

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



**FY 2016-17 STAFF FIGURE SETTING
DEPARTMENT OF LABOR AND EMPLOYMENT**

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

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How to Use this Document

The Department Overview contains a table summarizing the staff recommended incremental changes followed by brief explanations of each incremental change. A similar overview table is provided for each division, but the description of incremental changes is not repeated, since it is available under the Department Overview. More details about the incremental changes are provided in the sections following the Department Overview and the division summary tables.

Decision items, both department-requested items and staff-initiated items, are discussed either in the Decision Items Affecting Multiple Divisions or at the beginning of the most relevant division. Within a section, decision items are listed in the requested priority order, if applicable.

Department of Labor and Employment

Department Overview

The Department of Labor and Employment (Department) is responsible for providing services to employers and job seekers, and enforcing laws concerning labor standards, unemployment insurance, workers’ compensation, public safety, and consumer protection.

The Department is comprised of the following major organizational units:

- Executive Director’s Office
- Unemployment Insurance Division
- Division of Employment and Training
- Division of Workers’ Compensation
- Division of Oil and Public Safety
- Division of Labor
- Division of Vocational Rehabilitation

In Fiscal Year 2015-16, the Department was appropriated \$187.5 million and 1,030.3 full-time-equivalent (FTE) staff. The Department’s FY 2015-16 appropriation was 4.3 percent General Fund, 39.6 percent cash funds, 2.4 percent reappropriated funds, and 53.8 percent federal funds.

SUMMARY OF STAFF RECOMMENDATIONS

Department of Labor and Employment						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2015-16 Appropriation						
SB 15-234 (Long Bill)	\$178,911,115	\$2,698,594	\$74,251,770	\$1,139,547	\$100,821,204	1,023.5
Other Legislation	<u>8,609,990</u>	<u>5,309,990</u>	<u>0</u>	<u>3,300,000</u>	<u>0</u>	<u>6.8</u>
TOTAL	\$187,521,105	\$8,008,584	\$74,251,770	\$4,439,547	\$100,821,204	1,030.3
FY 2016-17 Recommended Appropriation						
FY 2015-16 Appropriation	\$187,521,105	\$8,008,584	\$74,251,770	\$4,439,547	\$100,821,204	1,030.3
R1 Unemployment Insurance Investigations and Criminal Enforcement	412,854	0	412,854	0	0	4.5
R2 Transfer of the Division of Vocational Rehabilitation	371,253	79,077	0	0	292,176	2.6
NP1 Annual fleet vehicle request	62,394	10,829	8,955	0	42,610	0.0
NP2 FY 2016-17 Secure Colorado	33,885	0	16,943	0	16,942	0.0
NP5 Resources for Administrative Courts	200,720	0	200,720	0	0	0.0

JBC Staff Figure Setting: FY 2016-17
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Department of Labor and Employment						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
BA NP1 Workers compensation adjustment	7,106	0	2,132	0	4,974	0.0
Change to appropriation structure of SWORK Program	0	0	0	0	0	0.0
Reduction for unemployment insurance technology initiatives	(5,466,214)	0	(5,466,214)	0	0	0.0
Reduction for trade adjustment act assistance	(500,000)	0	0	0	(500,000)	0.0
Annualize prior year legislation	48,715,687	4,184,847	793,571	4,939,313	38,797,956	233.4
Centrally appropriated line items	4,498,396	1,666,841	852,937	28,895	1,949,723	0.0
Annualize prior year budget actions	<u>(46,823)</u>	<u>(2,249)</u>	<u>(45,735)</u>	<u>3,200</u>	<u>(2,039)</u>	<u>0.0</u>
TOTAL	\$235,810,363	\$13,947,929	\$71,027,933	\$9,410,955	\$141,423,546	1,270.8
Increase/(Decrease)	\$48,289,258	\$5,939,345	(\$3,223,837)	\$4,971,408	\$40,602,342	240.5
Percentage Change	25.8%	74.2%	(4.3%)	112.0%	40.3%	23.3%
FY 2016-17 Executive Request	\$241,776,577	\$13,947,929	\$76,494,147	\$9,410,955	\$141,923,546	1,270.8
Request Above/(Below) Recommendation	\$5,966,214	\$0	\$5,466,214	\$0	\$500,000	0.0

Description of Incremental Changes

FY 2016-17

R1 Unemployment Insurance investigations and criminal enforcement: The recommendation includes \$412,854 cash funds from the Unemployment Revenue Fund and 4.3 FTE to increase the number of criminal investigators to address the backlog of unemployment insurance claims that exhibit indicators of fraud, which exceeds approximately 200 cases.

R2 Transfer of the Division of Vocational Rehabilitation: The recommendation for this Department request is pending. The table reflects the requested amount. The recommendation for the transfer of the Division of Vocational Rehabilitation will be addressed by the JBC staff analyst for Human Services (Executive Director's Office/Services for People with Disabilities) and figure setting recommendations will be made on March 17, 2016.

NP1 Annual fleet vehicle request: The recommendation is to apply the JBC's common policy, which was pending at the time of this presentation. The table reflects the requested amount.

NP2 FY 2016-17 Secure Colorado: The recommendation is to apply the JBC's common policy, which was pending at the time of this presentation. The table reflects the requested amount.

NP5 Resources for Administrative Courts: The recommendation is to apply the JBC's common policy, which was pending at the time of this presentation. The table reflects the requested amount.

BA NP1 Workers compensation adjustment: The recommendation is to apply the JBC's common policy, which was pending at the time of this presentation. The table reflects the requested amount.

Change to appropriation structure of Skilled Workers Outreach, Recruitment, and Key Training Program: The recommendation includes creation of a new line item to allow for transparency for the Skilled Workers Outreach, Recruitment and Key Training Program to effectuate the statutorily required appropriations from the General Fund to the Skilled Workers Outreach, Recruitment and Key Training Program Fund. The recommendation includes a reduction to the Skilled Workers Outreach, Recruitment and Key Training Program of \$3.3 million General Fund and an increase of \$3.3 million General Fund to the new line item, titled Appropriation to the Skilled Workers Outreach, Recruitment and Key Training Program Fund.

Reduction for unemployment technology initiatives: The recommendation includes a staff-initiated reduction of \$5,466,214 cash funds from the Employment and Training Technology Fund. The reduction is the result of termination of the technology initiative contract with the Department's vendor due to unsatisfactory performance. The Department has submitted a new capital request related to updating the unemployment insurance computing system. The recommended amount was determined with consultation from Department staff.

Reduction for trade adjustment act: The recommendation includes a staff-initiated reduction of \$500,000 federal funds to more accurately reflect the amount of federal funds passed through to the Department for workers displaced as a result of trade agreements.

Annualize prior year legislation: The recommendation includes a number of out-year adjustments related to special bills passed in the 2015 legislative session including:

- For S.B. 15-239 (Transfer of Vocational Rehabilitation), an increase of \$48,731,618 total funds and 233.1 FTE, including \$4,200,778 General Fund;
- For H.B. 15-1230 (Innovative Industry Workforce Development), and increase of \$14,827 General Fund and 0.3 FTE;
- For H.B. 15-1170 (Increasing Postsecondary and Workforce Readiness), a decrease of \$23,703 General Fund; and
- For H.B. 15-1274 (Skilled Worker Outreach, Recruitment and Key Training Program), a decrease of \$7,055 General Fund.

Centrally appropriated line items: The recommendation includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; salary survey; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; workers' compensation; legal services; payment to risk management and property funds; Capitol complex leased space; payments to OIT; and CORE operations. The amount shown reflects a combination of recommended items (for common policy items on which the JBC has taken action) and requested items (for common policy items that are still pending).

Annualize prior year budget actions: The recommendation moves FY 2015-16 merit pay and salary survey appropriations from the Executive Director’s Office into personal services and program lines throughout the Department. Funding provided as merit pay for individuals at the top of the salary range was provided on a one-time basis only.

Major Differences from the Request

The difference between the Department request and staff recommendation is approximately \$5.9 million total funds. Of this amount, approximately \$5.4 million is the result of removing the Unemployment Insurance technology project from the operating budget to account for the Department making a new capital request for upgrading the unemployment insurance computing system. The other \$0.5 million is the result of staff-initiated reduction in federal funds for the Trade Adjustment Act (Act) to more accurately reflect the pass through of federal funds for unemployment benefits provided under the Act.

Decision Items Affecting Multiple Divisions

➔ R2 Transfer of Division of Vocational Rehabilitation

Request: The Department requests \$371,253 total funds, comprised of \$79,077 General Fund and \$292,175 federal funds, to support the transfer of the Division of Vocational Rehabilitation from the Department of Human Services.

Recommendation: The Recommendation is pending and will be made during the Figure Setting Presentation for Human Services (Executive Director's Office/Services for People with Disabilities) on March 17, 2016. Staff requests permission to adjust appropriations in the Department of Labor and Employment when the Committee makes decisions for the Division of Vocational Rehabilitation.

Analysis:

Pursuant to Joint Budget Committee bill S.B. 15-239 (Lambert/Young), the Division of Vocational Rehabilitation is transferring its administration from the Department of Human Services to the Department of Labor and Employment effective July 1, 2106. For FY 2016-17 budgeting purposes, requests affecting the Division of Vocational Rehabilitation cross three JBC staff analyst budget areas.

To ensure the transfer receives the comprehensive analysis it requires, all line items affected by the transfer of the Division of Vocational Rehabilitation will be addressed by the JBC staff analyst for Human Services (Executive Director's Office/Services for People with Disabilities) and figure setting recommendations will be made on March 17, 2016.

(1) Executive Director's Office

The Executive Director's Office provides common services to all divisions including employee Health, life, and dental insurance, workers' compensation insurance, and employee shift differential. Support services are also located in the Executive Director's Office, and include the Office of Government, Policy and Public Relations, the Office of Human Resources, and the Budget and Controller's Offices.

Executive Director's Office						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2015-16 Appropriation						
SB 15-234 (Long Bill)	\$42,996,456	\$1,727,441	\$19,722,917	\$641,630	\$20,904,468	99.9
Other Legislation	<u>685,330</u>	<u>685,330</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
TOTAL	\$43,681,786	\$2,412,771	\$19,722,917	\$641,630	\$20,904,468	99.9
FY 2016-17 Recommended Appropriation						
FY 2015-16 Appropriation	\$43,681,786	\$2,412,771	\$19,722,917	\$641,630	\$20,904,468	99.9
R2 Transfer of the Division of Vocational Rehabilitation	371,253	79,077	0	0	292,176	2.6
NP1 Annual fleet vehicle request	62,394	10,829	8,955	0	42,610	0.0
NP2 FY 2016-17 Secure Colorado	33,885	0	16,943	0	16,942	0.0
BA NP1 Workers compensation adjustment	7,106	0	2,132	0	4,974	0.0
Centrally appropriated line items	4,747,772	1,666,841	1,102,313	28,895	1,949,723	0.0
Annualize prior year legislation	673,172	(254,740)	4,424	0	923,488	3.4
Annualize prior year budget actions	<u>(1,256,286)</u>	<u>(19,108)</u>	<u>(557,389)</u>	<u>(4,231)</u>	<u>(675,558)</u>	<u>0.0</u>
TOTAL	\$48,321,082	\$3,895,670	\$20,300,295	\$666,294	\$23,458,823	105.9
Increase/(Decrease)	\$4,639,296	\$1,482,899	\$577,378	\$24,664	\$2,554,355	6.0
Percentage Change	10.6%	61.5%	2.9%	3.8%	12.2%	6.0%
FY 2016-17 Executive Request:	\$48,321,082	\$3,895,670	\$20,300,295	\$666,294	\$23,458,823	105.9
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

LINE ITEM DETAIL – EXECUTIVE DIRECTOR'S OFFICE

Personal Services

This line item provides staff and services for needs that are common to all divisions within the Department of Labor and Employment. The Executive Director's Office administers facilities, equipment, and common program elements such as Human Resources, Financial Services, and Information Technology support staff, for example, needed by all divisions within the

Department and, therefore, are budgeted within the "Personal Services" line item in the Executive Director's Office.

Statutory Authority: Pursuant to Section 24-75-112 (1) (b), C.R.S.

Request: The Department requests an appropriation of \$8,595,044 total funds (\$223,576 General Fund, \$4,517,359 cash funds, \$162,366 reappropriated funds, and \$3,691,743 federal funds) and 105.9 FTE.

Recommendation: Staff Recommends base funding of \$8,409,588 total funds (\$184,074 General Fund, \$4,517,359 cash funds, \$162,366 reappropriated funds, and \$3,545,789 federal funds).

The requested appropriation includes adjustments to Common Policies and the R2 Transfer of Division of Vocational Rehabilitation, which will be addressed by the JBC staff analyst for Human Services (Executive Director's Office/Services for People with Disabilities) and figure setting recommendations will be made on March 17, 2016. The increase related to R2 Transfer of Division of Vocational Rehabilitation in this line item totals \$185,456 total funds (\$39,502 General Fund and \$145,954 federal funds). Staff requests permission to adjust this line to reflect the Committee Action.

Health, Life, and Dental

This line item is a centrally appropriated and is used to pay for the state's share of health insurance, life insurance, and dental insurance for employees who enroll in the state's health plan, in accordance with the JBC-approved common policy. The request reflects OSPB requested common policy adjustments for FY 2016-17.

Statutory Authority: Pursuant to Section 24-50-611, C.R.S., and defined in Section 24-50-603 (9), C.R.S.

Request: The Department requests an appropriation of \$9,668,762 total funds (\$423,939 General Fund, \$3,576,396 cash funds, \$58,884 reappropriated funds, and \$5,609,543 federal funds), which represents a continuation level of funding.

Recommendation: Staff recommends the Department request, which represents approved Common Policy decisions made on January 21, 2016.

Short-term Disability

This line item is used to pay the Department's share of costs associated with the state's short-term disability program which is administered by the Department of Personnel and Administration. The request reflects OSPB requested common policy adjustments for FY 2016-17.

Statutory Authority: Pursuant to Section 24-50-611, C.R.S., and defined in Section 24-50-603 (13), C.R.S.

Request: The Department requests an appropriation of \$139,271 (\$6,641 General Fund, \$54,939 cash funds, \$999 reappropriated funds, and \$76,992 federal funds).

Recommendation: Staff recommends the Department request, which represents approved Common Policy decisions made on January 21, 2016.

S.B. 04-257 Amortization Equalization Disbursement

This line item is used to pay the costs associated with S.B. 04-257, which requires an additional state contribution for employees in the Public Employees' Retirement Association (PERA). The request reflects OSPB requested common policy adjustments for FY 2016-17.

Statutory Authority: Pursuant to Section 24-51-411, C.R.S.

Request: The Department requests an appropriation of \$3,560,693 (\$169,727 General Fund, \$1,404,033 cash funds, \$25,483 reappropriated funds, and \$1,961,450 federal funds).

Recommendation: Staff recommends the Department request, which represents approved Common Policy decisions made on January 21, 2016.

S.B. 06-235 Supplemental Amortization Equalization Disbursement

This line item is used to pay costs associated with S.B. 06-235, which provided for a mechanism to increase the effective PERA rate beginning on January 1, 2008. The request reflects OSPB requested common policy adjustments for FY 2016-17.

Statutory Authority: Pursuant to Section 24-51-411, C.R.S.

Request: The Department requests an appropriation of \$3,523,602 (\$167,959 General Fund, \$1,389,408 cash funds, \$25,217 reappropriated funds, and \$1,941,018 federal funds).

Recommendation: Staff recommends the Department request, which represents approved Common Policy decisions made on January 21, 2016.

Salary Survey

This line is intended to pay for salary adjustments in accordance with the total compensation report prepared by the Department of Personnel.

Statutory Authority: Pursuant to Section 24-50-104, C.R.S.

Request: The Department requests an appropriation of \$150,603 (\$6,210 General Fund, \$51,807 cash funds, and \$92,586 federal funds).

Recommendation: Staff recommends the Department request, which represents approved Common Policy decisions made on January 21, 2016.

Merit Pay

This line item is a centrally appropriated line item used to pay for performance-based pay awards for state employees.

Statutory Authority: Pursuant to Section 24-50-104 (1) (c), C.R.S.

Request: The Department requests an appropriation of \$0.

Recommendation: Staff recommends the Department request, which represents approved Common Policy decisions made on January 21, 2016.

Shift Differential

This line item is used to pay for the incremental costs associated with higher compensation rates for employees who work after regular working hours.

Statutory Authority: Pursuant to Section 24-50-104 (1) (a), C.R.S.

Request: The Department requests an appropriation of \$14,797 federal funds.

Recommendation: Staff recommends the Department request, which represents approved Common Policy decisions made on January 21, 2016.

Workers' Compensation

This line item is used by the Department to reimburse the Department of Personnel for its share of costs associated with providing workers' compensation insurance to state employees and is set by the Department of Personnel common policy adjustments.

Statutory Authority: Pursuant to Section 24-30-1510.7, C.R.S.

Request: The Department requests an appropriation of \$590,735 (\$170,874 cash funds and \$419,861 federal funds).

Recommendation: Staff recommendation is pending Committee action. Staff requests permission to reflect the Committee's decision in the appropriation for this line item.

Operating Expenses

This line funds Department-wide and Executive Director's Office expenses such as department-wide software maintenance agreements, office supplies, in-state travel, and state fleet parking costs.

Statutory Authority: Pursuant to Section 24-75-112 (1) (b), C.R.S.

Request: The Department requests an appropriation of \$1,785,705 (\$3,131 General Fund, \$766,076 cash funds, and \$1,016,498 federal funds).

Recommendation: Staff recommendation is pending Committee action. Staff recommends base funding of \$1,771,007 total funds (\$766,076 cash funds and \$1,004,931 federal funds).

The requested appropriation includes adjustments related to the R2 Transfer of Division of Vocational Rehabilitation, which will be addressed by the JBC staff analyst for Human Services (Executive Director's Office/Services for People with Disabilities) and figure setting recommendations will be made on March 17, 2016. The increase related to R2 Transfer of Division of Vocational Rehabilitation totals \$14,698 total funds (\$3,131 General Fund and \$11,567 federal funds). Staff requests permission to adjust this line to reflect the Committee Action.

Legal Services for 8,415 Hours

This line item is used to pay the Department of Law for the provision of legal services to the Department.

Statutory Authority: Pursuant to 24-31-101 (1) (a), C.R.S., and defined in Section 24-75-112 (1) (i), C.R.S.

Request: The Department requests continuation of funding for 8,415 hours of legal services reflecting a continuation number of legal service hours. The requested appropriation is \$809,102 total funds (\$77,141 General Fund, \$188,201 cash funds, and \$543,760 federal funds).

Recommendation: Staff recommends an appropriation sufficient for 8,415 hours. The dollar amount is pending the Committee policy for FY 2016-17 legal service hour rates, which will be presented during the Department of Law's figure setting presentation. Staff requests permission to reflect the Committee's decision in the appropriation for this line item and permission to work with the Department to ascertain the right fund type mix.

Payments to Risk Management and Property Funds

This line item is used to reimburse the Department of Personnel for the Department's share of expenses associated with the state's liability insurance and property insurance. The request reflects OSPB requested common policy adjustments for FY 2016-17.

Statutory Authority: Pursuant to Section 24-30-1510 and 24-30-1510.5, C.R.S.

Request: The Department requests an appropriation of \$113,601 total funds (\$37,410 cash funds and \$76,191 federal funds).

Recommendation: Staff recommendation is pending Committee action. Staff requests permission to reflect the Committee's decision in the appropriation for this line item.

Vehicle Lease Payments

This line item is used by the Department to reimburse the Department of Personnel for the costs associated with vehicle lease payments for vehicles used by the Department. The request reflects OSPB requested common policy adjustments for FY 2016-17.

Statutory Authority: Pursuant to Section 24-30-1104 (2), C.R.S.

Request: The Department requests an appropriation of \$208,511 total funds (\$10,829 General Fund, \$119,232 cash funds, and \$78,450 federal funds).

Recommendation: Staff recommendation is pending Committee action. Staff requests permission to reflect the Committee's decision in the appropriation for this line item.

Leased Space

This line item is used by the Department to pay for leased space in locations around the state.

Statutory Authority: Pursuant to Section 24-75-112 (1) (b), C.R.S.

Request: The Department requests an appropriation of \$5,290,782 total funds (\$281,690 General Fund, \$2,228,250 cash funds, and \$2,780,572 federal funds).

Recommendation: Staff recommendation is pending Committee action. Staff recommends base funding of \$5,119,683 total funds (\$245,516 General Fund, \$766,076 cash funds, and \$1,004,931 federal funds). The majority of the increase requested in base funding is related to escalators in lease agreements.

The requested appropriation includes adjustments related to the R2 Transfer of Division of Vocation Rehabilitation, which will be addressed by the JBC staff analyst for Human Services (Executive Director's Office/Services for People with Disabilities) and figure setting recommendations will be made on March 17, 2016. The increase related to R2 Transfer of Division of Vocational Rehabilitation totals \$171,099 total funds (\$36,444 General Fund and \$134,655 federal funds). Staff requests permission to adjust this line to reflect the Committee Action.

Capitol Complex Leased Space

This line item is used by the Department to reimburse the Department of Personnel for expenses related to maintaining capitol complex facilities managed by Department of Personnel. The request reflects OSPB approved common policy adjustments for FY 2016-17.

Statutory Authority: Pursuant to Section 24-30-1104 (4) and Part 1 of Article 82 of Title 24, C.R.S.

Request: The Department requests an appropriation of \$24,480 total funds (\$20,891 cash funds and \$3,589 federal funds). The Department requests an appropriation to support a total of 5,659 square feet in the capitol complex: (a) 1,295 square feet for the Unemployment Insurance and Workers' Compensation programs in the Grand Junction State Office Building, and (b) 4,364 square feet for oil inspection labs at the North Campus facility on E. 62nd Avenue in Denver.

Recommendation: Staff recommendation is pending Committee action. Staff requests permission to reflect the Committee's decision in the appropriation for this line item.

CORE Operations

This line item is used by the Department to reimburse the Department of Personnel for the costs associated with maintaining the state's accounting system. The request reflects OSPB requested common policy adjustments for FY 2016-17.

Statutory Authority: Pursuant to Section 24-30-209, C.R.S.

Request: The Department requests an appropriation of \$315,204 total funds (\$128,779 cash funds and \$186,426 federal funds).

Recommendation: Staff recommendation is pending Committee action. Staff requests permission to reflect the Committee's decision in the appropriation for this line item.

Utilities

This line item is used to pay for the utilities expenses at 251 E. 12th Avenue. The building is owned by the state, and the utility expenses are paid by the Department of Labor and Employment.

Statutory Authority: Pursuant to Section 24-75-112 (1) (l), C.R.S.

Request: The Department requests an appropriation of \$260,309 federal funds.

Recommendation: Staff recommends the Department request.

Information Technology Asset Maintenance

The Department relies extensively on computers and databases to track the constituents that pay fees and taxes to support its programs. The Department also relies extensively on technology to track the individuals who qualify for benefits from its programs. The Department uses this line item to purchase the Microsoft software and on data network infrastructure.

Statutory Authority: Pursuant to Section 24-75-112 (1) (l), C.R.S.

Request: The Department requests an appropriation of \$553,627 total funds (\$175,343 cash funds and \$378,284 federal funds).

Recommendation: Staff recommends the Department request.

Statewide Indirect Cost Assessment

Indirect costs are the overhead costs associated with the operation of general government functions and departmental administrative duties. Indirect cost recoveries are intended to offset overhead costs that would otherwise have been supported by General Fund. Recoveries from cash and federally funded programs are calculated for statewide indirect cost assessments.

Statutory Authority: Pursuant to Section 24-75-1401 (2), C.R.S.

Request: The Department requests \$486,701 total funds (\$255,203 cash funds, \$165 reappropriated funds, and \$231,333 federal funds).

Recommendation: Staff recommendation is pending Committee action. Staff requests permission to reflect the Committee's decision in the appropriation for this line item.

Payments to OIT

This line item is used to reimburse the Governor's Office of Information Technology for the Department's share of costs for the management and administration of OIT. The request reflects OSPB requested common policy adjustments for FY 2016-17.

Statutory Authority: Pursuant to Section 24-37.5-104, C.R.S.

Request: The Department requests and appropriation of \$12,229,553 total funds (\$2,524,557 General Fund, \$5,216,094 cash funds, \$393,180 reappropriated funds, and \$4,095,722 cash funds).

Recommendation: Staff recommendation is pending Committee action on Common policies that will be presented during the Governor's Office figure setting presentation. Staff requests permission to reflect the Committee's decision in the appropriation for this line item and permission to work with the Department to ascertain the right fund type mix.

Bottom Line Funding Recommendation

The Executive Director's Office is funded by various federal sources for the centrally appropriated line items, which makes it difficult for the Department to project, a year in advance, the exact fund splits between fund types for centrally appropriated line items. Bottom line funding provides the Department the flexibility to apply federal funds to appropriate line items in order to cover expenses.

Recommendation: Staff recommends the Executive Director's Office remain bottom line funded, and staff requests permission to apply a bottom line fund split once pending line items are established.

LINE ITEMS APPEARING IN THE NUMBERS PAGES FROM PRIOR BUDGETS

Purchase of Services from Computer Center

This item provided funding for the Department's share of Statewide computer services provided by the Governor's Office of Information Technology. The Office plans, manages, operates, and delivers the computing infrastructure to customer entities, which include all State agencies and certain institutions of higher education. The Office is responsible for managing the operating system, transaction processing scheduling, and systems management software associated with these resources. This line item was consolidated into the Payments to OIT line item during the FY 2014-15 budget cycle.

Multiuse Network Payments

This line item was used to pay the Department's share of the statewide multiuse network. The multiuse network is a service providing secure, high-speed broadband access to State agencies, schools, colleges, libraries, hospitals, and local governments. It is essentially the state's wide area network, providing network connectivity to every county in the state. Payments represent the cost to the State for administering its share of the network build-out with the private consortium. Reimbursements for this functional area are expended for contracts with vendors, and are based on anticipated billings, using a circuit inventory conducted department by department, for all agencies. This line item was consolidated into the Payments to OIT line item during the FY 2014-15 budget cycle.

Management and Administration of OIT

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. This line item was consolidated into the Payments to OIT line item during the FY 2014-15 budget cycle.

Information Technology Security

This line item was added during the FY 2013-14 budget cycle for the Governor's Office of Information Technology to address the State's most pressing cyber security needs. The moneys for FY 2013-14 were used for intrusion detection, threat and vulnerability management, network segmentation equipment, centralized firewall management, and sensitive network authentication. This line item was consolidated into the Payments to OIT line item during the FY 2014-15 budget cycle.

(2) Division of Unemployment Insurance

The Department is responsible for administering Colorado's Unemployment Insurance Programs (UI Programs). UI Programs provide temporary benefits to individuals who have lost their job through no fault of their own. Program responsibilities include: general administration, tax collection from employers, benefits payments, employer audits, call center operation, claimant appeals, and quality control measures.

The Unemployment Insurance Fraud (UI Fraud) Program was combined with the UI Programs line item in FY 2009-10 to enable both programs to receive the maximum amount of federal funds. Staff from the Investigations and Criminal Enforcement unit, the name the UI Fraud Program has now adopted, notify claimants of benefit overpayments, collect overpayments, audit employers, and investigate potential unemployment benefit fraud. The ICE programs are funded from the Unemployment Revenue Fund, which receives revenue from interest collected on late taxes, fees assessed on employers for late tax payments, and court ordered investigation costs.

Unemployment Benefits

Pursuant to Section 8-77-104 (1), C.R.S., the payment of unemployment benefits is not subject to appropriation by the General Assembly, and is not included in the Long Bill. Additionally, Unemployment Trust Fund revenues and benefit payments are not subject to TABOR.

Division of Unemployment Insurance						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2015-16 Appropriation						
SB 15-234 (Long Bill)	\$45,884,681	\$0	\$16,907,219	\$0	\$28,977,462	479.1
TOTAL	\$45,884,681	\$0	\$16,907,219	\$0	\$28,977,462	479.1
FY 2016-17 Recommended Appropriation						
FY 2015-16 Appropriation	\$45,884,681	\$0	\$16,907,219	\$0	\$28,977,462	479.1
R1 Unemployment Insurance Investigations and Criminal Enforcement	412,854	0	412,854	0	0	4.5
Reduction for unemployment insurance technology initiatives	(5,466,214)	0	(5,466,214)	0	0	0.0
Annualize prior year budget actions	642,466	0	158,272	0	484,194	0.0
TOTAL	\$41,473,787	\$0	\$12,012,131	\$0	\$29,461,656	483.6
Increase/(Decrease)	(\$4,410,894)	\$0	(\$4,895,088)	\$0	\$484,194	4.5
Percentage Change	(9.6%)	0.0%	(29.0%)	0.0%	1.7%	0.9%
FY 2016-17 Executive Request:	\$46,940,001	\$0	\$17,478,345	\$0	\$29,461,656	483.6
Request Above/(Below) Recommendation	\$5,466,214	\$0	\$5,466,214	\$0	\$0	0.0

DECISION ITEMS – DIVISION OF UNEMPLOYMENT INSURANCE

➔ R1 Unemployment Insurance Enforcement

Request: The Department requests an increase of \$412,854 cash funds from the Unemployment Revenue Fund to temporarily increase staffing by 4.5 FTE to address a backlog of potentially fraudulent unemployment insurance fraud, for a two-year evaluation period.

Recommendation: Staff recommends approval of the Department request with the addition of a footnote that requires the Department to investigate lowering the fraud damage threshold from \$10,000 once the current backlog of fraud cases is addressed by the increased resources.

Analysis: The Investigations & Criminal Enforcement (ICE) unit was originally established for the purpose of conducting criminal investigations of crimes affecting the Department. Under that directive, ICE has dedicated itself to the detection, investigation, and prosecution of crimes perpetrated against the Division of Unemployment Insurance (UI) and to the recovery of its assets. The primary responsibility of ICE is investigating and building cases against criminals defrauding the Unemployment Insurance program.

In addition to investigating individuals for UI fraud, ICE is also responsible for several other duties, which include, but are not limited to performing law enforcement assists, processing restitution monies ordered by the courts, and reviewing and clearing all background checks for Department employees. The ICE criminal investigators are not POST (Peace Officer Standards and Training) Board Certified, however, Section 16-3-301.1, C.R.S., provides the Criminal Investigators with authority to prepare Court Order for Production of Records and gather evidence from banks and other entities.

In addition to investigating UI fraud the unit also performs other functions for the Department. For example, the unit completed 5,141 law enforcement assists, 985 background checks, 19 identity abuse case investigations, 14 threats, and 172 UI fraud tips from 2012 through June 2015. It also has a Memorandum of Understanding with the Department of Revenue to cooperate on certain investigations that cross both unemployment insurance fraud and tax fraud.

The Department has observed an increase in UI fraud, caused partially by the influx of UI claims filed during the economic downturn and the flurry of UI claims expanded by the Extended Unemployment Benefits Program, which created a large backlog of unassigned cases. On average, the unit as a whole is currently working (active investigations) about 55-60 cases during a month. This does not include the cases the unit already referred to the District Attorney's (DA's) offices for prosecution and still require staff resources. On average, an investigator works between 10-15 cases per year. Each case on average can have 4 separate claims. Figure 1 below illustrates the workload of ICE as it relates to investigating UI fraud.

The case work can take several months, and in some large scale identity theft rings, a year or more to investigate. Mostly all of the work performed by ICE involves multiple claims and multiple actors, complicating investigations. Once the investigator has completed their investigation, they refer their case to the DA's office or Attorney General's office for prosecution. Since many of the cases involve numerous claims, the evidence submitted is very large. Once the DA decides to file the case, the claimant will appear in court. The time a claimant (now defendant) spends in court varies as well, as some plead right away and others have continuances for several months. The majority of cases do not go to trial because the evidence is overwhelmingly conclusive; however, there are times when ICE investigators attend trial or hearings.

Figure 1: Actual and Estimated Workload of ICE

	Actual				Estimated ¹			
	2012	2013	2014	2015	2016	2017	2018	2019
Cases Received	131	118	149	161	155	140	140	140
Cases Filed in District Court	68	98	102	107	103	160	160	160
UI Claims per case	5	3	4	4	4	4	4	4
Unassigned cases (over \$10,000)	63	83	130	184	236	216	196	176
Actual or anticipated repayment to UI Trust Fund	\$680,000	\$980,000	\$1,020,000	\$1,070,000	\$1,030,000	\$2,313,340	\$2,313,340	\$2,313,340

¹ Estimates assume approval of this request.

The Department is currently unable to provide an average of how long it takes to work an investigation, as it depends on a variety of factors (i.e.: obtaining employer records, preparing and serving court orders on banks, interviewing witnesses, gathering evidence as well as interviewing the suspect). The Criminal Investigator completes a lengthy process for each case, which includes: reviewing documents, identifying additional claims, running criminal histories, gathering other data, contacting employers, preparing court orders, contacting suspects, contacting witnesses, preparing affidavits and witness statements, and testifying in court. Once a case is complete and ready to send to the DA, the case file (including reports and evidence) is approximately 1,500 – 2,000 pages. Lastly, in addition to all of the above, Criminal Investigators are responsible for handling all law enforcement assists as well as investigating all UI fraud tips that come into the Department.

Fraud Case Threshold

Current law allows the Executive Director of the Department to adjust the monetary threshold that warrants investigation by ICE. The current threshold to send fraud cases to ICE is \$10,000

or greater. ICE currently holds approximately \$2.3 million in unassigned cases waiting to be investigated, in addition to the normal yearly caseload that exceed this threshold. Although the ICE unit still has a large back-log of cases, they receive cases from the Benefit Payment Control (BPC) unit monthly.

ICE investigates these cases under a variety of criminal statutes and each have varying periods, or statutes of limitations, limiting how long the state can charge those responsible for the fraud. For example, if the DA's office charges the defendant with "Making a False Claim," it must be charged within eighteen months of the last act, however, if the crime charged is more clearly "Criminal Theft," the statute of limitations is three years from the date of discovery. In addition to unassigned cases that exceed \$10,000, the Department also reports that there are 495 unassigned cases valued between \$5,000 and \$9,999. Once ICE is able to reduce the backlog of cases, the Department would like to investigate lowering the threshold to capture more of the fraud being perpetrated against the state. The recommendation includes a footnote to encourage this to happen.

In addition to addressing the backlog and monthly addition of new fraud cases, the Department now receives federal funds to run nationwide crossmatches against incarceration and death index records and as a result the Department expects to increase investigation actions on nontraditional fraud cases such as jail roster, self-employment, and large fraud rings in FY 2016-17 and into the future.

Request

The Department states that ICE fills a vital role in helping demonstrate its ongoing commitment to integrity in its programs and accountability to the citizens of the State of Colorado. As such, the Department is proposing that an additional three (3.0 FTE) Criminal Investigator I positions, one (1.0 FTE) Criminal Investigator III, and a (0.5 FTE) half-time Administrative Assistant II be added to the ICE unit and will be paid out of the Unemployment Revenue Fund.

One of the operational measures the Department identified through the SMART Act process is to reduce the percentage of improper benefit payments to the national acceptable level of 10 percent. The Department has hovered just above the 10 percent and the additional investigators will help address this goal.

The Department calculates that with four (4.0 FTE) additional investigators it will capture on average \$713,340 more fraud in the UI system even before lowering the threshold for fraud cases. To arrive at this figure, the Department assume the average restitution ordered in ICE cases reaching criminal disposition in the last two years, which was \$11,889. Taking the average amount of restitution ordered, multiplying it by the average number of 15 cases filed per

investigator, and finally multiplying that by the new four new investigators, ICE could expect to have \$713,340 in restitution ordered in a year with four full time investigators filing cases.

There will always be individuals who commit UI fraud, whether there is an economic downturn or not. Although fraud tends to rise during an economic downturn, it has always existed. With the additional FTEs, the Department will not only be able to run cases more efficiently, which will increase the amount of money that comes back to the Department, but the Department will be able to tackle some of the non-traditional fraud cases that ICE also investigates. Finally, the Department request is for increased FTE and funding for two fiscal years. At the end of that period the Department and the Joint Budget Committee will reevaluate the need for increased staffing levels in the ICE.

The funding source requested by the Department is the Unemployment Revenue Fund created in section 8-77-106, C.R.S. Revenue is derived from fees applied to delinquent payments made by employers and costs awarded to the Department for investigating fraud by the courts. Payments made to the Department for investigative costs awarded by the courts are credited to the fund, while the amount of UI payments recovered are returned to the Unemployment Trust Fund. Over the past two completed state fiscal years, ICE generated an average of \$7.4 million revenue to the Unemployment Revenue Fund. This figure does not include the amount of principal repaid to the Unemployment Trust Fund. In FY 2013-14, the cost of funding ICE was approximately \$1.7 million and in FY 2014-15, the costs were about \$2.4 million.

The Unemployment Revenue Fund is TABOR–exempt because the revenue comes from damage awards and court ordered penalties. Section 24-77-10217 (b) (VII), C.R.S, exempts these funds from TABOR. House Bill 09-1363 modified the Unemployment Insurance Trust Fund into a TABOR enterprise, however, the Division of Unemployment Insurance is not a TABOR enterprise.

The staff recommendation also includes that addition of a footnote to encourage the Department to investigate whether it is appropriate to reduce the fraud case threshold below \$10,000 once the backlog of cases exceeding \$10,000 has been addressed and maintain the funding level provided by this decision item. A draft of that footnote follows:

Department of Labor and Employment, Division of Unemployment Insurance, Program Costs – It is the intent of the General Assembly that once the additional resources provided for the Investigations and Criminal Enforcement unit have addressed the backlog of fraud cases that the Executive Director explore reducing the fraud case threshold below \$10,000, if the Department can continue to meet the workload within existing appropriations.

➔ Reduction for unemployment insurance technology initiatives

Request: This is a staff-initiated change and was not requested by the Department.

Recommendation: Staff recommends the Committee reduce the Unemployment Insurance Technology Initiatives line item by \$5,466,214 cash funds from the Employment and Training Technology Fund for a total of \$4,520,000 cash funds for the line item.

Analysis: Since FY 2013-14, the Department has led a consortium of states that have been referred to in budget documents over the years as the WyCAN Consortium, which was developing a portable unemployment insurance benefits and management system. The development of the system was funded through the Department's operational budget utilizing the Employment and Training Technology Initiatives line item. In October 2015, the Department indicated to JBC staff that a supplemental capital budget request was coming related to the technology initiative because the Department chose to terminate the contract with its vendor, HCL America, Inc., because the vendor was not addressing complaints from the Consortium and was not meeting its contracted deadlines for deliverables.

At the time of the November 1 budget submission, the Department had not finalized decisions, with the help of the Office of Information Technology, for what resources the capital budget request would require. Once JBC staff received the capital budget request, JBC staff and the Department agreed the appropriation for the Employment and Training Technology Initiatives line item should be reduced.

The Department reports it strives to maintain transparency when using any fund source. The capital project funding request does not include departmental staff and other state operating costs. Therefore, it would be inappropriate to reduce this line item to zero. Departmental staff and operating costs were separated from the capital request to allow the legislature to make the most informed decision on what is a one-time project and what are considered state operating costs. Departmental costs are also anticipated to continue in future years in this Long Bill line item whereas the capital request is a multi-year one time cost. For example, in future years, maintenance of the systems and OIT support are expected to be charged to this cash funded line. The department does expect this Long Bill line to decrease once the system is operational.

Another reason the department decided to separate the capital request from state operating costs is to make capitalizing the project on the statewide financial statements more accurate. Governments possess many different types of assets that may be considered intangible assets, including computer software. Computer software is a common type of intangible asset that is often internally generated. Computer software should be considered internally generated if it is developed in-house by the government's personnel or by a third-party contractor on behalf of the government. If the department combined all of the costs into one large sum, it would have to unravel the expenditures and determine as to whether they were an asset under the Governmental Accounting Standards Board (GASB) rules or they were not. Attempting to do this for a project that may span up to three years is nearly impossible. Finally, you cannot capitalize an IT project until it goes into production.

The Department utilized updated cost estimates to provide the following information about its updated request for the Employment and Training Technology Initiatives line item.

Employment and Training Technology Initiatives		
	Budget	FTE
<u>Personal Service</u>		
Full time	1,500,000	26.0
Centrally Appropriated Line Items	<u>500,000</u>	
Sub-total	2,000,000	
<u>Operating</u>		
Legal Services	100,000	
Software Licenses	900,000	
Building Lease at 633 17th Street	125,000	
Enterprise Service Business Software Licensing	1,200,000	
Operating	195,000	
Sub-total	<u>2,520,000</u>	
TOTAL	4,520,000	

Based on the updated cost estimates and justification provided by the Department, JBC staff recommends an appropriation of \$4,520,000 cash funds, which is a reduction of \$5,466,214 from the Employment and Training Technology Fund.

LINE ITEM DETAIL – DIVISION OF UNEMPLOYMENT INSURANCE

Program Costs

This line item funds the UI Programs personal services and operating expenses.

Statutory Authority: Pursuant Section 8-71-101, C.R.S.

Request: The Department requests an appropriation of \$36,953,787 total funds for 457.6 FTE (\$7,492,131 cash funds and \$29,461,656 federal funds).

Recommendation: Staff recommends approving the Department request.

Employment and Training Technology Initiatives

This line item funds the Department’s efforts to modernize its unemployment insurance technology infrastructure.

Statutory Authority: Pursuant Section 8-77-109, C.R.S.

Request: The Department requests an appropriation of \$9,986,214 cash funds for 26.0 FTE.

Recommendation: Staff recommends an appropriations of \$4,520,000 cash funds and 26.0 FTE. The analysis is provided above in the issue titled **Reduction to Employment and Training Technology Initiatives line item**.

(3) Division of Employment and Training

The Division of Employment and Training provides services to businesses and potential employees to increase labor participation in the state.

(A) EMPLOYMENT AND TRAINING PROGRAMS

State and county run one-stop centers offer job search assistance, additional job training, and classes to improve interview and resume skills to job seekers. Services are free to job seekers and employers, with the goal of matching qualified job seekers with employers.

Employment and Training Programs						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2015-16 Appropriation						
SB 15-234 (Long Bill)	\$59,379,301	\$399,852	\$10,408,983	\$478,599	\$48,091,867	209.4
Other Legislation	<u>7,924,660</u>	<u>4,624,660</u>	<u>0</u>	<u>3,300,000</u>	<u>0</u>	<u>6.8</u>
TOTAL	\$67,303,961	\$5,024,512	\$10,408,983	\$3,778,599	\$48,091,867	216.2
FY 2016-17 Recommended Appropriation						
FY 2015-16 Appropriation	\$67,303,961	\$5,024,512	\$10,408,983	\$3,778,599	\$48,091,867	216.2
Change to appropriation structure of SWORK Program	0	0	0	0	0	0.0
Annualize prior year budget actions	243,796	0	87,642	7,431	148,723	0.0
Annualize prior year legislation	3,069	3,069	0	0	0	0.3
Reduction for trade adjustment act assistance	<u>(500,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(500,000)</u>	<u>0.0</u>
TOTAL	\$67,050,826	\$5,027,581	\$10,496,625	\$3,786,030	\$47,740,590	216.5
Increase/(Decrease)	(\$253,135)	\$3,069	\$87,642	\$7,431	(\$351,277)	0.3
Percentage Change	(0.4%)	0.1%	0.8%	0.2%	(0.7%)	(3.0)
FY 2016-17 Executive Request						
Request Above/(Below) Recommendation	\$500,000	\$0	\$0	\$0	\$500,000	(0.0)

DECISION ITEMS – EMPLOYMENT AND TRAINING PROGRAMS

➔ Change to appropriation structure of the Skilled Workers Outreach, Recruitment and Key Training Program

Request: This is a staff-initiated change and was not requested by the Department.

Recommendation: Staff recommends creation of a new line item entitled “Appropriation to the Skilled Workers Outreach, Recruitment, and Key Training Program Fund.”

Analysis: House Bill 15-1276 (Skilled Worker Outreach Recruiting and Training) requires the General Assembly to appropriate a total of \$10.0 million to the Skilled Working Outreach, Recruitment, and Key Training Program Fund over three fiscal years, terminating in FY 2017-18. Creating a separate line item for a statutory required transfer is consistent with budget procedures implemented in other budget areas.

Staff recommendation includes reducing the General Fund appropriation requested in the Skilled Workers Outreach, Recruitment and Key Training Program by \$3,300,000 General Fund and increasing the General Fund appropriation to the new line item identified above by the same amount of General Fund.

The recommendation is budget neutral compared to the Department's request, but provides more clarity to the controller and the Department on the General Assembly's intent.

As mentioned above, Section 8-83-304, C.R.S., requires the General Assembly to appropriate \$10.0 million over the course of three fiscal years to the Skilled Working Outreach, Recruitment, and Key Training Program Fund. This appropriation represents the second year of a \$3,300,000 General Fund appropriation to the fund. In FY 2017-18 the General Assembly will be required to appropriate \$3,400,000 to finalize the required transfers.

➔ Reduction for Trade Adjustment Act assistance

Request: This is a staff-initiated change and was not requested by the Department.

Recommendation: Staff recommends reducing the Trade Adjustment Act line item by \$500,000 federal funds for a total of \$2,000,000 federal funds.

Analysis: The Trade Adjustment Act assistance line item is included in the Long Bill for informational purposes. The line item is fully funded by federal pass through funds to provide unemployment benefits and supplemental salary benefits for workers that lost a job as a result of foreign trade agreements. Although informational, the line item should reflect approximately what the Department expects to pass through from the federal government.

Over the past five fiscal years for which actual expenditure data is available (FY 2010-11 to FY 2014-15) the average expenditure is \$1,932,920. The maximum expenditure equaled \$3,040,716 which occurred during FY 2010-11 and the minimum was \$1,179,367 for FY 2014-15. Like the unemployment insurance program generally, this line item is counter-cyclical to the economy; during a poor economy, there tends to be more individuals that qualify for assistance and fewer that require assistance during a growing economy. Following Colorado's recovery from the Great Recession, expenditures from this line item have steadily decreased. Therefore, reducing this line item by \$500,000 should more clearly reflect actual future expenditures.

LINE ITEM DETAIL – EMPLOYMENT AND TRAINING PROGRAMS

State Operations

This line funds state run one-stop centers. Each one-stop center provides job search assistance, classes, and services for individuals with special needs. In addition, this line supports the administration of several other employment programs.

Statutory Authority: Pursuant Sections 8-83-101, C.R.S. *et seq.* and 8-15.5-101, C.R.S. *et seq.*

Request: The Department requests an appropriation of \$14,513,658 total funds for 143.7 FTE (\$9,689,085 cash funds and \$4,824,573 federal funds).

Recommendation: Staff recommends the Department request, which represents a continuation level of funding.

One-Stop County Contracts

This line supports the federally funded county operated one-stop centers. These one-stop serve as centers for the dissemination of all federal employment program information, including job training and search programs. There are 27 county full service and satellite workforce centers that are run by the counties. These one-stop centers offer the same services as the state operated one-stop centers. Primary funding for these one-stop centers is federal Wagner Peyser Act and various Veterans grants.

Statutory Authority: Pursuant Sections 8-83-101, C.R.S. *et seq.*

Request: The Department requests an informational appropriation of \$9,164,335 federal funds.

Recommendation: Staff recommends the Department request, which represents a continuation level of funding.

Trade Adjustment Act Assistance

This line item reflects federal pass through funding used to provide job training assistance to workers dislocated as a result of foreign trade agreements. Federal Trade Adjustment funds are used by the Department to assist workers who have lost their job as a result of foreign trade. Assistance includes extended UI benefits and supplemental salary payments.

Statutory Authority: Pursuant Sections 8-83-101, C.R.S. *et seq.*

Request: The Department requests an informational appropriation of \$2,500,000 federal funds.

Recommendation: Staff recommends an appropriation of \$2,000,000 federal funds. For a discussion on the difference between the Department request and staff recommendation, see the issue titled **Reduction for trade adjustment act assistance**.

Workforce Investment Act

Federal Workforce Investment Act (WIA) funds are distributed to state and county run one-stop centers for services and programs that provide job training and job skills. The federally-funded program serves eligible adults and youth who need additional employment services, education, and/or training to prepare them to enter the workforce or to reenter after a job loss. The WIA funds skills assessments, basic skills remediation, occupational skills training, and retraining.

Statutory Authority: Pursuant Sections 8-83-201, C.R.S. *et seq.*

Request: The Department requests an appropriation of \$32,504,222 for 61.2 FTE (\$807,540 cash funds and \$31,696,682 federal funds).

Recommendation: Staff recommends the Department request, which reflects a continuation level of funding.

Workforce Development Council

This line supports the staff of the Workforce Development Council. The Council was created to meet the requirements of Title I of the federal Workforce Investment Act of 1998. The Council is responsible for designating local workforce investment areas, coordinating the delivery of workforce development programs, and reviewing the allocation of federal Title I funds for adult employment and training activities and youth activities. In addition to the WIA federal funds, the Council is supported by funds from the Department of Human Services, Education, Local Affairs, and Community Colleges. The office of State Planning and Budgeting is required to determine each agency's contributions on an annual basis.

With the passage of H.B.15-1170 (Postsecondary and Workforce Readiness), the Council works with local education providers, business, industry, Department of Education to raise the level of Postsecondary and Workforce Readiness. Also with the passage of H.B. 15-1274 (Career Pathways for Students), the Council will work with its partners to design integrated career pathways within identified growth industries.

Statutory Authority: Pursuant Title 24, Article 46.3, C.R.S.

Request: The Department requests an appropriation of \$1,058,284 for 7.5 FTE (\$572,254 General Fund and \$486,030 reappropriated funds).

Recommendation: Staff recommends the Department request. The General Fund appropriation is the result of passage of H.B. 15-1170 (Increasing Postsecondary And Workforce Readiness) and H.B. 15-1274 (Career Pathways for Students).

Workforce Improvement Grants

Workforce improvement grants are federal and private grants awarded to the Workforce Development Council for the creation of workforce development activities. These are typically directed toward special populations (youth, disabled, veterans, etc.).

Statutory Authority: Pursuant Title 24, Article 46.3, C.R.S.

Request: The Department requests an informational appropriation of \$55,000 federal funds.

Recommendation: Staff recommends the Department request.

Veterans Pilot Program

House Bill 15-1030 (Veterans Pilot Program) created the Veterans Pilot Program in the Department and requires it to review periodic reports from the contractor selected for the pilot program. The contractor is selected through RFP process and will provide veteran services related to job retention, mediation with employers, mentoring, and career counseling. The program ends January 1, 2018.

Statutory Authority: Pursuant Sections 8-14.3-101, C.R.S., *et sec.*

Request: The Department requests an appropriation of \$157,950 General Fund for 0.3 FTE.

Recommendation: Staff recommends the Department request, which reflects annualization of H.B. 15-1030 (Veterans Pilot Program), consistent with the final fiscal note for the bill.

Innovative Industry Workforce Development Program

Created through passage of H.B. 15-1230 (Innovative Industry Workforce Development Program), this line item pay for administration of the program designed to reimburse employers with high-level internships and apprenticeships in an innovative industry. The program ends July 1, 2020.

Statutory Authority: Pursuant Section 8-83-103, C.R.S.

Request: The Department requests an appropriation of \$597,525 General Fund for 1.3 FTE.

Recommendation: Staff recommends the Department request, which reflects annualization of H.B. 15-1230 (Innovative Industry Workforce Development Program), consistent with the final fiscal note for the bill.

Skilled Workers Outreach, Recruitment and Key Training Program

House Bill 15-1276 (Skilled Worker Outreach Recruiting and Training) created the Skilled Workers Outreach, Recruitment and Key Training Program. Beginning FY 2015-16, the Department accepts applications for matching grants from public and private providers of qualified skilled workers training programs. Qualified grant recipients offer training for skills that are needed in the workplace, with a credential or other evidence of achievement awarded at the completion of training.

Statutory Authority: Pursuant Section 8-83-304, C.R.S.

Request: The Department requests an appropriation of \$6,600,000 for 2.0 FTE (\$3,300,000 General Fund and \$3,300,000 reappropriated funds).

Recommendation: Staff recommends an appropriation of \$3,300,000 reappropriated funds and 2.0 FTE. For a discussion on the difference between the Department request and staff recommendation, see the issue titled **Change to appropriation structure of the Skilled Workers Outreach, Recruitment and Key Training Program** at the beginning of this Division.

Appropriation to the Skilled Workers Outreach, Recruitment, and Key Training Program Fund (new line item)

This line item effectuates the required transfer from the General Fund to the Skilled Workers Outreach, Recruitment, and Key Training Program Fund.

Statutory Authority: Pursuant Section 8-83-304, C.R.S.

Request: The Department did not request creation of this new line item.

Recommendation: Staff recommends an appropriation of \$3,300,000 General Fund. For a discussion on the difference between the Department request and staff recommendation, see the issue titled **Staff initiated change to appropriation structure of the Skilled Workers Outreach, Recruitment and Key Training Program** at the beginning of this Division.

Hospitality Education Grant Program

Senate Bill 14-015 (Hospitality Career Eeducation Grant Program) created the hospitality career secondary education grant program in CDLE. The program awards grants to increase the number and quality of hospitality programs operating in schools beginning FY 2015-16 academic year. This line supports program development, grant administration, and grant awards to hospitality programs.

Statutory Authority: Pursuant Sections 24-46.3-201, C.R.S., *et seq.*

Request: The Department requests an appropriation of \$399,852 General Fund for 0.5 FTE.

Recommendation: Staff recommends the Department request, which represents a continuation level of funding and allows the Department to continue providing \$350,000 in Hospitality Education grants.

(B) LABOR MARKET INFORMATION

The Labor Market Information (LMI) section provides information on employment trends across the state, unemployment numbers, and job growth information. LMI works with state and county one-stop centers to provide relevant training classes in fields that are growing or have potential long term growth in Colorado.

JBC Staff Figure Setting: FY 2016-17
Staff Working Document – Does Not Represent Committee Decision

Labor Market Information						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2015-16 Appropriation						
SB 15-234 (Long Bill)	<u>\$2,149,309</u>	<u>\$0</u>	<u>\$11,323</u>	<u>\$0</u>	<u>\$2,137,986</u>	<u>30.3</u>
TOTAL	\$2,149,309	\$0	\$11,323	\$0	\$2,137,986	30.3
FY 2016-17 Recommended Appropriation						
FY 2015-16 Appropriation	\$2,149,309	\$0	\$11,323	\$0	\$2,137,986	30.3
Annualize prior year budget actions	<u>40,602</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>40,602</u>	<u>0.0</u>
TOTAL	\$2,189,911	\$0	\$11,323	\$0	\$2,178,588	30.3
Increase/(Decrease)	\$40,602	\$0	\$0	\$0	\$40,602	0.0
Percentage Change	1.9%	0.0%	0.0%	0.0%	1.9%	(3.0)
FY 2016-17 Executive Request	\$2,189,911	\$0	\$11,323	\$0	\$2,178,588	30.3
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

LINE ITEM DETAIL – LABOR MARKET INFORMATION

Program Costs

This line item provides funding for the personal services and operating expenses associated with the Labor Market Information sub-division. It supports the federally funded programs that track the Colorado economy by measuring activity within the workforce. It serves as a statistical clearing house for all sectors of the economy.

Statutory Authority: Pursuant to Sections 24-1-136, 8-71-107, 8-72-106, and 8-72-107, C.R.S.

Request: The Department requests an appropriation of \$2,189,911 for 30.3 FTE (\$11,323 cash funds and \$2,178,588 federal funds).

Recommendation: Staff recommends the Department request. The majority of the funding for this program is informational federal funds. The \$11,323 cash fund appropriation, while reverted in FY 2014-15, allows the Department to make expenditures of cash as a result of selling publications.

(4) Division of Labor

This line item group administers Colorado employment and labor laws pertaining to wages paid, hours worked, minimum wage, labor standards, child labor, employment-related immigration laws, and working conditions. The Division of Labor also conducts all-union agreement elections, elections to certify or decertify collective bargaining agreements, certifications of all-union provisions in the building and construction trades industries, and investigates and mediates allegations of unfair labor practices.

Division of Labor						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2015-16 Appropriation						
SB 15-234 (Long Bill)	<u>\$1,840,778</u>	<u>\$571,301</u>	<u>\$1,269,477</u>	<u>\$0</u>	<u>\$0</u>	<u>25.8</u>
TOTAL	\$1,840,778	\$571,301	\$1,269,477	\$0	\$0	25.8
FY 2016-17 Recommended Appropriation						
FY 2015-16 Appropriation	\$1,840,778	\$571,301	\$1,269,477	\$0	\$0	25.8
Annualize prior year budget actions	<u>35,580</u>	<u>16,859</u>	<u>18,721</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
TOTAL	\$1,876,358	\$588,160	\$1,288,198	\$0	\$0	25.8
Increase/(Decrease)	\$35,580	\$16,859	\$18,721	\$0	\$0	0.0
Percentage Change	1.9%	3.0%	1.5%	0.0%	0.0%	0.0%
FY 2016-17 Executive Request:	\$1,876,358	\$588,160	\$1,288,198	\$0	\$0	25.8
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

LINE ITEM DETAIL – DIVISION OF LABOR

Program Costs

This line item funds the personal services and operating expenses for the division.

Statutory Authority: Pursuant to Title 8, Articles 1 through 6, and Article 12, C.R.S. and Section 26-2-715, C.R.S.

Request: The Department requests an appropriation of \$1,876,358 total funds for 25.8 FTE (\$588,160 General Fund and \$1,288,198 cash funds).

Recommendation: Staff recommends the Department request, which represents a continuation level of funding.

(5) Division of Oil and Public Safety

The Division of Oil and Public Safety is responsible for a variety of regulatory functions related to environmental protection, public safety, and consumer protection. Included in its duties are rulemaking and enforcing rules, regulations, and statutes which govern amusement rides, explosives, boilers, conveyances, fuel products (gas and compressed natural gas), petroleum storage tanks, and cleanup of petroleum spills.

Division of Oil and Public Safety						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2015-16 Appropriation						
SB 15-234 (Long Bill)	<u>\$5,781,515</u>	<u>\$0</u>	<u>\$5,052,776</u>	<u>\$19,318</u>	<u>\$709,421</u>	<u>68.0</u>
TOTAL	\$5,781,515	\$0	\$5,052,776	\$19,318	\$709,421	68.0
FY 2016-17 Recommended Appropriation						
FY 2015-16 Appropriation	\$5,781,515	\$0	\$5,052,776	\$19,318	\$709,421	68.0
Annualize prior year budget actions	<u>97,632</u>	<u>0</u>	<u>97,632</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
TOTAL	\$5,879,147	\$0	\$5,150,408	\$19,318	\$709,421	68.0
Increase/(Decrease)	\$97,632	\$0	\$97,632	\$0	\$0	0.0
Percentage Change	1.7%	0.0%	1.9%	0.0%	0.0%	0.0%
FY 2016-17 Executive Request:	\$5,879,147	\$0	\$5,150,408	\$19,318	\$709,421	68.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

LINE ITEM DETAIL – DIVISION OF OIL AND PUBLIC SAFETY

Personal Services

This line is responsible for a variety of regulatory functions related to public health and safety, including establishing and enforcing rules, regulations, and statutes, which govern carnival and amusement park rides, conveyances, explosives, boilers, retail fuel dispensers, underground and aboveground petroleum storage tanks, cleanup of oil spills, and reimbursement of cleanup costs to qualifying storage tank owners/operators.

Statutory Authority: Pursuant to Sections 8-1-151, 8-20-101 through 8-20-904, 8-20.5-101 through 8-20.5-407, 9-4-101, et sec., 9-5.5-101, et seq., 9-7-101, et seq., and 22-32-124, C.R.S.

Request: The Department requests an appropriation of \$5,137,814 total funds for 68.0 FTE (\$4,554,096 cash funds, \$19,318 reappropriated funds, and \$564,400 federal funds).

Recommendation: Staff recommends the Department request, which represents a continuation level of funding.

Operating Expenses

This line item provides funding for operating expenses of the division.

Statutory Authority: Pursuant to Sections 8-1-151, 8-20-101 through 8-20-904, 8-20.5-101 through 8-20.5-407, 9-4-101, et sec., 9-5.5-101, *et seq.*, 9-7-101, *et seq.*, and 22-32-124, C.R.S.

Request: The Department requests an appropriation of \$741,333 total funds (\$596,312 cash funds and \$145,021 federal funds).

Recommendation: Staff recommends the Department request, which represents a continuation level of funding.

(6) Division of Workers' Compensation

(A) WORKERS' COMPENSATION

This program works to ensure quick and efficient delivery of disability and medical benefits to injured workers at a reasonable cost to employers, with minimal litigation. This subdivision enforces the State's workers' compensation rules and ensures that insurance carriers and self-insured employers are in compliance. The primary source of cash funds is the Workers' Compensation Cash Fund, which is funded by an employer paid surcharge on workers' compensation insurance premiums.

Workers' Compensation						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2015-16 Appropriation						
SB 15-234 (Long Bill)	\$11,442,934	\$0	\$11,442,934	\$0	\$0	95.0
TOTAL	\$11,442,934	\$0	\$11,442,934	\$0	\$0	95.0
FY 2016-17 Recommended Appropriation						
FY 2015-16 Appropriation	\$11,442,934	\$0	\$11,442,934	\$0	\$0	95.0
NP5 Resources for Administrative Courts	200,720	0	200,720	0	0	0.0
Annualize prior year budget actions	125,939	0	125,939	0	0	0.0
Centrally appropriated line items	(249,376)	0	(249,376)	0	0	0.0
TOTAL	\$11,520,217	\$0	\$11,520,217	\$0	\$0	95.0
Increase/(Decrease)	\$77,283	\$0	\$77,283	\$0	\$0	0.0
Percentage Change	0.7%	0.0%	0.7%	0.0%	0.0%	0.0%
FY 2016-17 Executive Request	\$11,520,217	\$0	\$11,520,217	\$0	\$0	95.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

LINE ITEM DETAIL – WORKERS' COMPENSATION

Personal Services

This line item funds salaries of staff who oversee the administration of the Workers' Compensation laws in Colorado.

Statutory Authority: Pursuant Title 8, Articles 40 through 44 and 46 through 47, and Sections 8-14.5-101, *et seq.*, C.R.S.

Request: The Department requests an appropriation of \$7,398,940 cash funds for 95.0 FTE.

Recommendation: Staff recommends a continuation level of funding for \$7,398,940 cash funds and 95.0 FTE.

Operating Expenses

This line item funds the operating expenses for administration of the Workers' Compensation laws in Colorado.

Statutory Authority: Pursuant to Title 8, Articles 40 through 44 and 46 through 47, and Sections 8-14.5-101, *et seq.*, C.R.S.

Request: The Department requests an appropriation of \$576,328 cash funds.

Recommendation: Staff recommends a continuation level of funding for \$576,328 cash funds.

Administrative Law Judge Services

This line item is used to purchase administrative law services from the Department of Personnel.

Statutory Authority: Pursuant to Section 24-31-101 (1) (a), C.R.S., and defined in Section 24-75-112 (1) (i), C.R.S.

Request: The Department requests an appropriation of \$3,388,949 cash funds.

Recommendation: Staff recommendation is pending Committee action. Staff requests permission to reflect the Committee's decision in the appropriation for this line item.

Physicians Accreditation

This line item funds the physicians' accreditation training program, which trains and accredits physicians to work on workers' compensation claims. Physicians seeking accreditation pay a fee, which is deposited into the Physician Accreditation Cash Fund. The program is also used by currently accredited physicians to stay current on approved workers' compensation policies and treatment plans. Pursuant to Section 8-42-101 (3.6) (l), C.R.S., these funds are continuously appropriated and are included for informational purposes only.

Statutory Authority: Pursuant Section 8-42-101, C.R.S.

Request: The Department requests and appropriation of \$120,000 cash funds

Recommendation: Staff recommends the Department request, which reflects a continuation level of funding.

Utilization Review

This line item funds Department reviews of an independent physician's treatment of workers' compensation claimants. Reviews can be requested by any party involved with a claim. The program is continuously appropriated moneys from the Utilization Review Cash Fund, which is

funded by fees paid by the requesting party pursuant to Section 8-43-501 (2) (a), C.R.S. The appropriation is included in the Long Bill for informational purposes.

Statutory Authority: Pursuant Section 8-43-501, C.R.S.

Request: The Department requests an appropriation of \$35,000 cash funds.

Recommendation: Staff recommends the Department request, which reflects a continuation level of funding.

Immediate Payment

These funds are used to quickly pay workers' compensation claims brought against bankrupt employers who were self-insured. It is funded with an assessment imposed by the Department on each self-insured employer. This line item is continuously appropriated from the Immediate Payment Fund pursuant to Section 8-44-206 (3) (b) (I), C.R.S. Revenue for the fund is from fees assessed on self-insured employers. The appropriation is included in the Long Bill for informational purposes.

Statutory Authority: Pursuant Section 8-44-206, C.R.S.

Request: The Department requests an appropriation of \$1,000.

Recommendation: Staff recommends the Department request. Although the appropriation is low, staff recommends continuing making informational appropriations to the discrete line item for transparency purposes. Combining the line item with some of the other continuously appropriated funds in the Division would complicate the different purposes. Finally, each of the line items that are continuously appropriated in this Division are funded with separate cash funds.

(B) MAJOR MEDICAL INSURANCE AND SUBSEQUENTLY INJURY FUNDS

The Major Medical Insurance Fund and the Subsequent Injury Fund receive revenues from the workers' compensation premium surcharge to cover claimants with approved injuries, sustained before 1981 and 1994 respectively.

Major Medical Insurance and Subsequent Injury Funds						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2015-16 Appropriation						
SB 15-234 (Long Bill)	<u>\$9,436,141</u>	<u>\$0</u>	<u>\$9,436,141</u>	<u>\$0</u>	<u>\$0</u>	<u>16.0</u>
TOTAL	\$9,436,141	\$0	\$9,436,141	\$0	\$0	16.0
FY 2016-17 Recommended Appropriation						

JBC Staff Figure Setting: FY 2016-17
Staff Working Document – Does Not Represent Committee Decision

Major Medical Insurance and Subsequent Injury Funds						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2015-16 Appropriation	\$9,436,141	\$0	\$9,436,141	\$0	\$0	16.0
Annualize prior year budget actions	<u>23,448</u>	<u>0</u>	<u>23,448</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
TOTAL	\$9,459,589		\$9,459,589	\$0	\$0	16.0
Increase/(Decrease)	\$23,448	\$0	\$23,448	\$0	\$0	0.0
Percentage Change	0.2%	0.0%	0.2%	0.0%	0.0%	0.0%
FY 2016-17 Executive Request	\$9,459,589	\$0	\$9,459,589	\$0	\$0	16.0
Request Above/(Below) Recommendation	\$0		\$0	\$0	\$0	0.0

**LINE ITEM DETAIL – MAJOR MEDICAL INSURANCE AND
SUBSEQUENT INJURY FUND**

Personal Services

This line item provides funding to support personal services expenditures within the subdivision.

Statutory Authority: Pursuant Sections 8-46-101 and 8-46-202, C.R.S.

Request: The Department requests an appropriation of \$1,351,263 cash funds for 16.0 FTE.

Recommendation: Staff recommends the Department request, which reflects a continuation level of funding.

Operating Expenses

This line item provides funding for operating expenses of the subdivision.

Statutory Authority: Pursuant Sections 8-46-101 and 8-46-202, C.R.S.

Request: The Department requests an appropriation of \$88,324 cash funds

Recommendation: Staff recommends the Department request, which reflects a continuation level of funding.

Major Medical Benefits

The Major Medical Insurance Fund (MMIF) was established in 1971 to provide unlimited benefits to industrial workers who had sustained catastrophic injuries. Claims are approved for individuals who sustained qualified injuries from 1971 to 1981. Expenses fluctuate each year depending on the specific medical treatments required by clients. Funds are continuously appropriated pursuant to Section 8-46-202 (1) (c), C.R.S. The appropriation is included in the Long Bill for informational purposes.

Statutory Authority: Pursuant Section 8-46-202, C.R.S.

Request: The Department requests an appropriation of \$6,000,000 cash funds.

Recommendation: Staff recommends the Department request, which reflects a continuation level of funding.

Major Medical Legal Services for 100 hours

This line item is used to purchase legal services from the Department of Law for any of the following purposes: to defend a decision to deny a claimant's eligibility request of certain medical benefits; to defend the program in the event that a doctor appeals the decision of removal from a case during utilization review. Funds are continuously appropriated pursuant to Section 8-46-202 (1) (c), C.R.S. The appropriation is included in the Long Bill for informational purposes.

Statutory Authority: Pursuant to Sections 24-31-101 (1) (a), C.R.S., defined in Section 24-75-112 (1) (i), C.R.S., and 8-46-202, C.R.S.

Request: The Department requests funding sufficient for 100 legal service hours.

Recommendation: Staff recommends approving the Department request. The exact appropriation figure is pending the Committee's action on setting the legal service rate per hour. Staff requests permission to reflect the correct appropriation for 100 hours of legal services after the rate is set.

Subsequent Injury Benefits

Subsequent Injury Benefits are designed to compensate employers for hiring an individual who has an existing partial disability. The employer is only liable for compensation claims that occur during the individual's time of employment, subsequent to the original injury. The injury must have been sustained before 1993 for traumatic injuries and before 1994 for occupational diseases. Funds are continuously appropriated pursuant to Section 8-46-101 (4) (b), C.R.S. The appropriation is included in the Long Bill for informational purposes.

Statutory Authority: Pursuant Section 8-46-101, C.R.S.

Request: The Department requests an appropriation of \$2,000,000 cash funds.

Recommendation: Staff recommends the Department request, which reflects a continuation level of funding.

Subsequent Injury Legal Services for 100 hours

This line item is used to purchase legal services from the Department of Law to process and settle claims related to the Subsequent Injury program. Legal Services paid from the Subsequent Injury Fund are continuously appropriated pursuant to Section 8-46-101 (4) (b), C.R.S. The appropriation is included in the Long Bill for informational purposes.

Statutory Authority: Pursuant to 24-31-101 (1) (a), C.R.S., and defined in Section 24-75-112 (1) (i), C.R.S., and Section 8-46-101, C.R.S.

Request: The Department requests funding sufficient for 100 legal service hours.

Recommendation: Staff recommends approving the Department request. The exact appropriation figure is pending the Committee's action on setting the legal service rate per hour. Staff requests permission to reflect the correct appropriation for 100 hours of legal services after the rate is set.

Medical Disaster

This line item is used to offset employee incurred medical, nursing, hospital, and drug expenses that are in excess of the allotted expenses pursuant to the "Workers' Compensation Act of Colorado." Employees must validate their entitlement to disability benefits under the Act, and the incurred expenses can be for recovery, to alleviate chronic pain, or to reduce a disability. The Medical Disaster Insurance Fund is continuously appropriated pursuant to Section 8-46-303 (2), C.R.S. The appropriation is included in the Long Bill for informational purposes.

Statutory Authority: Pursuant Section 8-46-303, C.R.S.

Request: The Department requests an appropriation of \$1,000 cash funds.

Recommendation: Staff recommends the Department request, which reflects a continuation level of funding. Although the appropriation is low, staff recommends continuing making informational appropriations to the discrete line item for transparency purposes. Combining the line item with some of the other continuously appropriated funds in the Division would complicate the different purposes. Finally, each of the line items that are continuously appropriated in this Division are funded with separate cash funds.

(7) Division of Vocational Rehabilitation

Pursuant to Joint Budget Committee bill S.B. 15-239 (Lambert/Young), the Division of Vocational Rehabilitation is transferring its administration from the Department of Human Services to the Department of Labor and Employment. For FY 2016-17 budgeting purposes, requests affecting the Division of Vocational Rehabilitation cross three JBC staff analyst budget areas.

To ensure the transfer receives the analysis it requires, all line items affected by the transfer of the Division of Vocational Rehabilitation will be addressed by the JBC staff analyst for Human Services (Executive Director's Office/Services for People with Disabilities) and figure setting recommendations will be made on March 17, 2016.

Division of Vocational Rehabilitation						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2015-16 Appropriation						
Other Legislation	\$0	\$0	\$0	\$0	\$0	0.0
TOTAL	\$0	\$0	\$0	\$0	\$0	0.0
FY 2016-17 Recommended Appropriation						
FY 2015-16 Appropriation	\$0	\$0	\$0	\$0	\$0	0.0
Annualize prior year legislation	<u>48,039,446</u>	<u>4,436,518</u>	<u>789,147</u>	<u>4,939,313</u>	<u>37,874,468</u>	<u>229.7</u>
TOTAL	\$48,039,446	\$4,436,518	\$789,147	\$4,939,313	\$37,874,468	229.7
Increase/(Decrease)	\$48,039,446	\$4,436,518	\$789,147	\$4,939,313	\$37,874,468	229.7
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FY 2016-17 Executive Request:	\$48,039,446	\$4,436,518	\$789,147	\$4,939,313	\$37,874,468	229.7
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

AUTHOR'S NOTE ON THE DIVISION SUMMARY TABLE

The Department received an appropriation in FY 2015-16 related to the transfer of the program from the Department of Human Services which totaled \$665,330 General Fund. This entire amount was appropriated to the Executive Director's Office before the budget structure was moved to the Department for FY 2016-17. Therefore, the appropriation for Vocational Rehabilitation in FY 2015-16 is not zero, but is not included in this summary table because it is reflected in the Executive Director's Office.

LINE ITEM DETAIL – DIVISION OF VOCATIONAL REHABILITATION

Personal Services

This line item funds the personnel costs of programmatic and administrative staff including the vocational rehabilitation counselors responsible for the provision of client services.

Statutory Authority: Pursuant Section 8-84-103, C.R.S.

Request: The Department requests an appropriation of \$15,939,624 total funds for 223.7 FTE (\$3,392,568 General Fund and \$12,547,056 federal funds).

Recommendation: The Recommendation is pending and will be made during the Figure Setting Presentation for Human Services (Executive Director's Office/Services for People with Disabilities) on March 17, 2016. Staff requests permission to adjust this line item when the Committee makes decisions for the Division of Vocational Rehabilitation.

Operating Expenses

This line item funds the operating expenses of the Vocational Rehabilitation program.

Statutory Authority: Pursuant Title 8, Article 84, C.R.S.

Request: The Department requests an appropriation of \$2,539,404 total funds (\$540,893 reappropriated funds and \$1,998,511 federal funds).

Recommendation: The Recommendation is pending and will be made during the Figure Setting Presentation for Human Services (Executive Director's Office/Services for People with Disabilities) on March 17, 2016. Staff requests permission to adjust this line item when the Committee makes decisions for the Division of Vocational Rehabilitation.

Vocational Rehabilitation Services

This line item funds direct client services provided by the Vocational Rehabilitation Programs for individuals whose disability results in barriers to employment of independent living. These services provide individuals with the skills to obtain and maintain employment and live independently in the community. Services include:

- Vocational rehabilitation assessments, counseling and guidance;
- Vocational and academic training, personal and vocational adjustment training, job coaching, on-the-job training, job-seeking skills training;
- Placement services provided to assist an individual with a disability to find adequate and suitable employment in his/her chosen career;
- Supportive services including transportation, personal assistance services and services to family members may also be provided if necessary for the individual to utilize the services identified above; and
- Post-employment services may be provided to previously rehabilitated individuals to maintain or regain suitable employment.

Statutory Authority: Pursuant Section 8-84-106, C.R.S.

Request: The Department requests an appropriation of \$14,831,622 total funds (\$1,043,950 General Fund, \$2,115,185 reappropriated funds, and \$11,672,487 federal funds).

Recommendation: The Recommendation is pending and will be made during the Figure Setting Presentation for Human Services (Executive Director's Office/Services for People with Disabilities) on March 17, 2016. Staff requests permission to adjust this line item when the Committee makes decisions for the Division of Vocational Rehabilitation.

School to Work Alliance Program

This line item funds the School to Work Alliance Program (SWAP) Contracts. SWAP is a collaborative program between Vocational Rehabilitation and the Colorado Department of Education (CDE). Vocational Rehabilitation contracts with School Districts and Boards of Cooperative Education Services (BOCES) to provide services to youth with mild to moderate disabilities who are transitioning from school into the workforce.

Statutory Authority: Pursuant Section 8-84-106, C.R.S.

Request: The Department requests an appropriation of \$9,133,891 total funds (\$34,647 cash funds, \$1,910,872 reappropriated funds, and \$7,188,372 federal funds).

Recommendation: The Recommendation is pending and will be made during the Figure Setting Presentation for Human Services (Executive Director's Office/Services for People with Disabilities) on March 17, 2016.

Vocational Rehabilitation Mental Health Services

This line item funds the provision of mental health services to eligible individuals who are receiving vocational rehabilitation services. The Vocational Rehabilitation Program contracts with mental health providers for these services.

Statutory Authority: Pursuant Section 8-84-106, C.R.S.

Request: The Department requests an appropriation of \$1,748,180 total funds (\$372,363 reappropriated funds, and \$1,375,817 federal funds).

Recommendation: The Recommendation is pending and will be made during the Figure Setting Presentation for Human Services (Executive Director's Office/Services for People with Disabilities) on March 17, 2016. Staff requests permission to adjust this line item when the Committee makes decisions for the Division of Vocational Rehabilitation.

Business Enterprise Program for People who are Blind

The Business Enterprise Program assists blind or visually-impaired individuals in operation of vending and food service businesses in approximately forty-five state and federal buildings. The Program is the result of the federal Randolph-Sheppard Vending Facility, which give priority to blind and visually impaired individuals who wish to operate and manage food and vending

services in federal and state government office buildings and facilities. The Program utilizes funding from this line item to support site development, initial merchandise and supply inventory, purchasing equipment, and providing technical support to vendors. After initial set-up is established, managers operate the facility with revenue from food sales. All operators pay a certain percentage of their profits, up to 13.0 percent, to support the Program. This revenue is deposited into the Business Enterprise Cash Fund. Moneys in the Fund are used to match federal funds, which cover most associated Program expenditures at a rate of \$1 cash funds to \$3.69 federal funds (78.7 percent federal match rate).

Statutory Authority: Pursuant Sections 8-84-201, C.R.S., *et seq.*

Request: The Department requests an appropriation of \$1,532,125 total funds for 6.0 FTE (\$325,500 cash funds and \$1,206,625 federal funds).

Recommendation: The Recommendation is pending and will be made during the Figure Setting Presentation for Human Services (Executive Director's Office/Services for People with Disabilities) on March 17, 2016. Staff requests permission to adjust this line item when the Committee makes decisions for the Division of Vocational Rehabilitation.

Business Enterprise Program

This line item pays for costs associated with the Business Enterprise Program that are not eligible for the federal match including: costs associated with temporary state operation of vending facilities when a vendor leaves the program; equipment maintenance and repair during this interim period; and payments to operators to support their health insurance, IRA contributions, and vacation pay (operators are not state employees). Revenues from the operation of the vending stands and payments by the vendors support this program. Expenses and revenues in this line item are highly unpredictable, as they are dependent upon whether one or more operators abandon sites during the year.

Statutory Authority: Pursuant Sections 8-84-201, C.R.S., *et seq.*

Request: The Department requests an appropriation of \$429,000 cash funds.

Recommendation: The Recommendation is pending and will be made during the Figure Setting Presentation for Human Services (Executive Director's Office/Services for People with Disabilities) on March 17, 2016. Staff requests permission to adjust this line item when the Committee makes decisions for the Division of Vocational Rehabilitation.

Federal Social Security Reimbursement

This line item funds the purchase of services outlined in a consumer's individualized plan for employment including training and assistive technology. The federal funds in this line item represent incentive payments from the federal Supplemental Security Income Program (SSI Program) when vocational rehabilitation programs successfully remove people from the SSI Program.

Statutory Authority: Pursuant Section 8-84-107, C.R.S.

Request: The Department requests an appropriation of \$1,885,600 federal funds.

Recommendation: The Recommendation is pending and will be made during the Figure Setting Presentation for Human Services (Executive Director's Office/Services for People with Disabilities) on March 17, 2016. Staff requests permission to adjust this line item when the Committee makes decisions for the Division of Vocational Rehabilitation.

OTHER LINE ITEMS AFFECTED BY DIVISION OF VOCATIONAL REHABILITATION DECISIONS.

Staff anticipates the possibility that line items in the Department of Labor and Employment's Executive Director's Office may be affected by decisions the Committee makes outside of this figure setting presentation that were not expressly identified as pending. Staff requests permission to adjust any of the other line items in the Executive Director's Office, based on the Committee's action during the Figure Setting Presentation for Human Services (Executive Director's Office/Services for People with Disabilities) on March 17, 2016 or future actions taken by the Committee.

Long Bill Footnotes and Requests for Information

LONG BILL FOOTNOTES

Staff recommends the following **new** footnotes:

- X Department of Labor and Employment, Division of Unemployment Insurance, Program Costs – It is the intent of the General Assembly that once the additional resources provided for the Investigations and Criminal Enforcement unit have addressed the backlog of fraud cases that the Executive Director explore reducing the fraud case threshold below \$10,000, if it can continue to meet the new workload within existing appropriations.

Comment: The Department is currently experiencing a backlog in cases referred to the Investigations and Criminal Enforcement (ICE) unit of the Unemployment Insurance Program and has set the threshold for fraud cases at \$10,000. The staff recommendation includes increasing staffing temporarily for ICE and the footnote instructs the Department to consider lowering that threshold if the workload permits it.

Staff recommends **discontinuing** the following footnotes:

- 54 Department of Labor and Employment, Division of Unemployment Insurance, Employment and Training Technology Initiatives – This appropriation remains available through June 30, 2017.

Comment: The replacement proposal for this technology initiative was requested through the Capital Budget.

REQUESTS FOR INFORMATION

Staff recommends **discontinuing** the following requests for information:

- X **Department of Labor and Employment** – The Department is requested to submit a report by November 1, 2016, to the Joint Budget Committee outlining an annual technology plan related to Training and Technology Fund appropriations and the WyCAN Consortium. The report should contain specific details of technology projects supported with these funds including: measureable project goals, project deliverables and deadlines, including specific dates, a summary of federal funds associated with technology projects supported by Training and Technology Fund appropriations, the number of UI staff who worked on the project in temporary roles, and the Office of Information Technology's specific role in these projects.

Comment: The Department terminated its contract with the vendor on this project and has resubmitted a funding request through the Capital Budget.

Indirect Cost Assessments

Description of Indirect Cost Assessment Methodology

The Department of Labor and Employment indirect cost assessment methodology is calculated based on actual employee work hours, and the associated cash or federal funds to which the work hours are associated.

The *Indirect Cost Pool* is comprised of personal services and operating expense line items in the Executive Director’s Office, and the statewide indirect cost assessment. For FY 2015-16 the Department’s Indirect Cost Pool as requested is \$25,258,296. The *Indirect Cost Rate* is calculated based on staff’s work time in each division. Staff members log their work activities by minutes, and each work activity is assigned a specific code associated with the funding source of the work activity (cash or federal funds). These funds are appropriated directly to the line items that make up the indirect cost pool based on the total time charged to a specific fund. Actual assessment is based on monthly reports of work time during the budget fiscal year. Table 1 shows the line items receiving indirect cost recoveries.

DEPARTMENT OF LABOR AND EMPLOYMENT FY 2016-17				
SOURCES OF INDIRECT COST RECOVERIES IN LONG BILL				
		FY 2016-17 Proposed Sources of Indirect		
	Total	Cash Funds	Reappropriated Funds	Federal Funds
(1) EXECUTIVE DIRECTOR'S OFFICE	\$25,258,296	\$12,533,660	\$486,701	\$12,237,935
TOTAL AVAILABLE INDIRECT TO OFFSET GF	25,258,296	12,533,660	486,701	12,237,935
FY 2016-17 Estimated Collections	25,258,296	12,533,660	486,701	12,237,935
Difference	0	0	0	0

FY 2016-17 Indirect Cost Assessment Request

For FY 2016-17 the Department has requested \$25,258,296 for indirect cost assessments. Staff recommends the Department request. The table below details the proposed uses of indirect costs including both Departmental and Statewide indirect cost pools.

JBC Staff Figure Setting: FY 2016-17
Staff Working Document – Does Not Represent Committee Decision

DEPARTMENT OF LABOR AND EMPLOYMENT FY 2016-17						
ESTIMATED USES OF INDIRECT COST RECOVERIES IN LONG BILL						
FY 2016-17 Proposed Uses of Indirect						
	FY2016-17 GF REQUEST	DEPT INDIRECT	STATEWIDE INDIRECT	TOTAL INDIRECT TO OFFSET GF	BALANCE OF AVAILABLE INDIRECT	INDIRECT USED TO BALANCE GF
Indirection Cost Pool					25,258,296	
(1) EXECUTIVE DIRECTOR'S OFFICE						
Personal Services	223,576	8,209,102	162,366	8,371,468	16,886,828	(8,147,892)
Salary Survey	0	12,606	0	12,606	16,874,222	(12,606)
Merit Pay	0	0	0	0	16,874,222	0
Health, Life, and Dental	0	776,844	0	776,844	16,097,378	(776,844)
Short-term Disability	0	12,800	0	12,800	16,084,578	(12,800)
SB 04-257 Amortization Equalization Disbursement	0	327,014	0	327,014	15,757,564	(327,014)
SB 06-235 Supplemental Amortization Equalization Disbursement	0	323,608	0	323,608	15,433,956	(323,608)
Workers' Compensation	0	590,735	0	590,735	14,843,221	(590,735)
Operating Expenses	3,131	1,782,574	0	1,782,574	13,060,647	(1,779,443)
Legal Services for 8,415 hours	77,141	731,961	0	731,961	12,328,686	(654,820)
Payments to OIT	2,524,557	9,380,661	324,335	9,704,996	2,623,690	(7,180,439)
Payment to Risk Management and Property Funds	0	6,816	0	6,816	2,616,874	(6,816)
CORE Operations	0	315,204	0	315,204	2,301,670	(315,204)
Vehicle Lease Payments	0	2,085	0	2,085	2,299,585	(2,085)
Leased Space	0	1,745,958	0	1,745,958	553,627	(1,745,958)
Information Technology Asset Maintenance	0	553,627	0	553,627	0	(553,627)
Statewide Indirect Cost Assessment	0	0	0	0	0	0
TOTAL FOR DEPARTMENT	2,828,405	24,771,595	486,701	25,258,296	0	(22,429,891)

JBC Staff Staff Figure Setting - FY 2016-17
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Appendix A: Number Pages

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	FY 2016-17 Recommendation
DEPARTMENT OF LABOR AND EMPLOYMENT					
Ellen Golombek, Executive Director					
(1) EXECUTIVE DIRECTOR'S OFFICE					
Personal Services	<u>7,434,404</u>	<u>7,805,023</u>	<u>8,453,305</u>	<u>8,595,044</u>	<u>8,595,044</u> * P
FTE	98.5	99.9	99.9	105.9	105.9
General Fund	0	0	379,620	223,576	223,576
Cash Funds	4,154,417	4,273,265	4,457,731	4,517,359	4,517,359
Reappropriated Funds	157,006	157,006	157,006	162,366	162,366
Federal Funds	3,122,981	3,374,752	3,458,948	3,691,743	3,691,743
Health, Life, and Dental	<u>6,583,297</u>	<u>6,583,297</u>	<u>8,488,040</u>	<u>9,668,762</u>	<u>9,668,762</u>
General Fund	0	0	133,706	423,939	423,939
Cash Funds	3,020,480	3,020,480	3,377,965	3,576,396	3,576,396
Reappropriated Funds	0	0	43,463	58,884	58,884
Federal Funds	3,562,817	3,562,817	4,932,906	5,609,543	5,609,543
Short-term Disability	<u>106,062</u>	<u>106,062</u>	<u>145,645</u>	<u>139,271</u>	<u>139,271</u>
General Fund	0	0	1,399	6,641	6,641
Cash Funds	49,445	49,445	62,455	54,939	54,939
Reappropriated Funds	0	0	947	999	999
Federal Funds	56,617	56,617	80,844	76,692	76,692

* denotes this line item includes a decision item.

P denotes this line item is pending future Committee action.

JBC Staff Staff Figure Setting - FY 2016-17
Staff Working Document - Does Not Represent Committee Decision

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	FY 2016-17 Recommendation
S.B. 04-257 Amortization Equalization					
Disbursement	<u>2,009,515</u>	<u>2,009,515</u>	<u>2,926,737</u>	<u>3,560,693</u>	<u>3,560,693</u>
General Fund	0	0	28,301	169,727	169,727
Cash Funds	936,813	936,813	1,254,563	1,404,033	1,404,033
Reappropriated Funds	0	0	19,046	25,483	25,483
Federal Funds	1,072,702	1,072,702	1,624,827	1,961,450	1,961,450
S.B. 06-235 Supplemental Amortization					
Equalization Disbursement	<u>1,814,146</u>	<u>1,814,146</u>	<u>2,826,962</u>	<u>3,523,602</u>	<u>3,523,602</u>
General Fund	0	0	27,336	167,959	167,959
Cash Funds	845,734	845,734	1,211,794	1,389,408	1,389,408
Reappropriated Funds	0	0	18,397	25,217	25,217
Federal Funds	968,412	968,412	1,569,435	1,941,018	1,941,018
Salary Survey					
General Fund	<u>1,322,626</u>	<u>1,322,626</u>	<u>732,533</u>	<u>150,603</u>	<u>150,603</u>
Cash Funds	0	0	11,769	6,210	6,210
Reappropriated Funds	640,593	640,593	278,776	51,807	51,807
Federal Funds	0	0	4,736	0	0
	682,033	682,033	437,252	92,586	92,586
Merit Pay					
General Fund	<u>773,319</u>	<u>625,507</u>	<u>675,582</u>	<u>0</u>	<u>0</u>
Cash Funds	0	653	7,339	0	0
Reappropriated Funds	336,691	318,882	338,241	0	0
Federal Funds	0	0	4,855	0	0
	436,628	305,972	325,147	0	0

JBC Staff Staff Figure Setting - FY 2016-17
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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	FY 2016-17 Recommendation
Shift Differential	<u>12,094</u>	<u>13,259</u>	<u>13,497</u>	<u>14,797</u>	<u>14,797</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	12,094	13,259	13,497	14,797	14,797
Workers' Compensation	<u>454,911</u>	<u>571,278</u>	<u>502,686</u>	<u>590,735</u>	<u>590,735</u> *P
General Fund	0	0	0	0	0
Cash Funds	128,239	165,277	145,339	170,874	170,874
Reappropriated Funds	0	0	0	0	0
Federal Funds	326,672	406,001	357,347	419,861	419,861
Operating Expenses	<u>1,522,323</u>	<u>1,212,751</u>	<u>1,961,007</u>	<u>1,785,705</u>	<u>1,785,705</u> *P
General Fund	0	0	190,000	3,131	3,131
Cash Funds	760,376	752,510	766,076	766,076	766,076
Reappropriated Funds	0	0	0	0	0
Federal Funds	761,947	460,241	1,004,931	1,016,498	1,016,498
Legal Services	<u>617,833</u>	<u>805,899</u>	<u>818,411</u>	<u>809,102</u>	<u>809,102</u> P
General Fund	34,762	54,683	95,388	77,141	77,141
Cash Funds	169,988	193,801	184,908	188,201	188,201
Reappropriated Funds	0	0	0	0	0
Federal Funds	413,083	557,415	538,115	543,760	543,760
Payment to Risk Management and Property Funds	<u>46,625</u>	<u>68,518</u>	<u>76,052</u>	<u>113,601</u>	<u>113,601</u> P
General Fund	0	0	0	0	0
Cash Funds	15,013	22,564	25,045	37,410	37,410
Reappropriated Funds	0	0	0	0	0
Federal Funds	31,612	45,954	51,007	76,191	76,191

* denotes this line item includes a decision item.

P denotes this line item is pending future Committee action.

JBC Staff Staff Figure Setting - FY 2016-17
Staff Working Document - Does Not Represent Committee Decision

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	FY 2016-17 Recommendation
Vehicle Lease Payments	<u>95,064</u>	<u>92,196</u>	<u>146,117</u>	<u>208,511</u>	<u>208,511</u> * P
General Fund	0	0	0	10,829	10,829
Cash Funds	76,229	92,196	110,277	119,232	119,232
Reappropriated Funds	0	0	0	0	0
Federal Funds	18,835	0	35,840	78,450	78,450
Leased Space	<u>3,593,747</u>	<u>3,587,726</u>	<u>3,848,843</u>	<u>5,290,782</u>	<u>5,290,782</u> * P
General Fund	0	0	17,528	281,960	281,960
Cash Funds	1,970,193	2,096,169	2,159,054	2,228,250	2,228,250
Reappropriated Funds	0	0	0	0	0
Federal Funds	1,623,554	1,491,557	1,672,261	2,780,572	2,780,572
Capitol Complex Leased Space	<u>23,476</u>	<u>17,916</u>	<u>21,880</u>	<u>24,480</u>	<u>24,480</u> P
General Fund	0	0	0	0	0
Cash Funds	20,132	14,986	18,291	20,891	20,891
Reappropriated Funds	0	0	0	0	0
Federal Funds	3,344	2,930	3,589	3,589	3,589
CORE Operations	<u>185,313</u>	<u>408,409</u>	<u>304,222</u>	<u>315,204</u>	<u>315,204</u> P
General Fund	0	0	0	0	0
Cash Funds	185,313	185,370	124,293	128,779	128,779
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	223,039	179,929	186,425	186,425
Utilities	<u>250,312</u>	<u>225,236</u>	<u>260,309</u>	<u>260,309</u>	<u>260,309</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	250,312	225,236	260,309	260,309	260,309

* denotes this line item includes a decision item.

P denotes this line item is pending future Committee action.

JBC Staff Staff Figure Setting - FY 2016-17
Staff Working Document - Does Not Represent Committee Decision

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	FY 2016-17 Recommendation
Information Technology Asset Maintenance	<u>523,486</u>	<u>553,627</u>	<u>553,627</u>	<u>553,627</u>	<u>553,627</u>
General Fund	0	0	0	0	0
Cash Funds	163,438	175,343	175,343	175,343	175,343
Reappropriated Funds	0	0	0	0	0
Federal Funds	360,048	378,284	378,284	378,284	378,284
Statewide Indirect Cost Assessment	<u>1,028,796</u>	<u>620,002</u>	<u>639,746</u>	<u>486,701</u>	<u>486,701</u> P
General Fund	0	0	0	0	0
Cash Funds	345,656	374,154	286,071	255,203	255,203
Reappropriated Funds	0	0	0	165	165
Federal Funds	683,140	245,848	353,675	231,333	231,333
Payments to OIT	<u>0</u>	<u>8,947,825</u>	<u>10,286,585</u>	<u>12,229,553</u>	<u>12,229,553</u> * P
General Fund	0	44,328	1,520,385	2,524,557	2,524,557
Cash Funds	0	4,976,451	4,746,695	5,216,094	5,216,094
Reappropriated Funds	0	0	393,180	393,180	393,180
Federal Funds	0	3,927,046	3,626,325	4,095,722	4,095,722
Purchase of Services from Computer Center	<u>8,061,429</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	3,320,897	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	4,740,532	0	0	0	0
Multiuse Network Payments	<u>445,254</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	211,034	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	234,220	0	0	0	0

* denotes this line item includes a decision item.

P denotes this line item is pending future Committee action.

JBC Staff Staff Figure Setting - FY 2016-17
Staff Working Document - Does Not Represent Committee Decision

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	FY 2016-17 Recommendation
Management and Administration of OIT	<u>288,322</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	138,487	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	149,835	0	0	0	0
Information Technology Security	<u>93,282</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	43,646	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	49,636	0	0	0	0
TOTAL - (1) Executive Director's Office	37,285,636	37,390,818	43,681,786	48,321,082	48,321,082
<i>FTE</i>	<u>98.5</u>	<u>99.9</u>	<u>99.9</u>	<u>105.9</u>	<u>105.9</u>
General Fund	34,762	99,664	2,412,771	3,895,670	3,895,670
Cash Funds	17,532,814	19,134,033	19,722,917	20,300,295	20,300,295
Reappropriated Funds	157,006	157,006	641,630	666,294	666,294
Federal Funds	19,561,054	18,000,115	20,904,468	23,458,823	23,458,823

JBC Staff Staff Figure Setting - FY 2016-17
Staff Working Document - Does Not Represent Committee Decision

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	FY 2016-17 Recommendation
(2) DIVISION OF UNEMPLOYMENT INSURANCE					
Program Costs	<u>46,453,854</u>	<u>46,459,859</u>	<u>35,898,467</u>	<u>36,953,787</u>	<u>36,953,787</u> *
FTE	619.0	552.6	453.1	457.6	457.6
General Fund	0	0	0	0	0
Cash Funds	7,263,034	10,519,038	6,921,005	7,492,131	7,492,131
Reappropriated Funds	0	0	0	0	0
Federal Funds	39,190,820	35,940,821	28,977,462	29,461,656	29,461,656
Employment and Training Technology Initiatives	<u>1,805,395</u>	<u>4,309,997</u>	<u>9,986,214</u>	<u>9,986,214</u>	<u>4,520,000</u>
FTE	10.5	12.0	26.0	26.0	26.0
General Fund	0	0	0	0	0
Cash Funds	1,805,395	4,309,997	9,986,214	9,986,214	4,520,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
TOTAL - (2) Division of Unemployment Insurance	48,259,249	50,769,856	45,884,681	46,940,001	41,473,787
FTE	<u>629.5</u>	<u>564.6</u>	<u>479.1</u>	<u>483.6</u>	<u>483.6</u>
General Fund	0	0	0	0	0
Cash Funds	9,068,429	14,829,035	16,907,219	17,478,345	12,012,131
Reappropriated Funds	0	0	0	0	0
Federal Funds	39,190,820	35,940,821	28,977,462	29,461,656	29,461,656

* denotes this line item includes a decision item.

JBC Staff Staff Figure Setting - FY 2016-17
Staff Working Document - Does Not Represent Committee Decision

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	FY 2016-17 Recommendation
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(3) DIVISION OF EMPLOYMENT AND TRAINING

(A) Employment and Training Programs

State Operations	<u>16,350,154</u>	<u>19,000,138</u>	<u>14,354,297</u>	<u>14,513,658</u>	<u>14,513,658</u>
FTE	126.4	123.6	143.7	143.7	143.7
General Fund	0	0	0	0	0
Cash Funds	9,179,115	10,403,561	9,601,443	9,689,085	9,689,085
Reappropriated Funds	0	0	0	0	0
Federal Funds	7,171,039	8,596,577	4,752,854	4,824,573	4,824,573
One-Stop County Contracts	<u>8,642,345</u>	<u>5,184,953</u>	<u>9,164,335</u>	<u>9,164,335</u>	<u>9,164,335</u>
FTE	0.0	25.9	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	8,642,345	5,184,953	9,164,335	9,164,335	9,164,335
Trade Adjustment Act Assistance	<u>1,693,685</u>	<u>1,179,367</u>	<u>2,500,000</u>	<u>2,500,000</u>	<u>2,000,000</u>
FTE	0.0	1.2	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	1,693,685	1,179,367	2,500,000	2,500,000	2,000,000

JBC Staff Staff Figure Setting - FY 2016-17
Staff Working Document - Does Not Represent Committee Decision

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	FY 2016-17 Recommendation
Workforce Investment Act	<u>39,935,684</u>	<u>38,455,862</u>	<u>32,427,218</u>	<u>32,504,222</u>	<u>32,504,222</u>
FTE	66.2	58.3	61.2	61.2	61.2
General Fund	0	0	0	0	0
Cash Funds	807,540	807,540	807,540	807,540	807,540
Reappropriated Funds	0	0	0	0	0
Federal Funds	39,128,144	37,648,322	31,619,678	31,696,682	31,696,682
Workforce Development Council	<u>464,311</u>	<u>527,159</u>	<u>1,062,611</u>	<u>1,058,284</u>	<u>1,058,284</u>
FTE	3.9	3.9	7.5	7.5	7.5
General Fund	0	0	584,012	572,254	572,254
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	478,599	486,030	486,030
Federal Funds	464,311	527,159	0	0	0
Workforce Improvement Grants	<u>0</u>	<u>55,000</u>	<u>55,000</u>	<u>55,000</u>	<u>55,000</u>
FTE	0.0	0.6	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	55,000	55,000	55,000	55,000
Veterans Pilot Program	<u>0</u>	<u>0</u>	<u>157,950</u>	<u>157,950</u>	<u>157,950</u>
FTE	0.0	0.0	0.3	0.3	0.3
General Fund	0	0	157,950	157,950	157,950
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Staff Figure Setting - FY 2016-17
Staff Working Document - Does Not Represent Committee Decision

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	FY 2016-17 Recommendation
Innovative Industry Workforce Development	<u>0</u>	<u>0</u>	<u>582,698</u>	<u>597,525</u>	<u>597,525</u>
FTE	0.0	0.0	1.0	1.3	1.3
General Fund	0	0	582,698	597,525	597,525
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Skilled Worker Outreach, Recruitment and Training Program	<u>0</u>	<u>0</u>	<u>6,600,000</u>	<u>6,600,000</u>	<u>3,300,000</u>
FTE	0.0	0.0	2.0	2.0	2.0
General Fund	0	0	3,300,000	3,300,000	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	3,300,000	3,300,000	3,300,000
Federal Funds	0	0	0	0	0
Appropriation to the Skilled Worker Outreach and Key Training Program Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,300,000</u>
General Fund	0	0	0	0	3,300,000
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Hospitality Education Grant Program	<u>0</u>	<u>8,766</u>	<u>399,852</u>	<u>399,852</u>	<u>399,852</u>
FTE	0.0	0.1	0.5	0.5	0.5
General Fund	0	8,766	399,852	399,852	399,852
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Staff Figure Setting - FY 2016-17
Staff Working Document - Does Not Represent Committee Decision

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	FY 2016-17 Recommendation
SUBTOTAL - (A) Employment and Training					
Programs	67,086,179	64,411,245	67,303,961	67,550,826	67,050,826
<i>FTE</i>	<u>196.5</u>	<u>213.6</u>	<u>216.2</u>	<u>216.5</u>	<u>216.5</u>
General Fund	0	8,766	5,024,512	5,027,581	5,027,581
Cash Funds	9,986,655	11,211,101	10,408,983	10,496,625	10,496,625
Reappropriated Funds	0	0	3,778,599	3,786,030	3,786,030
Federal Funds	57,099,524	53,191,378	48,091,867	48,240,590	47,740,590

(B) Labor Market Information

Program Costs	<u>2,558,078</u>	<u>2,361,792</u>	<u>2,149,309</u>	<u>2,189,911</u>	<u>2,189,911</u>
FTE	18.6	30.3	30.3	30.3	30.3
General Fund	0	0	0	0	0
Cash Funds	0	0	11,323	11,323	11,323
Reappropriated Funds	0	0	0	0	0
Federal Funds	2,558,078	2,361,792	2,137,986	2,178,588	2,178,588
SUBTOTAL - (B) Labor Market Information	<u>2,558,078</u>	<u>2,361,792</u>	<u>2,149,309</u>	<u>2,189,911</u>	<u>2,189,911</u>
<i>FTE</i>	<u>18.6</u>	<u>30.3</u>	<u>30.3</u>	<u>30.3</u>	<u>30.3</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	11,323	11,323	11,323
Reappropriated Funds	0	0	0	0	0
Federal Funds	2,558,078	2,361,792	2,137,986	2,178,588	2,178,588

JBC Staff Staff Figure Setting - FY 2016-17
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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	FY 2016-17 Recommendation
TOTAL - (3) Division of Employment and Training	69,644,257	66,773,037	69,453,270	69,740,737	69,240,737
<i>FTE</i>	<u>215.1</u>	<u>243.9</u>	<u>246.5</u>	<u>246.8</u>	<u>246.8</u>
General Fund	0	8,766	5,024,512	5,027,581	5,027,581
Cash Funds	9,986,655	11,211,101	10,420,306	10,507,948	10,507,948
Reappropriated Funds	0	0	3,778,599	3,786,030	3,786,030
Federal Funds	59,657,602	55,553,170	50,229,853	50,419,178	49,919,178

JBC Staff Staff Figure Setting - FY 2016-17
Staff Working Document - Does Not Represent Committee Decision

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	FY 2016-17 Recommendation
(4) DIVISION OF LABOR					
Program Costs	<u>1,236,099</u>	<u>1,665,162</u>	<u>1,840,778</u>	<u>1,876,358</u>	<u>1,876,358</u>
FTE	14.6	18.1	25.8	25.8	25.8
General Fund	49,395	485,966	571,301	588,160	588,160
Cash Funds	1,186,704	1,179,196	1,269,477	1,288,198	1,288,198
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
TOTAL - (4) Division of Labor	1,236,099	1,665,162	1,840,778	1,876,358	1,876,358
FTE	<u>14.6</u>	<u>18.1</u>	<u>25.8</u>	<u>25.8</u>	<u>25.8</u>
General Fund	49,395	485,966	571,301	588,160	588,160
Cash Funds	1,186,704	1,179,196	1,269,477	1,288,198	1,288,198
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Staff Figure Setting - FY 2016-17
Staff Working Document - Does Not Represent Committee Decision

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	FY 2016-17 Recommendation
(5) DIVISION OF OIL AND PUBLIC SAFETY					
Personal Services	<u>4,944,669</u>	<u>4,989,952</u>	<u>5,040,182</u>	<u>5,137,814</u>	<u>5,137,814</u>
FTE	69.4	72.1	68.0	68.0	68.0
General Fund	0	0	0	0	0
Cash Funds	3,797,670	4,237,201	4,456,464	4,554,096	4,554,096
Reappropriated Funds	19,308	0	19,318	19,318	19,318
Federal Funds	1,127,691	752,751	564,400	564,400	564,400
Operating Expenses	<u>507,761</u>	<u>607,969</u>	<u>741,333</u>	<u>741,333</u>	<u>741,333</u>
General Fund	0	0	0	0	0
Cash Funds	380,062	493,485	596,312	596,312	596,312
Reappropriated Funds	0	0	0	0	0
Federal Funds	127,699	114,484	145,021	145,021	145,021
TOTAL - (5) Division of Oil and Public Safety	5,452,430	5,597,921	5,781,515	5,879,147	5,879,147
FTE	<u>69.4</u>	<u>72.1</u>	<u>68.0</u>	<u>68.0</u>	<u>68.0</u>
General Fund	0	0	0	0	0
Cash Funds	4,177,732	4,730,686	5,052,776	5,150,408	5,150,408
Reappropriated Funds	19,308	0	19,318	19,318	19,318
Federal Funds	1,255,390	867,235	709,421	709,421	709,421

JBC Staff Staff Figure Setting - FY 2016-17
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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	FY 2016-17 Recommendation
(6) DIVISION OF WORKERS' COMPENSATION					
(A) Workers' Compensation					
Personal Services	<u>6,843,625</u>	<u>6,937,140</u>	<u>7,273,001</u>	<u>7,398,940</u>	<u>7,398,940</u>
FTE	90.7	91.8	95.0	95.0	95.0
General Fund	0	0	0	0	0
Cash Funds	6,843,625	6,937,140	7,273,001	7,398,940	7,398,940
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>569,127</u>	<u>552,705</u>	<u>576,328</u>	<u>576,328</u>	<u>576,328</u>
General Fund	0	0	0	0	0
Cash Funds	569,127	552,705	576,328	576,328	576,328
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Administrative Law Judge Services	<u>2,700,053</u>	<u>2,638,285</u>	<u>3,437,605</u>	<u>3,388,949</u>	<u>3,388,949</u> *P
General Fund	0	0	0	0	0
Cash Funds	2,700,053	2,638,285	3,437,605	3,388,949	3,388,949
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Physicians Accreditation	<u>102,919</u>	<u>83,335</u>	<u>120,000</u>	<u>120,000</u>	<u>120,000</u>
General Fund	0	0	0	0	0
Cash Funds	102,919	83,335	120,000	120,000	120,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

* denotes this line item includes a decision item.

P denotes this line item is pending future Committee action.

JBC Staff Staff Figure Setting - FY 2016-17
Staff Working Document - Does Not Represent Committee Decision

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	FY 2016-17 Recommendation
Utilization Review	<u>38,573</u>	<u>34,547</u>	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>
General Fund	0	0	0	0	0
Cash Funds	38,573	34,547	35,000	35,000	35,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Immediate Payment	<u>24</u>	<u>976</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
General Fund	0	0	0	0	0
Cash Funds	24	976	1,000	1,000	1,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (A) Workers' Compensation	10,254,321	10,246,988	11,442,934	11,520,217	11,520,217
<i>FTE</i>	<u>90.7</u>	<u>91.8</u>	<u>95.0</u>	<u>95.0</u>	<u>95.0</u>
General Fund	0	0	0	0	0
Cash Funds	10,254,321	10,246,988	11,442,934	11,520,217	11,520,217
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

(B) Major Medical Insurance and Subsequent Injury Funds

Personal Services	<u>1,228,889</u>	<u>1,246,731</u>	<u>1,327,815</u>	<u>1,351,263</u>	<u>1,351,263</u>
FTE	14.4	14.8	16.0	16.0	16.0
General Fund	0	0	0	0	0
Cash Funds	1,228,889	1,246,731	1,327,815	1,351,263	1,351,263
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Staff Figure Setting - FY 2016-17
Staff Working Document - Does Not Represent Committee Decision

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	FY 2016-17 Recommendation
Operating Expenses	<u>71,918</u>	<u>56,411</u>	<u>88,324</u>	<u>88,324</u>	<u>88,324</u>
General Fund	0	0	0	0	0
Cash Funds	71,918	56,411	88,324	88,324	88,324
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Major Medical Benefits	<u>4,816,248</u>	<u>4,988,761</u>	<u>6,000,000</u>	<u>6,000,000</u>	<u>6,000,000</u>
General Fund	0	0	0	0	0
Cash Funds	4,816,248	4,988,761	6,000,000	6,000,000	6,000,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Major Medical Legal Services	<u>5,717</u>	<u>0</u>	<u>9,501</u>	<u>9,501</u>	<u>9,501</u>
General Fund	0	0	0	0	0
Cash Funds	5,717	0	9,501	9,501	9,501
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Subsequent Injury Benefits	<u>1,388,592</u>	<u>1,391,928</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>
General Fund	0	0	0	0	0
Cash Funds	1,388,592	1,391,928	2,000,000	2,000,000	2,000,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Subsequent Injury Legal Services	<u>7,394</u>	<u>0</u>	<u>9,501</u>	<u>9,501</u>	<u>9,501</u>
General Fund	0	0	0	0	0
Cash Funds	7,394	0	9,501	9,501	9,501
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Staff Figure Setting - FY 2016-17
Staff Working Document - Does Not Represent Committee Decision

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	FY 2016-17 Recommendation
Medical Disaster	<u>314</u>	<u>392</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
General Fund	0	0	0	0	0
Cash Funds	314	392	1,000	1,000	1,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (B) Major Medical Insurance and Subsequent Injury Funds	7,519,072	7,684,223	9,436,141	9,459,589	9,459,589
<i>FTE</i>	<u>14.4</u>	<u>14.8</u>	<u>16.0</u>	<u>16.0</u>	<u>16.0</u>
General Fund	0	0	0	0	0
Cash Funds	7,519,072	7,684,223	9,436,141	9,459,589	9,459,589
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
TOTAL - (6) Division of Workers' Compensation	17,773,393	17,931,211	20,879,075	20,979,806	20,979,806
<i>FTE</i>	<u>105.1</u>	<u>106.6</u>	<u>111.0</u>	<u>111.0</u>	<u>111.0</u>
General Fund	0	0	0	0	0
Cash Funds	17,773,393	17,931,211	20,879,075	20,979,806	20,979,806
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Staff Figure Setting - FY 2016-17
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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	FY 2016-17 Recommendation
(7) DIVISION OF VOCATIONAL REHABILITATION					
Personal Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>15,939,624</u>	<u>15,939,624</u> P
FTE	0.0	0.0	0.0	223.7	223.7
General Fund	0	0	0	3,392,568	3,392,568
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	12,547,056	12,547,056
Operating Expenses	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,539,404</u>	<u>2,539,404</u> P
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	540,893	540,893
Federal Funds	0	0	0	1,998,511	1,998,511
Voc Rehab Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>14,831,622</u>	<u>14,831,622</u> P
General Fund	0	0	0	1,043,950	1,043,950
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	2,115,185	2,115,185
Federal Funds	0	0	0	11,672,487	11,672,487
School to Work Alliance Program	<u>0</u>	<u>0</u>	<u>0</u>	<u>9,133,891</u>	<u>9,133,891</u> P
General Fund	0	0	0	0	0
Cash Funds	0	0	0	34,647	34,647
Reappropriated Funds	0	0	0	1,910,872	1,910,872
Federal Funds	0	0	0	7,188,372	7,188,372

P denotes this line item is pending future Committee action.

JBC Staff Figure Setting - FY 2016-17
Staff Working Document - Does Not Represent Committee Decision

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	FY 2016-17 Recommendation
Voc Rehab Mental Health Services	0	0	0	<u>1,748,180</u>	<u>1,748,180</u> P
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	372,363	372,363
Federal Funds	0	0	0	1,375,817	1,375,817
Business Enterprises Program for People Who Are Blind	0	0	0	<u>1,532,125</u>	<u>1,532,125</u> P
FTE	0.0	0.0	0.0	6.0	6.0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	325,500	325,500
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	1,206,625	1,206,625
Business Enterprises Program	0	0	0	<u>429,000</u>	<u>429,000</u> P
General Fund	0	0	0	0	0
Cash Funds	0	0	0	429,000	429,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Federal Social Security Reimbursements	0	0	0	<u>1,885,600</u>	<u>1,885,600</u> P
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	1,885,600	1,885,600

P denotes this line item is pending future Committee action.

JBC Staff Staff Figure Setting - FY 2016-17
Staff Working Document - Does Not Represent Committee Decision

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	FY 2016-17 Recommendation
TOTAL - (7) Division of Vocational					
Rehabilitation	0	0	0	48,039,446	48,039,446
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>229.7</u>	<u>229.7</u>
General Fund	0	0	0	4,436,518	4,436,518
Cash Funds	0	0	0	789,147	789,147
Reappropriated Funds	0	0	0	4,939,313	4,939,313
Federal Funds	0	0	0	37,874,468	37,874,468
TOTAL - Department of Labor and					
Employment	179,651,064	180,128,005	187,521,105	241,776,577	235,810,363
<i>FTE</i>	<u>1,132.2</u>	<u>1,105.2</u>	<u>1,030.3</u>	<u>1,270.8</u>	<u>1,270.8</u>
General Fund	84,157	594,396	8,008,584	13,947,929	13,947,929
Cash Funds	59,725,727	69,015,262	74,251,770	76,494,147	71,027,933
Reappropriated Funds	176,314	157,006	4,439,547	9,410,955	9,410,955
Federal Funds	119,664,866	110,361,341	100,821,204	141,923,546	141,423,546