Real Estate Cash Fund	736,276	2,073	-	-	8,089,518
Division of Securities Cash Fund	955,704	50,112	-	-	6,624,507
Public Deposit Administration Fund	349,281	1,783	-	-	6,972,540
Financial Services Cash Fund	300,959	647	-	-	1,964,162
Subtotal	3,155,947	54,667	-	-	27,797,814
Revenue					
Marijuana Cash Fund	1,366,846	36,190	-	-	2,793,418
Racing Cash Fund	229,583	3,908	-	-	1,689,902
Auto Dealers License Fund	1,337,849	10,626	-	-	2,949,993
Liquor Enforcement Division & State Licensing Authority	1,074,174	10,866	-	-	6,826,678
Sports Betting Fund	29,980,188	6,169	-	-	2,369,482
Subtotal	33,988,640	67,759	-	-	16,629,473
Department of State					
Department of State Cash Fund	3,824,279	865,662	-	-	28,663,555
Grand Total	\$174,953,019	\$1,074,848	\$232,188	\$0	\$181,966,124

¹ Note numbers in column headings refer to the Notes to the Cash Funds Uncommitted Reserves Report beginning on Page 46, prepared by the Office of the State Controller.
Source: Office of the State Controller.

Total Revenue	Total Expense	Non-Fee Fund Balance (Note 9)	Uncommitted Reserve (Note 10)	Maximum Reserve (Note 11)	Alternative Maximum Reserve (Note 12)	Excess Uncommitted Reserve (Note 13)
\$3,495,327	\$3,959,227	\$71,980	\$1,339,854	\$653,272	\$1,979,614	\$0
5,835,303	6,185,194	277,439	2,722,408	1,020,557	3,092,597	-
152,274	152,274	1,182	651,219	25,125	-	626,094
9,482,904	10,296,695	350,601	4,713,481	1,698,954	5,072,211	626,094
196,893	524,135	36,986	276,946	86,482	-	190,464
54,413,398	54,407,858	531	1,023,783	8,977,297	-	-
1,418,250	1,179,188	-	456,398	194,566	-	261,832
1,389,989	1,281,809	450,416	274,288	211,498	-	62,790
10,253,015	5,084,437	7,575,382	398,109	838,932	-	-
1,498,504	1,476,677	1,251	246,780	243,652	1,253,869	-
697,750	788,709	72,686	774,064	130,137	-	643,927
191,487	12,656,585	49,784,160	1,123,229	2,088,337	-	-
2,387,741	14,921,971	49,858,097	2,144,073	2,462,126	1,253,869	643,927
2,476,396	2,156,963	5,921	495,161	355,899	-	139,262
40,015	125	79,186	226,786	21	226,786	-
1,360,808	1,872,024	17,111	236,647	308,884	-	-
328,286	70,387	-	459,793	11,614	-	448,179
1,223,773	1,658,378	102,705	750,728	273,632	-	477,096
2,952,882	3,600,914	199,002	1,673,954	594,151	226,786	925,275
142,784	153,267	17,225	213,100	25,289	-	187,811
8,262,295	7,570,775	572,948	206,776	1,249,178	-	-
29,531,198	29,283,577	29,509,312	4,816,939	4,831,790	-	-
6,535,135	8,268,470	58,314	3,251,406	1,364,298	-	1,887,108
2,922,930	3,054,366	19,554	322,623	503,970	-	-
3,377,074	3,079,635	41,886	2,296,524	508,140	-	1,788,384
188,679	156,515	12,541	207,570	25,825	-	181,745
132,977	33,461	18,520	273,683	5,521	-	268,162
2,629,689	1,328,505	656,044	912,312	219,203	-	693,109
3,768,075	2,411,535	278,777	1,452,233	397,903	-	1,054,330
2,687,102	2,348,778	185,933	1,063,117	387,548	-	675,569
6,727,234	3,919,854	1,404,553	15,402,736	646,776	-	14,755,960
66,762,388	61,455,471	32,758,382	30,205,919	10,140,152	-	21,304,367
1,601,553	2,005,201	957	213,193	330,858	-	-
2,308,109	2,580,158	69,483	253,817	425,726	-	-
3,909,662	4,585,359	70,440	467,010	756,584	-	-
4,176,355	4,040,063	5,702	807,973	666,610	-	141,363
8,641,994	8,377,090	46,937	687,266	1,382,220	-	-
6,624,507	5,668,803	-	905,592	935,352	-	-
7,038,318	7,123,869	3,248	344,250	1,175,438	-	-
2,000,217	2,250,326	5,413	294,899	371,304	-	-
28,481,391	27,460,151	61,300	3,039,980	4,530,924	-	141,363
16,798,539	15,667,760	1,109,382	221,274	2,585,180	-	-
1,689,902	1,703,039	-	225,675	281,001	-	-
2,949,993	2,264,407	-	1,327,223	373,627	-	953,596
6,826,678	7,457,032	-	1,063,308	1,230,410	-	-
33,565,361	29,039,302	27,858,061	2,115,958	4,791,485	-	-
61,830,473	56,131,540	28,967,443	4,953,438	9,261,703	-	953,596
29,486,299	32,218,031	82,553	2,876,064	5,315,975	5,334,517	-
\$275,584,465	\$275,457,789	\$120,434,279	\$53,211,704	\$45,450,532	\$11,887,383	\$25,436,781



**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 the *Cash Funds Uncommitted Reserves 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 funds uncommitted reserves report. If applicable, the repeal date or waiver expiration 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 to fund capital construction;
- Any cash fund for which the reserve amounts are based on actuarial requirements;
- Any trust fund;
- Any cash fund with uncommitted reserves of less than \$200,000;
- The Highway Users' Tax Fund;
- The State Highway Fund;
- The Petroleum Storage Tank Fund;

Source: Notes prepared by the Office of the State Controller

- The Brand Inspection Fund;
- The Worker’s Compensation Cash Fund;
- The Emergency Fire Fund;
- The Wildland Fire Equipment Repair Cash Fund;
- The Wildland Fire Cost Recovery Fund;
- The Wildfire Emergency Response Fund;
- The Wildfire Preparedness Fund;
- The Colorado Firefighting Air Corps Fund;
- The Enterprise Services Cash Fund;
- The Oil and Gas Conservation and Environmental Response Fund;
- The Cybersecurity Cash Fund;
- The Governor’s Mansion Maintenance Fund;
- The Justice Center Cash Fund;
- The Justice Center Maintenance Fund;
- The Small Business Recovery Fund;
- The Emergency Invasive-Pest Response Fund;
- The Community Behavioral Health Disaster Preparedness and Response Cash Fund;
- The Community Impact Cash Fund;
- The 988 Crisis Hotline Cash Fund;
- The Commission on Judicial Discipline Special Cash Fund;
- The Regional Navigation Campus Cash Fund;
- The Geothermal Energy Grant Fund;
- The Commission on Judicial Discipline Special Cash Fund;

Source: Notes prepared by the Office of the State Controller

- The Disability Support Fund;
- The Responsible Gaming Grant Program Cash Fund;
- The Agricultural Products Inspection Cash Fund;
- The Wage Theft Enforcement Fund;
- The Wildfire Resiliency Code Board Cash Fund;
- The Closed Landfill Remediation Grant Program Fund;
- The Educator Licensure Cash Fund;
- The Instant Criminal Background Check Cash Fund (7/1/2024);
- The Supplier Database Cash Fund (7/1/2024);
- The CBI Identification Unit Fund (7/1/2024);
- The Child Care Licensing Cash Fund (7/1/2024);
- The Prescription Drug Monitoring Fund (7/1/2024);
- The Division of Professions and Occupations Cash Fund (7/1/2024);
- The Medical Marijuana Cash Fund (7/1/2025);
- The Records and Reports Fund (7/1/2026);
- The Colorado DRIVES Fund (7/1/2026);
- The Judicial Information Technology Cash Fund (7/1/2026) and

Any cash fund used to fund a single program if the program has been in existence less than two full fiscal years.

HB17-1119 provided for an exemption from Section 24-75-402, C.R.S. for the Colorado Uninsured Employer Fund (created in Section 8-67-105, C.R.S.). This exclusion is not included in Section 24-75-402, C.R.S, but it was determined that based on the specific language in the bill, the intent of the legislation was to exclude the fund from the Cash Funds Uncommitted Reserves Report as a permanent exclusion.

Source: Notes prepared by the Office of the State Controller

Note 4. Fund Balance

Fund balance is the net of total assets and total liabilities in each fund as of June 30, 2024. 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, 2024. "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 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, capital reserve, 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, capital reserve, and 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 calculated as 16.5 percent of Fiscal Year 2024 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 or by waiver approved by the Joint Budget Committee.

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 in the *Cash Funds Uncommitted Reserves Report* (pages 42 and 43) for the Fiscal Year Ended June 30, 2024, prepared by the Office of the State Controller.

Department of Agriculture

Inspection and Consumer Services Cash Fund This fund is used to record activity related to the administration of several inspection and consumer service programs. The Department charges fees to inspect and register certain agricultural activity to increase consumer safety.

Plant Health, Pest Control and Environmental Protection Fund This fund is used to record activity related to the implementation, administration, and enforcement of environmental provisions including, but not limited to: biological pest control, bee inspection efforts, ground water protection efforts, and pesticide applicator license and inspection efforts. The Department charges fees, fines, and penalties to ensure environmental protection.

Industrial Hemp Registration Program Cash Fund This fund is used to collect fees for hemp registration based on size and use of land area on which the person will conduct industrial hemp operations in addition to inspection fees to sample crops for THC level to certify as hemp.

Office of the Governor

Climate Change Mitigation and Adaptation Fund This fund is used to record activity related to the implementation of the Building Performance Standards (BPS) program. The Department collects a \$100 fee from owners of commercial buildings equal to or larger than 50,000 square feet. The program provides commercial building owners with assistance to increase energy efficiency and reduce greenhouse gas emissions from their buildings. The program also provides outreach, training, technical assistance and grants to building owners to help them bring their building into compliance with the building performance program. The program makes available to the public benchmarking data for all covered buildings that have been reported each year.

Department of Health Care Policy & Financing

Medicaid Nursing Facility Cash Fund This fund is used to record activity related to the administration of the State’s Medicaid program. The Department charges daily fees to Medicaid nursing facilities for non-Medicare resident patients and uses the revenue to provide nursing and other services to Medicaid patients in nursing facilities.

Department of Higher Education

Private Occupational Schools Fund This fund is used to record activity related to the State’s oversight of private occupational schools. Fees are charged for student registrations and assessments, institutional applications, course reviews, agent fees, and changes in school ownership, location, or name.

Department of Human Services

Food Distribution Program Service Fund This fund is used to collect fees from eligible agencies receiving commodities through food distribution programs authorized by Federal Law and the U.S. Department of Agriculture.

Judicial Department

Judicial Collection Enhancement Fund This fund is used to collect fees from defendants who do not pay all amounts assessed in full on the date of the assessment. Additional fees can be assessed for failure to pay in full one year after the date of the assessment, and may be assessed annually until the defendant has fully satisfied his or her financial obligation in the case. The Department uses the funds collected for administrative and personnel costs for ongoing enforcement and collection of restitution, fines, fees, costs, and other monetary assessments.

Department of Labor and Employment

Boiler Inspection Fund This fund is used to record fees received from license and inspection of boilers and other pressure vessels. The Department uses this revenue to ensure boilers used in the State meet safety requirements. The Department charges fees to inspect and control the design, construction, operation, maintenance, and repair of boilers and other pressure vessels.

Conveyance Safety Fund This fund is used to record fees used to increase the safety of public conveyance systems in the State. The Department charges fees to conveyance owners for registration, construction permits, and inspection certificates. It also charges fees for licensure of industry professionals.

Employment Support Fund

This fund is used to record activity related to a 35 percent support surcharge rate assessed annually and collected as part of unemployment insurance assessments. The Department collects other charges for services and miscellaneous fees including fees for data sharing which are used to offset funding deficits for program administration and to further support programs and strengthen unemployment fund solvency.

Department of Law

Uniform Consumer Credit Code Cash Fund

This fund is used to record activity related to the administration and enforcement of the Uniform Consumer Credit Code (UCCC). The UCCC regulates the terms and conditions of consumer credit in the state. It sets maximum rates and charges, requires disclosure of the cost of credit, and provides remedies for consumers on default. The Department charges licensing and other fees based on credit volume.

Department of Local Affairs

Moffat Tunnel Cash Fund

This fund is used to record activity related to annual lease revenues for the facilitation of transportation between the eastern and western portions of the state through operation and maintenance of the Moffat tunnel.

Building Regulation Fund

This fund is used to collect registration fees charged to installers and sellers of manufactured homes as well as various other fees established by the State Housing Board. Funds are used to inspect factory built (modular) housing, commercial structures, and manufactured homes to ensure the health and safety of Colorado residents who purchase these units.

Private Activity Bond Allocation Fund

This fund is used to collect administrative fees for direct allocations, or from entities that receive bonding authority. The Private Activity Bond program funds privately developed projects and the Department uses the funds collected for the direct and indirect costs associated with the administration of the Private Activity Bond program.

Mobile Home Park Act Dispute Resolution and Enforcement

This fund is used to record activity related to the collection of registration fees from mobile home park landlords for dispute resolution between mobile home owners and mobile home park landlords, and determining whether violations of the law occurred and taking enforcement actions.

Department of Military and Veterans Affairs

Veterans One-Stop Center Cash Fund

This fund is used to record activity related to the collection of fees for leasing space in the veterans' one-stop center in Grand Junction. The veterans' one-stop center provides a central and accessible location where veterans, service members, and their family members in the western portion of the state may have access to assistance and resources. Services offered at the veterans' one-stop center include assistance for veterans in securing federal benefits, counseling services, employment support, education, life skills and wellness support.

Department of Public Health and Environment

Hazardous Substances Response Fund

This fund is used to record activity related to the State's obligation under the Comprehensive Environmental Response and Compensation Liability Act. The Department charges fees for design, construction, operations, maintenance, and remedial actions of the various sites that hold hazardous substances. The Department also charges a tipping fee to landfill operators and collects a reimbursement fee from the federal Department of the Army for the oversight of the Rocky Mountain Arsenal.

Stationary Sources Fund

This fund is used to record activity to ensure compliance with rules to minimize emissions including increasing inspections for emissions from stationary sources. The Department uses revenues generated from annual fees on regulated pollutants to enable outreach and engagement of disproportionately impacted communities and to develop new emission control strategies.

Newborn Genetics Fund

This fund is used to record activity related to screening and testing to identify metabolic disorders that cause health problems for all newborns in the State. The Department collects fees from insurance companies or Medicaid, to cover the costs of testing samples of newborn children. Fee revenue consists of charges for laboratory blood tests for newborns and for genetic counseling. In Colorado, all babies are tested unless a parent requests to opt out of testing.

Radiation Control Fund

This fund is used to record activity related to radiation control services. The Department collects fees for radiation control services including application processing for qualified inspectors/experts, issuance of licenses for nuclear material, source material, and byproduct material, and inspection of licensees.

Vital Records Fund

This fund was established in the Vital Statistics Act of 1984 to receive fees collected by the Office of the State Registrar. Fees collected for certified copies of birth and death certificates, marriage licenses, decrees of divorce, etc. The Colorado Responds to Children with Special Needs (CRCSN) program is a birth defects monitoring and prevention program which uses the fees collected for the direct and indirect costs necessary to maintain and operate the CRCSN program.

Sludge Management Fund

This fund is used to record fees to cover the costs for implementing a program for the beneficial use of biosolids. The Department collects fees that are determined by the water quality control commission to cover the costs of implementing a program for the beneficial use of biosolids. The Department may assess a non-refundable fee of \$2.40 per dry ton of biosolids to generators who generate 31.25 dry ton or greater of biosolids used for beneficial purposes. Fees are assessed to any domestic wastewater treatment facility or any person treating, manipulating, or applying biosolids to land for beneficial purposes.

Fixed and Rotary-Wing
Ambulances Cash Fund

This fund is used to record activity related to establishing minimum licensure requirements for air ambulance operators and requiring licenses for air ambulance operations. The Department collects fees for the issuance of licenses and are used in implementing the air ambulance licensure program.

Home Care Agency Fund

This fund is used to record activity related to the Department's oversight of home care agencies in the State. The Department charges fees for home care agency licensure and registration of home care placement agencies and are used by the Department for overseeing and regulating home care agencies and home care placement agencies.

Assisted Living Residence Fund

This fund is used to record activity related to the Department's oversight of assisted living residences in the State. The Department charges fees for licensing, inspection, and complaint investigation of assisted living residences. The Department also charges fees based on the number of beds and the Medicaid utilization rate.

Health Facilities General Licensure Cash Fund	This fund is used to record activity related to the Department’s oversight of health facilities in the State of Colorado. The fund is used to cover the costs associated with the licensing and regulation of health facilities, including inspections, investigations, and enforcement actions. The Department charges fees for health facility building and structure code plan reviews and inspections, remodeling plan reviews and on-site reviews, and license applications and renewals.
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Perfluoroalkyl and Polyfluoroalkyl Substances Cash Fund	This fund is used to record activity related to the perfluoroalkyl and polyfluoroalkyl (PFAS) substances grant program, substances takeback program, and provides technical assistance in locating and studying PFAS substances to communities, stakeholders, and regulatory boards or commissions. Fees are collected from the transportation of fuel products delivered for sale or use in Colorado, provide funding for environmental response programs, regulation and inspection of liquefied petroleum gas and natural gas facilities, and efforts to address PFAS contamination in Colorado.
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Department of Public Safety

Public School Construction and Inspection Fund	This fund is used to record activity related to the construction and inspection of public schools. The Department charges permit fees for new school construction projects, and periodic inspection fees of construction operations.
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Health Facility Construction and Inspection Fund	This fund is used to record activity related to the Department’s inspection of health facilities as well as their construction. The Department charges fees to plan and execute reviews and inspections of health facilities during and after their construction.
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Department of Regulatory Agencies

Disabled Telephone Users Fund	This fund is used to record activity related to the Department’s telephone relay service for disabled telephone users. The Department charges a per month, per access, line surcharge to all business and residential telephone customers including wireless customers.
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Real Estate Cash Fund	This fund is used to record activity related to the Department’s regulation of real estate practitioners. The Department charges application and renewal fees for real estate brokers and appraisers.
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Division of Securities Cash Fund This fund is used to record activity related to the Department’s regulation of securities sales agents in the State. The Department charges fees for the registration of those agents and other fees for the regulation of nonexempt securities and municipal bonds issued by certain political subdivisions.

Public Deposit Administration Fund This fund is used to record activity related to the Department’s Division of Banking and its mission to serve and protect the public interest by promoting a safe financial institutions industry through continuous quality regulation and supervision. The Department charges assessments to financial institutions and various fees as authorized by statute, including charter applications, money transmitter licenses, change fees, and miscellaneous minor fees.

Financial Services Cash Fund This fund is used to support the costs of the Division of Financial Services and its mission, which is to serve and protect the public interest by promoting a safe and sound financial institutions industry through continuous quality regulation and supervision. The fund is supported by assessments to financial institutions based on assets. Fees are adjusted biennially.

Department of Revenue

Marijuana Cash Fund This fund is used to record activity related to the Department’s regulation of the cultivation, manufacturing distribution, and sale of marijuana products in the State. The Department charges license fees and fines to growers, distributors, manufacturers, and sellers.

Racing Cash Fund This fund is used to record fees for occupational licenses which are required in order to work at the racetrack and race in Colorado. The fund also records fees for business licenses which are required in order to operate an Off-Track Betting Facility. Additional fees are collected for race meets. Monies used for the promotion of racing, establishment of high standards of sport and fair play, and promotion of the health and safety of the animals involved in racing events.

Auto Dealers License Fund This fund is used to record activity related to the Department’s oversight of the Motor Vehicle Dealer Board. The Department charges fees for the licensing of motor vehicle dealers, wholesalers, buyer agents, and salespersons.

Liquor Enforcement Division & State Licensing Authority

This fund is used to record activity related to the Department's oversight of liquor manufacturers and distributors including enforcement actions to comply with the liquor code and to support law enforcement. Fees include licensing and permit fees received from manufacturers, distributors, wholesalers, and retailers of liquor.

Sports Betting Fund

This fund is used to record monies collected related to sports betting activities. The Department collects fees from sports betting related activities such as license fees, application fees, and sports betting taxes. Revenue generated from sports betting taxes is distributed to beneficiaries including entities that can demonstrate revenue loss attributable to sports betting, the Department of Human Services, and the Water Plan Implementation Cash Fund.

Department of State

Department of State Cash Fund

This fund is used to record activity related to the operation of the Department of State. The Department charges fees for filing articles of incorporation, issuing official certificates, and making official copies of documents.



Appendix B



Cash Funds Uncommitted Reserves Report for the Fiscal Year Ended June 30, 2024 All Funds

The *Cash Funds Uncommitted Reserves Report* (pages 42 and 43) 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, 2024, greater than zero.

State of Colorado
Cash Funds Uncommitted Reserves Report
Report of Funds with Uncommitted Reserves and Fee Revenue
Greater than \$0 Fiscal Year 2024 as of June 30, 2024

Fund	Fund Balance (Note 4) ¹	Exempt Assets (Note 5)	Capital Reserve (Note 6)	Previously Appropriated Fund Balance (Note 7)
Department of Agriculture				
Veterinary Vaccine and Service Fund	\$9,900	\$0	\$0	\$0
Inspection and Consumer Services Cash Fund	1,422,366	-	10,532	-
Dangerous Dog Fund	27,651	-	-	-
Wine Development Fund	520,895	-	-	-
Plant Health, Pest Control and Environmental Protection Fund	3,016,932	-	17,085	-
Colorado Aquaculture Fund	7,740	-	-	-
Industrial Hemp Registration Program Cash Fund	654,990	-	2,589	-
Pet Animal Care and Facility Fund	110,083	-	-	-
Subtotal	5,770,557	-	30,206	-
Department of Corrections				
Correctional Education Program Fund	158,871	-	-	-
Office of the Governor				
Donations - Governor's Office	2,598,516	-	-	-
Travel and Tourism Additional Sources Fund	32,941	-	-	-
Creative Industries Cash Fund	2,773,563	51,696	-	-
Broadband Fund	92,506	-	-	-
Creative District Community Loan Fund	37,300	-	-	-
Climate Change Mitigation and Adaptation Fund	313,932	-	-	-
Subtotal	5,848,758	51,696	-	-
Department of Health Care Policy and Financing				
Medicaid Buy-In Cash Fund	108,845	-	-	-
Service Fee Fund	52,737	-	-	-
Medicaid Nursing Facility Cash Fund	1,024,314	-	-	-
Department of Health Care Policy and Financing Cash Fund	195,176	-	-	-
Subtotal	1,381,072	-	-	-
Department of Higher Education				
Private Occupational Schools Fund	457,661	1,263	-	-
History Colorado Unrestricted Donations	1,142,553	400	-	-
History Colorado Restricted Donations	2,579,469	-	-	-
Subtotal	4,179,683	1,663	-	-
Department of Human Services				
Alcohol and Drug Abuse Counselor Training Fund	19,500	-	-	-
Controlled Substance Program Fund	81,301	-	-	-
Food Distribution Program Service Fund	724,704	-	-	-
Peer Support Professional Workforce Cash Fund	3,310	-	-	-
Subtotal	828,815	-	-	-
Judicial Branch				
Judicial Collection Enhancement Fund	7,973,491	-	-	-
Mediation Cash Fund	80,739	-	-	-
Other Judicial Special Revenue Funds	220,663	3,684	-	-
Electronic Preservation of Abandoned Estate Planning Docs	3,792	-	-	-
Subtotal	8,278,685	3,684	-	-
Department of Labor and Employment				
Boiler Inspection Fund	248,031	-	-	-
Conveyance Safety Fund	846,750	-	-	-
Workmens' Compensation Self-Insurance Fund	116,756	-	-	-
Public Safety Inspection Fund	104,692	-	-	-
Liquefied Petroleum Gas Inspection Fund	130,629	-	-	-
Employment Support Fund	50,955,923	48,534	-	-
Physicians Accreditation Program Fund	171,102	-	-	-
Subtotal	52,573,883	48,534	-	-
Department of Law				
Collection Agency Cash Fund	119,301	-	-	-
Uniform Consumer Credit Code Cash Fund	703,064	-	201,982	-
Student Loan Ombudsperson and Loan Servicer Licensing Fund	108,349	-	-	-
Insurance Fraud Cash Fund	391,523	1,733	204,469	-
Legal Services Cash Fund	4,955,408	2,086,576	1,410,236	-
P.O.S.T. Board Cash Fund	1,430,291	2,777	-	-
Subtotal	7,707,936	2,091,086	1,816,687	-
Legislative Branch				
Legislative Department Cash	25,495,106	13,136	-	-
Other Legislature Special Revenue Funds	41,789	-	-	-
Subtotal	25,536,895	13,136	-	-
Department of Local Affairs				
Building Regulation Fund	253,758	-	-	-
Private Activity Bond Allocation Fund	459,793	-	-	-
Housing Development Grant Fund	227,031,050	108,644,827	-	-
Accelerated Appeal Cash Fund	2,422	-	-	-
Mobile Home Park Act Dispute Resolution and Enforcement	853,433	-	-	-
Subtotal	228,600,456	108,644,827	-	-

¹Note numbers in column headings refer to the Notes to the Cash Funds Uncommitted Reserves Report beginning on Page 46, prepared by the Office of the State Controller.
Source: Office of the State Controller.

Fee Revenue (Note 8)	Total Revenue	Total Expense	Non-Fee Fund Balance (Note 9)	Uncommitted Reserve (Note 10)	Maximum Reserve (Note 11)	Alternative Maximum Reserve (Note 12)	Excess Uncommitted Reserve (Note 13)
\$283,249	\$283,249	\$308,125	\$0	\$9,900	\$50,841	\$0	\$0
3,317,123	3,495,327	3,959,227	71,980	1,339,854	653,272	1,979,614	-
2,400	3,365	380	7,930	19,721	63	-	19,658
58,631	983,971	979,769	489,857	31,038	161,662	-	-
5,295,629	5,835,303	6,185,194	277,439	2,722,408	1,020,557	3,092,597	-
3,900	3,900	4,409	-	7,740	727	-	7,013
151,998	152,274	152,274	1,182	651,219	25,125	-	626,094
1,200,451	1,234,749	1,246,126	3,058	107,025	205,611	-	-
10,313,381	11,992,138	12,835,504	851,446	4,888,905	2,117,858	5,072,211	652,765
174,124	181,270	195,395	6,263	152,608	32,240	-	120,368
107,884	1,839,769	2,012,191	2,446,139	152,377	332,012	-	-
247,159	268,064	592,169	2,569	30,372	97,708	-	-
107,577	2,288,830	2,133,862	2,593,937	127,930	352,087	-	-
275,726	283,891	283,891	2,661	89,845	46,842	-	43,003
4,924	6,184	200	7,600	29,700	33	-	29,667
173,696	196,893	524,135	36,986	276,946	86,482	-	190,464
916,966	4,883,631	5,546,448	5,089,892	707,170	915,164	-	263,134
17,461	17,461	-	-	108,845	-	-	108,845
384,348	2,147,097	2,144,749	43,297	9,440	353,884	-	-
54,385,198	54,413,398	54,407,858	531	1,023,783	8,977,297	-	-
315,500	325,394	322,653	5,935	189,241	53,238	-	136,003
55,102,507	56,903,350	56,875,260	49,763	1,331,309	9,384,419	-	244,848
1,418,250	1,418,250	1,179,188	-	456,398	194,566	-	261,832
9,000	871,627	584,208	1,130,360	11,793	96,394	-	-
3,904	1,499,275	1,409,298	2,572,752	6,717	232,534	-	-
1,431,154	3,789,152	3,172,694	3,703,112	474,908	523,494	-	261,832
19,500	19,500	-	-	19,500	-	-	19,500
21,752	21,852	11,252	372	80,929	1,857	-	79,072
526,087	1,389,989	1,281,809	450,416	274,288	211,498	-	62,790
2,700	2,735	25	42	3,268	4	-	3,264
570,039	1,434,076	1,293,086	450,830	377,985	213,359	-	164,626
511,924	10,253,015	5,084,437	7,575,382	398,109	838,932	-	-
5,290	5,290	-	-	80,739	-	-	80,739
2,034	320,713	320,329	215,603	1,376	52,854	-	-
3,792	3,792	-	-	3,792	-	-	3,792
523,040	10,582,810	5,404,766	7,790,985	484,016	891,786	-	84,531
1,490,947	1,498,504	1,476,677	1,251	246,780	243,652	1,253,869	-
637,854	697,750	788,709	72,686	774,064	130,137	-	643,927
140,000	140,000	192,121	-	116,756	31,700	-	85,056
331,740	350,549	421,566	5,617	99,075	69,558	-	29,517
238,183	242,052	248,852	2,088	128,541	41,061	-	87,480
4,225	191,487	12,656,585	49,784,160	1,123,229	2,088,337	-	-
121,480	121,480	138,925	-	171,102	22,923	-	148,179
2,964,429	3,241,822	15,923,435	49,865,802	2,659,547	2,627,368	1,253,869	994,159
930,600	953,861	1,026,521	2,909	116,392	169,376	-	-
2,447,134	2,476,396	2,156,963	5,921	495,161	355,899	-	139,262
407,050	419,508	517,192	3,218	105,131	85,337	-	19,794
2,693,428	2,761,764	2,669,151	4,586	180,735	440,410	-	-
6,127,363	72,900,164	70,083,220	1,335,999	122,597	11,563,731	-	-
200,495	5,657,509	5,249,791	1,376,925	50,589	866,216	-	-
12,806,070	85,169,202	81,702,838	2,729,558	1,070,605	13,480,969	-	159,056
2,970	6,259,638	1,815,497	25,469,880	12,090	299,557	-	-
15,109	15,109	10,993	-	41,789	1,814	-	39,975
18,079	6,274,747	1,826,490	25,469,880	53,879	301,371	-	39,975
1,269,048	1,360,808	1,872,024	17,111	236,647	308,884	-	-
328,286	328,286	70,387	-	459,793	11,614	-	448,179
4,576	100,705,865	64,895,811	118,380,844	5,379	10,707,809	-	-
20,400	20,712	20,133	36	2,386	3,322	-	-
1,076,500	1,223,773	1,658,378	102,705	750,728	273,632	-	477,096
2,698,810	103,639,444	68,516,733	118,500,696	1,454,933	11,305,261	-	925,275

State of Colorado
Cash Funds Uncommitted Reserves Report
Report of Funds with Uncommitted Reserves and Fee Revenue
Greater than \$0 Fiscal Year 2024 as of June 30, 2024

	Fund Balance (Note 4) ¹	Exempt Assets (Note 5)	Capital Reserve (Note 6)	Previously Appropriated Fund Balance (Note 7)
Department of Natural Resources				
Land and Water Management Fund	75,000	-	-	-
Satellite Monitoring System Cash Fund	2,602	-	-	-
Office of Active and Inactive Mines Operation Fund	48,665	-	-	-
Well Inspection Cash Fund	5,667	-	-	-
Mined Land Reclamation Fund	1,586,293	-	-	-
Water Resources Cash Fund	1,033,098	-	-	-
Colorado Avalanche Information Center	1,002,490	4,219	-	-
Subtotal	3,753,815	4,219	-	-
Department of Personnel and Administration				
State Archives and Public Records Cash Fund	46,699	-	-	-
Administrative Hearings Fund	1,225,337	532,501	417,367	-
Subtotal	1,272,036	532,501	417,367	-
Department of Public Health and Environment				
Hazardous Substances Response Fund	779,724	-	-	-
Stationary Sources Fund	34,337,914	11,663	-	-
Lead Hazard Reduction Fund	79,809	-	-	-
Newborn Genetics Fund	3,335,020	25,300	-	-
Radiation Control Fund	342,177	-	-	-
Vital Records Fund	2,338,410	-	-	-
Sludge Management Fund	220,111	-	-	-
Trauma System Cash Fund	172,324	-	-	-
Fixed and Rotary-Wing Ambulances Cash Fund	292,203	-	-	-
Community Integrated Health Care Service Agencies	71,487	-	-	-
Medication Administration Fund	183,280	-	-	-
Home Care Agency Cash Fund	1,568,356	-	-	-
Visa Waiver Program Fund	29,198	-	-	-
Assisted Living Residence Fund	1,731,010	-	-	-
Health Facilities General Licensure Cash Fund	1,249,050	-	-	-
Laboratory Cash Fund	112,425	-	-	-
Ozone Protection Fund	21,074	-	-	-
Behavioral Health Entity Cash Fund	8,749	-	-	-
Perfluoroalkyl and Polyfluoroalkyl Substances Cash Fund	16,807,289	-	-	-
Water and Wastewater Facility Operators Fund	83,737	-	-	-
Subtotal	63,763,347	36,963	-	-
Department of Public Safety				
Fire Service Education and Training Fund	186,336	-	-	-
Fire Suppression Cash Fund	176,198	-	-	-
Fireworks Licensing Cash Fund	53,185	-	-	-
Sex Offender Registry Fund	24,418	-	-	-
Firefighter, First and Haz Mat Responder Certification Fund	183,568	-	-	-
Criminal Justice Training Fund	105,192	6,999	-	-
Cigarette Ignition Standards & Firefighter Protection Act	123,413	-	-	-
Public School Construction and Inspection Fund	214,150	-	-	-
State Patrol Special Events Fund	167,077	-	-	-
Health Facility Construction and Inspection Fund	323,300	-	-	-
Resource Mobilization Fund	1,252,227	-	-	-
Fleet Management Fund	600,276	-	-	-
Subtotal	3,409,340	6,999	-	-
Department of Regulatory Agencies				
Public Utilities Commission Motor Carrier Fund	46,411	663	-	-
Viatical Settlements Cash Fund	151,762	0	-	-
Disabled Telephone Users Fund	813,727	52	-	-
Telecommunications Utility Fund	20,863	821	-	-
Real Estate Cash Fund	736,276	2,073	-	-
Division of Securities Cash Fund	955,704	50,112	-	-
Vehicle Booting Cash Fund	4,050	-	-	-
Colorado High Cost Administration Fund	63,065	41	-	-
Public Deposit Administration Fund	349,281	1,783	-	-
Financial Services Cash Fund	300,959	647	-	-
Moving Outreach Fund	6,151	-	-	-
State 911 Fund	41,322	-	-	-
Subtotal	3,489,571	56,192	-	-

¹Note numbers in column headings refer to the Notes to the Cash Funds Uncommitted Reserves Report beginning on Page 46, prepared by the Office of the State Controller.
Source: Office of the State Controller.

Fee Revenue (Note 8)	Total Revenue	Total Expense	Non-Fee Fund Balance (Note 9)	Uncommitted Reserve (Note 10)	Maximum Reserve (Note 11)	Alternative Maximum Reserve (Note 12)	Excess Uncommitted Reserve (Note 13)
117,200	121,599	121,599	2,713	72,287	20,064	-	52,223
311,619	314,573	327,818	24	2,578	54,090	-	-
1,825	299,543	297,966	48,369	296	49,164	-	-
300	263,730	280,723	5,661	6	46,319	-	-
630	1,369,997	722,148	1,585,564	729	119,154	-	-
11,360	498,075	699,575	1,009,535	23,563	115,430	-	-
10,982	2,103,621	1,101,131	993,060	5,211	181,687	-	-
453,916	4,971,138	3,550,960	3,644,926	104,670	585,908	-	52,223
54,352	69,301	71,641	10,073	36,626	11,821	-	24,805
9,291	5,991,362	7,045,882	275,042	427	1,162,571	-	-
63,643	6,060,663	7,117,523	285,115	37,053	1,174,392	-	24,805
2,191,084	8,262,295	7,570,775	572,948	206,776	1,249,178	-	-
4,144,058	29,531,198	29,283,577	29,509,312	4,816,939	4,831,790	-	-
99,193	102,252	57,407	2,388	77,421	9,472	-	67,949
6,419,992	6,535,135	8,268,470	58,314	3,251,406	1,364,298	-	1,887,108
2,755,896	2,922,930	3,054,366	19,554	322,623	503,970	-	-
3,316,583	3,377,074	3,079,635	41,886	2,296,524	508,140	-	1,788,384
177,929	188,679	156,515	12,541	207,570	25,825	-	181,745
489,478	499,957	410,536	3,612	168,712	67,738	-	100,974
124,549	132,977	33,461	18,520	273,683	5,521	-	268,162
24,870	24,870	7,103	-	71,487	1,172	-	70,315
97,445	97,445	42,530	-	183,280	7,017	-	176,263
1,529,689	2,629,689	1,328,505	656,044	912,312	219,203	-	693,109
25,250	25,896	19,299	728	28,470	3,184	-	25,286
3,161,232	3,768,075	2,411,535	278,777	1,452,233	397,903	-	1,054,330
2,287,102	2,687,102	2,348,778	185,933	1,063,117	387,548	-	675,569
818,395	811,102	781,817	(1,011)	113,436	129,000	-	-
163,493	163,516	167,477	3	21,071	27,634	-	-
17,505	17,505	38,489	-	8,749	6,351	-	2,398
6,165,052	6,727,234	3,919,854	1,404,553	15,402,736	646,776	-	14,755,960
22,500	33,383	1,964	27,299	56,438	324	-	56,114
34,031,295	68,538,314	62,982,093	32,791,401	30,934,983	10,392,044	-	21,803,666
99,390	108,156	111,880	15,102	171,234	18,460	-	152,774
308,946	316,283	272,946	4,087	172,111	45,036	-	127,075
39,450	41,242	33,821	2,311	50,874	5,580	-	45,294
1,160	2,022	114	10,410	14,008	19	-	13,989
273,724	283,175	296,907	6,127	177,441	48,990	-	128,451
200,159	211,095	235,642	5,087	93,106	38,881	-	54,225
58,000	58,000	20,590	-	123,413	3,397	-	120,016
1,594,398	1,601,553	2,005,201	957	213,193	330,858	-	-
1,140,908	2,242,551	2,242,551	82,076	85,001	370,021	-	-
1,812,054	2,308,109	2,580,158	69,483	253,817	425,726	-	-
2,255	195,356	219,513	1,237,773	14,454	36,220	-	-
5	495,678	573,753	600,270	6	94,669	-	-
5,530,449	7,863,220	8,593,076	2,033,683	1,368,658	1,417,857	-	641,824
2,148,603	2,383,435	2,497,227	4,507	41,241	412,042	-	-
9,160	9,160	1,999	-	151,762	330	-	151,432
4,147,087	4,176,355	4,040,063	5,702	807,973	666,610	-	141,363
1,150,093	1,150,093	1,230,181	-	20,042	202,980	-	-
8,089,518	8,641,994	8,377,090	46,937	687,266	1,382,220	-	-
6,624,507	6,624,507	5,668,803	-	905,592	935,352	-	-
1,950	1,950	-	-	4,050	-	-	4,050
170,475	173,600	190,751	1,135	61,889	31,474	-	30,415
6,972,540	7,038,318	7,123,869	3,248	344,250	1,175,438	-	-
1,964,162	2,000,217	2,250,326	5,413	294,899	371,304	-	-
3,025	3,141	108	227	5,924	18	-	5,906
147,032	147,032	136,501	-	41,322	22,523	-	18,799
31,428,152	32,349,802	31,516,918	67,169	3,366,210	5,200,291	-	351,965

State of Colorado
Cash Funds Uncommitted Reserves Report
Report of Funds with Uncommitted Reserves and Fee Revenue
Greater than \$0 Fiscal Year 2024 as of June 30, 2024

	Fund Balance (Note 4) ¹	Exempt Assets (Note 5)	Capital Reserve (Note 6)	Previously Appropriated Fund Balance (Note 7)
Department of Revenue				
Marijuana Cash Fund	1,366,846	36,190	-	-
Racing Cash Fund	229,583	3,908	-	-
Auto Dealers License Fund	1,337,849	10,626	-	-
Private Letter Ruling Fund	26,481	-	-	-
Liquor Enforcement Division & State Licensing Authority	1,074,174	10,866	-	-
Tax Lien Certification Fund	82,870	-	-	-
Prepaid Wireless Trust Cash Fund	81,271	-	-	-
Gambling Payment Intercept Fund	145,205	-	-	-
Limited Gaming Fund	2,703,534	30,237	-	-
Sports Betting Fund	29,980,188	6,169	-	-
Subtotal	37,028,001	97,996	-	-
Department of State				
Department of State Cash Fund	3,824,279	865,662	-	-
Department of Treasury				
AIR Account	8,076,911	-	-	-
Unclaimed Property Fund	746,734,136	-	-	-
Subtotal	754,811,047	-	-	-
Grand Total	\$1,212,217,047	\$112,455,158	\$2,264,260	\$0

¹Note numbers in column headings refer to the Notes to the Cash Funds Uncommitted Reserves Report beginning on Page 46, prepared by the Office of the State Controller.
Source: Office of the State Controller.

Fee Revenue (Note 8)	Total Revenue	Total Expense	Non-Fee Fund Balance (Note 9)	Uncommitted Reserve (Note 10)	Maximum Reserve (Note 11)	Alternative Maximum Reserve (Note 12)	Excess Uncommitted Reserve (Note 13)
2,793,418	16,798,539	15,667,760	1,109,382	221,274	2,585,180	-	-
1,689,902	1,689,902	1,703,039	-	225,675	281,001	-	-
2,949,993	2,949,993	2,264,407	-	1,327,223	373,627	-	953,596
10,100	10,100	10,100	-	26,481	1,667	-	24,814
6,826,678	6,826,678	7,457,032	-	1,063,308	1,230,410	-	-
7,630	7,630	-	-	82,870	-	-	82,870
15,120	15,120	-	-	81,271	-	-	81,271
19,725	24,777	7,953	29,607	115,598	1,312	-	114,286
929,627	177,866,635	177,683,783	2,659,325	13,972	29,317,824	-	-
2,369,482	33,565,361	29,039,302	27,858,061	2,115,958	4,791,485	-	-
17,611,675	239,754,735	233,833,376	31,656,375	5,273,630	38,582,506	-	1,256,837
28,663,555	29,486,299	32,218,031	82,553	2,876,064	5,315,975	5,334,517	-
34,067	13,075,413	10,236,589	8,055,867	21,044	1,689,037	-	-
4,880	316,665,218	81,732,517	746,722,628	11,508	13,485,865	-	-
38,947	329,740,631	91,969,106	754,778,495	32,552	15,174,902	-	-
\$205,340,231	\$1,006,856,444	\$725,073,732	\$1,039,847,944	\$57,649,685	\$119,637,164	\$11,660,597	\$28,041,889





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