

**COLORADO GENERAL ASSEMBLY  
JOINT BUDGET COMMITTEE**



**INTERIM SUPPLEMENTAL REQUEST FOR FY 2013-14**

**DEPARTMENT OF PUBLIC HEALTH AND  
ENVIRONMENT**

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

**Prepared By:  
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June 20, 2014**

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## Prioritized Interim Supplemental Requests

### INTERIM SUPPLEMENTAL REQUEST, DEPARTMENT PRIORITY #1 PAYMENTS TO OIT 1331 TECHNICAL FUND SPLIT ADJUSTMENT

	Request	Recommendation
<b>Total</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
Cash Funds	650,349	650,349
Reappropriated Funds	0	0
Federal Funds	(650,349)	(650,349)

<p><b>Does JBC staff believe the request satisfies the interim supplemental criteria of Section 24-75-111, C.R.S.?</b> [The Controller may authorize an overexpenditure of the existing appropriation if it: (1) Is approved in whole or in part by the JBC; (2) Is necessary due to unforeseen circumstances arising while the General Assembly is not in session; (3) Is approved by the Office of State Planning and Budgeting (except for State, Law, Treasury, Judicial, and Legislative Departments); (4) Is approved by the Capital Development Committee, if a capital request; (5) Is consistent with all statutory provisions applicable to the program, function or purpose for which the overexpenditure is made; and (6) Does not exceed the unencumbered balance of the fund from which the overexpenditure is to be made.]</p>	<b>IN PART</b>
<p><b>Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria?</b> [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.]</p>	<b>YES</b>
<p>JBC staff and the Department agree that (1) this request is due to an issue that has arisen when the General Assembly is not in session pursuant to the interim supplemental criteria of Section 24-75-111, C.R.S., and (2) this an unforeseen circumstance due to data that was not available when the original appropriation. JBC Staff does not agree that this issue was unknown when the General Assembly was in Session because the Department submitted an almost identical interim supplement for FY 2012-13 last June and knew that there was a possibility of the issue reoccurring for FY 2013-14 but did not submit a regular supplement in January 2014.</p>	

**Department Request:** The Department requests a fund split adjustment to the Purchase of Services from Computer Center line item to enable the Department to utilize existing fund balance in the Indirect Cost Excess Recovery Fund to pay the Office of Information Technology for services provided in FY 2013-14 and not over expend the line item.

**Staff Recommendation:** Staff recommends that the Committee approve the request to enable the Department to pay computer service costs using the existing fund balance of the Indirect Cost Excess Recovery Cash Fund.

*The rules governing interim supplementals in Section 24-75-111 (5), C.R.S., require the Committee to introduce all interim supplementals that it approves.*

**Staff Analysis:** The interim supplemental budget request seeks to adjust the FY 2013-14 fund splits for the Purchase of Services from Computer Center line item to enable the Department to pay the Office of Information Technology for services provided and billed for in FY 2013-14.

The cash fund and federal fund splits in the FY 2013-14 Long Bill for Purchase of Services from the Computer Center require the Department to pay for services from cash fund and federal fund sources which, pursuant to federal rules governing indirect cost recoveries on federal funds, cannot be billed directly to those specific cash and federal fund sources. These costs should be billed as programmatic indirect costs (i.e. the appropriation should have been reappropriated funds from indirect cost recoveries). The Department was aware this may be an issue prior to the close of the FY 2014-15 Long Bill because a similar issue arose in March 2013 when the Department determine that the billings for computer services costs from the Office of Information Technology (OIT) did not align with the spending authority authorized in the FY 2012-13 Long Bill. The Department requested and received approval for an interim supplemental to adjust the fund splits at the June 2013 JBC meeting. The Department did not submit a FY 2013-14 regular supplemental to proactively correct the same problem in the next year. The Department also did not voice any concerns about this problem reoccurring in FY 2013-14 prior to final votes on the FY 2014-15 Long Bill where this change could have been included as a supplemental add-on.

Despite these technical issues with whether this request results from unforeseen circumstances, staff does recommend the request in order to allow the Department to utilize the appropriate funding sources to pay the computer service costs without over expending the line item.

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	FY 2012-13	FY 2013-14	Fiscal Year 2013-14 Interim Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
<b>DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT</b>					
<b>Executive Director - Dr. Larry Wolk</b>					
<b>Interim Supplemental #1 - Payments to OIT 1331 Technical Fund Split Adjustment</b>					
<i>(2) Center for Health and Environmental Information</i>					
<i>(C) Information Technology Services</i>					
Purchase of Services from Computer Center	<u>5,279,004</u>	<u>5,268,032</u>	<u>0</u>	<u>0</u>	<u>5,268,032</u>
General Fund	302,199	234,946	0	0	234,946
Cash Funds	750,425	872,692	650,349	650,349	1,523,041
Reappropriated Funds	2,751,575	2,381,526	0	0	2,381,526
Federal Funds	1,474,805	1,778,868	(650,349)	(650,349)	1,128,519
<b>Total for Supplemental #1</b>	<u>5,279,004</u>	<u>5,268,032</u>	<u>0</u>	<u>0</u>	<u>5,268,032</u>
General Fund	302,199	234,946	0	0	234,946
Cash Funds	750,425	872,692	650,349	650,349	1,523,041
Reappropriated Funds	2,751,575	2,381,526	0	0	2,381,526
Federal Funds	1,474,805	1,778,868	(650,349)	(650,349)	1,128,519
<b>Totals</b>					
DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT					
TOTALS for ALL Departmental line items	491,682,822	468,216,000	0	0	468,216,000
FTE	<u>1,253.3</u>	<u>1,223.1</u>	<u>0.0</u>	<u>0.0</u>	<u>1,223.1</u>
General Fund	30,026,958	31,142,676	0	0	31,142,676
Cash Funds	142,261,412	159,535,405	650,349	650,349	160,185,754
Reappropriated Funds	28,642,043	31,568,086	0	0	31,568,086
Federal Funds	290,752,409	245,969,833	(650,349)	(650,349)	245,319,484