



COLORADO

Department of Corrections

*Priority: R-11
Technical Adjustments
FY 2014-15 CHANGE REQUEST*

Cost and FTE

- This request is for a \$24,477 General Fund increase in FY 2014-15 and ongoing to increase dispatch services, and for a permanent reduction to both cash fund and reappropriated fund spending authority of \$700,000 and \$200,000, respectively, to match projected revenues. The total request is a net *reduction* of \$875,523, which is less than 1% of the Department's budget.

Current Program

- Education Operating Expenses include cash and reappropriated fund spending authority to expend revenues earned from offender vocational education programs. These programs include culinary arts, construction technology, welding, cosmetology, and floral design.
- The Department of Public Safety (DPS) provides reimbursable dispatch services to the Department, currently at \$200,000 per year.
- The Offender Re-employment Center includes funding for building lease costs.

Problem or Opportunity

- Several programmatic changes have a combined impact that will decrease revenue earnings for vocational education programs. Education Operating cash fund and reappropriated fund spending authority will need to be reduced by \$700,000 and \$200,000 respectively to reflect the changes.
- DPS has informed the Department that dispatch services billings will increase from \$200,000 to \$224,477 in FY 2014-15.
- The annual lease costs (\$264,000) for the Offender Re-employment Center are appropriated in the Community Re-entry subprogram rather than from the Leased Space funding line under the Executive Director's Office (EDO) subprogram. All other departmental leased space costs are paid from the EDO Leased Space funding line.

Consequences of Problem

- Appropriations do not reflect accurate projection of revenue earnings.
- The Department will have insufficient appropriations to pay for dispatch services.
- The Department is not consistent in where it pays for building lease expenses.

Proposed Solution

- Reduce Education Operating Expense cash fund spending authority by \$700,000 and the reappropriated fund spending authority by \$200,000 to be in line with estimated revenue earnings for vocational education programs.
- Increase Dispatch Services funding by \$24,477 General Fund in order to match DPS billings. Realign \$264,000 General Fund from the Community Re-entry/Offender Re-employment Center funding line to the EDO/Leased Space funding line.

This page intentionally left blank.

FY 2014-15 CHANGE REQUEST
Priority: R-11 Technical Adjustments
Request Detail

Problem or Opportunity:

Education

Cash fund and reappropriated fund spending authority within the Education Subprogram's Operating Expenses exceed projected vocational education revenue earnings. A number of changes within the vocational education program have converged and are driving this reduction request. First, the Department has refocused its vocational education programs toward meeting the contact hours, course objectives, and academic rigor required to award college credits and college or industry-approved certificates. This renewed emphasis on the academic component of vocational programs has lessened the need for programs such as culinary arts, construction technology, welding, cosmetology, and floral design to earn revenues. Second, the current cash and reappropriated funds spending authority amounts reflect past revenue streams earned by the heavy equipment programs. At their peak, these programs completed large projects for the Bureau of Land Management and various municipalities' fire houses. In addition, the heavy equipment program was realigned to Colorado Correctional Industries (CCi) and its corresponding revenue stream is now earned within CCi's spending authority.

This request does not seek an adjustment for CCi's spending authority in light of the heavy equipment program realignment. The move of the heavy equipment program to CCi coincided with the decrease of other revenue sources, specifically the construction of prison cells and the sale of furniture to Higher Education. CCi's revenue sources are dynamic, and in this case a new program for CCi did not produce a need for increased spending authority.

Dispatch Services

An increase is requested for Dispatch Services within the Communications subprogram to match the appropriation to actual billings. This line item pays for dispatch services provided by the Colorado State Patrol (CSP). The Department has been informed by the Department of Public Safety (DPS) that there will be a billing increase in FY 2014-15 and requests a corresponding funding increase.

Offender Re-employment Center

Finally, this request seeks to realign funding from the Community Re-entry Subprogram's Offender Re-employment Center to the Leased Space funding line found under the Executive Director's Office (EDO) subprogram. This request moves the funding that supports the building lease to the Department's centralized Leased Space funding line.

Proposed Solution:

The Department requests a \$24,477 General Fund increase in FY 2014-15 and ongoing to increase dispatch services, and for a permanent reduction to both cash fund and reappropriated fund spending authority of \$700,000 and \$200,000, respectively, to match projected revenues. The total request is a net *reduction* of \$875,523.

The proposed solution serves to true-up alternate fund sources with current information. The Department's vocational education programs place renewed emphasis on the academic aspects of the programs rather than prior revenue generation trend. In addition, the heavy equipment education program was downsized and realigned to CCI. The cumulative effect of these actions is to produce requested reductions to Education's Operating Expenses cash fund spending authority by \$700,000 and reappropriated fund spending authority by \$200,000. These adjustments will more closely align the Education Operating cash and reappropriated funds spending authority with estimated revenue earnings from vocational education programs.

The solution addresses the increased costs of providing dispatch services by the CSP. The Department requests \$24,477 in order to fully pay DPS billings in FY 2014-15.

The solution also realigns \$264,000 appropriated to the Offender Re-employment Center for building lease costs to the Leased Space line within the EDO subprogram. This move will consolidate all of the Department's lease costs into one funding line.

Anticipated Outcomes:

Cash and reappropriated funds spending authority associated with vocational education programs will be in line with estimated revenue earnings.

Funding appropriated for dispatch services will match billings received from DPS.

The realignment of building lease costs for the Offender Re-employment Center to the Department's Leased Space funding line will allow for consistent handling of all building lease costs.

Assumptions and Calculations:

Appropriation Source	Current Authority	Requested Authority	Projected Revenue
Cash Funds	\$1,421,994	\$721,994	\$721,994
Reappropriated Funds	\$611,015	\$411,015	\$411,015

Operating	General Fund	Cash Funds	Reapprop Funds	Total
1A Executive Director's Office - Leased Space	\$264,000			\$264,000
3D Communications - Dispatch Services	\$24,477			\$24,477
4B Education - Operating Expenses		(\$700,000)	(\$200,000)	(\$900,000)
5E Comm Re-entry - Offender Re-employment Center	(\$264,000)			(\$264,000)
Total	\$24,477	(\$700,000)	(\$200,000)	(\$875,523)