

MEMORANDUM



JOINT BUDGET COMMITTEE

TO Joint Budget Committee
FROM Scott Thompson, JBC Staff (303-866-4957)
DATE May 12, 2020
SUBJECT Department of Personnel Comebacks

→ POSTPONE S.B. 19-135 STATEWIDE PROCUREMENT DISPARITY STUDY

The Committee accepted the Staff Recommendation to postpone the statewide disparity study required by S.B. 19-135, which was estimated to save \$650,000 General Fund in FY 2019-20 and FY 2020-21. The Department reports that contrary to assumptions made by JBC staff, contracting has been awarded and some work has been completed.

With the prior completion deadline of December 1, 2020, the work that has been completed thus far may be able to be used at a future point if the rest of the funding was removed and restored at a later point, however, the longer the study is delayed, the less relevant the material already completed may become. To date, approximately \$517,000 of the amount appropriated in FY 2019-20 has been expended. Thus, if the Committee were to move forward with delaying the completion deadline, the impact to the FY 2019-20 budget will be an increase of \$133,000 General Fund and for FY 2020-21, an increase of \$650,000 General Fund.

One final consideration for the Committee is that if findings from completing the study require additional resources to implement and no additional resources are available for implementation that data may need to again be aged or updated when additional funding does become available. The OSPB comeback requested the Committee not eliminate funding for the Disparity Study or to postpone its completion date.

JBC staff recommends the Committee continue its action to delay the statewide procurement study and to reflect updated figures for FY 2019-20 and FY 2020-21.

The Committee asked the Department of Personnel whether it could identify any other places where General Fund could be removed from its programs, the following two are proposals set forth by the Department.

→ DEPARTMENT IDENTIFIED OPTION – REDUCE APPROPRIATION FOR TOTAL COMPENSATION AND EMPLOYEE ENGAGEMENT SURVEY

The Committee approved continuation of a biennial appropriation for \$300,000 General Fund made to the Division of Human Resources to perform a total compensation study to assist in making compensation decisions for covered employees. The Department has proposed eliminating \$250,000 General Fund from this appropriation for FY 2020-21. With a \$50,000 appropriation, the Division will perform an additional year of “aging” data from the last total compensation study instead of performing a full exploration of compensation in Colorado.

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JBC staff recommends the Committee reduce the appropriation to the Total Compensation and Employee Engagement Survey by \$250,000 General Fund for FY 2020-21.

→ DEPARTMENT IDENTIFIED OPTION - \$130K ONE-TIME TRANSFER FROM STATE ARCHIVES CASH FUND TO THE GENERAL FUND

The Department proposes a one-time fund sweep from the Archives Cash Fund. Revenue is generated by charging fees to members of the public that would like to utilize research services of the staff of the Colorado State Archives.

Charging fees to access public records has always presented a philosophical challenge for the Colorado State Archives, and the fund balance in question has allowed them to keep their fees low while still supporting important need of both customers and the State. The following table summarizes the cash flow of the fund:

STATE ARCHIVES AND PUBLIC RECORDS CASH FUND				
	FY 17-18	FY 18-19	FY 19-20	FY 20-21
	ACTUAL	ACTUAL	ESTIMATED	ESTIMATED
BEGINNING FY BALANCE	\$320,618	\$309,677	\$189,062	\$189,843
PROJECTED REVENUES	\$100,805	\$112,097	\$110,152	\$95,742
EXPENDITURES	(\$111,746)	(\$232,712)	(\$109,371)	(\$141,127)
ENDING FY BALANCE WITHOUT TRANSFER	\$309,677	\$189,062	\$189,843	\$144,458
PROPOSED TRANSFER	0	0	0	130,000
ENDING FY BALANCE AFTER TRANSFER	\$309,677	\$189,062	\$189,843	\$14,458
<i>FEE IMPACT:</i> REVENUE TO THE FUND IS GENERATED BY FEES CHARGED TO STATE AGENCIES AND MEMBERS OF THE PUBLIC FOR INFORMATION AND GENEALOGY REQUESTS. NO FEE CHANGE IS EXPECTED TO BE NEEDED IF THIS TRANSFER IS APPROVED				

The Department estimates that \$130,000 can be transferred from the fund in FY 2020-21. JBC staff recommends the Committee approve legislation to make the transfer.