

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



SUPPLEMENTAL REQUESTS FOR FY 2009-10

DEPARTMENT OF PERSONNEL & ADMINISTRATION

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

**Prepared By:
Caroline Smith, JBC Staff
January 19, 2010**

For Further Information Contact:

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

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
 FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

TABLE OF CONTENTS

	Narrative Page	Numbers Page
Prioritized Supplementals in Department-Assigned Order August 24, 2009 Budget Reduction Proposals for FY 2009-10 and Budget Amendments for FY 2010-11		
Supplemental #1 - Elimination of Division of Human Resources' Communications Unit	1	41
Supplemental #2 - Elimination of Government and Public Relations Director Position	3	43
Supplemental #3 - Elimination of Rule Interpreter and DPA HIPAA Compliance Officer	5	44
Supplemental #4 - Elimination of Division of Human Resources' Talent Management Unit	7	46
Supplemental #5 - Elimination of Contractor Registration and As- Needed Professional Services Contract Programs	9	48
Supplemental #6 - Elimination of State Purchasing Office Administrative Assistant Position	11	49
Supplemental #7 - Risk Management Contract Review and Reduction	13	50
Supplemental #8 - Building Maintenance Reductions	16	51
Supplemental #9 - Risk Management Reduction of Liability, Property, and Workers' Compensation Volatility	19	52
Supplemental #10 - Elimination of Noxious Weed Abatement	20	52
Supplemental #11 - State Fleet Rebates - One Time Refinance	21	52

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
 FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

**Prioritized Supplementals in Department-Assigned Order
 January 4, 2010 Supplementals for FY 2009-10 and Budget
 Amendments for FY 2010-11**

Supplemental #1 - Correction of Indirect Costs CDLE Letternote	23	53
Supplemental #2 - Mail Equipment Upgrade	24	53
Supplemental #3 - \$50,000 Federal Participation Reimbursement for Procurement Card Signing Bonus	26	54
Supplemental #4 - Statewide American Recovery and Reinvestment Act Administrative Cost Spending Authority	28	55

Statewide Common Policy Supplemental Requests

Annual Fleet Vehicle Replacement Technical True-Up	32	N.A.
----------------------------------------------------	----	------

Non-prioritized Supplementals

Previously Approved Interim Supplemental - Federal Repayment for Procurement Card Rebates Name of Supplemental	34	54
Base Adjustment to Reflect FY 2009-10 Furloughs	34	55
Statewide Common Policy Supplemental Requests	37	56

Proposed Cash Fund Transfers

Transfer from Emergency Controlled Maintenance allocation to the General Fund	38	N.A.
Transfer of Kaiser Permanente Financial Relief credit to the General Fund	38	N.A.
Transfer Procurement Card Signing Bonus to General Fund	39	N.A.

Totals for All Supplementals	N.A.	56
------------------------------	------	----

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
 FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Prioritized Supplementals

**Supplemental Request, Department Priority #1
 Elimination of DHR Communications Unit (GP IV)**

	Request	Recommendation
Total	(\$29,959)	(\$66,384)
FTE	<u>(0.3)</u>	<u>(0.6)</u>
General Fund	(29,959)	(66,384)

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	YES
This request is the result of an unforeseen contingency. Since the time of the initial appropriation, the Department has been required to reduce its spending authority to meet the State's current fiscal conditions.	

Department Request: The Department requests to eliminate the Communications Unit within the Division of Human Resources. The Department's request would result in a total reduction of 0.3 FTE and \$29,959 General Fund for FY 2009-10, which would annualize to a total reduction of 1.0 FTE and \$90,573 General Fund for FY 2010-11.

Specifically, for FY 2009-10 the request reduces the Division of Human Resources' Personal Services line item by \$29,084 reappropriated funds, which originate as indirect cost recoveries from other agencies. The Department proposes to transfer the indirect cost recoveries to the Office of the State Controller, Personal Services line item, where they will then be used to refinance General Fund, thus freeing the General Fund dollars to be used for budget balancing purposes. The Department's request would also generate a savings of \$875 General Fund by reducing associated personal services benefits (STD, AED, and SAED).

Staff Recommendation: Staff recommends that the Committee reduce the Division of Human Resources' Personal Services line item by 0.6 FTE and \$64,419 reappropriated funds. Staff recommends transferring these indirect cost recoveries to the Office of the State Controller, Personal Services line item to supplant General Fund. **Staff also recommends to reduce the associated personal services benefits (STD, AED, and SAED) by a total of \$1,965 General Fund.**

Staff Analysis: The Communications Unit (1.0 GP IV position) is responsible for developing outreach and communication initiatives that maintain relationships with all segments of the state

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

workforce. The Department's request states the position's responsibilities can be absorbed by other programs within the Division of Human Resources. This position can be eliminated without impacting the Department's ability to perform these functions, so it is a reasonable option for budget balancing purposes. The request assumed that the position would be vacant for four months. However, according to the Department's layoff plan dated October 21, 2009, the position became vacant during the Department's pre-layoff process. Staff requested the Department to update this request to reflect the public layoff plan, and was told that the position will actually be vacant for 8.86 months during FY 2009-10. Staff's recommendation incorporates these additional savings.

Department of Personnel and Administration, FY 2009-10 Supplemental #1 Elimination of Division of Human Resources Communications Unit (GP IV)								
	FY 2009-10 Request				FY 2009-10 Recommendation			
	Total Funds	General Fund	Reapp. Funds	FTE	Total Funds	General Fund	Reapp. Funds	FTE
FY 2009-10 Total	<u>(\$29,959)</u>	<u>(\$29,959)</u>	<u>\$0</u>	<u>(0.3)</u>	<u>(\$66,384)</u>	<u>(\$66,384)</u>	<u>\$0</u>	<u>(0.6)</u>
(1) (A), Short-term Disability	(40)	(40)	0	0.0	(89)	(89)	0	0.0
(1) (A), S.B. 04-257, AED	(514)	(514)	0	0.0	(1,154)	(1,154)	0	0.0
(1) (A), S.B. 06-235, SAED	(321)	(321)	0	0.0	(722)	(722)	0	0.0
(2) (A) (1), State Agency Services, Personal Services	(29,084)	0	(29,084)	(0.3)	(64,419)	0	(64,419)	(0.6)
(5) (A), Office of the State Controller, Personal Services	0	(29,084)	29,084	0.0	0	(64,419)	64,419	0.0
FY 2010-11 Request								
	FY 2010-11 Request				FY 2010-11 Recommendation			
	Total Funds	General Fund	Reapp. Funds	FTE	Total Funds	General Fund	Reapp. Funds	FTE
FY 2010-11 Total	<u>(\$90,573)</u>	<u>(\$90,573)</u>	<u>\$0</u>	<u>(1.0)</u>	<u>(\$90,573)</u>	<u>(\$90,573)</u>	<u>\$0</u>	<u>(1.0)</u>
(1) (A), Short-term Disability	(120)	(120)	0	0.0	(120)	(120)	0	0.0
(1) (A), S.B. 04-257, AED	(1,851)	(1,851)	0	0.0	(1,851)	(1,851)	0	0.0
(1) (A), S.B. 06-235, SAED	(1,350)	(1,350)	0	0.0	(1,350)	(1,350)	0	0.0
(2) (A) (1), State Agency Services, Personal Services	(87,252)	0	(87,252)	(1.0)	(87,252)	0	(87,252)	(1.0)
(5) (A), Office of the State Controller, Personal Services	0	(87,252)	87,252	0.0	0	(87,252)	87,252	0.0

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
 FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

**Supplemental Request, Department Priority #2
 Elimination of Government and Public Relations Director Position (GP VI)**

	Request	Recommendation
Total	(\$32,992)	(\$54,942)
FTE	<u>(0.3)</u>	<u>(0.5)</u>
General Fund	(32,992)	(54,942)

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	YES
The request is the result of an unforeseen contingency. Since the time of the initial appropriation, the Department has been required to reduce its spending authority to meet the State's current fiscal conditions.	

Department Request: The Department requests to eliminate the Government and Public Relations Director position (GP VI) within the Executive Director's Office. The Department's request would result in a total savings of \$32,992 General Fund and 0.3 FTE for FY 2009-10, which annualizes to \$99,741 General Fund and 1.0 FTE for FY 2010-11. The position is currently funded with statewide indirect cost recoveries (reappropriated funds). If the position is eliminated, these funds would be transferred to the Office of the State Controller, where they would then be used to refinance (replace) General Fund, thus freeing the General Fund dollars to be used for budget balancing purposes.

Staff Recommendation: Staff recommends that the Committee reduce the appropriation for the Executive Director's Personal Services line item by \$53,359 reappropriated funds and 0.5 FTE. The reappropriated funds are indirect statewide cost recoveries, and staff recommends transferring the dollars to the Office of the State Controller to refinance General Fund. Staff also recommends reducing the associated personal services benefits (AED, SAED, and STD) by \$1,583 General Fund.

Staff Analysis: This position was established during the summer of 2007 for the purpose of supporting the State's workforce and recruitment efforts. Since then, the economic climate has changed so that position's functions are no longer as crucial to the Department's core mission. According to the Department, this position's responsibilities can be absorbed by other positions within the Executive Director's Office. This appears to be a reasonable position to eliminate given the State's need to identify General Fund savings.

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

The Department's request assumes four months of vacancy savings. However, staff identified an article on the Colorado Ethics Watch website dated December 17, 2009, that announced that the employee who formerly held this position had assumed a different position with the Independent Ethics Commission, indicating that there are actually six months of vacancy savings available within this request.¹ Staff's recommendation accounts for the additional two months of vacancy savings.

The following table illustrates how the Department's request and staff's recommendation would impact Long Bill line items.

Department of Personnel and Administration FY 2009-10 Supplemental #2 Elimination of Government and Public Relations Director Position (GP VI)								
	FY 2009-10 Request				FY 2009-10 Recommendation			
	Total Funds	General Fund	Reapp. Funds	FTE	Total Funds	General Fund	Reapp. Funds	FTE
FY 2009-10 Total	<u>(\$32,992)</u>	<u>(\$32,992)</u>	<u>\$0</u>	<u>(0.3)</u>	<u>(\$54,942)</u>	<u>(\$54,942)</u>	<u>\$0</u>	<u>(0.5)</u>
(1) (A), Personal Services	(32,028)	0	(32,028)	(0.3)	(53,359)	0	(53,359)	(0.5)
(1) (A), Short-term Disability	(44)	(44)	0	0.0	(72)	(72)	0	0.0
(1) (A), S.B. 04-257, AED	(566)	(566)	0	0.0	(930)	(930)	0	0.0
(1) (A), S.B. 06-235, SAED	(354)	(354)	0	0.0	(581)	(581)	0	0.0
(5) (A), Office of the State Controller, Personal Services	0	(32,028)	32,028	0.0	0	(53,359)	53,359	0.0
FY 2010-11 Request								
	FY 2010-11 Request				FY 2010-11 Recommendation			
	Total Funds	General Fund	Reapp. Funds	FTE	Total Funds	General Fund	Reapp. Funds	FTE
FY 2010-11 Total	<u>(\$99,741)</u>	<u>(\$99,741)</u>	<u>\$0</u>	<u>(1.0)</u>	<u>(\$99,741)</u>	<u>(\$99,741)</u>	<u>\$0</u>	<u>(1.0)</u>
(1) (A), Personal Services	(96,084)	0	(96,084)	(1.0)	(96,084)	0	(96,084)	(1.0)
(1) (A), Short-term Disability	(132)	(132)	0	0.0	(132)	(132)	0	0.0
(1) (A), S.B. 04-257, AED	(2,039)	(2,039)	0	0.0	(2,039)	(2,039)	0	0.0
(1) (A), S.B. 06-235, SAED	(1,486)	(1,486)	0	0.0	(1,486)	(1,486)	0	0.0
(5) (A), Office of the State Controller, Personal Services	0	(96,084)	96,084	0.0	0	(96,084)	96,084	0.0

¹ "IEC Doubles Staff, Starts to Investigate Complaints", December 17, 2009, www.coloradoforethics.com.

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
 FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

**Supplemental Request, Department Priority #3
 Elimination of Rule Interpreter and DPA HIPAA Compliance Officer (GP IV)**

	Request	Recommendation
Total	(\$20,065)	(\$50,784)
FTE	<u>(0.3)</u>	<u>(0.6)</u>
General Fund	(20,065)	(50,784)

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	YES
This request is the result of an unforeseen contingency. Since the time of the initial appropriation, the Department has been required to reduce its spending authority to meet the State's current fiscal conditions.	

Department Request: The Department requests to eliminate the Rules Interpreter and DPA HIPAA Compliance Officer position (GP IV). The request assumes four months of vacancy savings and reduces the line item by \$20,065 and 0.3 FTE. This amount annualizes to a savings of 1.0 FTE and \$80,881 General Fund for FY 2010-11. The funds are comprised of Personal Services dollars and associated benefits (STD, AED, and SAED).

Staff Analysis: This position was created six years ago and is responsible for the rulemaking process in accordance with the Administrative Process Act. It is also the Department's compliance officer for the federal Health Insurance Portability and Accountability Act (HIPAA). The Department reports that the workload related to HIPAA compliance has decreased noticeably in recent years, and the position's remaining HIPAA-related responsibilities can be absorbed by other positions within the Division of Human Resources. The Division is also able to absorb the rule-making responsibilities that were formerly a part of this position.

The Department's request is for four months of vacancy savings. However, according to the its layoff plan dated October 21, 2009, the position became vacant during the pre-layoff process. Staff requested the Department to provide updated information that reflects the vacancy savings as indicated in the layoff plan, which indicates that the position will actually be vacant for seven months during FY 2009-10. The three additional months of savings account for the difference between the Department's request and staff's recommendation.

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
 FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Staff Recommendation: Staff recommends that the Committee reduce the Department's appropriation by \$50,784 General Fund and 0.6 FTE for FY 2009-10, to reflect the seven months of vacancy savings and reduced operating expenses due to the elimination of the HIPAA Compliance Officer position. Of this amount, \$49,281 General Fund would be reduced from the Personal Services line item and \$1,503 General Fund would be reduced from personal services benefits (STD, AED, and SAED).

The following table illustrates how the Department's request and staff's recommendation would impact Long Bill line items.

Department of Personnel and Administration FY 2009-10 Supplemental #3 Elimination of Rule Interpreter and DPA HIPAA Compliance Officer (GP IV)				
	FY 2009-10 Request		FY 2009-10 Recomm.	
	General Fund	FTE	General Fund	FTE
FY 2009-10 Total	<u>(\$20,065)</u>	<u>(0.3)</u>	<u>(\$50,784)</u>	<u>(0.6)</u>
(1) (A), Short-term Disability	(27)	0.0	(68)	0.0
(1) (A), S.B. 04-257, AED	(344)	0.0	(883)	0.0
(1) (A), S.B. 06-235, SAED	(215)	0.0	(552)	0.0
(1) (A), Health Insurance Portability and Accountability Act of 1996 - Security Remediation	(19,479)	(0.3)	(49,281)	(0.6)
	FY 2010-11 Request		FY 2010-11 Recomm.	
	General Fund	FTE	General Fund	FTE
FY 2010-11 Total	<u>(\$80,881)</u>	<u>(1.0)</u>	<u>(\$80,881)</u>	<u>(1.0)</u>
(1) (A), Short-term Disability	(107)	0.0	(107)	0.0
(1) (A), S.B. 04-257, AED	(1,653)	0.0	(1,653)	0.0
(1) (A), S.B. 06-235, SAED	(1,205)	0.0	(1,205)	0.0
(1) (A), Health Insurance Portability and Accountability Act of 1996 - Security Remediation	(77,916)	(1.0)	(77,916)	(1.0)

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
 FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Supplemental Request, Department Priority #4

Elimination of Division of Human Resources' Talent Management Unit (GP III, GP IV, and GP V positions)

	Request	Recommendation
Total	(\$103,080)	(\$136,889)
FTE	<u>(1.7)</u>	<u>(2.1)</u>
General Fund	(103,080)	(136,889)

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	YES
This request is the result of an unforeseen contingency. Since the time of the initial appropriation, the Department has been required to reduce its spending authority to meet the State's current fiscal conditions.	

Department Request: The Department requests to eliminate the Talent Management Unit (TMU) within the Division of Human Resources. The Department's request would eliminate 1.7 FTE and \$106,182 General Fund for FY 2009-10, which annualizes to a total reduction of 3.0 FTE (GP III, GP IV, and GP V positions) and \$207,379 General Fund for FY 2010-11. The Unit is funded by statewide indirect cost recoveries (reappropriated funds). The statewide indirect cost recoveries would be transferred to the Office of the State Controller, where they would be used to supplant General Fund. Refinancing the General Fund will allow it to be used for budget balancing purposes.

Staff Recommendation: Staff recommends that the Committee reduce the Department's total appropriation by \$138,884 General Fund and 2.1 FTE for FY 2009-10. Of this amount, \$134,745 are indirect cost recoveries from other departments (reappropriated funds). Staff recommends transferring the indirect cost recoveries to the Office of the State Controller to refinance General Fund, thus allowing these moneys to be used for budget balancing purposes.

Staff Analysis: The Talent Management Unit (TMU) provides statewide programs to other departments that support workforce planning and employee development initiatives. With less turnover and existing vacancies being held open, these services are not as important to other state departments as they were prior to the downturn. These services will not be absorbed elsewhere within the Department because the entire unit is being eliminated. The request states that other departments will be responsible for providing these types of services themselves. One of the positions was already vacant, which indicates to staff that demand for the unit's services was not at full capacity prior to the economic downturn, and therefore this is a reasonable option for personnel reductions.

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Staff requested the Department to provide updated information about the vacancy savings available from the elimination of these three positions, and learned that the GP V position will be vacant for an additional three months than initially anticipated, and that the GP IV position will be vacant an additional two months than indicated in the original August reduction package. Staff's recommendation takes into account the additional months of vacancy savings. The following table illustrates how the Department's request and staff's recommendation would impact Long Bill line items.

FY 2009-10 Supplemental #4, Eliminate Division of Human Resources' Talent Management Unit								
	FY 2009-10 Request				FY 2009-10 Recommendation			
	Total Funds	General Fund	Reapp. Funds	FTE	Total Funds	General Fund	Reapp. Funds	FTE
FY 2009-10 Total	<u>(\$106,182)</u>	<u>(\$106,182)</u>	<u>\$0</u>	<u>(1.7)</u>	<u>(\$136,889)</u>	<u>(\$136,889)</u>	<u>\$0</u>	<u>(2.1)</u>
(1) (A), Short-term Disability	(141)	(141)	0	0.0	(159)	(159)	0	0.0
(1) (A), S.B. 04-257, AED	(1,822)	(1,822)	0	0.0	(2,449)	(2,449)	0	0.0
(1) (A), S.B. 06-235, SAED	(1,139)	(1,139)	0	0.0	(1,531)	(1,531)	0	0.0
(2) (A) (1), State Agency Services, Personal Services	(103,080)	0	(103,080)	(1.7)	(132,750)	0	(132,750)	(2.1)
(5) (A), Office of the State Controller, Personal Services	0	(103,080)	103,080	0.0	0	(132,750)	132,750	0.0
FY 2010-11 Request								
	FY 2010-11 Request				FY 2010-11 Recommendation			
	Total Funds	General Fund	Reapp. Funds	FTE	Total Funds	General Fund	Reapp. Funds	FTE
FY 2010-11 Total	<u>(\$207,379)</u>	<u>(\$207,379)</u>	<u>\$0</u>	<u>(3.0)</u>	<u>(\$207,379)</u>	<u>(\$207,379)</u>	<u>\$0</u>	<u>(3.0)</u>
(1) (A), Short-term Disability	(274)	(274)	0	0.0	(274)	(274)	0	0.0
(1) (A), S.B. 04-257, AED	(3,091)	(3,091)	0	0.0	(3,091)	(3,091)	0	0.0
(1) (A), S.B. 06-235, SAED	(4,238)	(4,238)	0	0.0	(4,238)	(4,238)	0	0.0
(2) (A) (1), State Agency Services, Personal Services	(199,776)	0	(199,776)	(3.0)	(199,776)	0	(199,776)	(3.0)
(5) (A), Office of the State Controller, Personal Services	0	(199,776)	199,776	0.0	0	(199,776)	199,776	0.0

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
 FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

**Supplemental Request, Department Priority #5
 Elimination of Contractor Registration and As-Needed Professional Services Contract Programs**

	Request	Recommendation
Total	\$11,492	(\$32,869)
FTE	<u>(0.3)</u>	<u>(0.7)</u>
General Fund	11,492	(32,869)

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	YES
This request is the result of an unforeseen contingency. Since the time of the initial appropriation, the Department has been required to reduce its spending authority to meet the State's current fiscal conditions.	

Department Request: The Department requests to eliminate the contractor registration and as-needed professional services contract program development and maintenance functions within the Office of the State Architect (OSA), generating a savings of 0.3 FTE and \$11,492 General Fund for FY 2009-10, and a reduction of 1.0 FTE and \$46,326 General Fund for FY 2010-11. The Department states that eliminating the Administrative Assistant III position would reduce the Department's oversight of the prequalification of architects, engineers, and contractors for certain projects, thus requiring other state agencies and institutions of higher education to provide these services themselves.

Staff Recommendation: Staff recommends that the Committee reduce the Department's appropriation by 32,869 General Fund and 0.7 FTE for FY 2009-10.

Staff Analysis: This position is not statutorily required and although the position's services may have been beneficial to other agencies, the Department's request states that these agencies have the capacity to assume the responsibilities themselves. Given the State's General Fund shortfall, this appears to be a reasonable source of General Fund savings. The Department's layoff plan dated October 21, 2009, states that the position was vacated during the pre-layoff process. Staff requested that the Department provide updated information to reflect the layoff plan, which indicated that the position will be vacant for nine months during FY 2009-10. Staff's recommendation takes into account these additional savings.

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

The following table reflects how the Department's request and staff's recommendation would impact various Long Bill line items.

Department of Personnel and Administration, FY 2009-10 Supplemental #5 Eliminate Contractor Registration and As-Needed Professional Services Contract Programs				
	FY 2009-10 Request		FY 2009-10 Recomm.	
	General Fund	FTE	General Fund	FTE
FY 2009-10 Total	<u>(\$11,492)</u>	<u>(0.3)</u>	<u>(\$32,869)</u>	<u>(0.7)</u>
(1) (A), Short-term Disability	(15)	0.0	(45)	0.0
(1) (A), S.B. 04-257, AED	(197)	0.0	(540)	0.0
(1) (A), S.B. 06-235, SAED	(123)	0.0	(297)	0.0
(1) (B) (2), Office of the State Architect	(11,157)	(0.3)	(31,987)	(0.7)
FY 2010-11 Request				
	FY 2010-11 Request		FY 2010-11 Recomm.	
	General Fund	FTE	General Fund	FTE
FY 2010-11 Total	<u>(\$46,326)</u>	<u>(1.0)</u>	<u>(\$46,326)</u>	<u>(1.0)</u>
(1) (A), Short-term Disability	(61)	0.0	(61)	0.0
(1) (A), S.B. 04-257, AED	(947)	0.0	(947)	0.0
(1) (A), S.B. 06-235, SAED	(690)	0.0	(690)	0.0
(1) (B) (2), Office of the State Architect	(44,628)	(1.0)	(44,628)	(1.0)

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
 FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

**Supplemental Request, Department Priority #6
 Elimination of State Purchasing Office Administrative Assistant II Position**

	Request	Recommendation
Total	(\$39,964)	(\$39,964)
FTE	<u>(1.0)</u>	<u>(1.0)</u>
General Fund	(39,964)	(39,964)

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	YES
This request meets the supplemental criteria of an unforeseen contingency. Since the time of the initial appropriation, the Department has been required to reduce its spending authority to meet the State's current fiscal conditions.	

Department Request: The Department requests to eliminate the Administrative Assistant II position that was intended to provide administrative support to the Finance and Procurement Director within the State Purchasing Office. This position has been vacant since the beginning of the fiscal year, and therefore the Department requests to eliminate it entirely for FY 2009-10. The position is funded by cash funds from Procurement Card rebates. The cash funds would instead be used to refinance General Fund in the State Controller's Office, which will generate most of the intended General Fund savings. The remaining General Fund savings (\$1,168) will result from reducing the associated personal services benefits (STD, AED, SAED).

Staff Recommendation: Staff recommends the Department's request to reduce its appropriation by \$39,964 General Fund and 1.0 FTE for FY 2009-10 to eliminate the vacant position.

Staff Analysis: This position has been vacant since the beginning of FY 2009-10, indicating to staff that the position's responsibilities have already been absorbed elsewhere within the Department. It also indicates that the position did not provide core services and can be eliminated without causing undue hardship. The following table reflects how the reductions would impact various Long Bill line items.

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Department of Personnel and Administration, FY 2009-10 Supplemental #6 Elimination of Administrative Assistant II position within the State Procurement Office								
	FY 2009-10 Request				FY 2009-10 Recommendation			
	Total Funds	General Fund	Cash Funds	FTE	Total Funds	General Fund	Cash Funds	FTE
FY 2009-10 Total	<u>(\$39,964)</u>	<u>(\$39,964)</u>	<u>\$0</u>	<u>0.0</u>	<u>(\$39,964)</u>	<u>(\$39,964)</u>	<u>\$0</u>	<u>(1.0)</u>
(1) (A), Short-term Disability	(53)	(53)	0	0.0	(53)	(53)	0	0.0
(1) (A), S.B. 04-257, AED	(686)	(686)	0	0.0	(686)	(686)	0	0.0
(1) (A), S.B. 06-235, SAED	(429)	(429)	0	0.0	(429)	(429)	0	0.0
(5) (A), Office of the State Controller, Personal Services	0	(38,796)	38,796	0.0	0	(38,796)	38,796	0.0
(5) (B), State Purchasing Office, Personal Services	(38,796)	0	(38,796)	(1.0)	(38,796)	0	(38,796)	(1.0)
	FY 2010-11 Request				FY 2010-11 Recommendation			
	Total Funds	General Fund	Cash Funds	FTE	Total Funds	General Fund	Cash Funds	FTE
FY 2010-11 Total	<u>(\$40,272)</u>	<u>(\$40,272)</u>	<u>\$0</u>	<u>(1.0)</u>	<u>(\$40,272)</u>	<u>(\$40,272)</u>	<u>\$0</u>	<u>(1.0)</u>
(1) (A), Short-term Disability	(53)	(53)	0	0.0	(53)	(53)	0	0.0
(1) (A), S.B. 04-257, AED	(823)	(823)	0	0.0	(823)	(823)	0	0.0
(1) (A), S.B. 06-235, SAED	(600)	(600)	0	0.0	(600)	(600)	0	0.0
(5) (A), Office of the State Controller, Personal Services	0	(38,796)	38,796	0.0	0	(38,796)	38,796	0.0
(5) (B), State Purchasing Office, Personal Services	(38,796)	0	(38,796)	0.0	(38,796)	0	(38,796)	0.0

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
 FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

**Supplemental Request, Department Priority #7
 Risk Management Contract Review and Reduction**

	Request	Recommendation
Total Funds	(\$547,863)	(\$547,863)
Net General Fund ^{1/} (non-add)	(268,211)	(268,211)
Reappropriated Funds	(547,863)	(547,863)
1/ The net General Fund savings are from reduced billings to other agencies.		

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	YES
This request meets the supplemental criteria of new data. Since the time of the original appropriation the Department has clarified a portion of its contract with Pinnacol Assurance, and the State also anticipates that indemnity claims will be less than anticipated for FY 2009-10.	

Department Request: The Department requests to reduce the Division of Human Resources' Risk Management - Workers' Compensation line item by \$547,863 reappropriated funds for both FY 2009-10 and FY 2010-11. The savings is due to a clarification in the State's contract with Pinnacol Assurance, which will save the State \$393,510. The Department also anticipates that indemnity claims will be \$154,353 less than anticipated for FY 2009-10, and proposes to reduce the line item by this amount. The request will result in a total savings of \$268,211 net General Fund by reducing billings to departments for FY 2009-10 and FY 2010-11.

Staff Recommendation: Staff recommends the Department's request to reduce the Risk Management - Workers' Compensation line item by \$547,863 reappropriated funds. The request will result in a total net General Fund savings of \$268,211 by reducing billings to other departments.

Staff Analysis: Pinnacol Assurance is the State's third-party administrator for Workers' Compensation claims. It is required to provide administrative oversight for tail claims, which are those claims that occurred prior to the signing of the original contract and are still open at the inception of the new contract period. Previously, Pinnacol charged the State a one-time administrative fee for every new indemnity claim that occurred during the contract period, and then again if the claim was still open at the beginning of the new contract period. This charged the State multiple administrative fees for a single claim. In the time since the new contract was signed, the State has clarified that it will pay only one administrative fee per claim, and as a result it anticipates a savings of approximately \$393,510 for FY 2009-10 and FY 2010-11.

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Additionally, the State anticipates a reduction in indemnity claims by approximately \$154,353, which further reduces the annual cost to operate the program since the contract's inception. In total, these adjustments will save the State \$547,863 for FY 2009-10 and FY 2010-11. The calculations for both the tail claims and the indemnity claims are reflected in the following table.

Calculation of Tail and Indemnity Claims Reduction		
	FY 2008-09	FY 2009-10
Tail Claims		
Total claims	520	195
Cost per claim	<u>\$1,113</u>	<u>\$950</u>
Total annual need	\$578,760	\$185,250
Anticipated savings for FY 2009-10		\$393,510
Indemnity Claims		
Total claims	694	625
Cost per claim	<u>\$2,237</u>	<u>\$2,237</u>
Total annual need	\$1,552,478	\$1,398,125
Anticipated savings for FY 2009-10		\$154,353
Total savings for indemnity and tail claims		\$547,863

FY 2009-10 Supplemental Request #7, Risk Management Contract Review and Reduction Changes to Department Appropriations						
Department	Total Funds	General Fund	Cash Funds	HUTF	Reapprop. Funds	Federal Funds
Agriculture	(\$2,640)	(\$767)	(\$1,850)	\$0	\$0	(\$23)
Corrections	(89,895)	(87,063)	(2,832)	0	0	0
Education	(4,167)	(4,167)	0	0	0	0
Governor	(2,115)	(2,115)	0	0	0	0
Health Care Policy & Financing	(515)	(258)	0	0	0	(257)
DHS impact on HCPF ^{1/}	(42,710)	(21,355)	0	0	0	(21,355)

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

FY 2009-10 Supplemental Request #7, Risk Management Contract Review and Reduction Changes to Department Appropriations						
Department	Total Funds	General Fund	Cash Funds	HUTF	Reapprop. Funds	Federal Funds
Higher Education ^{2/}	(73,198)	0	(397)	0	(76)	0
Human Services	(143,161)	(75,544)	(428)	0	(60,917)	(6,272)
Judicial	(24,412)	(24,412)	0	0	0	0
Labor	(8,744)	0	(4,328)	0	0	(4,416)
Law	(754)	(226)	(61)	0	(446)	(21)
Legislature	(649)	(649)	0	0	0	0
Local Affairs	(729)	(678)	(23)	0	(28)	0
Military Affairs	(1,076)	(376)	(11)	0	0	(689)
Natural Resources	(25,527)	(3,377)	(21,689)	0	(380)	(81)
Personnel	(4,388)	(1,089)	(123)	0	(3,176)	0
Public Health	(4,898)	0	0	0	(4,898)	0
Public Safety	(43,681)	(43,681)	0	0	0	0
Regulatory Agencies	(1,202)	(42)	(1,022)	0	(119)	(19)
Revenue	(8,454)	(2,396)	(4,853)	(1,205)	0	0
State	(90)	0	(90)	0	0	0
Transportation ^{3/}	(107,552)	0	0	0	0	0
Treasury	<u>(16)</u>	<u>(16)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	(\$547,863)	(\$268,211)	(\$37,707)	(\$1,205)	(\$70,040)	(\$33,133)
1/ This table reflects the DHS impact on HCPF to illustrate the actual impact on Long Bill appropriations. The funds originate in HCPF as General Fund and federal funds, then are transferred to DHS as reappropriated funds. However, the double-count was removed from the table's statewide total.						
2/ The fund splits for Higher Education represent the dollars that the General Assembly appropriates, but the department's total also includes the moneys that the General Assembly does not appropriate.						
3/ The General Assembly does not appropriate these funds, which is why only the total is reflected in the table.						

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
 FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

**Supplemental Request, Department Priority #8
 Building Maintenance Reductions**

	Request	Recommendation
Total	(\$175,258)	(\$175,258)
Net General Fund ^{1/}	(103,405)	(103,405)
Reappropriated Funds	(175,258)	(175,258)

1/ The net General Fund savings occurs through reduced billings to user agencies, but are not reflected in the Department's Long Bill.

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	YES
This request is the result of an unforeseen contingency. The State's fiscal conditions have changed since the time of the initial appropriation, and the Department must reduce certain statewide services so as to remain within available funding limits.	

Department Request: The Department requests to reduce the janitorial and maintenance services provided to the Capitol Complex, which would save the State \$175,258 reappropriated funds for FY 2009-10, of which \$103,405 originates as General Fund within user agencies. This reduction would carry forward as the same amount for FY 2010-11.

Staff Recommendation: Staff recommends that the Committee reduce the appropriation for the Capitol Complex Operating Expenses line items by \$175,258 reappropriated funds for FY 2009-10. Of this amount, \$103,405 originates as General Fund within the user agencies.

Staff Analysis: The request is to reduce janitorial and maintenance services provided to the Capitol Complex, and the savings will occur from decreased contract services costs related to those functions. The reduction in services is not expected to impact the functionality of the buildings. Staff notes that the Department's supplemental request reduces the Capitol Complex line items by the same amount for both FY 2009-10 and FY 2010-11. In order to achieve the same savings for both fiscal years, it is likely that the reductions began much earlier during the FY 2009-10 fiscal year and have been in place for several months. Staff is not aware of any undue hardship caused by the reduction in services, and given the State's fiscal constraints, this is a reasonable option for reducing General Fund spending. Staff notes that as submitted, the Department's initial request would have

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
 FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

impacted the Capitol Complex Facilities' Personal Services line items. However, further review indicated that these services are included within the Operating Expenses line items, and staff's recommendation incorporates this information.

The following tables include the specific reductions to building maintenance, as well as the request's anticipated statewide impact.

Capitol Complex Reduction to Building Maintenance	
Maintenance Reduction	Total Savings
Reduce hard surface cleaning	(\$4,290)
Reduce tree care	(9,893)
Reduce fertilization and weed control	(10,800)
Reduce carpet cleaning by 50.0 percent	(12,360)
Reduce grounds services by 25.0 percent	(13,850)
Reduce routine custodial by 25.0 percent	<u>(124,065)</u>
Total	(\$175,258)

FY 2009-10 Supplemental #8, Building Maintenance Reductions Statewide Impact						
Department	Total Funds	General Fund	Cash Funds	HUTF	Reapprop. Funds	Federal Funds
Agriculture	(\$2,320)	(\$1,892)	(\$428)	\$0	\$0	\$0
Corrections	(4,088)	(2,920)	(1,168)	0	0	0
Education	(7,618)	(7,618)	0	0	0	0
Governor	(6,520)	(6,520)	0	0	0	0
Health Care Policy & Financing	(5,408)	(2,704)	0	0	0	(2,704)
Higher Education ^{1/}	(235)	0	0	0	0	0
Human Services	(16,991)	(8,496)	0	0	0	(8,495)
Labor	(11,075)	0	(344)	0	(10,323)	(408)

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

FY 2009-10 Supplemental #8, Building Maintenance Reductions Statewide Impact						
Department	Total Funds	General Fund	Cash Funds	HUTF	Reapprop. Funds	Federal Funds
Law ^{2/}	(7,122)	(5,235)	(1,421)	0	0	(466)
Legislature ^{2/}	(19,217)	(19,217)	0	0	0	0
Local Affairs	(6,773)	(4,171)	(294)	0	(1,240)	(1,068)
Military Affairs	(3,374)	(3,374)	0	0	0	0
Natural Resources	(11,850)	(3,272)	(4,821)	0	(2,324)	(1,433)
Personnel	(14,702)	(9,631)	0	0	(5,071)	0
Public Safety	(22,309)	(9,849)	(48)	(11,316)	(1,096)	0
Revenue	(33,747)	(17,754)	(15,245)	(748)	0	0
Transportation ^{1/}	(1,157)	0	0	0	0	0
Treasury	<u>(752)</u>	<u>(752)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	(\$175,258)	(\$103,405)	(\$23,769)	(\$12,064)	(\$20,054)	(\$14,574)
1/ Higher Education and Transportation are not appropriated, and therefore are represented in total dollars but not fund splits. These two departments comprise the \$1,392 difference between the fund splits and the total amount.						
2/ Non-executive branch agencies do not submit a budget through the Office of State Planning and Budgeting. Dollars represent estimates based on the FY 2009-10 Long Bill.						

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
 FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

**Supplemental Request, Department Priority #9
 Risk Management Reduction of Liability, Property, and Workers' Compensation Volatility**

	Request	Recommendation
Total	(\$2,907,505)	(\$2,907,505)
Net General Fund ^{1/}	(1,307,396)	(1,307,396)
Reappropriated Funds	(2,907,505)	(2,907,505)

1/ The net General Fund savings result from reduced billings to other departments. The Department's Long Bill line item reflects the reappropriated funds only.

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	YES
This request is the result of an unforeseen contingency. The State's fiscal conditions have changed since the time of the initial appropriation, and the Department must reduce certain statewide billings so as to remain within available funding limits.	

Department Request: The Department requests to reduce the amount of volatility funding built into the Liability, Property, and Workers' Compensation rates. In total, the Department is proposing to reduce the volatility adjustment by 61.12 percent., which will reduce the allocations in individual Departments by \$2,907,505 in total funds, which has a General Fund impact of \$1,307,396 when billings to departments are reduced for FY 2009-10 and FY 2010-11.

Staff Recommendation: Staff recommends the Department's request.

Staff Analysis: The Department's billings for Workers' Compensation, Property, and Liability insurance include a volatility adjustment based on prior years' experience. At the end of the fiscal year, unused funds remain in the funds, allowing them to build fund balances. The FY 2009-10 Long Bill includes contingency spending authority that permits the Department to use available fund balance if unanticipated costs arise. This contingency spending authority, combined with the available fund balances, allow the Department greater flexibility to respond to unanticipated occurrences. This, in turn, reduces the amount of volatility that must be built into the Department's

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
 FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

rates. The following tables reflect the amount of volatility that was built into the rates, as well as the available fund balances that the Department can use in place of the volatility adjustments.

Calculation of Volatility Adjustment Reduction for FY 2009-10 and FY 2010-11			
	Property	Liability	Workers' Compensation
FY 2009-10 Volatility Included in Rate	\$1,212,232	\$913,112	\$2,631,700
Percent Reduction	<u>61.12%</u>	<u>61.12%</u>	<u>61.12%</u>
Funding Available	\$740,916	\$558,094	\$1,608,495

Risk Management Cash Funds: Fund Balance					
	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09^{1/}
Liability	\$11,148,486	\$6,465,035	\$10,606,038	\$12,745,466	\$5,349,343
Property	998,035	(3,755,357)	3,372,782	3,115,139	6,216,679
Workers' Compensation	24,963,513	27,259,486	24,845,216	19,698,406	7,079,953
1/ Unaudited					

**Supplemental Request, Department Priority #10
 Elimination of Noxious Weed Abatement Program**

	Request	Recommendation
Total	<u>(\$44,187)</u>	<u>\$0</u>
General Fund	(15,019)	0
Cash Funds	(6,071)	0
HUTF	(20,547)	0
Federal Funds	(2,550)	0

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
 FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	NO
<p>This request requires separate legislation to change statute so that the State is not responsible for noxious weed abatement. This is not new information, because the initial appropriation was in response to these same statutory requirements. Given the Sate's significant fiscal challenges, staff does not think that the General Fund savings (\$15,019) is sufficient to offset the Committee's efforts that would be necessary to carry the legislation. Therefore, it does not meet the supplemental criteria of an unforeseen contingency because staff does not consider it a viable option to address the State's General Fund shortfall.</p>	

This request requires separate legislation.

Department Request: The Department requests to stop the noxious weed abatement program at Camp George West. This would reduce its appropriation by \$44,187 reappropriated funds, which would result in General Fund savings of \$15,019 in affected departments' budgets for FY 2009-10.

Staff Recommendation: Staff does not recommend this request. It requires the Committee to sponsor separate legislation to change statute to exempt the State from current requirements to eradicate noxious weeds on its properties. Given the numerous budget balancing bills that the Committee must carry this year, a General Fund savings of \$15,019 does not justify the Committee's time and efforts that are involved in sponsoring legislation. The Committee could identify greater General Fund savings by focusing on more substantive options for balancing the budget.

Staff Analysis: Pursuant to Section 35-5.5-110, C.R.S., the State is required to eradicate noxious weeds that are found on State-owned and managed properties. The Department received additional funds for this purpose as a part of the FY 2009-10 Long Bill. Currently, in the event that the State fails to comply with the notice to manage the identified noxious weeds, Section 35-5.5-110 (3), C.R.S., permits the local governing body to manage the weeds and charge the expense to the State entity that has control of the land.

The request is to amend statute is one of the following ways: (1) exempt the State from this requirement for a set amount of time; (2) repeal the Noxious Weeds Act; or (3) extend the amount of time that the State has to eradicate weeds from its property. These options would alleviate the State of its responsibility to eliminate the weeds, thus saving \$44,187 reappropriated funds. Of this total, \$15,019 originates as General Fund within user agencies. This small amount of General Fund savings does not offset the efforts required for the Committee to carry the legislation. Staff is also concerned that it will divert the Committee's attention from more viable budget balancing options. This request does not meet supplemental criteria because it is not new information, and it is not a reasonable action as part of a budget balancing package.

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
 FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

**Supplemental Request, Department Priority #11
 State Fleet Rebates - One-Time Refinance**

	Request	Recommendation
Total	\$0	\$0
Cash Funds	421,866	0
Reappropriated Funds	(421,866)	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	YES
This request is the result of an unforeseen contingency. Since the time of the initial appropriation, the Department has been required to reduce its spending authority to meet the State's current fiscal conditions.	

Department Request: The Department's request states that it will receive \$421,866 cash funds as a result of purchasing hybrid electric and alternative fuel vehicles. The Department proposes to use the moneys for a one-time refinancing of the State Fleet Management Program, Operating Expenses line item, so that the \$421,866 cash funds would replace a corresponding amount of reappropriated funds. This, in turn, would generate \$288,227 General Fund savings through decreased billings to user agencies.

Staff Recommendation: Staff does not recommend the request as submitted. Staff instead recommends transferring the funds to the General Fund to be used for FY 2009-10 or FY 2010-11 budget balancing purposes. Staff also recommends that the Committee flag this request until it is more evident which fiscal year would benefit the most from the transfer. Please note that the Department updated the available cash funds amount based on rebates received to date, and there are **\$397,143 cash funds available to transfer** (not \$421,866).

Staff Analysis: Pursuant to Section 24-30-1104 (2) (c) (II), C.R.S., for the years commencing January 1, 2008, and January 1, 2009, the Department was required to purchase flexible fuel vehicles or hybrid vehicles unless the increased cost of such a vehicle is more than 10.0 percent over the cost of a comparable non-flexfuel vehicle. These purchases made the Department eligible for rebates from the Alternative Fuel Rebate Program ("Rebate Program"). The Rebate Program is operated by the Department of Revenue and provides rebates to governmental and nonprofit entities for purchasing alternative fuel vehicles. The Alternative Fuels Rebate Program cash fund's revenue is

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
 FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

the amount of sales tax revenue received from alternative fuel vehicles that is above the amount received in FY 1997-98 (see Section 39-33-105, C.R.S.). In the absence of this program, the revenue would most likely go to the General Fund.

In addition to refinancing approximately \$280,000 General Fund so it can be used for budget balancing purposes, the Department's request also uses the Rebate Program cash funds to refinance approximately \$63,000 cash funds, \$43,000 reappropriated funds, and \$10,000 federal funds. In doing so, the request uses dollars that were originally diverted from the General Fund to refinance other fund sources, and the end result is that the General Fund benefits from only 67.0 percent of the moneys that it would receive from a transfer.

These funds are available for either FY 2009-10 or FY 2010-11. The Department does not have cash fund spending authority for the Fleet Management Program line items, and therefore the dollars will remain in the cash fund until further action is taken by the General Assembly (to either appropriate the cash fund spending authority or to transfer the dollars to the General Fund).

**Supplemental Request, January 2010 - Department Priority #1
 Correction of Indirect Costs from Department of Labor and Employment Letternote**

	Request	Recommendation
Total	\$0	\$0
General Fund	156,610	0
Reappropriated Funds	(156,610)	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	YES
This request meets supplemental criteria because there is an error in the original appropriation. However, staff does not recommend the Department's proposed solution.	

Department Request: The Department requests an increase of \$156,610 General Fund, and a corresponding decrease of \$156,610 reappropriated funds (statewide indirect cost recoveries), due to an incorrect letternote in the FY 2009-10 Long Bill. The FY 2009-10 Long Bill commits \$156,610 statewide indirect cost recoveries from the Department of Labor and Employment (Labor) to the Department of Personnel and Administration (DPA) *and* also back to Labor itself. DPA states that as a result, it is unable to use this portion of its statewide indirect cost recoveries. The

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
 FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Department requests \$156,610 General Fund to backfill for the indirect cost recoveries that were mistakenly committed back to Labor.

Staff Recommendation: Staff does not recommend the Department's request. Staff agrees that there is an error in the FY 2009-10 Long Bill letternote, but recommends that the solution be to correct the letternote within the Department of Labor because it is not eligible to receive statewide indirect cost recoveries for the stated purpose. This will then allow the Department of Personnel to access the funds for their intended purpose.

Staff Analysis: The letternote in question first appeared in the FY 2007-08 Long Bill, after JBC staff mistakenly refinanced General Fund with statewide indirect cost recoveries. It is unclear to staff whether Labor ever actually accessed the funds, because it is technically not allowed to use them for the stated purpose. It is possible that the Labor has been absorbing the amount within its other fund sources, because it comprises only 0.5 percent of the affected Division's total appropriation. The Division is bottom-line funded, allowing the Department the flexibility to apply various fund sources to each line item.

**Supplemental Request, January 2010 - Department Priority #2
 Mail Equipment Upgrade**

	Request	Recommendation
Total	(\$1,288,982)	(\$1,288,982)
General Fund	50,206	50,206
Cash Funds	(1,339,188)	(1,339,188)

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	YES
The request meets supplemental criteria because the Department has new information that was not available at the time of the original appropriation.	

Department Request: The Department requests a net reduction of \$1,339,188 reappropriated funds and an increase of \$50,206 General Fund for FY 2009-10. It also requests the authority to enter into a five-year lease-purchase agreement for the mail equipment that was requested and approved during the FY 2009-10 budget cycle. The amount annualizes to an increase in statewide appropriations by \$177,624 (which will be reflected as reappropriated funds in the Department's Long Bill), and

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

\$156,018 General Fund. The total of \$333,642 would be reflected in a new line item, titled "Mail Equipment Purchase".

Staff Recommendation: Staff recommends the Department's request. However, for the component that reverses the prior year's appropriation, **staff recommends that the Committee waive line item adjustments that are less than \$200.** Staff estimates that this action will have a General Fund impact of less than \$5,000.

Staff Analysis: As a part of the FY 2009-10 budget process, the Department received an additional \$1,428,000 reappropriated funds to purchase mail equipment and software. Some of the equipment was intended to replace older items, while other components of the request were required by the United States Postal Service (USPS) in order to maintain the State's mail discounts. The Department has since learned that due to federal fund restrictions, it must acquire the equipment through a five-year lease-purchase agreement.

- Federal restrictions regarding the recovery of capital expenditures prohibit the Department from seeking reimbursement through direct or indirect cost assessments unless prior approval has been granted by the cognizant federal agency. The Department is concerned that the length of the approval process will cause it to miss implementation deadlines for new USPS requirements, costing the State over \$1.0 million in lost discounts.
- The cost of the equipment must be collected through depreciation costs. The equipment has an eight-year depreciation schedule, so the Department can only capture 1/8th of the total cost in any given full fiscal year.
- The Department's solution is to enter into a five-year lease-purchase agreement. The initial purchase price of the equipment is approximately \$1,421,000, but the Department will have to pay interest over the course of the agreement, bringing the total cost to \$1,668,210.
- The lease-purchase agreement would be for five years, but the Department must stretch the collection period over eight years because of the equipment's amortization schedule. This is because the federal government only allows collections to correspond to the amortization period of the equipment. The General Fund portion of the request is to cover the difference between the amount of the lease-purchase payments and the amount it is allowed to collect due to the eight-year amortization schedule. **This amounts to \$50,206 General Fund for FY 2009-10 and \$156,018 General Fund per year through FY 2013-14, then \$17,000 General Fund for FY 2014-15.**

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
 FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

- ❑ **The request is for individual agencies to be allocated \$88,812 in total, which represents a net reduction of \$751,066 in total funds for FY 2009-10** (in comparison to the original amount appropriated for the FY 2009-10 Long Bill).

Amortization Schedule for Mail Equipment Upgrade			
Fiscal Year	Payment	Principal	Interest
FY 2009-10	\$139,018	\$101,627	\$37,391
FY 2010-11	333,642	255,403	78,239
FY 2011-12	333,642	272,507	61,135
FY 2012-13	333,642	290,758	42,884
FY 2013-14	333,642	310,230	23,412
FY 2014-15 (July - Jan)	<u>194,624</u>	<u>190,475</u>	<u>4,149</u>
Total	\$1,668,210	\$1,421,000	\$247,210

**Supplemental Request, January 2010 - Department Priority #3
 \$50,000 Interest Federal Participation Reimbursement for Procurement Card Signing Bonus**

	Request	Recommendation
Total Cash Funds	\$50,000	\$50,000

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	YES
The request meets the supplemental criteria for new data because this information was not available when the FY 2009-10 Long Bill was prepared.	

Department Request: The Department requests an additional \$50,000 cash funds spending authority so that it may repay interest payments to the federal government on a \$1.0 million signing bonus for the State's procurement card program.

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Staff Recommendation: Staff recommends the Department's request. Staff also recommends that the Committee request the State Controller to send a letter once it is determined how much of the procurement card signing bonus is available to transfer to the General Fund for FY 2009-10 budget balancing purposes.

Staff Analysis: The Department will most likely receive a \$1.0 million signing bonus from JPMorgan Chase as a part of recent negotiations to extend the State's contract for the procurement card program. In order to receive the signing bonus, the State must spend at least \$190,000,000 between April 31, 2009, and March 31, 2010. Every indication is that it will meet this spending threshold.

The Department's intention is to transfer the signing bonus to the General Fund for budget balancing purposes. However, the federal government will not permit its portion of the proceeds to be used for budget-balancing purposes, and requests to be reimbursed for its share of the dollars. The Committee has already approved the Department's request for \$200,000 cash funds spending authority to repay the federal government for its portion. The current request is to ensure that the Department has sufficient spending authority to repay any interest payments, as well.

In order to use the signing bonus for budget balancing purposes, it must repay the federal government for its portion plus interest. This is unquestionable. Staff is not concerned about overappropriating the dollars because any unused spending authority will be transferred to the General Fund along with the remainder of the signing bonus.

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
 FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

**Supplemental Request, January 2010 - Department Priority #4
 Statewide American Recovery and Reinvestment Act Administrative Cost Spending Authority**

	Request	Recommendation
Total	\$1,850,842	\$1,850,842
FTE	<u>7.0</u>	<u>7.0</u>
General Fund	(262,765)	(262,765)
Cash Funds	2,248,241	2,248,241
Reappropriated Funds	(134,634)	(134,634)

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	YES
This request meets supplemental criteria because it includes new data that was not available at the time of the original appropriation. The federal Division of Cost Allocation recently allowed states to collect up to 0.5 percent of the total amount of the American Recovery and Reinvestment Act grants awarded to any state for associated administrative costs.	

Department Request: The Department requests \$4,456,332 in total funds spending authority, to be divided amongst the Department of Personnel and Administration, the Governor’s Office of State Planning and Budgeting, and the Department of Treasury, for the administrative costs associated with American Recovery and Reinvestment Act (ARRA). The request also includes 7.0 FTE for the Department of Personnel and Administration. As per the cost recovery plan approved by the federal Division of Cost Allocation, the request covers the available funds for all three years, to ensure that they are available for the intended purpose.

The State's estimated expenditures for centralized ARRA administrative costs are \$1,697,292 in total funds for FY 2009-10, \$1,503,816 in total funds for FY 2010-11, and \$1,255,224 in total funds for FY 2011-12. Of the \$1,697,292 for FY 2009-10, \$1.2 million is a refinance of current spending authority in the three agencies, and \$452,237 is additional spending authority.

Staff Recommendation: Staff recommends the request. Staff also recommends a letternote indicating roll-forward spending authority for FYs 2010-11 through FY 2012-13.

Staff Analysis: Colorado has received a total of \$3.5 billion in ARRA funds since the Act was signed into law on February 17, 2009. The largest recipients were the Departments of Health Care Policy and Financing (23.1 percent), Transportation (20.6 percent), and Labor & Employment (17.2

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

percent). When the bill was first passed, the initial direction was that individual states could not use any portion of the grants to pay for centralized administrative functions.

- ❑ **On May 11, 2009, the Office of Management and Budget (OMB) issued a memorandum that authorized states to collect up to 0.5 percent of the total amount of ARRA funds within the State.² In addition, OMB issued a memorandum in October, 2009, that permits states to charge multiple years of the administrative costs in the first year through supplemental Statewide Cost Allocation Plan (SWCAP).³**

Two types of central administration costs can be collected from ARRA grant funds. The first type, called Section 1, is for those functions that are indirectly billed through the Statewide Cost Allocation Plan. An example of a Section 1 expenditure would be the cost associated with the Department of Personnel and Administration's (DPA) management of the State personnel system. The second type, called Section 2, is for those central administrative functions that are billed directly to programs. An example of a Section 2 expenditure would be the costs billed by the State Auditor for their services. The funds will be used for two primary purposes: (1) to address the many reporting criteria that have been established for the use of ARRA grant fund dollars; and (2) the audit component required by federal and state law.

The first table on the following page reflects how the funds would be distributed amongst the Governor's Office, the Department of Personnel and Administration, and the Department of the Treasury. The second table reflects how the funds will be used to within the Department of Personnel and Administration, including how they will offset other fund sources (primarily General Fund).

² See Office of Management and Budget memorandum #M-09-18 dated May 11, 2009.

³ See Office of Management and Budget memorandum #M-10-03 dated October 13, 2009.

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
 FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Approved Section 1 Allocations by Fiscal Year					
Department and Program	FY 2009-10	FY 2010-11	FY 2011-12	TOTAL ^{1/}	FTE
Governor's Office					
CO Economic Recovery and Accountability Board	\$608,526	\$544,368	\$477,652	\$1,630,546	0.0
Office of State Planning and Budgeting	<u>197,404</u>	<u>157,923</u>	<u>118,443</u>	<u>473,770</u>	<u>0.0</u>
Governor's Office Total	\$805,930	\$702,291	\$596,095	\$2,104,316	0.0
Department of Personnel & Administration					
Executive Director's Office	\$82,494	\$65,995	\$49,496	\$197,985	0.0
Document Archiving	6,250	5,000	3,750	15,000	0.0
Division of Human Resources	26,002	20,802	15,601	62,405	0.0
State Personnel Board	6,250	5,000	3,750	15,000	0.0
Office of the State Controller	375,047	318,521	278,179	971,747	2.0
Finance and Procurement	<u>353,593</u>	<u>351,615</u>	<u>280,896</u>	<u>986,104</u>	<u>5.0</u>
Department of Personnel & Administration Total	\$849,636	\$766,933	\$631,672	\$2,248,241	7.0
Department of the Treasury^{2/}	\$74,012	\$60,421	\$46,829	\$181,262	0.0
Building Depreciation^{3/}	\$42,212	\$42,212	\$42,212	\$126,636	0.0
Grand Total	\$1,771,790	\$1,571,857	\$1,316,808	\$4,660,455	7.0
1/ The total dollars is \$1 less than the requested spending authority due to rounding.					
2/ Treasury's allocation includes \$32,286, \$25,829, and \$19,372 between FY 2009-10 and FY 2011-12 in funding for bank charges. Bank charges are not appropriated directly as they are net against the interest income. Treasury will use the additional funding to adjust interest income accordingly.					
3/ Building depreciation is an expense that is accounted for off-budget and therefore is not appropriated.					

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

FY 2009-10 Statewide American Recovery and Reinvestment Act Administrative Cost Spending Authority Department of Personnel and Administration					
Long Bill Line Item	Total	General Fund	Cash Funds	Reapprop. Funds	FTE
(1) Executive Director's Office					
(A) Departmental Administration, Personal Services	\$85,753	\$0	\$147,005	(\$61,252)	0.0
(A) Departmental Administration, Operating Expenses	29,738	0	50,980	(21,242)	0.0
(B) Statewide Special Purpose, (3) Colorado State Archives	8,750	(6,250)	15,000	0	0.0
(2) Division of Human Resources, (A) Human Resource Services, State Agency Services, Personal Services	27,291	0	46,784	(19,493)	0.0
(2) Division of Human Resources, (A) Human Resource Services, State Agency Services, Operating Expenses	9,112	0	15,621	(6,509)	0.0
(3) Constitutionally Independent Entities, (A) Personnel Board, Operating Expenses	8,750	(6,250)	15,000	0	0.0
(5) Division of Accounts and Control - Controller, (A) Office of the State Controller, Personal Services	578,187	(200,558)	778,745	0	2.0
(5) Division of Accounts and Control - Controller, (A) Office of the State Controller, Operating Expenses	143,295	(49,707)	193,002	0	0.0
(5) Division of Accounts and Control - Controller, (A) Office of the State Controller, (B) State Purchasing Office, Personal Services	799,853	0	821,632	(21,779)	5.0
(5) Division of Accounts and Control - Controller, (A) Office of the State Controller, (B) State Purchasing Office, Operating Expenses	<u>160,113</u>	<u>0</u>	<u>164,472</u>	<u>(4,359)</u>	<u>0.0</u>
Total	\$1,850,842	(\$262,765)	\$2,248,241	(\$134,634)	7.0

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
 FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Statewide Common Policy Supplementals

**Department Request Nonprioritized #1
 Annual Fleet Vehicle Replacements Technical True-up**

	Request	Recommendation
Total, Reappropriated Funds	(\$1,039,295)	(\$1,039,295)

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	YES
This request meets the supplemental criteria of new information.	

Department Request: The Department requests to true-up funding for vehicles that have already been approved or requested through prior actions. The net request is to increase state agency appropriations by a total of \$205,175 for FY 2009-10, although the fund split adjustment actually results in a General Fund *reduction* of \$65,127. For FY 2010-11, the Department requests an increase to state agency appropriations by a total of \$344,160, which is comprised of an additional \$110,118 General Fund. The Department also requests to reduce the appropriation for the (4) Central Services, (C) Fleet Management Program and Motor Pool Services, Vehicle Replacement Lease, Purchase, or Lease/Purchase line item by \$1,039,295 reappropriated funds spending authority.

Staff Recommendation: Staff recommends the Department's request to increase state agency appropriations by a total of \$205,175 for FY 2009-10, and to reduce the Vehicle Replacement Lease, Purchase, or Lease/Purchase line item by \$1,039,295 reappropriated funds.

Staff Analysis: Due to the recent economic downturn, several automobile manufacturers either closed their plants for a part of the year, or went bankrupt altogether (i.e. Chrysler). These actions delayed the delivery of approximately 138 vehicles that were approved for purchase for FY 2008-09, but were not delivered until FY 2009-10. Specifically, 110 vehicles were delivered well after their anticipated delivery date, and another 28 vehicles that were previously approved for FY 2008-09 have yet to be delivered, although the Department does expect them to arrive prior to the end of the fiscal year.

The late vehicles were included in the Department's spending authority but were not included in calculations for agency appropriations, because the agency appropriations are based on actual billings. Therefore, agency billings need to increase to reflect the delayed deliveries, and the Department's reappropriated funds should decrease because Departments don't begin to pay for the vehicles until they have arrived. The Department's request essentially trues-up the Long Bill to

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

reflect the Committee's prior actions, as well as the impact of the economic downturn on the State's Fleet Management program. The following table reflects the true-up for state agency billings for both FY 2009-10 and FY 2010-11.

Annual Fleet Replacement True-Up		
	FY 2009-10	FY 2010-11
Total	<u>\$205,175</u>	<u>\$344,160</u>
General Fund	(65,127)	110,118
Cash Funds	57,617	173,465
HUTF	167,479	38,358
Reappropriated Funds	59,375	3,448
Federal Funds	(14,169)	18,771

FY 2009-10 Incremental and Line Item Need by Department				
Department	Total Est. Need	Nov. 6, 2009 Request	Difference	Revised Total
Agriculture	\$203,972	\$229,406	(\$25,434)	\$203,972
Corrections	\$2,511,757	\$2,586,001	(\$74,244)	\$2,511,757
Education	\$26,729	\$23,727	\$3,002	\$26,729
Governor's Office	\$116,808	\$118,171	(\$1,363)	\$116,808
Health	\$296,864	\$272,609	\$24,255	\$296,864
Human Services	\$865,310	\$921,320	(\$56,010)	\$865,310
Local Affairs	\$112,115	\$113,634	(\$1,519)	\$112,115
Labor and Employment	\$96,435	\$95,134	\$1,301	\$96,435
Military Affairs	\$45,875	\$50,440	(\$4,565)	\$45,875
Natural Resources	\$3,120,395	\$2,997,379	\$123,016	\$3,120,395
Personnel & Administration	\$86,612	\$66,468	\$20,144	\$86,612
Public Safety	\$5,203,456	\$4,969,682	\$233,774	\$5,203,456
Revenue	\$456,169	\$478,249	(\$22,080)	\$456,169
Regulatory Agencies	\$191,507	\$187,489	\$4,018	\$191,507
Attorney General	\$66,101	\$73,969	(\$7,868)	\$66,101
Secretary of State	\$2,861	\$2,819	\$42	\$2,861
Judicial	<u>\$106,065</u>	<u>\$117,359</u>	<u>(\$11,294)</u>	<u>\$106,065</u>
Total	\$13,509,031	\$13,303,856	\$205,175	\$13,509,031

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

**Previously Approved Interim Supplemental
\$200,000 Federal Participation Reimbursement for Procurement Card Signing Bonus**

Previously Approved	
Total	<u>\$200,000</u>
Cash Funds	200,000

Description of Supplemental: The Department requested an additional \$200,000 cash funds to reimburse the federal government for its portion of an anticipated \$1,000,000 signing bonus from JPMorgan Chase. As a part of recent negotiations to extend the State's contract for the procurement card program, it will receive the \$1.0 million bonus if it spends at least \$190,000,000 between April 31, 2009, and March 31, 2010.

However, the federal government will not permit its portion of the proceeds to be used for budget-balancing purposes, and requests to be reimbursed for its share of the dollars. The Department will not know the actual reimbursement amount until after March, 2010, but for the purposes of this request it is assuming a rate of 20.0 percent of the total (\$200,000). The State plans to use the funds, minus the federal reimbursement amount, for FY 2009-10 budget-balancing purposes. It anticipates that it will transfer approximately \$750,000 of the signing bonus to the General Fund. Staff also notes that the Department's January supplemental requests that are covered earlier in this document included an additional \$50,000 cash funds to pay for the interest that will inevitably be accrued on the federal reimbursement amount.

Staff did not think that the supplemental met interim supplemental criteria, and recommended against the request as it was submitted. However, staff did recommend the supplemental, and the Committee approved it, as a regular supplemental request to be included with the Department's other prioritized requests.

**Non-Prioritized Requests
Budget Adjustment to Reflect FY 2009-10 Furloughs**

Department Request: The General Assembly included a statewide personal services reduction equivalent to 1.82 percent of each agencies' appropriation in the FY 2009-10 Long Bill (S.B. 09-259). The net FY 2009-10 impact of the one-time reduction was \$26.5 million, of which \$16.1 million was General Fund. The executive branch was given the flexibility to develop and implement a plan to meet the mandated reduction. The Governor requests an adjustment to the personal

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

services reductions within the FY 2009-10 Long Bill to reflect the actual staffing actions taken within each agency to achieve a decrease of 1.82 percent.

Staff Recommendation and Analysis: Staff considers this request to be a technical true-up of how the Department implemented furloughs. The following table reflects how the Department's request will impact various Long Bill line items.

Department Request: Statewide Furlough Impact by Long Bill Line Item				
Long Bill Line Item	Total	General Fund	Cash Funds	Reapprop. Funds
(1) Executive Director's Office				
(A) Departmental Administration				
Personal Services	(\$32,236)	(\$384)	\$0	(\$31,852)
Short Term Disability	(975)	(120)	(138)	(717)
AED	(12,594)	(1,552)	(1,786)	(9,256)
SAED	<u>(7,871)</u>	<u>(970)</u>	<u>(1,116)</u>	<u>(5,785)</u>
<i>Total, Departmental Administration</i>	<i>(\$53,676)</i>	<i>(\$3,026)</i>	<i>(\$3,040)</i>	<i>(\$47,610)</i>
(B) Statewide Special Purpose				
(1) Colorado State Employees Assistance Program	(17,116)	0	0	(17,116)
(2) Office of the State Architect	(19,316)	(19,316)	0	0
(3) Colorado State Archives	<u>(16,388)</u>	<u>(13,199)</u>	<u>(2,856)</u>	<u>(333)</u>
<i>Total, Executive Director's Office</i>	<i>(\$52,820)</i>	<i>(\$32,515)</i>	<i>(\$2,856)</i>	<i>(\$17,449)</i>
(2) Division of Human Resources				
(A) Human Resource Services, State Agency Services	(16,001)	0	0	(16,001)
(B) Employee Benefit Services	(23,732)	0	(22,783)	(949)
(C) Risk Management Services	<u>(11,232)</u>	<u>0</u>	<u>0</u>	<u>(11,232)</u>
<i>Total, Division of Human Resources</i>	<i>(\$50,965)</i>	<i>\$0</i>	<i>(\$22,783)</i>	<i>(\$28,182)</i>
(3) Constitutionally Independent Entities				
(A) Personnel Board	(14,654)	(14,617)	(37)	0
(B) Independent Ethics Commission	<u>(2,099)</u>	<u>(2,099)</u>	<u>0</u>	<u>0</u>
<i>Total, Constitutionally Independent Entities</i>	<i>(\$16,753)</i>	<i>(\$16,716)</i>	<i>(\$37)</i>	<i>\$0</i>
(4) Central Services				

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Department Request: Statewide Furlough Impact by Long Bill Line Item				
Long Bill Line Item	Total	General Fund	Cash Funds	Reapprop. Funds
(A) Administration	(23,846)	0	0	(23,846)
(B) Integrated Document Factory, (1) Reprographic Services	(5,286)	0	0	(5,286)
(B) Integrated Document Factory, (2) Document Solutions Group	(3,059)	0	0	(3,059)
(B) Integrated Document Factory, (3) Mail Services	(19,870)	0	0	(19,870)
(C) Fleet Management Program and Motor Pool Services	(21,639)	0	0	(21,639)
(D) Facilities Maintenance, Capitol Complex	(28,050)	0	0	(28,050)
(D) Facilities Maintenance, Grand Junction State Services Building	(1,498)	0	0	(1,498)
(D) Facilities Maintenance, Camp George West	<u>(1,647)</u>	<u>0</u>	<u>0</u>	<u>(1,647)</u>
<i>Total, Central Services</i>	<i>(\$104,895)</i>	<i>\$0</i>	<i>\$0</i>	<i>(\$104,895)</i>
(5) Division of Accounts and Control - Controller				
(A) Office of the State Controller	(27,006)	57,472	(11,238)	(73,240)
(B) State Purchasing Office	(26,956)	0	(26,956)	0
(C) Supplier Database	(1,632)	0	(1,632)	0
(D) Collection Services	<u>(10,445)</u>	<u>0</u>	<u>(13,882)</u>	<u>3,437</u>
<i>Total, Division of Accounts and Control - Controller</i>	<i>(\$66,039)</i>	<i>\$57,472</i>	<i>(\$53,708)</i>	<i>(\$69,803)</i>
(6) Administrative Courts, Personal Services	(\$36,497)	\$0	(\$424)	(\$36,073)
Total, Department of Personnel & Administration	(\$381,645)	\$5,215	(\$82,848)	(\$304,012)

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
 FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Statewide Common Policy Supplemental Requests

These requests are not prioritized and are not analyzed in this packet. The JBC will act on these items later when it makes decisions regarding common policies.

Department's Portion of Statewide Supplemental Request	Total	General Fund	Cash Funds	Reapprop. Funds	FTE
Risk Management Contract Review and Reduction	(\$4,388)	(\$1,089)	(\$123)	(\$3,176)	0.0
Capitol Complex Building Maintenance Reductions	(14,702)	(9,631)	0	(5,071)	0.0
Risk Management Reduction of Liability, Property and Workers' Compensation Volatility	(57,080)	(14,168)	(1,599)	(41,313)	0.0
State Fleet Rebates - One Time Refinance	(22,359)	0	0	(22,359)	0.0
Annual Fleet Vehicle Replacement True-up	20,144	0	0	20,144	0.0
Mail Equipment Upgrade	(27,057)	(875)	(884)	(25,298)	0.0
FY 2009-10 OIT Management and Administration One-time Adjustment	(8,524)	(5,752)	1,139	(3,911)	0.0
Department's Total Statewide Supplemental Requests	(\$113,966)	(\$31,515)	(\$1,467)	(\$80,984)	0.0

Staff Recommendation: The staff recommendation for these requests is pending Committee approval of common policy supplementals. **Staff requests permission to include the corresponding appropriations in the Department's supplemental bill when the Committee approves this common policy supplemental.** If staff believes there is reason to deviate from the common policy, staff will appear before the Committee later to present the relevant analysis.

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Proposed Cash Fund Transfers

**Department's Requested Cash Fund Transfer, Nonprioritized #1
Transfer from Emergency Controlled Maintenance Fund to General Fund
Legislation Required**

FY 2009-10 Transfer	Request	Recommendation
Transfer from Controlled Maintenance Fund to General Fund	\$335,000	\$335,000

Department Request: The Department requests that the Joint Budget Committee sponsor legislation to transfer \$335,000 from the Emergency Controlled Maintenance allocation in the Capital Construction Fund to the General Fund for FY 2009-10. This request requires legislation.

Staff Recommendation: Staff recommends the Department's request to transfer the funds.

Staff Analysis: The Judicial Department was appropriated \$509,079 for controlled maintenance for a building, but it has since determined that the building will instead be demolished, making the controlled maintenance project unnecessary. A portion of the original appropriation was expended for planning prior to determining that the project would be terminated. The excess funds (\$335,000) were rolled into the Emergency Controlled Maintenance allocation. Given the State's General Fund shortfall, it appears reasonable to transfer the dollars to the General Fund for budget balancing purposes. This is a one-time transfer for FY 2009-10.

**Department Requested Cash Fund Transfer, Nonprioritized #2
Transfer \$3,354,593 Received as a Kaiser Financial Relief Credit to the General Fund
Legislation Required**

FY 2009-10 Transfer	Request	Recommendation
Transfer from Fund 91S Employee Benefits Plan to the General Fund	\$3,354,593	\$3,354,593

Department Request: The Department requests to transfer \$3,354,593 from the Employee Benefits Fund to the General Fund for FY 2009-10 budget balancing purposes.

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Staff Recommendation: Staff recommends the Department's requested transfer.

Staff Analysis: In June, 2008, the Colorado Division of Insurance and the Kaiser Foundation Health Plan of Colorado announced an agreement to provide \$155 million in financial relief for individual and employer consumers who purchase health care coverage from the Kaiser Foundation Health Plan of Colorado. The agreement with Kaiser originated from an April, 2007 Division of Insurance's Financial Examination, which covered Kaiser's 2001-2005 financial statements. At the time, the Commissioner of Insurance was concerned about Kaiser's increasing net worth reaching several hundred million dollars. The total agreement amount is for \$77.5 million per year for both 2009 and 2010. The State received \$3.3 million for 2009, which was based on an average credit of \$287 for each individual subscriber.

The moneys are not a **rebate of premiums paid by state employees or by the State as an employer. Rather, the agreement was the result of discussions between the Division of Insurance and the Kaiser Foundation Health Plan of Colorado (Kaiser) regarding Kaiser's reserves as a non-profit organization.** The State is *not* required to apply it to health, healthcare, or employee benefits.

The 2010 premium relief is expected to be a similar amount and will be paid in a similar fashion using March, 2010 membership as a basis. It is not clear as to whether it will be available for FY 2010-11 balancing purposes, because the Department may use it for the State's employee benefits program reserves to minimize future premium increases.

The State is not obligated to use the funds for any particular purpose. Given the current General Fund shortfall, transferring these funds to the General Fund may help to prevent other types of reductions to employee benefits.

**Department Requested Cash Fund Transfer, Nonprioritized #3
Transfer Procurement Card Signing Bonus**

FY 2009-10 Transfer	Request	Recommendation
Transfer from Controlled Maintenance Fund to General Fund	\$750,000	\$750,000

Department Request: The Department requests to transfer approximately \$750,000 cash funds to the General Fund. The cash funds are from a signing bonus from JPMorgan Chase that the State negotiated as a part of its new procurement card contract. The State will receive \$1.0 million if it

**DEPARTMENT OF PERSONNEL AND ADMINISTRATION
FY 2009-10 SUPPLEMENTAL RECOMMENDATIONS
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

spends at least \$190,000,000 between April 31, 2009, and March 31, 2010. The State is on target to meet this spending threshold. Of this amount, the Department anticipates that it will repay approximately \$250,000 to the federal government as its participation rate and interest on those funds.

Staff Recommendation and Analysis: Staff discussed the procurement card signing bonus during the interim supplemental presentation as well as earlier in this document as a part of the Department's request for \$50,000 cash funds spending authority to repay any accrued federal interest. The funds are not earmarked for any other purpose, and therefore it is reasonable to transfer them to the General Fund for budget-balancing purposes for FY 2009-10. Staff recommends the Department's request. **Staff's understanding is that this transfer does not require legislation.**

	FY 2008-09	FY 2009-10	Fiscal Year 2009-10 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
Department of Personnel and Administration					
Executive Director - Rich Gonzales					
Supplemental #1 - Elimination of DHR Communications Unit					
<i>(1) Executive Director's Office</i>					
<i>(A) Department Administration</i>					
Short-term Disability	<u>6,034</u>	<u>30,885</u>	<u>(40)</u>	<u>(89)</u>	<u>30,796</u>
General Fund	0	8,497	(40)	(89)	8,408
Cash Funds	0	1,923	0	0	1,923
Reappropriated Funds	6,034	20,465	0	0	20,465
S.B. 04-257 Amortization Equalization					
Disbursement	<u>329,919</u>	<u>416,106</u>	<u>(514)</u>	<u>(1,154)</u>	<u>414,952</u>
General Fund	44,125	116,674	(514)	(1,154)	115,520
Cash Funds	0	24,816	0	0	24,816
Reappropriated Funds	285,794	274,616	0	0	274,616
S.B. 06-235 Supplemental Amortization					
Equalization Disbursement	<u>143,957</u>	<u>258,830</u>	<u>(321)</u>	<u>(722)</u>	<u>258,108</u>
General Fund	19,950	71,685	(321)	(722)	70,963
Cash Funds	0	15,510	0	0	15,510
Reappropriated Funds	124,007	171,635	0	0	171,635

	FY 2008-09	FY 2009-10	Fiscal Year 2009-10 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
<i>(2) Division of Human Resources</i>					
<i>(A) Human Resource Services</i>					
<i>(1) State Agency Services</i>					
Personal Services	2,103,749	2,000,042	(29,084)	(64,419)	<u>1,935,623</u>
FTE	<u>27.2</u>	<u>26.2</u>	<u>(0.3)</u>	<u>(0.6)</u>	<u>25.6</u>
General Fund	129,564	0	0	0	0
Reappropriated Funds	1,974,185	2,000,042	(29,084)	(64,419)	1,935,623
 <i>(5) Division of Accounts and Control - Controller</i>					
<i>(A) Office of the State Controller</i>					
Personal Services	n/a	2,405,853	0	0	2,405,853
FTE	<u>n/a</u>	<u>27.5</u>	<u>0.0</u>	<u>0.0</u>	<u>27.5</u>
General Fund	n/a	1,182,128	(29,084)	(64,419)	1,117,709
Cash Funds	n/a	1,043,722	0	0	1,043,722
Reappropriated Funds	n/a	180,003	29,084	64,419	244,422
Total for Supplemental #1	323,203	5,111,716	(29,959)	(66,384)	5,045,332
FTE	<u>27.2</u>	<u>26.2</u>	<u>(0.3)</u>	<u>(0.6)</u>	<u>25.6</u>
General Fund	193,639	1,378,984	(29,959)	(66,384)	1,312,600
Cash Funds	0	1,085,971	0	0	1,085,971
Reappropriated Funds	129,564	2,646,761	0	0	2,646,761

	FY 2008-09	FY 2009-10	Fiscal Year 2009-10 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
Supplemental #2 - Elimination of Government and Public Relations Director					
<i>(1) Executive Director's Office</i>					
<i>(A) Department Administration</i>					
Personal Services - Reappropriated Funds	1,663,416	1,787,604	(32,028)	(53,359)	1,734,245
FTE	21.5	21.5	(0.3)	(0.5)	21.0
Short-term Disability	<u>6,034</u>	<u>30,885</u>	<u>(44)</u>	<u>(72)</u>	<u>30,813</u>
General Fund	0	8,497	(44)	(72)	8,425
Cash Funds	0	1,923	0	0	1,923
Reappropriated Funds	6,034	20,465	0	0	20,465
S.B. 04-257 Amortization Equalization					
Disbursement	<u>329,919</u>	<u>416,106</u>	<u>(566)</u>	<u>(930)</u>	<u>415,176</u>
General Fund	44,125	116,674	(566)	(930)	115,744
Cash Funds	0	24,816	0	0	24,816
Reappropriated Funds	285,794	274,616	0	0	274,616
S.B. 06-235 Supplemental Amortization					
Equalization Disbursement	<u>143,957</u>	<u>258,830</u>	<u>(354)</u>	<u>(581)</u>	258,249
General Fund	19,950	71,685	(354)	(581)	71,104
Cash Funds	0	15,510	0	0	15,510
Reappropriated Funds	124,007	171,635	0	0	171,635

	FY 2008-09	FY 2009-10	Fiscal Year 2009-10 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
<i>(5) Division of Accounts and Control - Controller</i>					
<i>(A) Office of the State Controller</i>					
Personal Services	n/a	2,405,853	0	0	2,405,853
FTE	n/a	<u>27.5</u>	<u>0.0</u>	<u>0.0</u>	<u>27.5</u>
General Fund	n/a	1,182,128	(32,028)	(53,359)	1,128,769
Cash Funds	n/a	1,043,722	0	0	1,043,722
Reappropriated Funds	n/a	180,003	32,028	53,359	233,362
Total for Supplemental #2	2,143,326	4,899,278	(32,992)	(54,942)	4,844,336
FTE	<u>21.5</u>	<u>21.5</u>	<u>(0.3)</u>	<u>(0.5)</u>	<u>21.0</u>
General Fund	64,075	1,378,984	(32,992)	(54,942)	1,324,042
Cash Funds	0	1,085,971	0	0	1,085,971
Reappropriated Funds	2,079,251	2,434,323	0	0	2,434,323
Supplemental #3 -Elimination of Rule Interpreter and DPA HIPAA Compliance Officer					
<i>(1) Executive Director's Office</i>					
<i>(A) Department Administration</i>					
Short-term Disability	<u>6,034</u>	<u>30,885</u>	<u>(27)</u>	<u>(68)</u>	<u>30,817</u>
General Fund	0	8,497	(27)	(68)	8,429
Cash Funds	0	1,923	0	0	1,923
Reappropriated Funds	6,034	20,465	0	0	20,465

	FY 2008-09	FY 2009-10	Fiscal Year 2009-10 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
S.B. 04-257 Amortization Equalization					
Disbursement	<u>329,919</u>	<u>416,106</u>	(344)	(883)	415,223
General Fund	44,125	116,674	(344)	(883)	115,791
Cash Funds	0	24,816	0	0	24,816
Reappropriated Funds	285,794	274,616	0	0	274,616
S.B. 06-235 Supplemental Amortization					
Equalization Disbursement	<u>143,957</u>	<u>258,830</u>	(215)	(552)	258,278
General Fund	19,950	71,685	(215)	(552)	71,133
Cash Funds	0	15,510	0	0	15,510
Reappropriated Funds	124,007	171,635	0	0	171,635
HIPAA - Security Remediation					
FTE	<u>1.0</u>	<u>1.0</u>	(0.3)	(0.6)	0.4
General Fund	77,263	82,651	(19,479)	(49,281)	33,370
Reappropriated Funds	142,280	120,118	0	0	120,118
Total for Supplemental #3					
FTE	<u>1.0</u>	<u>1.0</u>	(0.3)	(0.6)	0.4
General Fund	141,338	279,507	(20,065)	(50,784)	228,723
Cash Funds	0	42,249	0	0	42,249
Reappropriated Funds	558,115	586,834	0	0	586,834

	FY 2008-09	FY 2009-10	Fiscal Year 2009-10 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
Supplemental #4 - Elimination of DHR Talent Management Unit					
<i>(1) Executive Director's Office</i>					
<i>(A) Department Administration</i>					
Short-term Disability	<u>6,034</u>	<u>30,885</u>	<u>(141)</u>	<u>(159)</u>	<u>30,726</u>
General Fund	0	8,497	(141)	(159)	8,338
Cash Funds	0	1,923	0	0	1,923
Reappropriated Funds	6,034	20,465	0	0	20,465
S.B. 04-257 Amortization Equalization					
Disbursement	<u>329,919</u>	<u>416,106</u>	<u>(1,822)</u>	<u>(2,449)</u>	<u>413,657</u>
General Fund	44,125	116,674	(1,822)	(2,449)	114,225
Cash Funds	0	24,816	0	0	24,816
Reappropriated Funds	285,794	274,616	0	0	274,616
S.B. 06-235 Supplemental Amortization					
Equalization Disbursement	<u>143,957</u>	<u>258,830</u>	<u>(1,139)</u>	<u>(1,531)</u>	<u>257,299</u>
General Fund	19,950	71,685	(1,139)	(1,531)	70,154
Cash Funds	0	15,510	0	0	15,510
Reappropriated Funds	124,007	171,635	0	0	171,635

	FY 2008-09	FY 2009-10	Fiscal Year 2009-10 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
<i>(2) Division of Human Resources</i>					
<i>(A) Human Resource Services</i>					
<i>(1) State Agency Services</i>					
Personal Services	2,103,749	2,000,042	(103,080)	(132,750)	1,867,292
FTE	<u>27.2</u>	<u>26.2</u>	<u>(1.7)</u>	<u>(2.1)</u>	<u>24.1</u>
General Fund	129,564	0	0	0	0
Reappropriated Funds	1,974,185	2,000,042	(103,080)	(132,750)	1,867,292
<i>(5) Division of Accounts and Control - Controller</i>					
<i>(A) Office of the State Controller</i>					
Personal Services	n/a	2,405,853	0	0	2,405,853
FTE	n/a	<u>27.5</u>	<u>0.0</u>	<u>0.0</u>	<u>27.5</u>
General Fund	n/a	1,182,128	(103,080)	(132,750)	1,049,378
Cash Funds	n/a	1,043,722	0	0	1,043,722
Reappropriated Funds	n/a	180,003	103,080	132,750	312,753
Total - Supplemental #4	2,583,659	2,705,863	(106,182)	(136,889)	2,568,974
FTE	<u>27.2</u>	<u>53.7</u>	<u>(1.7)</u>	<u>(2.1)</u>	<u>51.6</u>
General Fund	193,639	196,856	(106,182)	(136,889)	59,967
Cash Funds	0	42,249	0	0	42,249
Reappropriated Funds	2,390,020	2,466,758	0	0	2,466,758

	FY 2008-09	FY 2009-10	Fiscal Year 2009-10 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
Supplemental #5 - Eliminate Contractor Registration and As-Needed Professional Services Contract Programs					
<i>(1) Executive Director's Office</i>					
<i>(A) Department Administration</i>					
Short-term Disability	<u>6,034</u>	<u>30,885</u>	(15)	(61)	<u>30,824</u>
General Fund	0	8,497	(15)	(61)	8,436
Cash Funds	0	1,923	0	0	1,923
Reappropriated Funds	6,034	20,465	0	0	20,465
S.B. 04-257 Amortization Equalization					
Disbursement	<u>329,919</u>	<u>416,106</u>	(197)	(947)	<u>415,159</u>
General Fund	44,125	116,674	(197)	(947)	115,727
Cash Funds	0	24,816	0	0	24,816
Reappropriated Funds	285,794	274,616	0	0	274,616
S.B. 06-235 Supplemental Amortization					
Equalization Disbursement	<u>143,957</u>	<u>258,830</u>	(123)	(690)	<u>258,140</u>
General Fund	19,950	71,685	(123)	(690)	70,995
Cash Funds	0	15,510	0	0	15,510
Reappropriated Funds	124,007	171,635	0	0	171,635

	FY 2008-09	FY 2009-10	Fiscal Year 2009-10 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
<i>(B) Statewide Special Purpose</i>					
<i>(2) Office of the State Architect</i>	n/a	518,728	(11,157)	(31,987)	486,741
FTE	n/a	<u>6.0</u>	<u>(0.3)</u>	<u>(0.7)</u>	<u>5.3</u>
General Fund	n/a	518,728	(11,157)	(31,987)	486,741
Cash Funds	n/a	0	0	0	0
Reappropriated Funds	n/a	0	0	0	0
Total, Supplemental #5	479,910	1,224,549	(11,492)	(33,685)	1,190,864
FTE	<u>n/a</u>	<u>6.0</u>	<u>(0.3)</u>	<u>(0.7)</u>	<u>5.3</u>
General Fund	64,075	715,584	(11,492)	(33,685)	681,899
Cash Funds	0	42,249	0	0	42,249
Reappropriated Funds	415,835	466,716	0	0	466,716
Supplemental #6 - Elimination of Admin II Position within the State Procurement Office					
<i>(1) Executive Director's Office</i>					
<i>(A) Department Administration</i>					
Short-term Disability	<u>6,034</u>	<u>30,885</u>	<u>(53)</u>	<u>(53)</u>	<u>30,832</u>
General Fund	0	8,497	(53)	(53)	8,444
Cash Funds	0	1,923	0	0	1,923
Reappropriated Funds	6,034	20,465	0	0	20,465

	FY 2008-09	FY 2009-10	Fiscal Year 2009-10 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
S.B. 04-257 Amortization Equalization					
Disbursement	<u>329,919</u>	<u>416,106</u>	<u>(686)</u>	<u>(686)</u>	<u>140,804</u>
General Fund	44,125	116,674	(686)	(686)	115,988
Cash Funds	0	24,816	0	0	24,816
Reappropriated Funds	285,794	274,616	0	0	
S.B. 06-235 Supplemental Amortization					
Equalization Disbursement	<u>143,957</u>	<u>258,830</u>	<u>(429)</u>	<u>(429)</u>	<u>258,401</u>
General Fund	19,950	71,685	(429)	(429)	71,256
Cash Funds	0	15,510	0	0	15,510
Reappropriated Funds	124,007	171,635	0	0	171,635
<i>(5) Division of Accounts and Control - Controller</i>					
<i>(A) Office of the State Controller</i>					
Personal Services	n/a	2,405,853	0	0	2,405,853
FTE	n/a	<u>27.5</u>	<u>0.0</u>	<u>0.0</u>	<u>27.5</u>
General Fund	n/a	1,182,128	(38,796)	(38,796)	1,143,332
Cash Funds	n/a	1,043,722	38,796	38,796	1,082,518
Reappropriated Funds	n/a	180,003	0	0	180,003
<i>(B) State Purchasing Office</i>					
Personal Services - Cash Funds	n/a	856,836	(38,796)	(38,796)	818,040
FTE	n/a	9.0	(1.0)	(1.0)	8.0

	FY 2008-09	FY 2009-10	Fiscal Year 2009-10 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
Total, Supplemental #6	479,910	3,968,510	(39,964)	(39,964)	3,928,582
FTE	<u>n/a</u>	<u>36.5</u>	<u>(1.0)</u>	<u>(1.0)</u>	<u>35.5</u>
General Fund	64,075	1,378,984	(39,964)	(39,964)	1,339,020
Cash Funds	0	1,085,971	38,796	38,796	1,124,767
Reappropriated Funds	415,835	1,503,555	(38,796)	(38,796)	1,464,759
<hr/>					
Supplemental #7 - Risk Management Contract Review and Reduction					
<i>(2) Division of Human Resources</i>					
<i>(C) Risk Management Services</i>					
Workers' Compensation Premiums					
Reappropriated Funds	36,202,854	44,409,630	(547,863)	(547,863)	43,861,767
<hr/>					
Supplemental #8 - Building Maintenance Reductions					
<i>(4) Central Services</i>					
<i>(D) Facilities Maintenance</i>					
<i>(1) Capitol Complex Facilities</i>					
Personal Services - Reappropriated Funds	2,667,071	2,695,992	(156,742)	0	2,695,992
FTE	50.8	53.2	0.0	0.0	53.2
Operating Expenses - Reappropriated Funds	1,720,890	1,951,376	0	(156,742)	1,794,634
<i>(3) Camp George West</i>					
Personal Services - Reappropriated Funds	66,232	79,641	(18,516)	0	79,641
FTE	1.4	1.0	0.0	0.0	1.0

	FY 2008-09	FY 2009-10	Fiscal Year 2009-10 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
Operating Expenses - Reappropriated Funds	121,049	166,289	0	(18,516)	147,773
Total Supplemental #8					
Reappropriated Funds	4,575,242	4,893,298	(175,258)	(175,258)	4,718,040
FTE	52.2	54.2	0.0	0.0	54.2
Supplemental #9 - Risk Management Reduction of Liability, Property, and Workers' Compensation Volatility					
<i>(2) Division of Human Resources</i>					
<i>(C) Risk Management Services</i>					
Liability Premiums - Reappropriated Funds	6,435,247	10,087,116	(558,094)	(558,094)	9,529,022
Property Premiums - Reappropriated Funds	7,997,934	11,038,314	(740,916)	(740,916)	10,297,398
Workers' Compensation Premiums - Reappropriat	36,202,854	44,409,630	(1,608,495)	(1,608,495)	42,801,135
Total, Supplemental #9	50,636,035	65,535,060	(2,907,505)	(2,907,505)	62,627,555
Supplemental #10 - Noxious Weeds Abatement					
<i>(4) Central Services</i>					
<i>(D) Facilities Maintenance</i>					
<i>(3) Camp George West</i>					
Operating Expenses - Reappropriated Funds	121,049	166,289	(44,187)	0	166,289

	FY 2008-09	FY 2009-10	Fiscal Year 2009-10 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
Supplemental #11 - State Fleet Rebates, One-time Refinance					
<i>(4) Central Services</i>					
<i>(C) Fleet Management</i>					
Vehicle Replacement Lease, Purchase, or					
Lease/Purchase	<u>11,880,388</u>	<u>13,984,778</u>	<u>0</u>	<u>0</u>	<u>13,984,778</u>
Cash Funds	0	0	421,866	0	0
Reappropriated Funds	11,880,388	13,984,778	(421,866)	0	13,984,778
<hr/>					
Supplemental #1, January Reductions - Correction of Indirect Costs from CDLE Letternote					
<i>(2) Division of Human Resources</i>					
<i>(A) Human Resource Services</i>					
<i>(1) State Agency Services</i>					
Personal Services	2,103,749	2,000,042	0	0	2,000,042
FTE	<u>27.2</u>	<u>26.2</u>	<u>0.0</u>	<u>0.0</u>	<u>26.2</u>
General Fund	129,564	0	156,610	0	0
Reappropriated Funds	1,974,185	2,000,042	(156,610)	0	2,000,042
<hr/>					
Supplemental #2, January Reductions - Mail Equipment Upgrade					
<i>(4) Central Services</i>					
<i>(B) Integrated Document Factory</i>					
<i>(3) Mail Services</i>					
Operating Expenses - Reappropriated Funds	8,118,292	15,127,472	(1,428,000)	(1,428,000)	13,699,472

	FY 2008-09	FY 2009-10	Fiscal Year 2009-10 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
Mail Equipment Purchases			139,018	139,018	59,018
General Fund	n/a	n/a	50,206	50,206	50,206
Reappropriated Funds	n/a	n/a	88,812	88,812	8,812
Total, Supplemental #2, January Reductions	<u>8,118,292</u>	<u>15,127,472</u>	<u>(1,288,982)</u>	<u>(1,288,982)</u>	<u>13,758,490</u>
General Fund	0	0	50,206	50,206	50,206
Reappropriated Funds	8,118,292	15,127,472	(1,339,188)	(1,339,188)	13,708,284
Supplemental #3, January Reductions - \$50,000 Interest for Federal Participation Reimbursement					
<i>(5) Division of Accounts and Control - Controller</i>					
<i>(B) State Purchasing Office</i>					
Operating Expenses - Cash Funds	n/a	27,000	50,000	50,000	77,000
Supplemental #4, January Reductions - ARRA Funds Spending Authority					
Various Line Items	4,187,024	7,467,897	2,120,110	2,120,110	9,588,007
FTE	<u>43.8</u>	<u>75.2</u>	<u>7.0</u>	<u>7.0</u>	<u>82.2</u>
General Fund	370,542	1,376,205	(262,765)	(262,765)	1,113,440
Cash Funds	0	1,927,558	2,248,241	2,248,241	4,175,799
Reappropriated Funds	3,816,482	4,164,134	134,634	134,634	4,298,768

	FY 2008-09	FY 2009-10	Fiscal Year 2009-10 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
Previously Approved Interim Supplemental #1 - Federal Reimbursement for P-Card Signing Bonus					
<i>(5) Division of Accounts and Control - Controller</i>					
<i>(B) State Purchasing Office</i>					
Operating Expenses - Cash Funds	<u>133,193</u>	<u>27,000</u>	<u>200,000</u>	<u>200,000</u>	<u>227,000</u>
General Fund	126,203	0	0	0	0
Cash Funds	0	27,000	200,000	200,000	227,000
Reappropriated Funds	6,990	0	0	0	0
<hr/>					
Non-Prioritized Supplementals					
Base Adjustment to Reflect FY 2009-10 Furloughs					
Various Line Items	N.A.	21,921,622	(381,645)	(381,645)	(763,290)
FTE		<u>355.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund		1,055,939	5,215	5,215	10,430
Cash Funds		1,896,736	(84,848)	(84,848)	(169,696)
Reappropriated Funds		18,968,947	(304,012)	(304,012)	(608,024)
<hr/>					
Totals Excluding Pending Items					
Department of Personnel and Administration					
Totals for ALL Departmental line items	144,835,677	181,896,991	(3,217,984)	(3,315,791)	168,636,341
FTE	<u>386.5</u>	<u>392.1</u>	<u>3.1</u>	<u>1.5</u>	<u>393.6</u>
General Fund	7,564,565	5,891,404	(291,388)	(589,992)	5,301,412
Cash Funds	5,662,699	8,587,159	2,874,055	2,452,189	7,903,255
Reappropriated Funds	131,608,413	167,418,428	(5,800,651)	(5,177,988)	155,431,674

	FY 2008-09	FY 2009-10	Fiscal Year 2009-10 Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
Statewide Common Policy Supplementals (see narrative for more detail)	<u>N.A.</u>	<u>N.A.</u>	(113,966)	<u>Pending</u>	<u>N.A.</u>
General Fund			(31,515)		
Cash Funds			(1,467)		
Reappropriated Funds			(80,984)		
Totals Including Pending Items					
Department of Personnel and Administration					
Totals for ALL Departmental line items	144,835,677	181,896,991	(3,331,950)	(3,315,791)	178,581,200
FTE	<u>386.5</u>	<u>392.1</u>	<u>3.1</u>	<u>1.5</u>	<u>393.6</u>
General Fund	7,564,565	5,891,404	(322,903)	(589,992)	5,301,412
Cash Funds	5,662,699	8,587,159	2,872,588	2,452,189	11,039,348
Reappropriated Funds	131,608,413	167,418,428	(5,881,635)	(5,177,988)	162,240,440

Key:

N.A. = Not Applicable or Not Available