

The following file contains two documents:

- ❑ A memorandum to the Joint Budget Committee members dated March 17, 2011 representing "staff comebacks" concerning information technology personnel adjustments.
- ❑ Staff's figure setting presentation for the Office of the Governor, dated March 14, 2011.
- ❑ Staff's figure setting presentation for statewide information technology common policies, dated March 14, 2011.

MEMORANDUM

TO: Joint Budget Committee Members

FROM: Kevin Neimond, Joint Budget Committee Staff, 303-866-4958

SUBJECT: Staff Comebacks, Office of the Governor, Economic Development Programs

DATE: March 18, 2011

- Staff did not apply the Governor's requested 1.0 percent Personal Services General Fund reduction to the Global Business Development line item in the Office of Economic Development. **Staff recommends reducing the line item by \$18,382 General Fund for FY 2011-12.**

MEMORANDUM

TO: Joint Budget Committee Members

FROM: Kevin Neimond, Joint Budget Committee Staff, 303-866-4958

SUBJECT: Staff Comebacks, Office of the Governor

DATE: March 17, 2011

- ❑ House Bill 10-1284 (Massey and Summers/Romer and Spence) appropriated \$63,846 cash funds from the Medical Marijuana License Cash Fund and 1.0 FTE for FY 2011-12. Staff did not capture the appropriation in the Department of Revenue's Purchase of Services from Computer Center billing allocation or the Governor's Office of Information Technology (OIT) appropriation of reappropriated funds. **Staff recommends that the appropriation to the Department of Revenue for the Purchase of Services from Computer Center line item be increased by \$63,846 cash funds and the OIT reappropriated funds for personal services in the Computer Center Services subdivision be increased by \$63,846 and 1.0 FTE for FY 2011-12 to conform with the provisions contained in H.B. 10-1384.**

- ❑ The Department of Agriculture currently has spending authority to employ 1.0 FTE to perform information technology help desk functions. The position was intended to be transferred to OIT as part of the FY 2010-11 consolidation of information technology personnel resources. This did not occur, however, and as a result **staff recommends that the appropriation to the Department of Agriculture for Agriculture Management in the Commissioner's Office be decreased by \$44,712 cash funds from the Agriculture Management Fund, the Purchase of Services from Computer Center line item be increased by \$44,712 cash funds, and the OIT reappropriated funds for personal services in the Computer Center Services subdivision be increased by \$44,712 and 1.0 FTE for FY 2011-12.** Pursuant to the Committee's action during figure setting for the Department of Agriculture, the FTE total for personal services in the line item containing the help desk staff person was eliminated. Therefore, staff's recommendation does not include a reduction in FTE for the Department of Agriculture.

This link includes the following documents:

1. Office of the Governor figure setting document.
2. Statewide Information Technology Common Policy figure setting document.

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



FY 2011-12 STAFF FIGURE SETTING

OFFICE OF THE GOVERNOR

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

**Prepared By:
Kevin Neimond, JBC Staff
March 14, 2011**

For Further Information Contact:

Joint Budget Committee Staff
200 E. 14th Avenue, 3rd Floor
Denver, Colorado 80203
Telephone: (303) 866-2061
TDD: (303) 866-3472

**FY 2011-12 FIGURE SETTING
STAFF PRESENTATION TO THE JOINT BUDGET COMMITTEE:**

JBC Working Document: Decisions Subject to Change

OFFICE OF THE GOVERNOR

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**FY 2011-12 Joint Budget Committee Staff Figure Setting
Office of the Governor**

Numbers Pages

	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Appropriation	FY 2011-12 Dept. Request	FY 2011-12 Staff Recommendation	Change Requests
OFFICE OF THE GOVERNOR						
Governor John Hickenlooper						
(1) OFFICE OF THE GOVERNOR						
(A) Governor's Office						
Administration of Governor's Office and Residence	2,964,064	2,549,600	2,166,800	2,117,058	2,126,636	NP-1, NP-2, BA-1
FTE	<u>35.4</u>	<u>33.1</u>	<u>32.4</u>	<u>32.4</u>	<u>32.4</u>	
General Fund	2,909,857	2,095,694	2,153,347	2,099,062	2,108,931	
FTE	35.4	33.1	32.4	32.4	32.4	
Cash Funds	37,277	442,682	0	0	0	
Reappropriated Funds	16,930	11,224	13,453	17,996	17,705	
Discretionary Fund - GF	19,500	19,500	19,500	19,500	19,500	
Mansion Activity Fund - CF	199,999	195,467	200,000	200,000	200,000	
Subtotal - (A) Governor's Office	3,183,563	2,764,567	2,386,300	2,336,558	2,346,136	
FTE	<u>35.4</u>	<u>33.1</u>	<u>32.4</u>	<u>32.4</u>	<u>32.4</u>	
General Fund	2,929,357	2,115,194	2,172,847	2,118,562	2,128,431	
FTE	35.4	33.1	32.4	32.4	32.4	
Cash Funds	237,276	638,149	200,000	200,000	200,000	
Reappropriated Funds	16,930	11,224	13,453	17,996	17,705	
Federal Funds	0	0	0	0	0	

**FY 2011-12 Joint Budget Committee Staff Figure Setting
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Numbers Pages

	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Appropriation	FY 2011-12 Dept. Request	FY 2011-12 Staff Recommendation	Change Requests
(B) Special Purpose						
Health, Life, & Dental	<u>1,535,678</u>	<u>1,840,362</u>	<u>6,358,004</u>	<u>6,499,268</u>	<u>6,517,528</u>	NP-4
General Fund	422,173	646,102	730,835	370,887	376,769	
Cash Funds	7,040	0	36,159	89,506	89,506	
Reappropriated Funds	1,091,252	1,194,260	5,553,982	5,723,503	5,735,881	
Federal Funds	15,213	0	37,028	315,372	315,372	
Short-term Disability	<u>26,491</u>	<u>23,843</u>	<u>109,747</u>	<u>131,330</u>	<u>117,278</u>	
General Fund	4,158	5,553	5,473	7,816	7,816	
Cash Funds	2,616	0	925	1,468	1,468	
Reappropriated Funds	19,419	18,290	102,896	115,987	101,935	
Federal Funds	298	0	453	6,059	6,059	
S.B. 04-257 Amortization Equalization Disbursement	<u>330,638</u>	<u>322,166</u>	<u>1,693,241</u>	<u>2,077,536</u>	<u>1,883,695</u>	
General Fund	50,105	75,662	83,561	123,638	123,638	
Cash Funds	32,196	0	14,328	23,228	23,228	
Reappropriated Funds	238,830	246,504	1,588,342	1,834,823	1,640,982	
Federal Funds	9,507	0	7,010	95,847	95,847	
S.B. 06-235 Supplemental Amortization Equalization Disbursement	<u>154,008</u>	<u>200,106</u>	<u>1,237,796</u>	<u>1,669,448</u>	<u>1,518,837</u>	
General Fund	22,654	46,476	60,317	99,352	99,352	
Cash Funds	15,092	0	10,448	18,665	18,665	
Reappropriated Funds	111,805	153,630	1,161,920	1,474,411	1,323,800	
Federal Funds	4,457	0	5,111	77,020	77,020	
Salary Survey	<u>767,521</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	201,040	0	0	0	0	
Cash Funds	3,017	0	0	0	0	
Reappropriated Funds	551,249	0	0	0	0	
Federal Funds	12,215	0	0	0	0	
Performance-Based Pay Awards	<u>305,359</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	74,647	0	0	0	0	
Cash Funds	3,090	0	0	0	0	
Reappropriated Funds	223,823	0	0	0	0	
Federal Funds	3,799	0	0	0	0	
Shift Differential - RF	44,120	41,562	75,022	143,839	71,920	

**FY 2011-12 Joint Budget Committee Staff Figure Setting
Office of the Governor**

Numbers Pages

	<u>FY 2008-09 Actual</u>	<u>FY 2009-10 Actual</u>	<u>FY 2010-11 Appropriation</u>	<u>FY 2011-12 Dept. Request</u>	<u>FY 2011-12 Staff Recommendation</u>	<u>Change Requests</u>
Workers' Compensation	99,013	140,688	142,719	289,227	Pending	
General Fund	12,057	9,821	17,380	35,286		
Reappropriated Funds	86,956	130,867	125,339	253,941		
Legal Services for 8,651 Hours	244,682	407,266	634,724	634,724	Pending	
General Fund	238,599	398,470	625,928	625,928		
Cash Funds	0	0	0	0		
Reappropriated Funds	6,083	8,796	8,796	8,796		
Lobato Litigation Expenses - GF	0	0	432,500	432,500	432,500	
Purchase of Services from Computer Center	2,081,610	2,070,751	234,346	433,309	Pending	NP-3
General Fund	1,194,045	1,187,816	234,346	433,309		
Reappropriated Funds	887,565	882,935	0	0		
Multiuse Network Payments	56,037	56,037	124,362	44,848	Pending	
General Fund	17,976	17,976	97,002	34,981		
Reappropriated Funds	38,061	38,061	27,360	9,867		
Management and Administration of OIT	53,009	47,747	83,470	85,219	Pending	
General Fund	45,366	39,036	70,400	71,875		
Cash Funds	2,115	2,411	3,617	3,693		
Reappropriated Funds	2,490	2,838	4,258	4,347		
Federal Funds	3,038	3,462	5,195	5,304		
Payment to Risk Management and Property Funds	392,102	288,321	85,800	152,597	Pending	
General Fund	116,226	69,334	25,433	45,779		
Reappropriated Funds	275,876	218,987	60,367	106,818		
Vehicle Lease Payments - RF	104,277	101,735	104,277	109,485	Pending	NP-5
Leased Space - RF	500,920	808,710	954,260	1,290,813	1,290,813	
Capitol Complex Leased Space	645,818	471,244	461,388	483,172	Pending	
General Fund	265,341	264,803	262,016	276,042		
Reappropriated Funds	380,477	206,441	199,372	207,130		
Subtotal - (B) Special Purpose	<u>7,341,283</u>	<u>6,820,538</u>	<u>12,731,656</u>	<u>14,477,315</u>	<u>11,832,571</u>	
General Fund	2,664,387	2,761,049	2,645,191	2,557,393	1,040,075	
Cash Funds	65,166	2,411	65,477	136,560	132,867	
Reappropriated Funds	4,563,203	4,053,616	9,966,191	11,283,760	10,165,331	
Federal Funds	48,527	3,462	54,797	499,602	494,298	

**FY 2011-12 Joint Budget Committee Staff Figure Setting
Office of the Governor**

Numbers Pages

	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Appropriation	FY 2011-12 Dept. Request	FY 2011-12 Staff Recommendation	Change Requests
(C) Governor's Energy Office						
Program Administration - FF	1,093,103	1,022,833	1,215,449	1,156,209	1,123,339	NP-1
FTE	26.0	26.0	26.4	26.1	26.1	
Colorado Renewable Energy Authority - CF	2,000,000	0	0	0	0	
Clean Energy - CF	2,198,055	3,069,713	0	194,022	0	NP-1
FTE	0.0	5.0	5.0	5.0	0.0	
School Energy Efficiency - CF	162,696	292,940	206,625	206,625	204,600	NP-1
FTE	0.0	2.0	2.0	2.0	2.0	
Solar Incentives - GF	1,013,750	0	0	0	0	
Legal Services for 230 Hours - FF	0	0	16,875	16,875	<u>Pending</u>	
Indirect Cost Assessment	<u>0</u>	<u>0</u>	<u>26,979</u>	<u>70,580</u>	<u>37,036</u>	
Cash Funds	0	0	24,881	70,580	37,036	
Federal Funds	0	0	2,098	0	0	
Subtotal - (C) Governor's Energy Office	6,467,604	4,385,486	1,465,928	1,644,311	1,364,975	
FTE	<u>26.0</u>	<u>33.0</u>	<u>33.4</u>	<u>33.1</u>	<u>28.1</u>	
General Fund	1,013,750	0	0	0	0	
FTE	0.0	0.0	0.0	0.0	0.0	
Cash Funds	4,360,751	3,362,653	231,506	471,227	241,636	
FTE	0.0	7.0	7.0	7.0	2.0	
Federal Funds	1,093,103	1,022,833	1,234,422	1,173,084	1,123,339	
FTE	26.0	26.0	26.4	26.1	26.1	
(D) Other Programs and Grants						
Program Administration	0	0	9,990,632	9,999,270	26,158	
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.3</u>	<u>0.5</u>	<u>0.0</u>	
Cash Funds	0	0	17,918	26,556	26,158	
FTE	0.0	0.0	0.3	0.5	0.0	
Federal Funds	0	0	9,972,714	9,972,714	0	
FTE	0.0	0.0	0.0	0.0	0.0	

**FY 2011-12 Joint Budget Committee Staff Figure Setting
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	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Appropriation	FY 2011-12 Dept. Request	FY 2011-12 Staff Recommendation	Change Requests
(E) Office of Homeland Security						
Administration Costs - FF	0	0	949,098	950,212	937,732	NP-1
FTE	0.0	0.0	10.0	10.0	10.0	
Grants and Training - FF	0	0	18,761,187	18,761,187	18,761,187	
Subtotal - (E) Office of Homeland Security	0	0	19,710,285	19,711,399	19,698,919	
FTE	<u>0.0</u>	<u>0.0</u>	<u>10.0</u>	<u>10.0</u>	<u>10.0</u>	
Federal Funds	0	0	19,710,285	19,711,399	19,698,919	
FTE	0.0	0.0	10.0	10.0	10.0	
TOTAL - (1) OFFICE OF THE GOVERNOR	16,992,450	13,970,591	46,284,801	48,168,853	35,268,759	
FTE	<u>61.4</u>	<u>66.1</u>	<u>76.1</u>	<u>76.0</u>	<u>70.5</u>	
General Fund	6,607,494	4,876,243	4,818,038	4,675,955	3,168,506	
FTE	35.4	33.1	32.4	32.4	32.4	
Cash Funds	4,663,193	4,003,213	514,901	834,343	600,661	
FTE	0.0	7.0	7.3	7.5	2.0	
Reappropriated Funds	4,580,133	4,064,840	9,979,644	11,301,756	10,183,036	
FTE	0.0	0.0	0.0	0.0	0.0	
Federal Funds	1,141,630	1,026,295	30,972,218	31,356,799	21,316,556	
FTE	26.0	26.0	36.4	36.1	36.1	
(2) OFFICE OF THE LIEUTENANT GOVERNOR						
Administration	230,176	222,230	296,063	291,547	292,153	NP-1, NP-2, BA-1
FTE	0.0	0.0	3.7	3.7	3.7	
General Fund	230,176	222,230	219,433	214,009	215,119	
FTE	0.0	0.0	2.7	2.7	2.7	
Reappropriated Funds	0	0	76,630	77,538	77,034	
FTE	0.0	0.0	1.0	1.0	1.0	
Federal Funds	0	0	0	0	0	
FTE	0.0	0.0	0.0	0.0	0.0	
Discretionary Fund - GF	4,875	2,843	2,875	2,875	2,875	
Commission of Indian Affairs	98,968	75,353	77,883	76,999	76,325	NP-1, NP-2, BA-1
FTE	<u>2.3</u>	<u>2.3</u>	<u>2.3</u>	<u>2.3</u>	<u>2.3</u>	
General Fund	97,468	75,353	76,588	75,499	74,825	
FTE	2.3	2.3	2.3	2.3	2.3	
Cash Funds	1,500	0	1,295	1,500	1,500	

**FY 2011-12 Joint Budget Committee Staff Figure Setting
Office of the Governor**

Numbers Pages

	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Appropriation	FY 2011-12 Dept. Request	FY 2011-12 Staff Recommendation	Change Requests
TOTAL - (2) OFFICE OF THE LT. GOVERNOR	334,019	300,426	376,821	371,421	371,353	
FTE	<u>2.3</u>	<u>2.3</u>	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>	
General Fund	332,519	300,426	298,896	292,383	292,819	
FTE	2.3	2.3	5.0	5.0	5.0	
Cash Funds	1,500	0	1,295	1,500	1,500	
Reappropriated Funds	0	0	76,630	77,538	77,034	
FTE	0.0	0.0	1.0	1.0	1.0	
Federal Funds	0	0	0	0	0	
FTE	0.0	0.0	0.0	0.0	0.0	
(3) OFFICE OF STATE PLANNING AND BUDGETING						
Personal Services	1,372,544	1,377,143	1,409,041	1,407,608	1,371,610	NP-1
FTE	<u>19.5</u>	<u>19.5</u>	<u>19.5</u>	<u>19.5</u>	<u>19.5</u>	
Cash Funds	0	79,801	0	0	0	
FTE	0.0	0.0	0.0	0.0	0.0	
Reappropriated Funds	1,372,544	1,297,342	1,409,041	1,407,608	1,371,610	
FTE	19.5	19.5	19.5	19.5	19.5	
Operating Expenses	<u>51,039</u>	<u>69,644</u>	<u>75,944</u>	<u>50,944</u>	<u>50,944</u>	
General Fund	0	0	25,000	0	0	
Cash Funds	0	31,450	0	0	0	
Reappropriated Funds	51,039	38,194	50,944	50,944	50,944	
Economic Forecasting Subscriptions - RF	6,007	15,853	16,362	16,362	16,362	
TOTAL - (3) OFFICE OF STATE PLANNING AND BUDGETING	1,429,590	1,462,640	1,501,347	1,474,914	1,438,916	
FTE	<u>19.5</u>	<u>19.5</u>	<u>19.5</u>	<u>19.5</u>	<u>19.5</u>	
General Fund	0	0	25,000	0	0	
Cash Funds	0	111,251	0	0	0	
FTE	0.0	0.0	0.0	0.0	0.0	
Reappropriated Funds	1,429,590	1,351,389	1,476,347	1,474,914	1,438,916	
FTE	19.5	19.5	19.5	19.5	19.5	

**FY 2011-12 Joint Budget Committee Staff Figure Setting
Office of the Governor**

Numbers Pages

	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Appropriation	FY 2011-12 Dept. Request	FY 2011-12 Staff Recommendation	Change Requests
(4) ECONOMIC DEVELOPMENT PROGRAMS						
Administration	446,814	589,491	596,575	595,385	587,469	NP-1
FTE	6.0	5.5	6.0	6.0	6.0	
General Fund	432,025	543,662	546,091	544,901	537,742	
FTE	6.0	5.5	6.0	6.0	6.0	
Cash Funds	0	0	2,472	2,472	2,435	
Reappropriated Funds	14,789	45,829	45,829	45,829	45,142	
Federal Funds	0	0	2,183	2,183	2,150	
Vehicle Lease Payments - GF	3,375	13,447	15,161	15,161	Pending	
Leased Space - GF	231,540	230,738	231,540	231,540	231,540	
Global Business Development	0	0	1,554,009	2,011,224	2,040,317	DI-1, NP-1, NP-2, BA-1
FTE	0.0	0.0	17.6	17.6	17.6	
General Fund	0	0	1,484,059	1,428,139	1,462,230	
FTE	0.0	0.0	17.6	17.6	17.6	
Cash Funds	0	0	69,950	219,950	219,950	
Federal Funds	0	0	0	363,135	358,137	
Business Development	863,902	818,209	0	0	0	
FTE	9.2	8.2	0.0	0.0	0.0	
General Fund	863,902	818,209	0	0	0	
FTE	9.2	8.2	0.0	0.0	0.0	
Cash Funds	0	0	0	0	0	
FTE	0.0	0.0	0.0	0.0	0.0	
Grand Junction Satellite Office - GF	67,007	37,007	0	0	0	
FTE	1.0	0.3	0.0	0.0	0.0	
Minority Business Office	146,491	147,740	0	0	0	
FTE	2.5	2.2	0.0	0.0	0.0	
General Fund	146,491	147,740	0	0	0	
FTE	2.5	2.2	0.0	0.0	0.0	
Cash Funds	0	0	0	0	0	
Leading Edge Program Grants	50,976	50,976	126,407	126,407	126,407	
General Fund	50,976	50,976	50,976	50,976	50,976	
Cash Funds	0	0	75,431	75,431	75,431	

**FY 2011-12 Joint Budget Committee Staff Figure Setting
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Numbers Pages

	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Appropriation	FY 2011-12 Dept. Request	FY 2011-12 Staff Recommendation	Change Requests
Small Business Development Centers	1,408,950	1,712,569	1,294,525	1,294,524	1,290,276	NP-1
FTE	<u>3.5</u>	<u>3.5</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>	
General Fund	84,483	83,896	84,248	84,747	83,495	
FTE	1.0	1.0	1.5	1.5	1.5	
Federal Funds	1,324,467	1,628,673	1,210,277	1,209,777	1,206,781	
FTE	2.5	2.5	2.5	2.5	2.5	
International Trade Office	679,045	536,037	0	0	0	
FTE	<u>6.0</u>	<u>4.5</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	
General Fund	630,605	528,637	0	0	0	
FTE	6.0	4.5	0.0	0.0	0.0	
Cash Funds	48,440	7,400	0	0	0	
Colorado Office of Film, Media, and Television - CF	0	351,486	428,556	0	0	DI-2
FTE - CF	0.0	2.9	4.5	0.0	0.0	
Colorado Welcome Centers	491,860	503,515	498,597	498,597	0	NP-1
FTE	<u>3.3</u>	<u>3.0</u>	<u>3.3</u>	<u>3.3</u>	<u>0.0</u>	
General Fund	211,353	0	0	0	0	
FTE	3.3	0.0	0.0	0.0	0.0	
Cash Funds	280,507	503,515	498,597	498,597	0	
FTE	0.0	3.0	3.3	3.3	0	
Colorado Promotion - Other Program Costs - CF	21,328,326	15,481,283	14,416,049	12,501,403	0	NP-1
FTE	3.0	2.9	4.0	4.0	0	
Economic Development Commission General Economic Incentives and Marketing	992,804	3,538,779	1,055,788	1,056,679	1,054,112	NP-1
FTE	<u>3.0</u>	<u>3.0</u>	<u>3.5</u>	<u>3.5</u>	<u>3.5</u>	
General Fund	992,804	3,511,261	1,012,106	1,012,997	1,010,994	
FTE	3.0	3.0	3.0	3.0	3.0	
Cash Funds	0	27,518	43,682	43,682	43,118	
FTE	0.0	0.0	0.5	0.5	0.5	
Colo. First Customized Job Training - GF	2,725,022	2,725,022	2,725,022	2,725,022	2,725,022	
CAPCO Administration - RF	44,636	79,196	79,593	79,593	78,562	NP-1
FTE	1.6	1.6	2.0	2.0	2.0	

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	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Appropriation	FY 2011-12 Dept. Request	FY 2011-12 Staff Recommendation	Change Requests
Colorado Council on the Arts	2,246,535	1,920,276	1,939,756	0	0	DI-2
FTE	<u>2.9</u>	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>	<u>0.0</u>	
Cash Funds	1,486,978	1,147,276	1,175,359	0	0	
FTE	2.0	2.0	2.0	0.0	0.0	
Federal Funds	759,557	773,000	764,397	0	0	
FTE	0.9	1.0	1.0	0.0	0.0	
Film Incentives - CF	2,404	0	0	0	0	
Creative Industries (NEW LINE ITEM)	0	0	0	1,859,771	0	DI-2, NP-1
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	7.5	<u>0.0</u>	
Cash Funds	0	0	0	1,090,393	0	
FTE	0.0	0.0	0.0	6.5	0.0	
Federal Funds	0	0	0	769,378	0	
FTE	0.0	0.0	0.0	1.0	0.0	
New Jobs Incentives - CF	1,866,056	4,745,500	1,356,142	1,600,000	0	
Bioscience Discovery Evaluation - CF	611,120	7,474,364	5,499,321	5,499,321	5,500,000	NP-1
FTE	0.6	0.6	0.6	0.6	0.6	
Indirect Cost Assessment	<u>14,789</u>	<u>0</u>	<u>101,003</u>	<u>38,322</u>	<u>22,030</u>	
Cash Funds	0	0	26,492	38,322	22,030	
Federal Funds	14,789	0	74,511	0	0	
TOTAL - (4) ECONOMIC DEVELOPMENT PROGRAMS	34,221,652	40,955,635	31,918,044	30,132,949	13,655,735	
FTE	<u>42.6</u>	<u>41.2</u>	<u>48.5</u>	<u>48.5</u>	<u>33.7</u>	
General Fund	6,439,583	8,690,595	6,149,203	6,093,483	6,101,999	
FTE	32.0	24.7	28.1	28.1	28.1	
Cash Funds	25,623,831	29,738,342	23,592,051	21,569,571	5,862,964	
FTE	5.6	11.4	14.9	14.9	1.1	
Reappropriated Funds	59,425	125,025	125,422	125,422	123,704	
FTE	1.6	1.6	2.0	2.0	2.0	
Federal Funds	2,098,813	2,401,673	2,051,368	2,344,473	1,567,068	
FTE	3.4	3.5	3.5	3.5	2.5	

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	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Appropriation	FY 2011-12 Dept. Request	FY 2011-12 Staff Recommendation	Change Requests
(5) OFFICE OF INFORMATION TECHNOLOGY						
(A) Management and Administration of OIT						
Personal Services	1,150,298	898,038	1,107,967	1,154,539	1,072,385	NP-1
FTE	<u>9.6</u>	<u>7.4</u>	<u>13.0</u>	<u>13.0</u>	<u>13.0</u>	
General Fund	68,514	0	0	0	0	
FTE	0.0	0.0	0.0	0.0	0.0	
Reappropriated Funds	1,081,784	898,038	1,107,967	1,154,539	1,072,385	
FTE	9.6	7.4	13.0	13.0	13.0	
Operating Expenses - RF	136,273	101,033	150,268	150,268	150,268	
Statewide IT Management - RF	1,361,482	1,717,010	5,009,470	5,063,791	5,016,421	NP-1
FTE	12.4	17.7	68.9	68.9	68.9	
Legal Services for 26 Hours - RF	1,953	1,793	1,908	1,908	Pending	
Indirect Cost Assessment - RF	0	24,909	41,193	28,321	12,373	
Subtotal - (5)(A) Management and Administration of OIT	2,650,006	2,742,783	6,310,806	6,398,827	6,251,447	
FTE	<u>22.0</u>	<u>25.1</u>	<u>81.9</u>	<u>81.9</u>	<u>81.9</u>	
General Fund	68,514	0	0	0	0	
FTE	0.0	0.0	0.0	0.0	0.0	
Cash Funds	0	0	0	0	0	
FTE	0.0	0.0	0.0	0.0	0.0	
Reappropriated Funds	2,581,492	2,742,783	6,310,806	6,398,827	6,251,447	
FTE	22.0	25.1	81.9	81.9	81.9	
Federal Funds	0	0	0	0	0	
FTE	0.0	0.0	0.0	0.0	0.0	
(B) Computer Center Services						
(1) Computer Services						
Personal Services	2,715,407	2,667,280	42,769,790	42,774,312	42,519,474	NP-1
FTE	<u>38.6</u>	<u>36.3</u>	<u>559.4</u>	<u>564.3</u>	<u>564.3</u>	
Cash Funds	2,328	0	0	0	0	
Reappropriated Funds	2,713,079	2,667,280	42,769,790	42,774,312	42,519,474	
FTE	38.6	36.3	559.4	564.3	564.3	

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	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Appropriation	FY 2011-12 Dept. Request	FY 2011-12 Staff Recommendation	Change Requests
Operating Expenses	0	0	5,468,149	5,761,199	5,761,199	
Cash Funds	0	0	2,328	2,328	2,328	
Reappropriated Funds	0	0	5,465,821	5,758,871	5,758,871	
Rental, Lease, or Lease/Purchase of Central Processing Unit - RF	336,034	336,035	336,034	336,034	336,034	
Indirect Cost Assessment - RF	678,807	248,290	1,193,201	1,193,201	1,096,776	
Subtotal - (5)(B)(1) Computer Services	3,730,248	3,251,605	49,767,174	50,064,746	49,713,483	
FTE	38.6	36.3	559.4	564.3	564.3	
Cash Funds	2,328	0	2,328	2,328	2,328	
Reappropriated Funds	3,727,920	3,251,605	49,764,846	50,062,418	49,711,155	
FTE	38.6	36.3	559.4	564.3	564.3	
(2) Statewide Information Technology Services Administration						
Personal Services - RF	386,998	395,340	437,823	436,838	430,173	NP-1
FTE	0.0	0.0	5.0	5.0	5.0	
Operating Expenses - RF	4,509	6,450	6,450	6,450	6,450	
Subtotal - (5)(B)(2) - Statewide Information Technology Services Administration - RF	391,507	401,790	444,273	443,288	436,623	
FTE	0.0	0.0	5.0	5.0	5.0	
(3) Customer Service						
Personal Services - RF	917,727	751,419	822,234	821,429	808,820	NP-1
FTE	12.3	9.9	11.0	11.0	11.0	
Operating Expenses - RF	7,817	14,625	14,625	14,625	14,625	
Subtotal - (5)(B)(3) - RF	925,544	766,044	836,859	836,054	823,445	
FTE	12.3	9.9	11.0	11.0	11.0	
(4) Technology Management Unit						
Personal Services - RF	2,990,202	2,918,434	2,817,026	2,829,659	2,786,359	NP-1
FTE	36.9	33.5	32.5	32.5	32.5	
Operating Expenses - RF	527,486	364,371	364,371	364,371	364,371	

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	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Appropriation	FY 2011-12 Dept. Request	FY 2011-12 Staff Recommendation	Change Requests
Subtotal - (5)(B)(4) Technology Management Unit - RF	3,517,688	3,282,805	3,181,397	3,194,030	3,150,730	
FTE	36.9	33.5	32.5	32.5	32.5	
Subtotal - (B) Computer Center Services	8,564,987	7,702,244	54,229,703	54,538,118	54,124,281	
FTE	<u>87.8</u>	<u>79.7</u>	<u>607.9</u>	<u>612.8</u>	<u>612.8</u>	
Cash Funds	2,328	0	2,328	2,328	2,328	
FTE	0.0	0.0	0.0	0.0	0.0	
Reappropriated Funds	8,562,659	7,702,244	54,227,375	54,535,790	54,121,953	
FTE	87.8	79.7	607.9	612.8	612.8	
(C) Network Services						
(1) Network Services						
Personal Services - RF	1,511,236	1,468,641	7,458,522	7,463,746	7,350,779	NP-1
FTE	14.1	17.4	90.6	90.6	90.6	
Operating Expenses	<u>15,982,026</u>	<u>16,188,346</u>	<u>16,200,371</u>	<u>16,200,371</u>	<u>16,200,371</u>	
Cash Funds	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	
Reappropriated Funds	14,782,026	14,988,346	15,000,371	15,000,371	15,000,371	
Toll-free Telephone Access to Members of the GA - RF	25,000	25,000	25,000	25,000	25,000	
Indirect Cost Assessment - RF	202,616	171,481	176,388	98,148	267,245	
Subtotal - (5)(C)(1) Network Services	17,720,878	17,853,468	23,860,281	23,787,265	23,843,395	
FTE	<u>14.1</u>	<u>17.4</u>	<u>90.6</u>	<u>90.6</u>	<u>90.6</u>	
Cash Funds	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	
Reappropriated Funds	16,520,878	16,653,468	22,660,281	22,587,265	22,643,395	
FTE	14.1	17.4	90.6	90.6	90.6	
(2) Order Billing						
Personal Services - RF	629,902	621,168	609,224	607,086	602,273	NP-1
FTE	8.8	7.8	9.0	9.0	9.0	
Operating Expenses - RF	10,624	10,750	10,750	10,750	10,750	
Subtotal - (5)(C)(2) Order Billing - RF	640,526	631,918	619,974	617,836	613,023	
FTE	8.8	7.8	9.0	9.0	9.0	

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	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Appropriation	FY 2011-12 Dept. Request	FY 2011-12 Staff Recommendation	Change Requests
Subtotal - (C) Network Services	18,361,404	18,485,386	24,480,255	24,405,101	24,456,418	
FTE	<u>22.9</u>	<u>25.2</u>	<u>99.6</u>	<u>99.6</u>	<u>99.6</u>	
Cash Funds	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	
FTE	0.0	0.0	0.0	0.0	0.0	
Reappropriated Funds	17,161,404	17,285,386	23,280,255	23,205,101	23,256,418	
FTE	22.9	25.2	99.6	99.6	99.6	
(D) Communication Services						
Personal Services	3,444,444	3,570,140	3,604,799	3,608,382	3,553,095	NP-1
FTE	<u>43.6</u>	<u>44.6</u>	<u>46.0</u>	<u>46.0</u>	<u>46.0</u>	
Cash Funds	721,134	708,028	721,134	0	0	
Reappropriated Funds	2,723,310	2,862,112	2,883,665	3,608,382	3,553,095	
FTE	43.6	44.6	46.0	46.0	46.0	
Operating Expenses	<u>134,631</u>	<u>134,627</u>	<u>134,631</u>	<u>134,631</u>	<u>183,231</u>	
Cash Funds	0	0	0	0	48,600	
Reappropriated Funds	134,631	134,627	134,631	134,631	134,631	
Training - RF	9,522	1,828	22,000	22,000	22,000	
Utilities - RF	165,002	165,002	165,002	165,002	165,002	
Local Systems Development	<u>194,784</u>	<u>199,134</u>	<u>121,000</u>	<u>121,000</u>	<u>121,000</u>	
Reappropriated Funds	0	0	0	0	0	
Federal Funds	194,784	199,134	121,000	121,000	121,000	
Indirect Cost Assessment - RF	474,771	379,134	447,480	431,076	715,020	
Subtotal - (5)(D) Communication Services	4,423,154	4,449,865	4,494,912	4,482,091	4,759,348	
FTE	<u>43.6</u>	<u>44.6</u>	<u>46.0</u>	<u>46.0</u>	<u>46.0</u>	
Cash Funds	721,134	708,028	721,134	0	48,600	
Reappropriated Funds	3,507,236	3,542,703	3,652,778	4,361,091	4,589,748	
FTE	43.6	44.6	46.0	46.0	46.0	
Federal Funds	194,784	199,134	121,000	121,000	121,000	
(E) Colorado Benefits Management System - RF						
FTE	0.0	0.0	58.5	58.5	0.0	NP-1
Personal Services - RF	0	0	0	0	4,500,517	
FTE	0.0	0.0	0.0	0.0	58.5	
Operating Expenses - RF	0	0	0	0	19,007,727	

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	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Appropriation	FY 2011-12 Dept. Request	FY 2011-12 Staff Recommendation	Change Requests
Subtotal - (5)(E) Colorado Benefits Management System - RF	0	0	29,226,910	24,115,356	23,508,244	
FTE	0.0	0.0	58.5	58.5	58.5	
(5)(F) Office of the Chief Information Security Officer	949,748	429,236	2,455,615	2,453,290	0	NP-1
FTE	1.7	1.8	2.0	2.0	0.0	
General Fund	350,000	0	0	0	0	
FTE	0.0	0.0	0.0	0.0	0.0	
Reappropriated Funds	599,748	429,236	2,455,615	2,453,290	0	
FTE	1.7	1.8	2.0	2.0	0.0	
TOTAL - (5) OFFICE OF INFORMATION TECHNOLOGY	34,949,299	33,809,514	121,198,201	116,392,783	113,099,738	
FTE	<u>178.0</u>	<u>176.4</u>	<u>895.9</u>	<u>900.8</u>	<u>898.8</u>	
General Fund	418,514	0	0	0	0	
FTE	0.0	0.0	0.0	0.0	0.0	
Cash Funds	1,923,462	1,908,028	1,923,462	1,202,328	1,250,928	
FTE	0.0	0.0	0.0	0.0	0.0	
Reappropriated Funds	32,412,539	31,702,352	119,153,739	115,069,455	111,727,810	
FTE	178.0	176.4	895.9	900.8	898.8	
Federal Funds	194,784	199,134	121,000	121,000	121,000	
FTE	0.0	0.0	0.0	0.0	0.0	
TOTAL - OFFICE OF THE GOVERNOR	87,927,010	90,498,806	201,279,214	196,540,920	163,834,501	
FTE	<u>303.8</u>	<u>305.5</u>	<u>1,046.0</u>	<u>1,050.8</u>	<u>1,028.5</u>	
General Fund	13,798,110	13,867,264	11,291,137	11,061,821	9,563,324	
FTE	69.7	60.1	65.5	65.5	65.5	
Cash Funds	32,211,986	35,760,834	26,031,709	23,607,742	7,716,053	
FTE	5.6	18.4	22.2	22.4	3.1	
Reappropriated Funds	38,481,687	37,243,606	130,811,782	128,049,085	123,550,500	
FTE	199.1	197.5	918.4	923.3	921.3	
Federal Funds	3,435,227	3,627,102	33,144,586	33,822,272	23,004,624	
FTE	29.4	29.5	39.9	39.6	38.6	

(1) OFFICE OF THE GOVERNOR

(A) Governor's Office

Administration of Governor's Office and Residence

Description: As Chief Executive of the State, the Governor is responsible for the overall operation of the executive branch of government. This office provides for coordination, direction, and planning of agency operations, maintains liaison with local governments and the federal government, and exercises the executive powers of the State. The unit includes the Citizen's Advocate Office, the Office of Policy and Initiatives, the Press Office, the Boards and Commissions Office, as well as legal counsel and administrative personnel.

Request: The Department requests an appropriation of \$2,117,058 total funds (including \$2,099,062 General Fund) and 32.4 FTE for FY 2011-12. The request includes a 2.5 percent reduction in personal services due to the Public Employees Retirement Association (PERA) adjustment, a 2.0 percent General Fund personal services reduction (\$39,834), and a 1.0 percent personal services reduction (\$19,917).

Recommendation: Staff recommends that the Committee appropriate **\$2,126,636 total funds and 32.4 FTE for the line item in FY 2011-12.** The appropriation recommendation is comprised of \$2,108,931 General Fund and \$17,705 reappropriated funds for indirect costs recoveries from federal grants received by the Office of the Governor. The table below summarizes the calculations for staff's recommendation.

Office of the Governor, Governor's Office, Administration of Governor's Office and Residence						
	Total	GF	CF	RF	FF	FTE
FY 2010-11 Long Bill Appropriation (H.B. 10-1376)	\$2,166,800	\$2,153,347	\$0	\$13,453	\$0	32.4
FY 2010-11 Supplemental Adjustments (S.B. 11-138)	(563,748)	(563,748)	0	0	0	0.0
Subtotal: FY 2010-11 Appropriation	1,603,052	1,589,599	0	13,453	0	32.4
Restore 1% Personal Services Reduction	19,380	19,380	0	0	0	0.0
Restore FY 2010-11 PERA Reduction	65,635	59,668	0	5,967	0	0.0
Annualize FY 2010-11 Supplemental Adjustments	544,368	544,368	0	0	0	0.0
1.5 Percent Personal Services Base Reduction	(30,256)	(29,965)	0	(291)	0	0.0
FY 11-12 State PERA Contribution Reduction	(55,626)	(54,202)	0	(1,424)	0	0.0

Office of the Governor, Governor's Office, Administration of Governor's Office and Residence						
	Total	GF	CF	RF	FF	FTE
FY 2011-12 1% Personal Services Reduction	(19,917)	(19,917)	0	0	0	0.0
Recommended FY 2011-12 Appropriation	\$2,126,636	\$2,108,931	\$0	\$17,705	\$0	32.4

Discretionary Fund

Description: Pursuant to Section 24-9-105, C.R.S., elected officials may be provided specified amounts to expend as each elected official sees fit. The specified maximum amount for the Governor is \$20,000, and is subject to appropriation by the General Assembly.

Request: The Department requests a continuation funding level of \$19,500 General Fund for FY 2011-12.

Recommendation: **Staff recommends a continuation funding level of \$19,500 General Fund for FY 2011-12.**

Mansion Activity Fund

Description: The Governor's Residence, located in the City and County of Denver at 400 East Eighth Avenue, is 26,431 square feet and is accompanied by a 4,837 square foot Carriage House located on the same property. The two buildings are made available to the public for various activities and require spending authority for funds collected for use of the Governor's mansion. Funds received are from public and State agency use fees used to cover the costs of holding functions at these facilities.

Request: The Department seeks a continuation level appropriation of \$200,000 cash funds for FY 2011-12. The cash funds originate from rental fees for events using the mansion facilities.

Recommendation: **Staff recommends the Department's continuation appropriation request of \$200,000 cash funds for FY 2011-12.**

(B) Special Purpose

Health, Life, and Dental

Description: The appropriation covers the cost of the state's share of the employee's health, life and dental insurance as it relates to the number of employees in the Governor's Office that elect to be covered. Rates and premiums are determined by the Department of Personnel and Administration.

Request: The Department requests an appropriation of \$6,499,268 total funds (including \$370,887 General Fund) for FY 2011-12.

Recommendation: **Staff's recommendation, as previously approved by the Committee, for the**

line item for FY 2011-12 is \$6,517,528 total funds (including \$376,769 General Fund).

Short-term Disability

Description: Short-term disability insurance coverage is available for all employees and paid by the state based on payroll that provides partial payment of an employee's salary if that individual becomes disabled and cannot perform his or her work duties. Any changes in the appropriation are based on Common Policy as approved by the Committee.

Request: The Department requests an appropriation of \$131,330 (including \$7,816 General Fund) for FY 2011-12 for this line item.

Recommendation: **Staff recommends a total appropriation of \$117,278 total funds for this line item for FY 2011-12.** The recommendation consists of \$7,816 General Fund, \$1,468 cash funds from various sources, \$101,935 reappropriated funds, and \$6,059 federal funds.

S.B. 04-257 Amortization Equalization Disbursement

Description: The line item reflects an increase to the effective PERA contribution rates beginning January 1, 2006 to bring the Department into compliance with Section 24-51-211, C.R.S.

Request: The Department requests an appropriation of \$2,077,536 (including \$123,638 General Fund) for FY 2011-12.

Recommendation: **Staff recommends a total appropriation of \$1,883,695 total funds for FY 2011-12.** The recommendation is comprised of \$123,638 General Fund, \$23,228 cash funds from various sources, \$1,640,982 reappropriated funds, \$95,847 federal funds.

S.B. 06-235 Supplemental Amortization Equalization Disbursement

Description: This appropriation reflects an increase to the effective PERA contribution rates beginning January 1, 2008 to bring the Department into compliance with Section 24-51-211, C.R.S.

Request: The Department requests an appropriation of \$1,669,448 (including \$99,352 General Fund) for FY 2011-12.

Recommendation: **Staff recommends a total appropriation of \$1,518,837 total funds for FY 2011-12.** The recommendation consists of \$99,352 General Fund, \$18,665 cash funds from various sources, \$1,323,800 reappropriated funds, and \$77,020 federal funds.

Salary Survey and Senior Executive Service

Description: The line item funds the market adjustments to occupational groups' salaries of employees in the Governor's Office as published by the Total Compensation Report released every August 1 by the Department of Personnel and Administration. All changes in yearly appropriations are based on the Common Policy approved by the Committee.

Request: The Department did not submit a request for salary survey and senior executive service for FY 2011-12.

Recommendation: **Staff recommends no appropriation for salary survey and senior executive service in FY 2011-12**, pursuant to Common Policy as approved by the Committee.

Performance-Based Pay Awards

Description: Merit pay for employees based on performance and evaluations is funded by the performance-based pay awards line item. As with salary survey, all changes in yearly appropriations are based on Common Policy approved by the Committee.

Request: The Department did not submit a request for performance-based pay awards for FY 2011-12.

Recommendation: **Staff recommends no appropriation for performance-based pay awards in FY 2011-12**, pursuant to Common Policy as approved by the Committee.

Shift Differential

Description: This line item is used to pay for the adjustment to compensate employees for work performed outside of the regular Monday through Friday 8:00 a.m. to 5:00 p.m. work schedule.

Request: The Department requests an appropriation of \$143,839 reappropriated funds for FY 2011-12.

Recommendation: **Staff recommends an appropriation of \$71,920 reappropriated funds for this line item in FY 2011-12, per the Committee's action on the Common Policy Item for shift differential.**

Workers' Compensation

Description: Workers' compensation insurance for the entire state (excluding Department of Higher Education institutions) is carried by the Department of Personnel and Administration. Appropriations to departments covered by the insurance are provided through Committee Common Policy determined through actuarial calculations and three years of claims history. All changes in the Department's appropriation for workers' compensation are the result of Committee Common Policy changes.

Request: The Department requests an appropriation of \$289,227 total funds (\$35,286 General Fund) for FY 2011-12.

Recommendation: **Staff's recommendation is pending the approval of the workers' compensation Common Policy by the Committee.**

Legal Services

Description: Legal representation for all divisions in the Department is provided by the Department of Law. This line item pays for those services. The appropriation is based on the blended hourly rate, as set by the Committee every year, and the number of hours a department requires.

Request: For the Legal Services appropriation, the Department requests funding in the amount of \$634,724 total funds (including \$625,928 General Fund) to purchase 8,651 hours of legal services in FY 2011-12. The total hours consists of a continuation of the 1,451 hours from the FY 2010-11 Long Bill appropriation and the continuation of 7,200 hours for the defense and trial of the Lobato v. State of Colorado court case.

Recommendation: **Staff's recommends the Committee approve the Department's request to purchase 8,651 hours of legal services from the Department of Law in FY 2011-12.** The dollar amount of staff's recommendation is pending the determination of the hourly rate for legal services by the Committee. **Staff requests permission to adjust the line item after the Committee has determined the hourly rate for legal services.**

Lobato Litigation Expenses

Description: The line item is anticipated to capture the appropriation for the defense and trial of the Lobato v. State of Colorado court case outside of the legal services purchased from the Department of Law. Costs included in the line item include expert witnesses, transcripts, and retention of contract attorneys to review and produce documents on a short timeline.

Request: The Department requests a FY 2011-12 General Fund appropriation of \$432,500.

Recommendation: **Staff recommends an appropriation of \$432,500 General Fund in FY 2011-12 for litigation expenses outside of the purchase of legal services hours from the Department of Law.**

Purchase of Services from Computer Center

Description: The Governor's Office share of the use of the state's mainframe is funded by this appropriation. The Governor's Office of Information Technology (OIT) bills departments for the use of these services. Changes in the appropriation are based on department utilization and are adjusted through the Common Policy adopted by the Committee.

Request: The Department requests an appropriation of \$433,309 General Fund for FY 2011-12.

Recommendation: **Staff's recommendation is pending the approval of the Common Policy by the Committee.** Staff requests permission to adjust the line item after the Committee has determined the Common Policy.

Multi-use Network Payments

Description: Per Common Policy, the multiuse network (MNT) payments appropriation provides

funding for the Governor's Office payment to OIT to support the state's telecommunication infrastructure.

Request: The Department requests an appropriation of \$44,848 total funds (including \$34,981 General Fund) for FY 2011-12.

Recommendation: **Staff's recommendation is pending the approval of the Common Policy by the Committee.** Staff requests permission to adjust the line item after the Committee has determined the Common Policy.

Management and Administration of OIT

Description: The line item was added during the FY 2008-09 supplemental process to reimburse OIT for the Department's share of the management and administration of OIT.

Request: The Department requests an appropriation of \$85,219 total funds (including \$71,875 General Fund) for FY 2011-12.

Recommendation: **Staff's recommendation is pending the approval of the Common Policy by the Committee.** Staff requests permission to adjust the line item after the Committee has determined the Common Policy.

Payment to Risk Management and Property Funds

Description: The Governor's Office share of liability and property insurance carried by the Department of Personnel and Administration is appropriated through this line item. The State's liability program is used to pay liability claims and expenses brought against the state. The Governor's Office appropriation and any changes to it are driven by the Common Policies established by the Committee.

Request: The Department requests an appropriation of \$152,597 total funds (including \$45,779 General Fund) for FY 2011-12.

Recommendation: **Staff's recommendation is pending the approval of the Common Policy by the Committee.** Staff requests permission to adjust the line item after the Committee has determined the Common Policy.

Vehicle Lease Payments

Description: This line funds the annual payment to the Department of Personnel and Administration for the cost of administration, loan repayment, and lease-purchase payments for new and replacement motor vehicles. No vehicles are assigned to the Governor's Office, the Lieutenant Governor's Office, the Office of Homeland Security, or the Office of State Planning and Budgeting. Leased vehicles for the Department are used by staff in OIT and the Office of Economic Development and International Trade. The Governor's Energy Office owns a 2006 Toyota Prius, which is used by staff for field visits.

Request: The Department requests an appropriation of \$109,485 reappropriated funds for FY 2011-12.

Recommendation: **Staff's recommendation is pending the approval of the Common Policy by the Committee.** Staff requests permission to adjust the line item after the Committee has determined the Common Policy.

Leased Space

Description: The appropriation funds the leased space needs of OIT only. The majority of the leased space expenses for OIT are tied to a ten-year lease for 48,813 square feet (including 2,000 square feet of storage space) at Pearl Plaza. The average price per square foot at Pearl Plaza is \$16.21. The Committee approved the costs associated with consolidating staff at the facility through the FY 2009-10 figure setting process. The remaining OIT private leased space consists of a training and work room (6,047 square feet, \$16.21 per square foot) at 633 17th Avenue in Denver.

Request: The Department requests an appropriation of \$1,290,813 reappropriated funds for FY 2011-12. The request represents an increase of \$336,553 over the FY 2010-11 appropriation due to the transfer of the eFort facility to OIT per S.B. 10-148 (White/Lambert).

Recommendation: **Staff recommends an appropriation of \$1,290,813 reappropriated funds for FY 2011-12.**

Capitol Complex Leased Space

Description: The Capitol Complex Leased Space appropriation funds the Governor's Office payment to the Department of Personnel and Administration for leased space within the Capitol Complex per Common Policy. All changes in the appropriation are a result of the rate increases charged by the Department of Personnel and Administration.

Request: The Department requests a FY 2011-12 appropriation of \$483,172 total funds (including \$276,042 General Fund).

Recommendation: **Staff's recommendation is pending the approval of the Common Policy by the Committee.** Staff requests permission to adjust the line item after the Committee has determined the Common Policy.

(C) Governor's Energy Office

The Governor's Energy Office (GEO) provides energy information and services to Colorado citizens and businesses. The office coordinates efforts to advance energy efficiency and renewable energy resources. The office is primarily funded with federal Petroleum Violation Escrow moneys, Severance Tax moneys (Low-Income Energy Assistance Program), and Limited Gaming Fund moneys (Clean Energy Fund). In addition, federal dollars for weatherization programs are administered by GEO, but have not historically been shown in the Department's budget.

Program Administration

Description: The line item reflects the petroleum violation escrow funds, as well as other federal grants received by GEO, which are traditionally used to provide primary funding for the Office's programs.

Request: The Department requests an appropriation of \$1,156,209 federal funds and 26.1 FTE for FY 2011-12, shown for informational purposes only. The Department's submittal includes a 2.5 percent reduction in personal services due to the PERA adjustment.

Recommendation: **Staff recommends an appropriation of \$1,123,339 federal funds and 26.1 FTE for FY 2011-12, shown for information purposes only.** The following table summarizes the staff recommendation for this line item.

Office of the Governor, Governor's Energy Office, Program Administration						
	Total	GF	CF	RF	FF	FTE
FY 2010-11 Long Bill Appropriation (H.B. 10-1376)	\$1,045,449	\$0	\$0	\$0	\$1,045,449	26.0
FY 2010-11 Supplemental Adjustments (S.B. 11-138)	0	0	0	0	0	0.0
H.B. 10-1333	100,000	0	0	0	100,000	0.0
H.B. 10-1349	50,000	0	0	0	50,000	0.0
S.B. 10-180	20,000	0	0	0	20,000	0.4
Subtotal: FY 2010-11 Appropriation	1,215,449	0	0	0	1,215,449	26.4
Restore FY 2010-11 PERA Reduction	60,544	0	0	0	60,544	0.0
Annualize H.B. 10-1349	(50,000)	0	0	0	(50,000)	0.0
Annualize S.B. 10-180	(15,000)	0	0	0	(15,000)	(0.3)
1.5 Percent Personal Services Base Reduction	(32,870)	0	0	0	(32,870)	0.0
FY 11-12 State PERA Contribution Reduction	(54,784)	0	0	0	(54,784)	0.0
Recommended FY 2011-12 Appropriation	\$1,123,339	\$0	\$0	\$0	\$1,123,339	26.1

Low-Income Energy Assistance

Description: Moneys from the Operational Account of the Severance Tax Trust Fund are transferred to GEO's Low-Income Energy Assistance Fund. Moneys in the Fund are continuously appropriated to GEO to provide home energy efficiency improvements for low-income households. The GEO was appropriated \$6 million in FY 2008-09. The legislature eliminated the FY 2009-10 appropriation for home energy efficiency improvements for low-income households with the passage

of S.B. 09-293.

Request: The legislature eliminated the transfer of moneys to the GEO Low-Income Energy Assistance Fund for FY 2010-11 and FY 2011-12 with the passage of H.B. 10-1319 (Ferrandino/Tapia). The Fund is slated to receive a transfer of \$6.5 million in FY 2012-13.

***Recommendation:* Consistent with current law, staff recommends no appropriation be made for the line item in FY 2011-12.**

Colorado Renewable Energy Authority

Description: The Colorado Renewable Energy Authority provides matching state funds for consortium research and development of advanced clean oil technologies, renewable energy, and energy conservation. In addition to providing grants, statute charges the authority with becoming a regional resource in renewable energy that will transfer new technologies to the private sector to promote renewable energy businesses, assist in developing educational and research programs, and provide information to the public and engineering fields.

Section 24-47.5-103 (1), C.R.S., required an appropriation of \$2.0 million from the Operational Account of the Severance Tax Trust Fund in FY 2006-07, FY 2007-08, and FY 2008-09. The section also requires that any of those severance tax funds which have not been matched by federal grants by the end of FY 2011-12 revert to the Operational Account. This line item has been used to show the spending authority associated with each of those transfers, which then carries forward into future years.

Request: The Department did not request funds for this line item in FY 2011-12.

***Recommendation:* Staff recommends the Committee make no appropriation for this line item, as no transfer is required to occur in FY 2011-12.**

Clean Energy

Description: The line item reflects the funds transferred to the Clean Energy Fund from the Limited Gaming Fund to support the advancement of energy efficiency and renewable energy in the state. A statutory transfer is made to the Clean Energy Fund from the Limited Gaming Fund at the end of each fiscal year, if state revenues support it. Section 24-75-1201 (2) (a), C.R.S., specifies that moneys in the Clean Energy Fund are continuously appropriated to GEO, so no appropriation of moneys from the fund is necessary.

Request: The Department submitted, for informational purposes only, a request of \$316,874 cash funds from limited gaming revenue and 5.0 FTE for FY 2010-11.

***Recommendation:* Staff recommends the Committee make not appropriate moneys to this line item for FY 2011-12.** Current law indicates that the Clean Energy Fund will not receive a transfer of cash funds from the Limited Gaming Fund at the end of FY 2010-11 for use in FY 2011-12.

Additionally, the Committee sponsored S.B. 11-159 (Steadman/Ferrandino) to permanently eliminate the transfer from the Limited Gaming Fund to the Clean Energy Fund.

School Energy Efficiency

Description: H.B. 07-1309 (Weissmann /Tupa) required estimated tax payments and withholding for oil and gas severance taxes to be made on a monthly basis, rather than quarterly. The additional interest earned from making monthly payments is to be deposited into the Public School Energy Efficiency Fund, up to a maximum of \$1.5 million annually. Money in the fund is continuously appropriated to GEO for energy efficiency projects and programs in public schools. The amount shown for this line item reflects the estimated revenues that will be received, and is shown for informational purposes only.

Request: The Department submitted, for informational purposes only, a continuation level appropriation request of \$206,625 cash funds and 2.0 FTE for FY 2011-12. The Department's submittal includes a 2.5 percent reduction in personal services due to the PERA adjustment.

Recommendation: **Staff recommends an informational appropriation of \$204,600 cash funds and 2.0 FTE for FY 2011-12.** Staff's recommendation includes a personal services reduction of 1.5 percent, per Committee policy.

Solar Incentives

Description: Colorado has 57 electric utilities, of which 22 are rural electric associations (REAs), 33 are municipal utilities, and two are investor owned. Investor owned utilities are mandated under state law (Section 40-2-124 (1) (e), C.R.S.) to offer incentives to home owners who install systems that comply with the state's renewable energy portfolio standard. The REAs and municipal utilities are not required to provide a rebate program. The solar incentives program provides matching grants to assist local partners to establish solar rebate programs. Two different applications of solar energy are eligible for such rebates: photovoltaic (PV) conversion of sunlight to electricity, and domestic solar hot water. The PV portion of the residential solar incentive program focuses on areas served by the REAs and municipal utilities, where rebates are not mandated. The solar hot water portion of the program works with partners in any part of the state.

Request: The Department did not submit a request for this line item for FY 2011-12.

Recommendation: **Staff recommends the Committee make no appropriation for the Solar Incentives line item for FY 2011-12.** Beginning in FY 2009-10, the line item was not funded because the program makes a nearly insignificant contribution to the solar electricity generating capacity that has been, and will be installed in Colorado. It also acts in a somewhat inequitable fashion, requiring consumers in some areas of the state to subsidize rebates in other areas.

Legal Services

Description: The Legal Services appropriation provides funding for the cost of purchasing legal services from the Department of Law based on GEO's number of legal services hours needed and

the hourly rate per Common Policy. These hours are federally funded and represent anticipated legal services costs for GEO. The line item is in the Long Bill for informational purposes only.

Request: The Department requests a continuation funding level of \$16,875 federal funds to purchase 230 hours of legal services from the Department of Law.

Recommendation: **Staff recommends funding sufficient to purchase a continuation level of 230 hours of legal services.** The dollar amount of staff's recommendation is pending the determination of the hourly rate for legal services by the Committee.

Indirect Cost Assessment

Description: The line item appropriates funds for Statewide indirect cost recoveries.

Request: The Department requests an appropriation of \$70,580 total funds for FY 2011-12.

Recommendation: **Staff recommends an appropriation of \$37,036 cash funds, consistent with the Committee's action on the Common Policy.**

(D) Other Programs and Grants

Program Administration

Description: The line item is provided in the Long Bill for informational purposes only, and is meant to show a forecast of federal dollars that will be received for various programs. Programs include the Headstart Program, Gaining Early Awareness and Readiness for Undergraduate Program, Screening Brief Intervention Referral and Treatment Program, Access to Recovery Program, and other initiatives.

Request: The Department requests a continuation fund appropriation of \$9,999,270 total funds for FY 2011-12. The request includes \$9,972,714 federal funds from various sources, for informational purposes only.

Recommendation: **Staff recommends an appropriation of \$26,158 cash funds from the Disabled Parking Education and Enforcement Fund per H.B. 10-1019 (Frangas/Williams).** Staff's recommendation does not include the federal funds requested by the Department. Staff has been unable to identify the source or purpose of the federal funds.

(E) Office of Homeland Security

The Office of Homeland Security was created by Executive Order D003 08, issued on February 8, 2008. The purpose of the Office is to provide oversight and coordination of expenditures of federal grants at the State level. The Office is funded entirely with federal grants.

Program Administration

Description: This appropriation is the primary funding line for the Governor’s Office of Homeland Security. This line covers operating expenses including office supplies and materials, telecommunications, travel, training, printing, information technology updates and equipment maintenance and replacement. Funding for this office is entirely from federal grants. The appropriation is an estimate of federal funds to be received by the office. Federal requirements dictate that no more than 5.0 percent of the total grant amounts be used for administrative purposes.

Request: The Department requests an appropriation of \$950,212 federal funds for FY 2011-12.

Recommendation: **Staff recommends an appropriation of \$937,732 federal funds and 10.0 FTE, for informational purposes only, for FY 2011-12.** The following table summarizes the staff recommendation for this line item.

Office of the Governor, Office of Homeland Security, Program Administration						
	Total	GF	CF	RF	FF	FTE
FY 2010-11 Long Bill Appropriation (H.B. 10-1376)	\$949,098	\$0	\$0	\$0	\$949,098	10.0
FY 2010-11 Supplemental Adjustments (S.B. 11-138)	0	0	0	0	0	0.0
Subtotal: FY 2010-11 Appropriation	949,098	0	0	0	949,098	10.0
Restore FY 2010-11 PERA Reduction	21,914	0	0	0	21,914	0.0
1.5 Percent Personal Services Base Reduction	(12,480)	0	0	0	(12,480)	0.0
FY 11-12 State PERA Contribution Reduction	(20,800)	0	0	0	(20,800)	0.0
Recommended FY 2011-12 Appropriation	\$937,732	\$0	\$0	\$0	\$937,732	10.0

Grants and Training

Description: This line item appropriates moneys for the grant funds received by the Office of Homeland Security distributed to cities, counties and other public entities throughout Colorado for homeland security planning and training. Funds are entirely from federal grants. The appropriation is an estimate of federal funds to be received by the office, and is shown for informational purposes only.

Request: The Department requests a continuation level appropriation of \$18,761,187 federal funds for FY 2011-12.

Recommendation: **Staff recommends the Committee approve a continuation level appropriation**

of \$18,761,187 federal funds for FY 2011-12. The appropriation is provided for informational purposes only.

(2) OFFICE OF THE LIEUTENANT GOVERNOR

This section of the Long Bill provides funding for the administration of the Lieutenant Governor's Office, including statutory duties associated with the Commission of Indian Affairs.

Administration

Description: The Administration appropriation provides funding for personnel services and operating expenses in the Lieutenant Governor's office.

Request: The Department requests an appropriation of \$291,547 (including \$214,009 General Fund) and 3.7 FTE for FY 2011-12. The request includes a 2.5 percent reduction in personal services due to the PERA adjustment (\$6,114), a 2.0 percent General Fund personal services reduction (\$4,072), and a 1.0 percent personal services reduction (\$2,036).

Recommendation: Staff recommends an appropriation of \$292,153 total funds (including \$215,119 General Fund) and 3.7 FTE for FY 2011-12. Staff's calculation is summarized in the following table.

Office of the Lieutenant Governor, Administration						
	Total	GF	CF	RF	FF	FTE
FY 2010-11 Long Bill Appropriation (H.B. 10-1376)	\$296,063	\$219,433	\$0	\$76,630	\$0	3.7
FY 2010-11 Supplemental Adjustments (S.B. 11-138)	(1,975)	(1,975)	0	0	0	0.0
Subtotal: FY 2010-11 Appropriation	294,088	217,458	0	76,630	0	3.7
Restore 1% Personal Services Reduction	1,975	1,975	0	0	0	0.0
Restore FY 2010-11 PERA Reduction	7,706	6,798	0	908	0	0.0
1.5 Percent Personal Services Base Reduction	(3,466)	(2,962)	0	(504)	0	0.0
FY 11-12 State PERA Contribution Reduction	(6,114)	(6,114)	0	0	0	0.0
FY 2011-12 1% Personal Services Reduction	(2,036)	(2,036)	0	0	0	0.0
Recommended FY 2011-12 Appropriation	\$292,153	\$215,119	\$0	\$77,034	\$0	3.7

Discretionary Fund

Description: The line item funds discretionary funding for the Lieutenant Governor’s Office. Pursuant to Section 24-9-105, C.R.S., elected officials may be provided specified amounts to expend as each elected official sees fit. The specified maximum amount for the Lieutenant Governor is \$5,000, and is subject to appropriation by the General Assembly. Traditionally the fund has been used to purchase items like flowers for funerals of dignitaries, cards, official photos and other items not covered in the Administration line item of the Lieutenant Governor’s Office.

Request: The Department requests a continuation appropriation of \$2,875 General Fund for FY 2011-12.

Recommendation: **Staff recommends an appropriation of \$2,875 General Fund for FY 2011-12.**

Commission of Indian Affairs

Description: The Commission acts as a liaison between Native Americans and the State government, with the goal of providing easy access to government. It focuses on Indian health, child welfare, water rights, economic development, and other issues identified by Colorado's Native American population.

Request: The Department requests an appropriation of \$76,325 (including \$74,825 General Fund) and 2.3 FTE for FY 2011-12. The request includes a 2.5 percent reduction in personal services due to the PERA adjustment (\$1,830), a 2.0 percent General Fund personal services reduction (\$1,348), and a 1.0 percent personal services reduction (\$674).

Recommendation: **Staff recommends an appropriation of \$76,256 total funds (including \$75,072 General Fund) and 2.3 FTE.** The recommendation includes \$1,184 cash funds. The cash funds are from private donations. Staff’s calculation is summarized in the following table.

Office of the Lieutenant Governor, Commission of Indian Affairs						
	Total	GF	CF	RF	FF	FTE
FY 2010-11 Long Bill Appropriation (H.B. 10-1376)	\$77,883	\$76,588	\$1,295	\$0	\$0	2.3
FY 2010-11 Supplemental Adjustments (S.B. 11-138)	(674)	(674)	0	0	0	0.0
Subtotal: FY 2010-11 Appropriation	77,209	75,914	1,295	0	0	2.3
Restore 1% Personal Services Reduction	674	674	0	0	0	0.0
Restore FY 2010-11 PERA Reduction	2,294	2,089	205	0	0	0.0
1.5 Percent Personal Services Base Reduction	(1,417)	(1,101)	(316)	0	0	0.0

Office of the Lieutenant Governor, Commission of Indian Affairs						
	Total	GF	CF	RF	FF	FTE
FY 11-12 State PERA Contribution Reduction	(1,830)	(1,830)	0	0	0	0.0
FY 2011-12 1% Personal Services Reduction	(674)	(674)	0	0	0	0.0
Recommended FY 2011-12 Appropriation	\$76,256	\$75,072	\$1,184	\$0	\$0	2.3

(3) OFFICE OF STATE PLANNING AND BUDGETING

This office is responsible for program, policy, and budgetary planning, including economic and state revenue forecasting. The source of the reappropriated funds for the Office State Planning and Budgeting (OSPB) is Statewide indirect cost recoveries from the Governor's Office of Information Technology (OIT).

Personal Services

Description: The line item provides an appropriation for the personal services costs for the FTE allocated to the Office.

Request: The Department requests an appropriation of \$1,407,608 reappropriated funds and 19.5 FTE for FY 2011-12. The request includes a 2.5 percent reduction in personal services due to the PERA adjustment (\$32,365).

Recommendation: Staff recommends an appropriation of \$1,371,610 reappropriated funds and 19.5 FTE for FY 2011-12. In addition to the PERA adjustment, staff included the Committee approved 1.5 percent personal services reduction, as well as a staff-initiated reduction of 1.0 percent. While the Governor's budget balancing proposal for FY 2011-12 did not include a 1.0 percent reduction to this line item, it is staff's opinion that the Office should be subject to the reduction even though it does not directly impact General Fund appropriations. The Office is funded with Statewide indirect cost assessments, as mentioned above. By decreasing the need for Statewide indirect appropriations in the Office, the Committee is able to offset General Fund appropriations elsewhere in the Department's budget. Staff's calculation is summarized in the following table.

Office of State Planning and Budgeting, Personal Services						
	Total	GF	CF	RF	FF	FTE
FY 2010-11 Long Bill Appropriation (H.B. 10-1376)	\$1,409,041	\$0	\$0	\$1,409,041	\$0	19.5
FY 2010-11 Supplemental Adjustments (S.B. 11-138)	(157,923)	0	0	(157,923)	0	0.0
Subtotal: FY 2010-11 Appropriation	1,251,118	0	0	1,251,118	0	19.5

Office of State Planning and Budgeting, Personal Services						
	Total	GF	CF	RF	FF	FTE
Annualization of Supplemental Adjustments	157,923	0	0	157,923	0	0.0
Restore FY 2010-11 PERA Reduction	30,932	0	0	30,932	0	0.0
1.5 Percent Personal Services Base Reduction	(21,599)	0	0	(21,599)	0	0.0
FY 2011-12 State PERA Contribution Reduction	(32,365)	0	0	(32,365)	0	0.0
FY 2011-12 1% Personal Services Reduction	(14,399)	0	0	(14,399)	0	0.0
Recommended FY 2011-12 Appropriation	\$1,371,610	\$0	\$0	\$1,371,610	\$0	19.5

Operating Expenses

Description: The line item appropriation provides funding for all operating costs for OSPB.

Request: The Department requests an appropriation of \$50,944 reappropriated funds for FY 2011-12. The request includes the reduction of \$25,000 General Fund due to the conclusion of a legislatively authorized study of the State's human resources operations.

Recommendation: **Staff recommends an appropriation of \$50,944 reappropriated funds for FY 2011-12.**

Economic Forecasting Subscriptions

Description: The line item is intended to fund the purchase of economic models, subscriptions, and software used for revenue and economic forecasting. When possible, OSPB shares expenses for subscriptions and software with the Legislative Council staff.

Request: The Department requests a continuation level appropriation of \$16,362 reappropriated funds for FY 2011-12.

Recommendation: **Staff recommends a continuation level appropriation of \$16,362 reappropriated funds for FY 2011-12.**

(4) ECONOMIC DEVELOPMENT PROGRAMS

Administration

Description: The line item provides funding for the centralized administration for the Office of Economic Development and International Trade (OEDIT). The appropriation generally includes funds for the Director of OEDIT, accounting, budget, procurement, personnel, information

technology (IT) administration, and other administrative functions.

Request: The Department requests an appropriation of \$595,385 total funds (including \$544,901 General Fund) and 6.0 FTE for FY 2011-12. The request includes a 2.0 percent reduction in personal services, as included in the Governor's budget balancing proposal.

Recommendation: **Staff recommends that the Committee appropriate \$587,469 total funds (including \$537,742 General Fund) and 6.0 FTE for the line item in FY 2011-12.** The recommendation includes the Committee's approved personal services reduction of 1.5 percent. Staff's calculations are summarized in the table below.

Economic Development Programs, Administration						
	Total	GF	CF	RF	FF	FTE
FY 2010-11 Long Bill Appropriation (H.B. 10-1376)	\$596,575	\$546,091	\$2,472	\$45,829	\$2,183	6.0
FY 2010-11 Supplemental Adjustments (S.B. 11-138)	0	0	0	0	0	0.0
Subtotal: FY 2010-11 Appropriation	596,575	546,091	2,472	45,829	2,183	6.0
Restore FY 2010-11 PERA Reduction	10,525	10,525	0	0	0	0.0
1.5 Percent Personal Services Base Reduction	(9,106)	(8,349)	(37)	(687)	(33)	0.0
FY 2011-12 State PERA Contribution Reduction	(10,525)	(10,525)	0	0	0	0.0
Recommended FY 2011-12 Appropriation	\$587,469	\$537,742	\$2,435	\$45,142	\$2,150	6.0

Vehicle Lease Payments

Description: This line item is used to pay for motor vehicles that are acquired through the Department of Personnel and Administration pursuant to Section 24-30-1117, C.R.S.

Request: The Department requests a continuation appropriation of \$15,161 General Fund.

Recommendation: **Staff's recommendation is pending the approval of the Common Policy by the Committee.** Staff requests permission to adjust the line item after the Committee has determined the Common Policy.

Leased Space

Description: The Office currently has 14,337 square feet of leased space in the World Trade Center at 1625 Broadway in Denver. This line item provides the appropriation for the lease.

Request: The Department requests a continuation level appropriation of \$231,540 General Fund moneys for FY 2011-12.

***Recommendation:* Staff recommends the continuation appropriation request of \$231,540 General Fund for FY 2011-12.**

Global Business Development

Description: The line item provides for the expenses of the former Business Development, Grand Junction Satellite Office, International Trade, and Minority Business Office line items.

Request: The Department requests an appropriation of \$2,011,224 total funds (including \$1,428,139 General Fund) and 17.6 FTE for FY 2011-12. The request includes a 2.5 percent reduction in personal services due to the PERA adjustment (\$23,868), a 2.0 percent General Fund personal services reduction (\$36,765), and a 1.0 percent personal services reduction (\$18,382). Additionally, the bill includes an increase in cash funds and federal funds spending authority (\$513,135).

***Recommendation:* Staff recommends an appropriation \$2,040,317 total funds (including \$1,462,230 General Fund) and 17.6 FTE for FY 2011-12.** Staff's recommendation carries forward the supplemental action taken during the 2011 legislative session supplemental process granting the Office cash funds and federal funds spending authority in the total amount of \$513,135. Calculations for the staff recommendation are shown in the table below.

Economic Development Programs, Global Business Development						
	Total	GF	CF	RF	FF	FTE
FY 2010-11 Long Bill Appropriation (H.B. 10-1376)	\$1,554,009	\$1,484,059	\$69,950	\$0	\$0	17.6
FY 2010-11 Supplemental Adjustments (S.B. 11-138)	494,753	(18,382)	150,000	0	363,135	0.0
Subtotal: FY 2010-11 Appropriation	2,048,762	1,465,677	219,950	0	363,135	17.6
Restore 1% Personal Services Reduction	18,382	18,382	0	0	0	0.0
Restore FY 2010-11 PERA Reduction	23,095	23,095	0	0	0	0.0
1.5 Percent Personal Services Base Reduction	(26,054)	(21,056)	0	0	(4,998)	0.0
FY 2011-12 State PERA Contribution Reduction	(23,868)	(23,868)	0	0	0	0.0
Recommended FY 2011-12 Appropriation	\$2,040,317	\$1,462,230	\$219,950	\$0	\$358,137	17.6

Business Development

Description: The office provides research support and technical assistance to local economic development programs, coordinates efforts to market the State's economic development programs statewide and nationwide, recommends requests for funding to the Economic Development Commission, and selects companies to be recipients of Colorado First and Existing Industries job training funds.

Request: The line item was consolidated into the Global Business Development line item during the FY 2010-11 Long Bill process. Consequently, the Department requested money for this function in the Global Business Development line item.

Recommendation: **Staff recommends that appropriations for this function be appropriated to the Global Business Development line item in FY 2011-12.**

Grand Junction Satellite Office

Description: The appropriation funds the coordination of business development and outreach in western Colorado.

Request: The line item was consolidated into the Global Business Development line item during the FY 2010-11 Long Bill process. Consequently, the Department requested money for this function in the Global Business Development line item.

Recommendation: **Staff recommends that appropriations for this function be appropriated to the Global Business Development line item in FY 2011-12.**

Minority Business Office

Description: The appropriation funds promotion of the development of existing and new minority businesses, and increasing minority participation in public and private sector contracting.

Request: The line item was consolidated into the Global Business Development line item during the FY 2010-11 Long Bill process. Consequently, the Department requested money for this function in the Global Business Development line item.

Recommendation: **Staff recommends that appropriations for this function be appropriated to the Global Business Development line item in FY 2011-12.**

Leading Edge Program Grants

Description: The Leading Edge Program provides entrepreneurial training at Small Business Development Centers. Trainees receive 35-45 hours of business planning assistance for their planned, new, or existing businesses. All of the funds in this appropriation support the direct cost of training. Administrative costs are absorbed within the Small Business Development Centers appropriation.

Request: The Department requests a continuation level appropriation of \$126,407 total funds (\$50,976 General Fund moneys) for FY 2011-12.

Recommendation: **Staff recommends a continuation level appropriation of \$126,407 total funds for FY 2011-12.** The recommended appropriation is comprised of \$50,976 of General Fund moneys and \$75,431 cash funds from various fees collected from participants in activities conducted by the Office.

Small Business Development Centers

Description: The line item funds a program that oversees a network of ten college and university-based centers, five community-based centers, and three satellite offices that provide training and counseling to new business ventures in conjunction with the federal Small Business Administration.

Request: The Department requests an appropriation of \$1,294,524 (including \$84,747 General Fund) and 4.0 FTE for FY 2011-12. The request includes a 2.5 percent reduction in personal services due to the PERA adjustment (\$4,892).

Recommendation: **Staff recommends an appropriation of \$1,290,276 total funds (including \$83,495 General Fund) and 4.0 FTE for FY 2011-12.** Calculations for staff's recommendation are found in the table below.

Economic Development Programs, Small Business Development Centers						
	Total	GF	CF	RF	FF	FTE
FY 2010-11 Long Bill Appropriation (H.B. 10-1376)	\$1,294,525	\$84,248	\$0	\$0	\$1,210,277	4.0
FY 2010-11 Supplemental Adjustments (S.B. 11-138)	0	0	0	0	0	0.0
Subtotal: FY 2010-11 Appropriation	1,294,525	84,248	0	0	1,210,277	4.0
Restore FY 2010-11 PERA Reduction	4,891	1,526	0	0	3,365	0.0
1.5 Percent Personal Services Base Reduction	(4,248)	(1,252)	0	0	(2,996)	0.0
FY 2011-12 State PERA Contribution Reduction	(4,892)	(1,027)	0	0	(3,865)	0.0
Recommended FY 2011-12 Appropriation	\$1,290,276	\$83,495	\$0	\$0	\$1,206,781	4.0

International Trade Office

Description: The International Trade Office (ITO) is responsible for promoting exports of Colorado goods and services (except agricultural products), and for attracting foreign investment in Colorado.

The ITO provides individual counseling to businesses, conducts seminars, assembles trade missions abroad, and contracts for foreign field offices to promote Colorado's goods and services.

Request: The line item was consolidated into the Global Business Development line item during the FY 2010-11 Long Bill process. Consequently, the Department requested money for this function in the Global Business Development line item.

***Recommendation:* Staff recommends that appropriations for this function be appropriated to the Global Business Development line item in FY 2011-12.**

Colorado Office of Film, Television, and Media

Description: The line item funds the expenses of the Colorado Office of Film, Television, and Media created by H.B. 09-1010 (Massey and McGihon/Gibbs and Spence) to promote Colorado as a location for making feature films, television shows, television commercials, still photography, music videos, and emerging mass media projects.

Request: The Department requested that the appropriation for this line item and the Council on the Arts line item be consolidated into one line item called "Creative Industries Division" as part of a decision item.

- ❑ ***Decision Item (Creative Industries Line Item):*** The Department requests the consolidation of the Council on the Arts and Colorado Office of Film, Television, and Media line items into a new line item dubbed "Creative Industries Division." The Department indicates that the consolidated line item will provide increased flexibility in administering the Art in Public Places Program, the Council on Creative Industries, and the Office of Film, Television, and Media.

Staff concurs with the Department that the approval of the decision item would provide greater flexibility to Office for program administration. However, it is staff's opinion that moneys appropriated to the Colorado Office of Film, Television, and Media and Council on the Arts line items by the Committee and the General Assembly are done so with the intent that the moneys be expended in specific amounts for film incentives and arts related programs, respectively. Granting the Office's request would allow for film incentive moneys to be expended for arts related programs (and vice-versa), thus violating the intent current statute. Therefore, **staff recommends that the Committee reject the Department's request.**

***Recommendation:* Staff recommends the Committee not appropriate funds for this line item, consistent with current law.** Current law indicates that limited gaming tax revenues will not be transferred to the cash fund supporting this line item for use in FY 2011-12. The Committee sponsored S.B. 11-159 (Steadman/Ferrandino) to transfer a maximum of \$293,000 each fiscal year from the Limited Gaming Fund to the Office. **Senate Bill 11-159 contains a clause appropriating \$293,000 and 4.5 FTE to the Office of Film, Television, and Media for FY 2011-12.**

Colorado Promotion - Colorado Welcome Centers

Description: The line item funds the State-operated highway-based welcome centers, which have operated for more than two decades to promote tourism and provide vacation guides, maps and other basic guidance and limited services to road travelers. Eight centers are currently in operation at the major highway entrances to the state, receiving nearly 1,000,000 visitors annually.

Request: The Department requests an appropriation of \$498,597 cash funds and 3.3 FTE for FY 2011-12. The requested funds are appropriated from moneys originating in the Limited Gaming Fund and transferred to the Colorado Travel and Tourism Promotion Fund at the end of FY 2010-11 for use in FY 2011-12.

Recommendation: **Staff recommends the Committee not appropriate funds for this line item, consistent with current law.** Current law indicates that limited gaming tax revenues will not be transferred to the cash fund supporting this line item for use in FY 2011-12. The Committee sponsored S.B. 11-159 (Steadman/Ferrandino) to transfer a maximum of \$14,650,000 each fiscal year from the Limited Gaming Fund to the Colorado Tourism Office. **Senate Bill 11-159 contains a clause appropriating \$500,000 cash funds and 3.3 FTE to Colorado Welcome Centers for FY 2011-12.**

Colorado Promotion - Other Program Costs

Description: The line item funds the Colorado Tourism Office and staff support for its board. The Office promotes Colorado as a vacation destination by developing and implementing marketing and promotional strategies, materials and programs that, in concert with private sector promotional activities, portray a consistent, unified brand image of Colorado in the tourism marketplace. The major expenses are a contract with an ad agency to develop campaigns, and a fulfillment center to handle day-to-day inquiries, the 800-number, and vacation guide distribution.

Request: Revenue for the line item consists of a statutory transfer from the Limited Gaming Cash Fund to the Colorado Travel and Tourism Promotion Fund at the end of each fiscal year for use in the following fiscal year. The Department requests an appropriation of \$12,501,403 cash funds and 4.0 FTE in FY 2011-12.

Recommendation: **Staff recommends the Committee not appropriate funds for this line item, consistent with current law.** Current law indicates that limited gaming tax revenues will not be transferred to the cash fund supporting this line item for use in FY 2011-12. The Committee sponsored S.B. 11-159 (Steadman/Ferrandino) to transfer a maximum of \$14,650,000 each fiscal year from the Limited Gaming Fund to the Colorado Tourism Office. **Senate Bill 11-159 contains a clause appropriating \$14,150,000 cash funds and 4.0 FTE to the Colorado Tourism Office for FY 2011-12.**

Economic Development Commission - General Economic Incentives and Marketing

Description: The legislature created the Colorado Economic Development Commission (EDC) to promote economic development in Colorado. The Governor, President of the Senate, and Speaker

of the House appoint the members of the Commission. The EDC approves loans and grants from the Economic Development Fund to public and private entities in Colorado to help existing businesses expand and new companies locate to the state. It also supports marketing programs and special activities to promote Colorado nationally and internationally. The EDC shares responsibility for oversight of the state's Enterprise Zone program. The nine Commission members make all policy and funding decisions.

Request: The Department requests an appropriation of \$1,056,679 total funds (including \$1,012,997 General Fund) and 3.5 FTE for FY 2011-12.

Recommendation: **Staff recommends an appropriation of \$1,054,112 totals funds and 3.5 FTE for FY 2010-11.** The recommended appropriation is comprised of \$1,010,994 General Fund moneys and \$43,118 cash funds from the Colorado Innovation Investment Tax Credit Cash Fund. Staff's calculations for the recommendation are included in the table below.

Economic Development Programs, Economic Development Commission - General Economic Incentives and Marketing						
	Total	GF	CF	RF	FF	FTE
FY 2010-11 Long Bill Appropriation (H.B. 10-1376)	\$1,055,788	\$1,012,106	\$43,682	\$0	\$0	3.0
FY 2010-11 Supplemental Adjustments (S.B. 11-138)	0	0	0	0	0	0.0
Subtotal: FY 2010-11 Appropriation	1,055,788	1,012,106	43,682	0	0	3.0
Restore FY 2010-11 PERA Reduction	3,661	3,661	0	0	0	0.0
1.5 Percent Personal Services Base Reduction	(2,567)	(2,003)	(564)	0	0	0.0
FY 2011-12 State PERA Contribution Reduction	(2,770)	(2,770)	0	0	0	0.0
Recommended FY 2011-12 Appropriation	\$1,054,112	\$1,010,994	\$43,118	\$0	\$0	3.0

Colorado First Customized Job Training

Description: The line item funds a program that provides incentives for companies to create jobs in Colorado by providing job training assistance. Companies receiving assistance must provide a partial funding match. The Department determines which companies will receive this assistance and then transfers funding to the Community Colleges of Colorado to develop and provide the training programs. All of the funds in this appropriation support the direct cost of training. Administrative costs are absorbed within the Business Development appropriation within OEDIT. The funds appropriated to this line item are transferred to the Division of Occupational Education in the Department of Higher Education.

Request: The Department requests a continuation level of funding of \$2,725,022 General Fund for FY 2011-12.

***Recommendation:* Staff recommends the request for a continuation appropriation of \$2,725,022 General Fund for FY 2011-12.**

CAPCO Administration

Description: The line item funds the administration of the capital company (CAPCO) incentives program. OEDIT certifies CAPCOs that are qualified to offer assistance to business enterprises that create jobs in the state. Insurance companies that make an investment of certified capital in an Office-certified CAPCO can receive a tax credit against premium taxes owed.

Request: The Department requests an appropriation of \$79,593 reappropriated funds and 2.0 FTE for FY 2011-12. The source of the moneys is the Division of Insurance Cash Fund in the Department of Regulatory Agencies.

***Recommendation:* Staff recommends a continuing appropriation of \$78,562 reappropriated funds and 2.0 FTE for FY 2011-12.** Staff's calculations for the recommendation are found in the table below.

Economic Development Programs, CAPCO Administration						
	Total	GF	CF	RF	FF	FTE
FY 2010-11 Long Bill Appropriation (H.B. 10-1376)	\$79,593	\$0	\$0	\$79,593	\$0	2.0
FY 2010-11 Supplemental Adjustments (S.B. 11-138)	0	0	0	0	0	0.0
Subtotal: FY 2010-11 Appropriation	79,593	0	0	79,593	0	2.0
Restore FY 2010-11 PERA Reduction	1,719	0	0	1,719	0	0.0
1.5 Percent Personal Services Base Reduction	(1,031)	0	0	(1,031)	0	0.0
FY 2011-12 State PERA Contribution Reduction	(1,719)	0	0	(1,719)	0	0.0
Recommended FY 2011-12 Appropriation	\$78,562	\$0	\$0	\$78,562	\$0	2.0

Council on the Arts

Description: The Creative Industries Council promotes the cultural, educational, and economic growth of Colorado through development of its arts and cultural heritage. The Council administers grants and provides services that: (1) make the arts more accessible to all Colorado citizens; (2) expand arts education opportunities for youth; (3) support tourism and other economic development

strategies; (4) preserve and promote our cultural heritage; and (5) stimulate and encourage the development of artists and arts organizations. State funding for this line item is from the Creative Industries Cash Fund. Revenues for the fund originate from a transfer from the Limited Gaming Cash Fund at the end of each fiscal year.

Request: Revenue for the line item consists of a statutory transfer from the Limited Gaming Cash Fund to the Creative Industries Cash Fund at the end of each fiscal year for use in the following fiscal year and federal funds. The Department requested that the appropriation for this line item and the Colorado Office of Film, Television, and Media line item be consolidated into one line item called "Creative Industries Division" as part of a decision item (see Colorado Office of Film, Television, and Media line item above for more information).

Recommendation: **Staff recommends the Committee appropriate \$764,397 federal funds for this line item, consistent with current law.** Additionally, staff recommends that the line item be renamed "Creative Industries Council" to more accurately identify the purpose of appropriated funds. Consistent with the recommendation above, staff recommends the Committee reject the Department's request to consolidate this line item with the Colorado Office of Film, Television, and Media line item.

Current law indicates that limited gaming tax revenues will not be transferred to the cash fund supporting this line item for use in FY 2011-12. The Committee sponsored S.B. 11-159 (Steadman/Ferrandino) to transfer a maximum of \$1,172,000 each fiscal year from the Limited Gaming Fund to the Creative Industries Council. **Senate Bill 11-159 contains a clause appropriating \$1,172,000 cash funds and 2.0 FTE to the Creative Industries Council for FY 2011-12.**

Film Incentives

Description: The line provides incentive payments to a qualified film production companies based on the amount of documented expenditures made in Colorado. Prior to FY 2009-10, the Film Incentives Cash Fund received transfers at the end of each fiscal year from the Limited Gaming Fund. With the passage of H.B. 09-1010 (Massey and McGihon/Gibbs and Spence), beginning with FY 2009-10, and each fiscal year thereafter, diversion to the Film Incentives Cash Fund was replaced with a similar transfer to the Colorado Office of Film, Television, and Media Operational Account Cash Fund (COFTMOA) from the Limited Gaming Fund.

Request: The Department did not make an appropriation request for this line item for FY 2011-12. The Department's appropriation request for the film related initiatives is located above in the Colorado Office of Film, Television, and Media line item.

Recommendation: **Staff recommends that the Committee make no appropriation for this line item for FY 2011-12.** It is recommended that the Committee fund film related programs in the line item, Colorado Office of Film, Television, and Media, for FY 2011-12, as was implemented in the FY 2010-11 Long Bill.

New Jobs Incentives

Description: The line item funds the provision of an incentive payment to qualifying companies that have created new jobs paying above average wages. Its purpose is designed to support and encourage new business development, business expansions and relocations that have generated new jobs throughout the State. The appropriation reflects the annual transfer from the Limited Gaming Fund to the New Jobs Incentives Cash Fund at the end of each fiscal year for use in the following fiscal year.

Request: The Department requested an appropriation of \$1,600,000 cash funds for FY 2011-12.

Recommendation: **Staff recommends that the Committee make no appropriation for this line item for FY 2011-12, consistent with current law.** Current statute indicates that the New Jobs Incentives program is discontinued as of January 1, 2011. Senate Bill 11-159 (Steadman/Ferrandino) contains a provision that any moneys slated for transfer to programs that have been statutorily repealed or discontinued shall instead be transferred to the General Fund. Thus, \$1.5 million is transferred to the General Fund at the end of FY 2010-11 that would otherwise be transferred to the New Jobs Incentives program, barring legislation continuing the program past January 1, 2011.

Bioscience Discovery Evaluation

Description: The Bioscience Discovery Evaluation Grant Program was created by the legislature for the purpose of improving and expanding the evaluation of new bioscience discoveries as research institutions with the intent of accelerating the development of new products and services.

Request: The Bioscience Discovery Evaluation Cash Fund receives transfers from the Limited Gaming Fund, pursuant to Section 12-47.1-701, C.R.S. The moneys are continuously appropriated to OEDIT for the implementation of the Bioscience Discovery Evaluation Grant Program. The Department requests an appropriation of \$5,499,321 cash funds and 0.6 FTE for FY 2011-12, shown for informational purposes only.

Recommendation: **Staff recommends the Committee appropriate \$5,500,000 cash funds and 0.6 FTE for this line item, consistent with current law.** The Committee sponsored S.B. 11-159 (Steadman/Ferrandino) to transfer a maximum of \$5,274,000 each fiscal year (or until program repeal) from the Limited Gaming Fund to the Bioscience Discovery Evaluation program. **Senate Bill 11-159 contains a clause reducing the current law appropriation \$226,000 cash funds for FY 2011-12.**

Indirect Cost Assessment

Description: The appropriation provides funds for indirect cost recoveries.

Request: The Department requests an appropriation of \$38,322 total funds for FY 2011-12.

Recommendation: **Staff recommends an appropriation of \$22,030 cash funds for FY 2011-12, consistent with the Committee's action on the indirect costs common policy.**

(5) OFFICE OF INFORMATION TECHNOLOGY

In May of 2007, the Governor issued Executive Order D 016 067 to begin centralizing the management of State agency IT resources in the Governor's Office of Information Technology (OIT) to address infrastructure, purchasing, project planning and delivery, asset management, and strategic leadership needs. During the 2008 legislative session, the General Assembly passed and the Governor signed S.B. 08-155 (Cadman/Kerr, A.). The legislation consolidated the responsibility for information technology oversight of most of the State's executive branch in OIT.

Specifically, S.B. 08-155 transferred several IT functions and staff positions from various state agencies to OIT on July 1, 2008. The largest single agency transfer involved moving the Division of Information Technology from the Department of Personnel and Administration to OIT. The Division of Information Technology transfer included the General Government Computer Center (GGCC), telecommunications coordination, and Statewide IT management and support functions. S.B. 08-155 also allowed for the transfer of other information technology employees from State agencies to OIT between July 1, 2008 and July 1, 2012.

Per statutory authority, the State Chief Information Officer, Department Executive Directors, and Department Chief Information Officers jointly identified the additional positions and functions affiliated with the management and administration of each agency's IT resources and enterprises to be transferred to OIT. Beginning July 1, 2010, 756.3 FTE and \$66,569,718 total funds were transferred to OIT from executive branch agencies. The Department bills participating agencies for the services it provides. For more information on IT Common Policy recoverable costs and agency allocations, see staff's figure setting document "Information Technology Common Policies."

Staff recommends that the Long Bill structure be redesigned in the FY 2011-12 Long Bill to more accurately reflect the structure of OIT, as well as to more accurately reflect the direct link between IT Common Policies and OIT appropriations. The recommended Long Bill structure is detailed in the table below.

Proposed FY 2011-12 OIT Long Bill Structure
(A) Management and Administration of OIT
Personal Services
Operating Expenses
Statewide IT Management
Legal Services
Indirect Cost Assessment
(B) Computer Center Services
<i>(1) Computer Services</i>

Personal Services
Operating Expenses
Rental, Lease, or Lease/Purchase of Central Processing Unit
Indirect Cost Assessment
<i>(2) Statewide Information Technology Services Administration</i>
Personal Services
Operating Expenses
<i>(3) Customer Service</i>
Personal Services
Operating Expenses
<i>(4) Technology Management Unit</i>
Personal Services
Operating Expenses
(C) Network Services
<i>(1) Network Services</i>
Personal Services
Operating Expenses
Toll-free Telephone Access to Members of the General Assembly
Indirect Cost Assessment
<i>(2) Order Billing</i>
Personal Services
Operating Expenses
(D) Communication Services
Personal Services
Operating Expenses
Training
Utilities
Local Systems Development
Indirect Cost Assessment

(E) Colorado Benefits Management System
Personal Services
Operating Expenses

(A) Management and Administration of OIT

The Management and Administration of OIT sub-division provides the agency with the policy and management functions of an executive director's office. In the original appropriation for FY 2008-09, this sub-division was funded primarily with General Fund. The Committee approved a FY 2008-09 supplemental request to refinance the sub-division using reappropriated funds, with the expenses allocated to various departments in proportion to the level of services purchased from OIT.

Personal Services

Description: This line item, and the associated appropriations of FTE and personal services funding, support the OIT Administration staff and management functions.

Request: The Department requests an appropriation of \$1,154,539 reappropriated funds and 13.0 FTE for FY 2011-12. The request includes a 2.5 percent reduction in personal services due to the PERA adjustment (\$37,318).

Recommendation: **Staff recommends an appropriation of \$1,072,385 reappropriated funds and 13.0 FTE for FY 2011-12.** Staff's calculations are shown in the table below.

Office of Information Technology, Management and Administration of OIT, Personal Services						
	Total	GF	CF	RF	FF	FTE
FY 2010-11 Long Bill Appropriation (H.B. 10-1376)	\$1,107,967	\$0	\$0	\$1,107,967	\$0	13.0
FY 2010-11 Supplemental Adjustments (S.B. 11-138)	0	0	0	0	0	0.0
Subtotal: FY 2010-11 Appropriation	1,107,967	0	0	1,107,967	0	13.0
Restore FY 2010-11 PERA Reduction	19,614	0	0	19,614	0	0.0
1.5 Percent Personal Services Base Reduction	(17,878)	0	0	(17,878)	0	0.0
FY 2011-12 State PERA Contribution Reduction	(37,318)	0	0	(37,318)	0	0.0
Recommended FY 2011-12 Appropriation	\$1,072,385	\$0	\$0	\$1,072,385	\$0	13.0

Operating Expenses

Description: The line item supports the programmatic operating expenses associated with OIT Administration.

Request: The Department requests a continuation level appropriation of \$150,268 reappropriated funds for FY 2011-12.

Recommendation: **Staff recommends that the Committee approve the Department's request for a continuation level of funding of \$150,268 reappropriated funds for FY 2011-12.**

Statewide IT Management

Description: As a result of the information technology consolidation implemented pursuant to S.B. 08–155, OIT required an adequate support staff to facilitate effective implementation of the legislation and central management of the enterprise including oversight, control and management associated with procurement, accounting, budgeting, project management, human resources and other necessary oversight and back-office functions. This Statewide IT management function directly supports the State CIO and State agencies, and is supported through allocated billings to state agencies. The appropriation for this line item includes both personal services and operating expenses.

Request: The Department requests an appropriation of \$5,063,791 reappropriated funds and 68.9 FTE for FY 2011-12. The request includes a 2.5 percent reduction in personal services due to the PERA adjustment (\$141,708).

Recommendation: **Staff recommends an appropriation of \$5,016,421 reappropriated funds and 68.9 FTE for FY 2011-12.** Calculations for the recommendation are found in the table below.

Office of Information Technology, Management and Administration of OIT, Statewide IT Management						
	Total	GF	CF	RF	FF	FTE
FY 2010-11 Long Bill Appropriation (H.B. 10-1376)	\$5,009,470	\$0	\$0	\$5,009,470	\$0	68.9
FY 2010-11 Supplemental Adjustments (S.B. 11-138)	67,500	0	0	67,500	0	0.0
Subtotal: FY 2010-11 Appropriation	5,076,970	0	0	5,076,970	0	68.9
Restore FY 2010-11 PERA Reduction	88,591	0	0	88,591	0	0.0
Annualize Supplemental Adjustments	67,500	0	0	67,500	0	0.0
1.5 Percent Personal Services Base Reduction	(74,932)	0	0	(74,932)	0	0.0

Office of Information Technology, Management and Administration of OIT, Statewide IT Management						
	Total	GF	CF	RF	FF	FTE
FY 2011-12 State PERA Contribution Reduction	(141,708)	0	0	(141,708)	0	0.0
Recommended FY 2011-12 Appropriation	\$5,016,421	\$0	\$0	\$5,016,421	\$0	68.9

Legal Services

Description: Legal representation for OIT is provided by the Department of Law. This line item pays for those services. The appropriation is based on the blended hourly rate, as set by the Committee every year, and the number of hours a department requires.

Request: The Department requests funding in the amount of \$1,908 reappropriated funds to purchase 26 hours of legal services for FY 2011-12.

Recommendation: **Staff recommends the purchase of 26 hours for FY 2011-12.** Staff requests permission to adjust the dollar amount of the line item after the Committee has determined the hourly rate for legal services.

Indirect Cost Assessment

Description: The appropriation provides funds the Statewide indirect cost collection.

Request: The Department requests an appropriation of \$28,321 reappropriated funds for FY 2011-12.

Recommendation: **Staff recommends an appropriation of \$12,373 reappropriated funds for FY 2011-12.** Staff's recommendation is consistent with the Committee's action on the Statewide indirect cost allocation common policy.

(B) Computer Center Services

(1) Computer Services

The Computing Services Unit is responsible for management and delivery of computing infrastructure to participating customer agencies through the operation of the state's central data center (sometimes known as the General Government Computer Center or GGCC). The computing infrastructure includes database, application and web servers for several departments, as well as the state's general mainframe computer and tape, disk and printing resources for mainframe and server environments. Computing Services also manages the operating system, transaction processing scheduling and systems management software associated with these resources.

Personal Services

Description: The line item, and the associated appropriations of FTE and personal services funding, support staff and management functions.

Request: The Department requests an appropriation \$42,774,312 reappropriated funds and 564.3 FTE for FY 2011-12. The request includes a 2.5 percent reduction in personal services due to the PERA adjustment (\$985,764).

Recommendation: **Staff recommends an appropriation of \$42,519,474** reappropriated funds and 564.3 FTE for FY 2011-12. Staff's calculations for the recommendation are found in the table below.

Office of Information Technology, Computer Center Services, Computer Services, Personal Services						
	Total	GF	CF	RF	FF	FTE
FY 2010-11 Long Bill Appropriation (H.B. 10-1376)	\$42,769,790	\$0	\$0	\$42,769,790	\$0	559.4
FY 2010-11 Supplemental Adjustments (S.B. 11-138)	223,133	0	0	223,133	0	2.9
Subtotal: FY 2010-11 Appropriation	42,992,923	0	0	42,992,923	0	562.3
Restore FY 2010-11 PERA Reduction	840,712	0	0	840,712	0	0.0
Annualize Supplemental Adjustments	181,110	0	0	181,110	0	0.0
S.B. 10-148 (eFort)	146,894	0	0	146,894	0	2.0
1.5 Percent Personal Services Base Reduction	(656,401)	0	0	(656,401)	0	0.0
FY 2011-12 State PERA Contribution Reduction	(985,764)	0	0	(985,764)	0	0.0
Recommended FY 2011-12 Appropriation	\$42,519,474	\$0	\$0	\$42,519,474	\$0	564.3

Operating Expenses

Description: The appropriation supports the operating expenses associated with the Computer Services unit.

Request: The Department requests an appropriation of \$5,761,199 total funds for FY 2011-12. The request consists of \$2,328 cash funds paid by various local governments and \$5,758,871 reappropriated funds. The appropriation proposal includes an increase of \$293,050 due to the transfer of eFort from the Secretary of State's Office to OIT via S.B. 10-148 (White/Lambert).

Recommendation: **Staff recommends an appropriation of \$5,761,199 total funds for FY 2011-12.**

Rental, Lease, or Lease/Purchase of Central Processing Unit

Description: This line item funds the mainframe computer located at 690 Kipling Street in

Lakewood.

Request: The Department requests continuation level funding of \$336,034 reappropriated funds for FY 2011-12.

***Recommendation:* Staff recommends the Committee an appropriation for continuation level of funding of \$336,034 reappropriated funds for FY 2011-12.**

Indirect Cost Assessment

Description: This line item reflects the statewide indirect cost assessment plan prepared by the State Controller's Office and approved by the Committee.

Request: The Department requests a continuation appropriation of \$1,193,201 reappropriated funds for FY 2011-12.

***Recommendation:* Staff recommends an appropriation of \$1,096,776 reappropriated funds for FY 2011-12, consistent with the Committee's action on the Statewide indirect costs common policy.**

(2) Statewide Information Technology Services Administration

This program coordinates the administrative functions associated with supporting the delivery of services to State agencies, including business analysis, rate setting, and operational strategy.

Personal Services

Description: This line item, and the associated appropriations of FTE and personal services funding, support staff and management functions for the Statewide Information Technology Services Administration unit.

Request: The Department requests an appropriation of \$436,838 reappropriated funds and 5.0 FTE for FY 2011-12. The request includes a 2.5 percent reduction in personal services due to the PERA adjustment (\$7,465).

***Recommendation:* Staff recommends the Committee appropriate \$430,173 reappropriated funds and 5.0 FTE for FY 2011-12.** Staff's calculations for the recommendation are shown in the table below.

Office of Information Technology, Computer Center Services, Statewide Information Technology Services Administration, Personal Services						
	Total	GF	CF	RF	FF	FTE
FY 2010-11 Long Bill Appropriation (H.B. 10-1376)	\$437,823	\$0	\$0	\$437,823	\$0	5.0

Office of Information Technology, Computer Center Services, Statewide Information Technology Services Administration, Personal Services						
	Total	GF	CF	RF	FF	FTE
FY 2010-11 Supplemental Adjustments (S.B. 11-138)	0	0	0	0	0	0.0
Subtotal: FY 2010-11 Appropriation	437,823	0	0	437,823	0	5.0
Restore FY 2010-11 PERA Reduction	6,480	0	0	6,480	0	0.0
1.5 Percent Personal Services Base Reduction	(6,665)	0	0	(6,665)	0	0.0
FY 2011-12 State PERA Contribution Reduction	(7,465)	0	0	(7,465)	0	0.0
Recommended FY 2011-12 Appropriation	\$430,173	\$0	\$0	\$430,173	\$0	5.0

Operating Expenses

Description: This line item supports the operating expenses associated with the Administration unit.

Request: The Department requests a continuation level appropriation of \$6,450 reappropriated funds for FY 2011-12.

Recommendation: **Staff recommends a continuation level of funding of \$6,450 reappropriated funds for FY 2011-12.**

(3) Customer Service

The Customer Services section functions as an advocate for OIT's network and computing services customers, and its purpose is to ensure the smooth delivery of information services to the customer in a timely manner. A service center function allows this unit to interface directly with the customer to resolve issues with the State's network, mainframe operations, application servers at the data center, and other services offered by OIT.

Personal Services

Description: This line item, and the associated appropriations of FTE and personal services funding, support staff and management functions for the Customer Services section.

Request: The Department requests a FY 2011-12 appropriation of \$821,429 reappropriated funds and 11.0 FTE. The request includes a 2.5 percent reduction in personal services due to the PERA adjustment (\$19,145).

Recommendation: **Staff recommends an appropriation of \$808,820 reappropriated funds and**

11.0 FTE for FY 2011-12. The calculations for the recommendation are found in the table below.

Office of Information Technology, Computer Center Services, Customer Service, Personal Services						
	Total	GF	CF	RF	FF	FTE
FY 2010-11 Long Bill Appropriation (H.B. 10-1376)	\$822,234	\$0	\$0	\$822,234	\$0	11.0
FY 2010-11 Supplemental Adjustments (S.B. 11-138)	0	0	0	0	0	0.0
Subtotal: FY 2010-11 Appropriation	822,234	0	0	822,234	0	11.0
Restore FY 2010-11 PERA Reduction	18,340	0	0	18,340	0	0.0
1.5 Percent Personal Services Base Reduction	(12,609)	0	0	(12,609)	0	0.0
FY 2011-12 State PERA Contribution Reduction	(19,145)	0	0	(19,145)	0	0.0
Recommended FY 2011-12 Appropriation	\$808,820	\$0	\$0	\$808,820	\$0	11.0

Operating Expenses

Description: This line item supports the operating expenses associated with the Customer Services section.

Request: The Department requests a continuation level of funding appropriation of \$14,625 reappropriated funds for FY 2011-12.

***Recommendation:* Staff recommends a continuation level of funding appropriation of \$14,625 reappropriated funds for FY 2011-12.**

(4) Technology Management Unit

The mission of the Technology Management Unit (TMU) is to provide application development and ongoing software support for the State's cross-departmental administrative systems. These applications include the Colorado Financial Reporting System (COFRS), the statewide Financial Data Warehouse (FDW), the statewide timekeeping system (Kronos), and human resource systems including the Applicant Data System (ADS), and the Colorado Payroll and Personnel System (CPPS).

Personal Services

Description: This line item, and associated FTE appropriations and personal services funds, support staff and management functions for the Technology Management Unit.

Request: The Department requests an appropriation of \$2,829,659 reappropriated funds and 32.5 FTE for FY 2011-12. The request includes a 2.5 percent reduction in personal services due to the PERA adjustment (\$57,025).

***Recommendation:* Staff recommends an appropriation \$2,786,359 reappropriated funds and 32.5 FTE for FY 2011-12.**

Office of Information Technology, Computer Center Services, Technology Management Unit, Personal Services						
	Total	GF	CF	RF	FF	FTE
FY 2010-11 Long Bill Appropriation (H.B. 10-1376)	\$2,817,026	\$0	\$0	\$2,817,026	\$0	32.5
FY 2010-11 Supplemental Adjustments (S.B. 11-138)	0	0	0	0	0	0.0
Subtotal: FY 2010-11 Appropriation	2,817,026	0	0	2,817,026	0	32.5
Restore FY 2010-11 PERA Reduction	69,658	0	0	69,658	0	0.0
1.5 Percent Personal Services Base Reduction	(43,300)	0	0	(43,300)	0	0.0
FY 2011-12 State PERA Contribution Reduction	(57,025)	0	0	(57,025)	0	0.0
Recommended FY 2011-12 Appropriation	\$2,786,359	\$0	\$0	\$2,786,359	\$0	32.5

Operating Expenses

Description: This line item supports the operating expenses associated with the Technology Management Unit.

Request: The Department requests a continuation level appropriation of \$364,371 reappropriated funds in FY 2011-12.

***Recommendation:* Staff recommends a continuation level appropriation of \$364,371 reappropriated funds in FY 2011-12.**

(C) Network Services

(1) Network Services

Network Services plans, coordinates, integrates and provides cost effective and efficient telecommunication capabilities to meet the business needs of its customers. Network Services provides a voice and data communication infrastructure, including the Multi-use Network (MNT),

frame relay and ATM services. In addition, this work unit provides much of the voice communication needs for State agencies and a long distance contract that is utilized by all departments. The program is funded by user fees from State agencies and non-State agencies associated with billings for MNT and other telecommunications services.

Personal Services

Description: This line item, and the associated appropriations of FTE and personal services funding, support staff and management functions for Network Services.

Request: The Department requests an appropriation of \$7,463,746 reappropriated funds and 90.6 FTE for FY 2011-12. The request includes a 2.5 percent reduction in personal services due to the PERA adjustment (\$134,855).

Recommendation: **Staff recommends an appropriation of \$7,350,779 reappropriated funds and 90.6 FTE for FY 2011-12.** Calculations for the recommendation are found in the table below.

Office of Information Technology, Network Services, Network Services, Personal Services						
	Total	GF	CF	RF	FF	FTE
FY 2010-11 Long Bill Appropriation (H.B. 10-1376)	\$7,458,522	\$0	\$0	\$7,458,522	\$0	90.6
FY 2010-11 Supplemental Adjustments (S.B. 11-138)	0	0	0	0	0	0.0
Subtotal: FY 2010-11 Appropriation	7,458,522	0	0	7,458,522	0	90.6
Restore FY 2010-11 PERA Reduction	141,106	0	0	141,106	0	0.0
1.5 Percent Personal Services Base Reduction	(113,994)	0	0	(113,994)	0	0.0
FY 2011-12 State PERA Contribution Reduction	(134,855)	0	0	(134,855)	0	0.0
Recommended FY 2011-12 Appropriation	\$7,350,779	\$0	\$0	\$7,350,779	\$0	90.6

Operating Expenses

Description: The appropriation supports the operating expenses associated with the provision of network and telecommunications services, including MNT.

Request: The Department requests a continuation level appropriation of \$16,200,371 total funds for FY 2011-12. The request consists of \$1,200,000 cash funds from user fees paid by non-State agencies and \$15,000,371 reappropriated funds.

Recommendation: **Staff recommends a continuation funding level of \$16,200,371 total funds for FY 2011-12.** The recommendation is comprised of \$1,200,000 cash funds and \$15,000,371 reappropriated funds.

Toll-free Telephone Access to Members of the General Assembly

Description: This line item funds toll-free access by citizens outside of the Denver metropolitan area to the General Assembly. The line is funded by General Fund dollars transferred from the legislative branch.

Request: The Department requests a continuation level appropriation of \$25,000 reappropriated funds for FY 2011-12.

Recommendation: **Staff recommends a continuation level appropriation of \$25,000 reappropriated funds for FY 2011-12.**

Indirect Cost Assessment

Description: The appropriation reflects the statewide indirect cost assessment plan prepared by the State Controller's Office and approved by the Committee.

Request: The Department requests an appropriation of \$98,148 reappropriated funds for FY 2011-12.

Recommendation: **Staff recommends an appropriation of \$267,245 reappropriated funds for FY 2011-12, consistent with the Committee's action on the common policy for Statewide indirect costs.**

(2) Order Billing

Order Billing staff process requests for voice, video, and data services for State and local government entities including, but not limited to providing business functions for service requests ranging from the purchase of State cell phones to the purchase of circuits and routers for State operations and are responsible for the collection of user charges for telecommunication services provided by OIT. In addition, staff provides the accounts payable and receivable functions for all activities associated with the management of the Telecommunications Revolving Fund

Personal Services

Description: This line item, and the associated appropriations of FTE and personal services funding, support staff and management functions for the Order Billing unit.

Request: The Department requests an appropriation of \$607,086 reappropriated funds and 9.0 FTE for FY 2011-12. The request includes a 2.5 percent reduction in personal services due to the PERA adjustment (\$13,524).

Recommendation: **Staff recommends an appropriation of \$602,273 reappropriated funds and**

9.0 FTE for FY 2011-12. Calculations for the recommendation are found in the table below.

Office of Information Technology, Network Services, Order Billing, Personal Services						
	Total	GF	CF	RF	FF	FTE
FY 2010-11 Long Bill Appropriation (H.B. 10-1376)	\$609,224	\$0	\$0	\$609,224	\$0	9.0
FY 2010-11 Supplemental Adjustments (S.B. 11-138)	0	0	0	0	0	0.0
Subtotal: FY 2010-11 Appropriation	609,224	0	0	609,224	0	9.0
Restore FY 2010-11 PERA Reduction	11,722	0	0	11,722	0	0.0
1.5 Percent Personal Services Base Reduction	(5,149)	0	0	(5,149)	0	0.0
FY 2011-12 State PERA Contribution Reduction	(13,524)	0	0	(13,524)	0	0.0
Recommended FY 2011-12 Appropriation	\$602,273	\$0	\$0	\$602,273	\$0	9.0

Operating Expenses

Description: This line item supports the operating expenses associated with the Customer Services section.

Request: The Department requests a continuation level appropriation of \$10,750 reappropriated funds for FY 2011-12.

Recommendation: Staff recommends a continuation level appropriation of \$10,750 reappropriated funds for FY 2011-12.

(D) Communication Services

Communications Services plans, coordinates, integrates and provides effective and efficient Statewide Public Safety networks for the Departments of Public Safety, Transportation, Corrections, Natural Resources and many other State and local government agencies. The unit also provides engineering and design services to State and local governments using land based, mobile and microwave technologies. The primary sources of funding for this unit are user charges associated with the Communications Services Common Policy and annual transfers per Long Bill annotation from the Public Safety Communications Trust fund.

Personal Services

Description: This line item and the associated appropriations of FTE and personal services funding

support staff and management functions for the state's Digital Trunked Radio System (DTRS).

Request: The Department requests an appropriation of \$3,608,382 reappropriated funds and 46.0 FTE for FY 2011-12. The request includes a 2.5 percent reduction in personal services due to the PERA adjustment (\$77,426).

Recommendation: Staff recommends a total appropriation of \$3,553,095 total funds and 46.0 FTE for FY 2011-12. Calculations for the recommendation are shown in the table below.

Office of Information Technology, Communication Services, Personal Services						
	Total	GF	CF	RF	FF	FTE
FY 2010-11 Long Bill Appropriation (H.B. 10-1376)	\$3,604,799	\$0	\$721,134	\$2,883,665	\$0	46.0
FY 2010-11 Supplemental Adjustments (S.B. 11-138)	0	0	0	0	0	0.0
Subtotal: FY 2010-11 Appropriation	3,604,799	0	721,134	2,883,665	0	46.0
Restore FY 2010-11 PERA Reduction	81,009	0	0	81,009	0	0.0
1.5 Percent Personal Services Base Reduction	(55,287)	0	0	(55,287)	0	0.0
FY 2011-12 State PERA Contribution Reduction	(77,426)	0	0	(77,426)	0	0.0
Base Fund Source Adjustment	0		(721,134)	721,134	0	0.0
Recommended FY 2011-12 Appropriation	\$3,553,095	\$0	\$0	\$3,553,095	\$0	46.0

Operating Expenses

Description: This line item supports the operating expenses associated with the Communications Services section.

Request: The Department requests a continuation level appropriation of \$134,631 reappropriated funds for FY 2011-12.

Recommendation: Staff recommends a continuation level appropriation of \$183,231 total funds for FY 2011-12, including \$48,600 cash funds and \$134,631 reappropriated funds. Staff's recommendation includes an increase of \$48,600 cash funds to capture funds earned by OIT for services provided to Automated Weather Observation Systems, the Regional Transportation District (RTD), the United States Bureau of Reclamation, and the Federal Aviation Administration.

Training

Description: The appropriation is for the on-going training of telecommunications staff and to

comply with federal safety and occupational hazard regulations.

Request: The Department requests a continuation level appropriation of \$22,000 reappropriated funds for FY 2011-12.

***Recommendation:* Staff recommends a continuation level appropriation of \$22,000 reappropriated funds for FY 2011-12.**

Utilities

Description: The appropriation supports utilities costs associated with the provision of communications services to state agencies.

Request: The Department requests a continuation level appropriation of \$165,002 reappropriated funds for FY 2011-12.

***Recommendation:* Staff recommends a continuation level appropriation of \$165,002 reappropriated funds for FY 2011-12.**

Local Systems Development

Description: The appropriation supports preventative maintenance needs for local governments, state agencies, and the federal government associated with legacy radio systems, digital trunked radio, and microwave communication towers. The appropriation has been at a continuation level of \$121,000 (all federal funds) in recent fiscal years with the federal funds received from the National Oceanic and Atmospheric Administration (NOAA).

Request: The Department requests a continuation funding level of appropriation of \$121,000 federal funds for FY 2011-12.

***Recommendation:* Staff recommends continuation level appropriation of \$121,00 federal funds, shown for informational purposes only, for FY 2011-12.**

Indirect Cost Assessment

Description: The appropriation provides funds for Statewide indirect cost recoveries.

Request: The Department requests an appropriation of \$431,076 reappropriated funds for FY 2011-12.

***Recommendation:* Staff recommends an appropriation of \$715,020 reappropriated funds for FY 2011-12, consistent with the Committee's action on the common policy.**

(E) Colorado Benefits Management System

Description: The Colorado Benefits Management System (CBMS) line item was added to OIT in

FY 2010-11 to provide funding for the personal services, operating, and contract expenses associated with the technical operation of CBMS that is transferred from the Department of Human Services (DHS) and the Department of Health Care Policy and Financing (HCPF) to OIT as part of the consolidation of Statewide information technology personnel in OIT.

CBMS is a collaborative effort between DHS, HCPF, and OIT to provide a tool to users to perform eligibility determination and benefits calculation across multiple public assistance and welfare programs. CBMS replaced several older, disparate information technology systems that supported State-funded social services programs:

- Colorado Indigent Care Program;
- Children's Basic Health Plan;
- Client-Oriented Information Network;
- Colorado Automated Client Tracking Information System;
- Colorado Automated Food Stamp System; and
- Colorado Employment First.

CBMS provides services to the following DHS and HCPF funded initiatives:

- Aid To The Blind (AB);
- Aid To The Needy Disabled (AND);
- Adult Protective Services (APS);
- Colorado Works (CO Works);
- Food Assistance (SNAP);
- Old Age Pension (OAP);
- Child Health Plan Plus (CHP+);
- Colorado Indigent Care Program (CICP); and
- Medicaid.

Request: The Department requests an appropriation of \$24,115,356 reappropriated funds and 58.5 FTE for FY 2011-12. The request reflects a decrease of \$5,535,470 reappropriated funds compared to the FY 2010-11 appropriation. Much of the decrease is related to the annualization of prior-year legislation and the conclusion of long-term improvement projects.

Recommendation: **Staff recommends a total appropriation of \$23,508,244 reappropriated funds and 58.5 FTE for FY 2011-12 for the personal services, operating, and contract expenses associated with the operation of CBMS.** The FY 2010-11 Long Bill contains only a single program cost line item in the Department for CBMS appropriations. In reality, however, the line item contains operating/contract expenses and personal services expenses. **Staff recommends that the Committee split the Department's CBMS line item into two line items in the FY 2011-12 Long Bill.** The staff recommended personal services line item appropriation is \$4,500,517 reappropriated funds and 58.5 FTE for FY 2011-12. The staff recommended operating expenses line item appropriation is \$19,007,727 reappropriated funds for FY 2011-12.

(F) Office of the Chief Information Security Officer

The Office of the Chief Information Security Officer (CISOs), often referred to as the Office of Cyber Security (OCS), was created in 2006 via H.B. 06-1157 (Coleman/May R.), and is tasked with enterprise-wide information technology related cyber security functions including assessment, monitoring and process implementation. In addition, the OCS develops information security policies, standards, and guidelines for public agencies and deploys risk mitigation strategies, processes and procedures.

Program Costs

Description: This line item supports both the personal services and operating needs of the Office of Cyber Security.

Request: The Department requests an appropriation of \$2,453,290 reappropriated funds and 2.0 FTE for FY 2011-12. The request includes a 2.5 percent reduction in personal services due to the PERA adjustment (\$37,318).

Recommendation: Initial funding for the Colorado Information Security Program provided upgrades to the State information security infrastructure and established security policies, standards, and compliance enforcement that is designed to protect State government information technology systems and citizen data. A total of \$4.2 million in federal flexible funds for FY 2006-07 was earmarked for the Program. The Program received a one-time General Fund appropriation of \$350,000 in FY 2008-09 for the cyber security perimeter implementation. The line item has also received an appropriation of \$2.4 million reappropriated funds each fiscal year, however, OIT has never billed agencies for this amount. Instead, OIT has used federal flexible funds and absorbed the costs of the Program through other common policy billings due to a decrease in overall State revenue. For several years, the line item contained an empty appropriation. OIT had spending authority for the program, but did not have a revenue source.

Staff recommends that the Committee not fund the line item in FY 2011-12. While cyber security remains a top priority for the legislature, executive branch, and citizens and businesses interacting with the State government, the line item is merely symbolic. **It is staff's opinion that the Committee use the next OIT quarterly Committee briefing to receive an update on the agency's short and long-term plan for the State's cyber security program.** If the Committee determines that additional funding is needed, a line item can be inserted to the Long Bill through the supplemental process (FY 2011-12) or the following year's Long Bill process (FY 2012-13).

Office of Information Technology, Office of the Chief Information Security Officer, Program Costs						
	Total	GF	CF	RF	FF	FTE
FY 2010-11 Long Bill Appropriation (H.B. 10-1376)	\$2,455,615	\$0	\$0	\$2,455,615	\$0	2.0
FY 2010-11 Supplemental Adjustments (S.B. 11-138)	0	0	0	0	0	0.0

Office of Information Technology, Office of the Chief Information Security Officer, Program Costs						
	Total	GF	CF	RF	FF	FTE
Subtotal: FY 2010-11 Appropriation	2,455,615	0	0	2,455,615	0	2.0
Eliminate Line Item	(2,455,615)	0	0	(2,455,615)	0	(2.0)
Recommended FY 2011-12 Appropriation	\$0	\$0	\$0	\$0	\$0	0.0

**FY 2011-12 FIGURE SETTING
STAFF PRESENTATION TO THE JOINT BUDGET COMMITTEE:**

JBC Working Document: Decisions Subject to Change

OFFICE OF THE GOVERNOR

Long Bill Footnotes

Staff recommends that the following Long Bill footnote be eliminated in FY 2011-12.

Governor - Lieutenant Governor - State Planning and Budgeting -- It is the intent of the General Assembly that the Office of State Planning and Budgeting study the effectiveness of consolidating executive branch human resource services within a single executive branch agency and provide a report of the findings to the Joint Budget Committee and the House and Senate Committees on State, Veterans, and Military Affairs no later than December 1, 2010.

Requests for Information

Staff recommends that the following request be continued.

Governor - Lieutenant Governor - State Planning and Budgeting, Office of the Governor, Governor's Energy Office -- Senate Bill 07-246 requires a post-enactment review be conducted to determine the Department's efficacy in implementing the desired result and benefit of the act to advance energy efficiency and renewable energy throughout the state. The Department is requested to submit an annual report by November 1 of each year to the Joint Budget Committee on the status of the Department's efficacy in implementing the desired result and benefit of the provisions of S.B. 07-246. At a minimum, the report should include a narrative overview of the programs implemented with descriptions of each and should itemize how the moneys appropriated have been applied, by program, to advance energy efficiency and renewable energy throughout the state.

Staff recommends that the following request be continued.

Governor - Lieutenant Governor - State Planning and Budgeting, Economic Development Programs, Bioscience Discovery Evaluation -- The Department is requested to submit an annual report to the Joint Budget Committee by November 1 of each year. At a minimum, the report shall specify the following information with regard to the bioscience research projects that received funding under the program during the preceding fiscal year: (1) the amount of funding distributed to each bioscience research project and a

description of each bioscience research project; (2) the manner in which each bioscience research project applied the funding received under the program; and (3) the results achieved by each bioscience research project, including identifiable monetary returns to the grantee and others since the receipt of the grant.

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



**FY 2011-12 STAFF FIGURE SETTING
INFORMATION TECHNOLOGY COMMON POLICIES**

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

**Prepared By:
Kevin Neimond, JBC Staff
March 14, 2011**

For Further Information Contact:

Joint Budget Committee Staff
200 E. 14th Avenue, 3rd Floor
Denver, Colorado 80203
Telephone: (303) 866-2061
TDD: (303) 866-3472

**FY 2011-12 FIGURE SETTING
STAFF PRESENTATION TO THE JOINT BUDGET COMMITTEE**

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INFORMATION TECHNOLOGY COMMON POLICIES

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**FY 2011-12 FIGURE SETTING
STAFF PRESENTATION TO THE JOINT BUDGET COMMITTEE**

JBC Working Document: Decisions Subject to Change

INFORMATION TECHNOLOGY COMMON POLICIES

Summary

OIT provides services to all State agencies on a cost reimbursement basis with OIT acting as a vendor to State agencies.

- OIT receives cost reimbursements for services provided in four functional areas: purchase of services from computer center, multiuse network payments, management and administration of OIT, and communication services payments;
- The total Department request of \$91,609,442 for IT Common Policies represents an increase of \$2.3 million over the FY 2010-11 appropriation;
- The total staff recommendation of \$91,403,336 for IT Common Policies represents an increase of \$2.1 million over the FY 2010-11 appropriation;
- The IT Common Policy billing recommendations include cost components that are currently pending Committee action. **Staff requests permission to update the IT Common Policies based on Committee action on currently pending common policy items.**

Additionally, Staff applied the Committee approved 1.5 percent reduction to all personal services lines and all fund sources to each of the four IT Common Policy items. The total across the four items equals a reduction of \$977,260 for this action. Staff requested a formal response from the Department to address the impact of the personal services reductions on OIT's operation. The Department indicates the following impacts:

- The ability of OIT staff to maintain existing systems, applications, and network and data center infrastructure will be compromised;
- Layoffs of staff could occur; and
- Underfunded initiatives and mandates related to statewide cyber security deficiencies will be even more difficult to address;

The Department further indicates that the FY 2010-11 consolidation initiative approved by the Committee and the General Assembly included an ongoing reduction of ten percent to all OIT personal services line items. For this reason (and the others mentioned above), the Department articulates that the original two percent personal services reduction proposed by the Governor for FY 2011-12 explicitly excluded OIT.

Purchase of Services from Computer Center

Description: OIT is responsible for the management and operation of the State's data center. The 9,075 square foot enterprise data center operates on a "24 by 7 by 365" basis, and currently houses 600 servers, one mainframe, and the related supporting infrastructure. OIT plans, manages, operates, and delivers the computing infrastructure to customer entities, which include all State agencies and certain institutions of higher education. OIT is responsible for managing the operating system, transaction processing scheduling, and systems management software associated with these resources.

The purchase of services from computer center functional area also includes a number of Statewide applications that support core business functions across multiple state agencies. The applications include the Applicant Data System, the Colorado Financial Reporting System, the Colorado Personnel and Payroll System, and Financial Data Warehouse.

Request: The Department requests collections totaling \$62,294,575 for FY 2011-12. The request represents an increase of \$2.2 million compared to the FY 2010-11 appropriation. The increase is due to a \$0.5 million prior year net under collection, \$0.9 million as a result of the transfer of the eFort disaster center facility from the Department of State to OIT via S.B. 10-148 (White/Lambert), and \$0.5 million for increases in the vendor costs for the Adabas mainframe technology. The table below summarizes the Department's request for recoverable costs.

FY 2011-12 Purchase of Services from Computer Center (GGCC) Requested Recoverable Costs						
	SITS Admin.	Customer Services	Computer Services	Tech. Mngt. Unit	Other	Total
Personal Services	\$436,838	\$821,429	\$42,774,312	\$2,829,659	\$0	\$46,862,238
Operating	6,450	14,625	6,261,199	364,371	0	6,646,645
POTS/Other	49,991	109,980	6,450,718	324,942	75,097	7,010,728
CPU Lease	0	0	0	0	336,034	336,034
Indirect Costs	0	0	0	0	1,193,201	1,193,201
Depreciation	0	0	0	0	293,478	293,478
Compensated Absences	0	0	0	0	7,713	7,713
Budget to Actual Adjustment	0	0	0	0	(55,462)	(55,462)
Total Recoverable Costs	\$493,279	\$946,034	\$55,486,229	\$3,518,972	\$1,850,061	\$62,294,575

Individual agencies' recent consumption of program resources has spurred changes in billing allocations. Consumption changes occur for a variety of reasons, including server needs, software license changes, or mainframe allocation adjustments. The following table summarizes the Department's proposed allocation of the \$62,294,575 in costs for each State agency.

Agency	Requested Cost Allocation
Agriculture	\$474,213
Corrections	5,201,542
Education	144,373
HCPF	838,855
Higher Education	105,313
Human Services	13,920,915
Judicial	512,055
Labor and Employment	6,565,790
Law	72,185
Legislature	52,058
Local Affairs	759,567
Military Affairs	178,631
Natural Resources	5,316,495
Personnel	2,589,157
Public Health	5,453,350
Public Safety	2,611,019
Regulatory Agencies	1,673,554
Revenue	9,017,137
Transportation	6,402,216
Treasurer	132,369
Higher Ed - Non-Approp'd	206,981
Local Gov't - Non-Approp'd	66,800
Total	\$62,294,575

Recommendation: Staff recommends the Committee approve collections for recoverable costs of \$61,736,376 for Purchase of Services from Computer Center for FY 2011-12. The difference between the Department's request and staff's recommendation (\$558,199) is related to three factors:

- Decrease of \$718,975 as part of the 1.5 percent to all personal services line items per Committee policy;
- Decrease of \$96,425 as part of the Statewide indirect costs plan approved by the Committee; and
- Decrease of \$71,920 per the Committee's policy on shift differential appropriations.
- Increase of \$404,216 due to two supplemental actions taken by the Committee impacting the Department of Human Services (CHATS support) and the Department of Corrections (technical true-up)

The table below is adjusted to illustrate the cost allocation for each agency based on staff's recommendation. **Staff recommends that individual analysts calculate fund splits for Purchase of Services from Computer Center payments.**

Agency	Recommended Cost Allocation
Agriculture	\$466,888
Corrections	5,308,041
Education	142,143
HCPF	825,895
Higher Education	103,686
Human Services	13,923,201
Judicial	504,144
Labor and Employment	6,464,352
Law	71,070
Legislature	51,254
Local Affairs	747,832
Military Affairs	175,871
Natural Resources	5,234,358
Personnel	2,549,156
Public Health	5,369,099
Public Safety	2,570,680
Regulatory Agencies	1,647,699
Revenue	8,877,827
Transportation	6,303,305
Treasurer	130,324
Higher Ed - Non-Approp'd	203,783
Local Gov't - Non-Approp'd	65,768
Total	\$61,736,376

Multiuse Network Payments

Description: The multiuse network (MNT) is a service providing secure, high-speed broadband access to State agencies, schools, colleges, libraries, hospitals, and local governments. The MNT is essentially the state's wide area network, providing network connectivity to every county in the state.

MNT payments represent the cost to the State for administering its share of the MNT build-out with the private consortium. Reimbursements for this functional area are expended for contracts with Qwest (and its consortium), and are based on anticipated billings, using a circuit inventory conducted department by department, for all agencies.

Request: The Department requests a recoverable costs amount of \$17,406,080 for FY 2011-12. The request represents an increase of \$48,285 over the FY 2010-11 appropriation. The table below summarizes the Department's request.

FY 2011-12 Requested Recoverable Costs for MNT Payments	
Personal Services	\$7,197,462
Centrally Appropriated Items	1,125,337
Operating Expenses - Network Services	
ANAP Fees	240,000
LATA Crossing Fees	156,000
Existing MNT Circuits	8,385,424
Network Monitoring Services	109,800
Equipment Maintenance	106,129
Front Range Gigapop - Internet Access	106,404
Non-Qwest Aggregation Costs	350,000
Network Security	250,000
Operating Subtotal	\$9,703,757
Indirect Cost Assessment	98,148
Depreciation	112,122
Total Costs	\$18,236,826
Less Local Government Participation and other Non-State Agencies	<u>(830,746)</u>
Total Recoverable Costs	\$17,406,080

The following table summarizes the Department's proposed allocation of the \$17,406,080 in recoverable costs for each State agency for FY 2011-12.

Agency	Requested Cost Allocations
Agriculture	\$179,857
Corrections	2,275,546
Education	28,064
Governor's Office	44,469
HCPF	225,218
Higher Education	73,452
Human Services	3,051,195
Judicial	407,646
Labor and Employment	904,563
Local Affairs	179,475

Military Affairs	59,201
Natural Resources	2,147,241
Personnel	175,722
Public Health	675,332
Public Safety	1,664,654
Reg Agencies	147,174
Revenue	3,044,970
State	65,048
Transportation	2,057,253
Total	\$17,406,080

Recommendation: Staff recommends the Committee approve collections for recoverable costs of \$17,464,988 for MNT payments for FY 2011-12. The increase between staff's recommendation and the Department request (\$58,909) is due to the Statewide indirect cost assessment adopted by the Committee. The table below is adjusted to illustrate the cost allocation for each agency based on Staff's recommendation. **Staff recommends that individual analysts calculate fund splits for MNT Payments.**

Agency	Recommended Cost Allocations
Agriculture	\$180,467
Corrections	2,283,247
Education	28,159
Governor's Office	44,619
HCPF	225,980
Higher Education	73,700
Human Services	3,061,521
Judicial	409,026
Labor and Employment	907,624
Local Affairs	180,082
Military Affairs	59,402
Natural Resources	2,154,508
Personnel	176,317
Public Health	677,618
Public Safety	1,670,287
Reg Agencies	147,673
Revenue	3,055,275
State	65,268
Transportation	2,064,215
Total	\$17,464,988

Management and Administration of OIT

Description: Senate Bill 08-155 (Cadman/Kerr, A.) required that billing methodologies be developed to allocate costs for central OIT administrative services, including a "back office" business

services staff for financial and human resource services to the consolidated office. Beginning with FY 2008-09, allocation appropriations were made to executive branch agencies for this function.

Request: The Department requests collections totaling \$7,271,472 for Management and Administration of OIT for FY 2011-12. The request represents a decrease of \$26,090 compared to the FY 2010-11 appropriation. The table below summarizes the Department's request for recoverable costs.

FY 2011-12 Management and Administration of OIT Requested Recoverable Costs			
	OIT Admin	SIT Management	Total
Personal Services	\$1,154,539	\$4,853,791	\$6,008,330
Operating Expenses	150,268	75,000	225,268
POTS/Other	120,982	888,571	1,009,553
Indirect Costs	0	28,321	28,321
Total Recoverable Costs	\$1,425,789	\$5,845,683	\$7,271,472

The following table summarizes the Department's proposed allocation of the \$7,271,472 in recoverable costs for each State agency for FY 2011-12.

Agency	Requested Cost Allocation
Agriculture	\$132,500
Corrections	432,857
Governor's Office	83,171
HCPF	621,948
Higher Education	95,628
Human Services	1,632,110
Labor and Employment	427,285
Local Affairs	71,865
Military Affairs	59,882
Natural Resources	535,467
Personnel	90,393
Public Health	486,060
Public Safety	387,554
Regulatory Agencies	271,292
Revenue	1,028,541
Transportation	914,919
Total	\$7,271,472

Recommendation: Staff recommends the Committee approve collections for recoverable costs of \$7,335,999 for Management and Administration of OIT for FY 2011-12. The difference

between the requested recoverable costs and the recommended recoverable costs (\$64,527) is related to three factors:

- ❑ Decrease of \$92,810 as part of the 1.5 percent to all personal services line items per Committee policy;
- ❑ Decrease of \$15,948 as part of the Statewide indirect costs plan approved by the Committee.
- ❑ Increase of \$135,000 as part of the Committee's decision during the FY 2010-11 supplemental process to fund the medical marijuana registry computer system.

The table below is adjusted to illustrate the cost allocation for each agency based on Staff's recommendation. **Staff recommends that individual analysts calculate fund splits for Management and Administration of OIT payments.**

Agency	Recommended Cost Allocation
Agriculture	\$131,216
Corrections	428,662
Governor's Office	82,365
HCPF	615,921
Higher Education	94,701
Human Services	1,616,292
Labor and Employment	423,144
Local Affairs	71,169
Military Affairs	59,302
Natural Resources	530,277
Personnel	89,517
Public Health	616,349
Public Safety	383,798
Regulatory Agencies	268,662
Revenue	1,018,572
Transportation	906,052
Total	\$7,335,999

Communication Services Payments

Description: The state microwave radio infrastructure and the Digital Trunked Radio System (DTRS) provides interoperability between public safety agencies and emergency responders to over 197 sites on 95 percent of the State's roadways, and serves more than 1,000 State, local, federal, and tribal agencies. OIT charges user agencies of the State for the operations and maintenance of the state's public safety communications infrastructure. The cost allocation methodology for this functional area establishes department appropriations based upon the total inventory of legacy mobile and portable VHF radio units, as well as digital trunked radios (DTR) in use by departments.

Request: The Department requests collections totaling \$4,637,316 for Communication Services Payments for FY 2011-12. The request represents an increase of \$12,694 compared to the FY 2010-11 appropriation. The table below summarizes the Department's request for recoverable costs.

FY 2011-12 Requested Recoverable Costs in Communication Services Payments	
Personal Services	\$3,608,382
Centrally Appropriated Items	565,680
Operating Expenses	134,631
Training	22,000
Utilities	165,002
Depreciation	61,675
Indirect Costs	<u>431,076</u>
Subtotal	\$4,988,446
Public Safety Trust Fund	(163,979)
Medical Services Account	(66,151)
Local Systems	(121,000)
Total Recoverable Costs	\$4,637,316

The following table summarizes the Department's proposed allocation of the \$4,637,316 in costs for each State agency for FY 2011-12.

Agency	Requested Cost Allocation
Agriculture	\$13,589
Corrections	1,628,996
Higher Education	90,242
Human Services	188,275
Judicial	11,408
Labor and Employment	1,113
Law	7,790
Local Affairs	26,386
Military Affairs	12,196
Natural Resources	983,899
Personnel	834
Public Health	6,400
Public Safety	616,207
Revenue	65,525
Transportation	984,456
Total	\$4,637,316

Recommendation: Staff recommends the Committee approve collections for recoverable costs

of **\$4,865,973 for Communication Services Payments for FY 2011-12.** The difference between the requested recoverable costs and the recommended recoverable costs (\$228,657) is related to two factors:

- ❑ Decrease of \$55,287 as part of the 1.5 percent to all personal services line items per Committee policy; and
- ❑ Increase of \$283,944 as part of the Statewide indirect cost recovery plan approved by the Committee.

The table below is adjusted to illustrate the cost allocation for each agency based on Staff's recommendation. **Staff recommends that individual analysts calculate fund splits for Communication Services Payments.**

Agency	Recommended Cost Allocation
Agriculture	\$14,258
Corrections	1,709,319
Higher Education	94,692
Human Services	197,559
Judicial	11,971
Labor and Employment	1,168
Law	8,174
Local Affairs	27,687
Military Affairs	12,798
Natural Resources	1,032,413
Personnel	875
Public Health	6,715
Public Safety	646,591
Revenue	68,756
Transportation	1,032,997
Total	\$4,865,973