

1982 - 83

APPROPRIATIONS REPORT

colorado joint budget committee

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APPROPRIATIONS REPORT
1982-83

This Report summarizes the actions of the 1982 General Assembly relative to fiscal matters. The Appropriations Act and all other Acts containing appropriations are included in the tables and accompanying narratives.

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COLORADO STATE APPROPRIATIONS

BILLS PASSED BY THE 53RD GENERAL ASSEMBLY WITH APPROPRIATIONS
EXCLUDING SUPPLEMENTAL APPROPRIATION BILLS

	Total Appropriation	General Fund	Funds For Tax Relief	Capital Construction	Cash Funds	Federal Funds
	\$	\$	\$	\$	\$	\$
<u>House Bills</u>						
1065 Appropriation for the Purchase of a Conservation Pool in Bonny Reservoir	1,171,520				585,760	585,760
1217 Appropriation for the Acquisition of a State Office Building in the Grand Junction Area	1,245,000				1,245,000	
1281 Appropriation - Legislative Department	12,616,176	12,559,176			57,000	
1284 Long Appropriations Bill	2,639,429,582	1,388,994,510	156,864,755	8,806,600	654,650,451	430,113,266
1286 Public School Finance Act - Appropriation	29,764,152		29,764,152			
1287 Public School Finance Act - Appropriation	30,000,000		30,000,000			
<u>Senate Bills</u>						
70 Re-establishes the Plumbers Board as Part of the Division of Registrations	61,868				61,868	
87 Appropriation for Reserved Water Rights Litigation	250,000				250,000	
119 Appropriation for State Lottery*	2,000,000*		2,000,000*			
Subtotal	\$2,714,538,298	\$1,401,553,686	\$ 216,628,907	\$ 8,806,600	\$ 656,850,079	\$ 430,699,026

*Non-add item as these funds are a loan to be repaid by the State Lottery.

	Total Appropriation	General Fund	Funds For Tax Relief	Capital Construction	Cash Funds	Federal Funds
	\$	\$	\$	\$	\$	\$
<u>Unbudgeted Expenditures</u>						
Department of Higher Education <u>1/</u>	180,236,566				180,236,566	
Department of Highways <u>2/</u>	290,077,000				136,405,000	153,672,000
Department of Labor and Employment <u>3/</u>	211,442,915				80,000,000	131,442,915
Department of Regulatory Agencies <u>4/</u>	240,000				240,000	
Department of Social Services <u>5/</u>	38,589,622				38,589,622	
Subtotal - Unbudgeted Expenditures	720,586,103				435,471,188	285,114,915
GRAND TOTAL - Estimate of All Expenditures by the State in 1982-83	\$3,435,124,401	\$1,401,553,686	\$ 216,628,907	\$ 8,806,600	\$1,092,321,267	\$ 715,813,941

1/ This represents the income from auxiliary enterprises.

2/ Appropriated by State Highway Commission for highway maintenance, construction and administration of the Department; cash funds come from the Highway Users Tax Fund and local sources.

3/ This amount represents the expenditure of funds collected for unemployment insurance and workmen's compensation.

4/ This amount is for the Highway Crossing Protection fund and is expended by the Public Utilities Commission.

5/ This amount is expended for the Old Age Pension program.

SUPPLEMENTAL APPROPRIATIONS 1981-82

	Bill	Total	General Fund	Cash Funds	Federal Funds	Capital Construction Fund
	\$	\$	\$	\$	\$	\$
<u>DEPARTMENT OF ADMINISTRATION</u>						
Capital Outlay Reserve	HB 1261	(280,945)	(60,000)	(220,945)		
Central Services	HB 1261	(175)		(175)		
Accounts and Control	HB 1261	877		877		
*Group Health; Life	HB 1261	(543,148)	(219,072)	(324,076)		
*Annuitants Health; Life	HB 1261	146,164	146,164			
*Workmen's Compensation						
*Insurance Premiums	HB 1261	(147,046)	(130,995)	(16,051)		
*Employment Security Payments						
*Salary Survey Adjustments	HB 1261	(175,068)	(175,068)			
*Shift Differential	HB 1261	(1,731,780)	(2,583,629)	851,849		
*Anniversary Increases	HB 1261	70,234	57,933	12,301		
Deferred Compensation	HB 1261	(265,226)	(320,368)	55,142		
Capitol Buildings Utilities	HB 1261	5,260		5,260		
Surplus Property Utilities	HB 1261	(52,150)	(42,763)	(9,387)		
Communications Utilities	HB 1261	1,398		1,398		
Capitol Complex Telephone	HB 1261	8,800		8,800		
		<u>(145,516)</u>	<u>(155,528)</u>	<u>10,012</u>		
Subtotal		\$ (3,108,321)	\$ (3,483,326)	\$ 375,005	\$	\$
*Includes reduction by amount directly appropriated to the Department of Revenue.						
<u>DEPARTMENT OF AGRICULTURE</u>						
Colorado State Fair Contingency Fund	HB 1262	\$ <u>115,847</u>	\$ <u>115,847</u>	\$	\$	\$
Subtotal		\$ 115,847	\$ 115,847	\$	\$	\$

	Bill	Total	General Fund	Cash Funds	Federal Funds	Capital Construction Fund
		\$	\$	\$	\$	\$
<u>DEPARTMENT OF CORRECTIONS</u>						
Cost of Prosecutions	HB 1263	15,000	15,000			
Transitional Placements	HB 1263	(150,000)	(150,000)			
Utilities	HB 1263	(347,771)	(347,771)			
Penitentiary	HB 1284	50,000	50,000			
Subtotal		\$ (432,771)	\$ (432,771)	\$	\$	\$

<u>DEPARTMENT OF EDUCATION</u>						
Administration of the Department	HB 1264	10,000	10,000			
Library Administration	HB 1264	11,080	11,080			
Minimum Equalization	HB 1264	6,000,000	(1,544,240)	7,544,240		
Increasing Enrollment	HB 1264	1,544,240	1,544,240			
Small Attendance Centers	HB 1264	(368,276)	(368,276)			
Public School Transportation	HB 1264	(394,898)	(394,898)			
School for the Deaf and Blind	HB 1264	(47,762)	(47,762)			
Subtotal		\$ 6,754,384	\$ (789,856)	\$ 7,544,240	\$	\$
Minimum Equalization	HB 1287	\$(30,000,000)*	\$(30,000,000)*			

*This amount is designated as property tax relief and is therefore not included in the total.

	Bill	Total	General Fund	Cash Funds	Federal Funds	Capital Construction Fund
	\$	\$	\$	\$	\$	\$
DEPARTMENT OF HEALTH						
Air Pollution Control	HB 1265		190,000	(190,000)		
Radiological and Hazardous Waste Control	HB 1265	124,434			124,434	
Consumer Protection	HB 1265	(38,503)	12,000		(50,503)	
Disease Control and Epidemiology	HB 1265	(22,441)			(22,441)	
Alcohol and Drug Abuse	HB 1265	(37,697)	(37,697)			
Family Health Services	HB 1265	(1,637,828)	304,615		(1,942,443)	
Emergency Medical Services	HB 1265	187,336			187,336	
Departmental Administration	HB 1265	(913,609)	(396,293)	1,572,781	(2,090,097)	
Laboratory Services	HB 1265	72,547	(16,221)	76,221	12,547	
Local Health Services	HB 1265	55,512	52,655		2,857	
Subtotal		\$(2,210,249)	\$109,059	\$1,459,002	\$(3,778,310)	\$

	Bill	Total	General Fund	Cash Funds	Federal Funds	Capital Construction Fund
	\$	\$	\$	\$	\$	\$
DEPARTMENT OF HIGHER EDUCATION						
Trustees of the Consortium	HB 1266	576,190	576,190			
State Board of Agriculture	HB 1266	492,060	492,060			
Veterinary Medicine	HB 1266	(128,218)	(128,218)			
CSU Experiment Station	HB 1266	(18,093)	(18,093)			
CSU Extension Service	HB 1266	(4,924)	125,250	(130,174)		
CSU Forest Service	HB 1266	(479)	(479)			
Regents of the University of Colorado - General Campuses	HB 1266	817,960	817,960			
Health Sciences Center		(529,040)	(574,040)	135,000		(90,000)
School of Mines	HB 1266	239,658	227,507	12,151		
University of Northern Colorado	HB 1266	(457,481)	(457,481)			
Auraria	HB 1266	157,980		157,980		
State Board for Community Colleges and Occupational Education	HB 1266	523,569	523,569			
Subtotal		\$1,669,182	\$1,584,225	\$174,957	\$	\$(90,000)

	Bill	Total	General Fund	Cash Funds	Federal Funds	Capital Construction Fund
		\$	\$	\$	\$	\$
<u>STATE DEPARTMENT OF HIGHWAYS</u>						
Colorado State Patrol	HB 1267	138,593	(294,347)	432,940		
Highway Safety Coordinator	HB 1267	(1,330,400)			(1,330,400)	
Transportation Planning	HB 1267	(510,481)	(2,603)	(54,770)	(453,108)	
Subtotal		\$(1,702,288)	\$(296,950)	\$378,170	\$(1,783,508)	\$
<u>DEPARTMENT OF INSTITUTIONS</u>						
Executive Director's Office						
Personal Services	HB 1268	33,544	(428,793)	462,337		
Utilities	HB 1268	24,390	24,390			
Additional Personal Services Funding	HB 1268	2,333,341	1,494,512	838,829		
Division of Youth Services						
Administration & Support	HB 1268	316,308		50,000	266,308	
Community Programs	HB 1268	38,310	11,310	27,000		
Division of Mental Health						
Community Programs	HB 1268	250,000		250,000		
Colorado State Hospital	HB 1268	355,609	355,609			
Fort Logan Mental Health Center	HB 1268	120,091	(27,909)	148,000		
Division for Developmental Disabilities						
Community Programs	HB 1268	(1,135,836)	2,902,781	(4,038,617)		
Residential Programs	HB 1268	15,197	15,197			
Institutional Programs	HB 1268	717,749		717,749		
Subtotal		\$3,068,703	\$4,347,097	\$(1,544,702)	\$266,308	\$

	Bill	Total	General Fund	Cash Funds	Federal Funds	Capital Construction Fund
<u>JUDICIAL DEPARTMENT</u>						
Judicial Heritage Complex and Public Defender	HB 1270	12,142	4,983	7,159		
Subtotal		\$ 12,142	\$ 4,983	\$ 7,159	\$	\$
<u>DEPARTMENT OF LABOR & EMPLOYMENT</u>						
Division of Labor	HB 1269	1,868	(6,235)	11,089	(2,986)	
State Compensation Insurance Fund	HB 1269	110,576		110,576		
Subtotal		\$ 112,444	\$ (6,235)	\$ 121,665	\$ (2,986)	\$
<u>DEPARTMENT OF LAW</u>						
Oregon Plan	HB 1271	45,430	24,390	21,040		
District Attorneys' Salaries	HB 1271	53,159	53,159			
Subtotal		\$ 98,589	\$ 77,549	\$ 21,040	\$	\$
<u>LEGISLATIVE DEPARTMENT</u>						
House of Representatives and Senate	HB 1284	(50,000)	(50,000)			
Subtotal		\$ (50,000)	\$ (50,000)	\$	\$	\$

	Bill	Total	General Fund	Cash Funds	Federal Funds	Capital Construction Fund
<u>DEPARTMENT OF LOCAL AFFAIRS</u>						
Office of the Executive Director						
Personal Services	HB 1272		(61,900)	61,900		
Oregon Plan Legal Services	HB 1272	11,040	11,040			
Board of Assessment Appeals	HB 1272	36,371	36,371			
Division of Property Taxation						
Personal Services	HB 1272	(24,571)	(24,571)			
Subtotal		\$ 22,840	\$ (39,060)	\$ 61,900	\$	\$
<u>DEPARTMENT OF MILITARY AFFAIRS</u>						
Utilities	HB 1273	50,000	50,000			
Subtotal		\$ 50,000	\$ 50,000	\$	\$	\$
<u>DEPARTMENT OF NATURAL RESOURCES</u>						
Executive Director	HB 1274	695,945	182,090	529,312	(15,457)	
Mined Land Reclamation	HB 1274		(13,731)		13,731	
Parks and Outdoor Recreation	HB 1274	(71,722)		93,482	(36,852)	(128,352)
Division of Wildlife	HB 1274	(58,959)		(58,959)		
Subtotal		\$ 565,264	\$ 168,359	\$ 563,835	\$ (38,578)	\$ (128,352)

	Bill	Total	General Fund	Cash Funds	Federal Funds	Capital Construction Fund
<u>DEPARTMENT OF PERSONNEL</u>						
Personal Services	HB 1276	(142,796)	(50,973)	64,361	(157,184)	
Operating Expenses	HB 1276	(83,178)		(47,133)	(35,045)	
Travel and Subsistence	HB 1276			3,554	(3,554)	
Subtotal		\$ (225,974)	\$ (50,973)	\$ 20,782	\$ (195,783)	\$
<u>PLANNING AND BUDGETING</u>						
Planning and Budgeting	HB 1275	(63,576)	(63,576)			
Subtotal		\$ (63,576)	\$ (63,576)	\$	\$	\$
<u>DEPARTMENT OF REGULATORY AGENCIES</u>						
Public Utilities Commission	HB 1277	24,377		24,377		
Division of Racing	HB 1277	8,074		8,074		
Office of Regulatory Reform	HB 1277	(28,000)	(28,000)			
Division of Securities	HB 1277	(23,100)		(23,100)		
Subtotal		\$ (18,649)	\$ (28,000)	\$ 9,351	\$	\$

	Bill	Total	General Fund	Cash Funds	Federal Funds	Capital Construction Fund
		\$	\$	\$	\$	\$
<u>DEPARTMENT OF REVENUE</u>						
<u>Section 1</u>						
Office of Executive Director	HB 1278	37,140		37,140		
Operations Division	HB 1278	62,889	45,776	17,113		
Revenue Special Purpose	HB 1278	32,592		32,592		
Central Pots	HB 1278	3,026,281	1,279,940	1,746,341		
<u>Section 2</u>						
Office of Executive Director	HB 1278		84,188*	(84,188)*		
Data Processing	HB 1278		332,005*	(332,005)*		
Administrative Processing	HB 1278		156,006*	(156,006)*		
Enforcement and Collections	HB 1278		64,064*	(64,064)*		
Taxation	HB 1278		193,203*	(193,203)*		
<u>Section 3</u>						
Ports of Entry	HB 1278		(1,367,883)*	1,367,883*		
Subtotal		\$ 3,158,902	\$ 1,325,716	\$ 1,833,186		\$

*These amounts affect the 1980-81 appropriations and are not included in the totals for this chart.

	Bill	Total	General Fund	Cash Funds	Federal Funds	Capital Construction Funds
	\$	\$	\$	\$	\$	\$
DEPARTMENT OF SOCIAL SERVICES						
Departmental and Welfare Administration	HB 1280	(213,668)	(109,584)	(81,472)	(22,612)	
County Administration	HB 1280	(2,258,236)	(3,504,574)	451,334	795,004	
Assistance Payments (1981-82)	HB 1280	(6,100,028)	(1,838,353)	(1,226,267)	(3,035,408)	
Child Welfare	HB 1280	(1,782,320)	(1,425,856)	(356,464)		
Day Care (1981-82)	HB 1280	(5,818,652)	58,167	(410,567)	(5,466,252)	
Medical Assistance Division						
Administration	HB 1280	932,905	349,588		583,317	
Special Purpose	HB 1280	44,578	71,210	192	(26,824)	
Medical Programs	HB 1280	10,242,862	5,743,768	2,557,526	1,941,568	
Special Purpose Welfare Programs	HB 1280	(644,709)	(576,679)	(688,864)	620,834	
Services for the Aging	HB 1280	40,836	(10,774)		51,610	
State Nursing Home at Trinidad	HB 1280	(8,894)		(8,894)		
Colorado State Veterans Center - HomeLake	HB 1280	29,056		29,056		
State Veterans Nursing Home - Florence	HB 1280	(900)		(900)		
Rehabilitation	HB 1280	(3,918,039)	199,057	(279,723)	(3,837,373)	
Subtotal		\$(9,455,209)	\$(1,044,030)	\$(15,043)	\$(8,396,136)	\$
Assistance Payments (1980-81)*	HB 1280	\$232,710	\$165,389	\$67,321	\$	\$
Day Care (1980-81)*	HB 1280	89,997	89,997			

*These amounts are appropriated to cover over-expenditures in the previous fiscal year and are not included in the total for 1981-82 Supplemental Appropriations.

Capital
Construction
Funds

Federal
Funds

Cash
Funds

General
Fund

Total

Bill

\$

\$

\$

\$

\$

\$

DEPARTMENT OF THE TREASURY

County Costs Pursuant to C.R.S. 39-3.5-106(1)	HB 1279	15,750*				
Organized Crime Strike Force	HB 1279	20,000				
Subtotal		\$ 20,000	\$ 20,000	\$	\$	\$

* This amount is tax relief and, accordingly, is not included in the total.

TOTAL - SUPPLEMENTAL APPROPRIATIONS		\$ (1,618,740)	\$ 1,518,058	\$ 11,010,547	\$ (13,928,993)	\$ (218,352)
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Amount of General Fund Available
for Supplemental Appropriation
Under the Spending Limitation

\$ 1,488,811

Amount Over the Spending
Limitation Due to the
Governor's Veto of Part
of H.B. 1271

\$ 29,247

1982-83
 COLORADO STATE BUDGET - APPROPRIATIONS*

	<u>General Fund</u>	<u>Cash Funds</u>	<u>Federal Funds</u>	<u>Total</u>
Administration	22,109,465	17,956,196	464,537	40,530,198
Agriculture	6,034,153	5,697,465	105,535	11,837,153
Corrections	40,265,047	6,822,801	-0-	47,087,848
Education	497,690,125	49,698,292	70,156,661	617,545,078
Governor-Lt. Governor	1,577,491	100,000	-0-	1,677,491
Health	27,079,659	12,308,639	23,055,755	62,444,053
Higher Education	350,366,151	252,165,687	10,107,315	612,639,153
Highways	331,444	23,502,878	3,405,789	27,240,111
Institutions	97,969,392	68,950,480	5,067,054	171,986,926
Judicial	63,855,367	166,705	-0-	64,022,072
Labor and Employment	2,696,361	9,210,789	29,248,868	41,156,018
Law	2,112,542	5,130,676	95,710	7,338,928
Legislature	13,645,714	57,000	-0-	13,702,714
Local Affairs	11,576,910	26,639,181	1,585,700	39,801,791
Military Affairs	1,509,593	39,812	1,473,700	3,023,105
Natural Resources	14,327,472	28,362,194	5,393,414	48,083,080
Personnel	2,521,992	327,049	-0-	2,849,041
Planning and Budgeting	535,132	494,554	74,016	1,103,702
Regulatory Agencies	6,219,291	12,163,048	405,403	18,787,742
Revenue	15,615,638	20,825,774	-0-	36,441,412
Social Services	214,230,494	63,410,021	271,580,238	549,220,753
State	852,906	957,973	-0-	1,810,879
Treasury	673,944	-0-	-0-	673,944
Capital Construction	7,757,403	51,862,865	8,479,331	68,099,599
TOTAL	1,401,553,686 <u>1/</u>	656,850,079	430,699,026	2,489,102,791

*Totals include new legislation, but do not include unbudgeted expenditures.

1/ This amount is \$526,917 below the state spending limit as a result of the Governor's veto of the appropriation by the General Assembly for automated data processing applications.

GENERAL FUND EXPENDITURES

	1979-80 Actual	1980-81 Actual	1981-82 Estimate	1982-83 Appropriation
Administration	\$ 41,836,075	\$ 40,810,251	\$ 33,678,553	\$ 22,109,465 <u>1/</u>
Agriculture	4,899,296	5,237,336	5,718,336	6,034,153
Corrections	28,783,023	34,593,099	37,155,198	40,265,047
Education	463,058,789	460,346,272	471,113,658	497,690,125
Governor-Lt. Governor	1,434,220	1,716,682	1,913,786	1,577,491
Health	20,823,835	25,643,421	27,987,755	27,079,659
Higher Education	244,802,696	272,576,785	310,725,657	350,366,151
Highways	255,006	293,114	400,161	331,444
Institutions	70,743,662	80,440,656	96,682,623	97,969,392
Judicial	44,991,295	49,334,504	57,885,214	63,855,367
Labor and Employment	2,239,749	2,489,175	2,980,480	2,696,361
Law	3,332,776	3,254,231	2,277,449	2,112,542
Legislature	8,433,953	9,912,601	10,508,842	13,645,714
Local Affairs	9,128,166	11,975,143	12,953,751	11,576,910
Military Affairs	1,105,312	1,303,571	1,492,126	1,509,593
Natural Resources	10,649,723	11,526,887	13,492,737	14,327,472
Personnel	1,882,567	2,088,404	2,514,309	2,521,992
Planning and Budgeting	890,483	993,967	605,027	535,132
Regulatory Agencies	4,826,078	5,387,854	5,828,303	6,219,291
Revenue	11,500,949	15,133,893	14,658,310	15,615,638
Social Services	158,729,062 <u>3/</u>	181,289,294	203,190,438	214,230,494
State	1,199,811	1,393,851	1,237,795	852,906
Treasury	413,544	537,826	647,092	673,944
Capital Construction	24,743,624	34,353,729	20,802,158	7,757,403
TOTAL	\$1,160,703,694	\$1,252,632,546	\$1,336,449,758	\$1,401,553,686 <u>2/</u>

1/ Funds for salary survey, salary increases, shift differential and anniversary increases have been appropriated directly to state agencies rather than centrally appropriated to the Department of Administration.

2/ This amount is \$526,917 below the state spending limit because of the Governor's veto of the appropriation by the General Assembly for automated data processing applications.

3/ This amount includes \$2,464,610 in Revenue Sharing funds.

CASH FUNDS EXPENDITURES

	1979-80 Actual	1980-81 Actual	1981-82 Estimate	1982-83 Appropriation
Administration	\$ 20,081,097	\$ 22,015,838	\$ 24,040,190	\$ 17,956,196
Agriculture	3,564,366	3,462,529	5,647,768	5,697,465
Corrections	16,872,956	15,691,539	6,804,276	6,822,801
Education	23,596,775	41,393,969	47,001,470	49,698,292
Governor-Lt. Governor	-0-	1,060,179	803,102	100,000
Health	4,736,699	5,712,340	7,431,771	12,308,639
Higher Education	191,467,632	210,035,957	246,051,093	252,165,687
Highways	19,794,206	23,186,167	23,435,333	23,502,878
Institutions	54,606,618	64,184,481	65,801,765	68,950,480
Judicial	588,703	541,566	213,312	166,705
Labor and Employment	6,562,891	7,366,193	8,781,671	9,210,789
Law	2,150,530	3,281,452	4,722,782	5,130,676
Legislature	25,000	25,000	50,000	57,000
Local Affairs	12,224,642	25,174,978	37,707,406	26,639,181
Military Affairs	16,423	40,166	20,166	39,812
Natural Resources	21,241,685	24,233,608	27,569,609	28,362,194
Personnel	239,652	165,122	137,710	327,049
Planning and Budgeting	172,244	139,057	415,839	494,554
Regulatory Agencies	7,033,965	8,289,191	10,487,458	12,163,048
Revenue	17,126,063	16,372,624	19,813,880	20,825,774
Social Services	49,556,686	55,869,186	60,724,971	63,410,021
State	-0-	-0-	-0-	957,973
Treasury	-0-	19,500	-0-	-0-
Capital Construction	6,466,821	4,669,150	50,384,169	51,862,865
 TOTAL	 \$458,125,654	 \$532,929,792	 \$648,045,741	 \$656,850,079

FEDERAL FUNDS EXPENDITURES

	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Appropriation</u>
Administration	\$ 922	\$ 9,077	\$ 100,000	\$ 464,537
Agriculture	82,717	96,437	104,306	105,535
Corrections	12,467	-0-	-0-	-0-
Education	68,292,389	76,014,838	75,177,746	70,156,661
Governor-Lt. Governor	1,579,600	883,652	403,784	-0-
Health	23,469,623	25,955,277	26,483,760	23,055,755
Higher Education	51,093,290	51,417,747	43,292,315	10,107,315
Highways	3,895,009	4,131,105	3,579,432	3,405,789
Institutions	2,450,893	3,207,177	2,341,682	5,067,054
Judicial	641,698	796,768	-0-	-0-
Labor and Employment	57,493,488	54,073,122	32,037,470	29,248,868
Law	257,463	224,098	239,601	95,710
Legislature	-0-	-0-	-0-	-0-
Local Affairs	15,810,685	11,008,797	10,512,662	1,585,700
Military Affairs	811,977	954,870	1,392,509	1,473,700
Natural Resources	6,138,637	5,518,811	5,398,948	5,393,414
Personnel	215,994	223,677	46,156	-0-
Planning and Budgeting	349,728	245,905	166,474	74,016
Regulatory Agencies	356,264	651,770	617,388	405,403
Revenue	-0-	-0-	-0-	-0-
Social Services	199,419,761	234,253,404	265,288,294	271,580,238
State	-0-	-0-	-0-	-0-
Treasury	-0-	35,438	53,273	-0-
Capital Construction	9,549,925	2,025,000	14,441,517	8,479,331
 TOTAL	 \$441,922,530	 \$471,726,970	 \$481,677,317	 \$430,699,026

STATE OF COLORADO
GENERAL FUND RECEIPTS ^{1/}
(\$ Millions)

	FY 1980-81 Actual	FY 1981-82 Estimate	% Change	FY 1982-83 Estimate	% Change
<u>EXCISE TAXES</u>					
Sales	\$ 485.8	\$ 555.0	14.2%	\$ 630.0	13.5%
Use	54.4	70.0	28.7%	72.0	2.9%
Liquor	24.7	26.0	5.3%	27.0	3.8%
Cigarette	37.0	38.0	2.7%	38.0	0.0%
Other	3.1	4.0	29.0%	5.0	25.0%
Total	\$ 605.0	\$ 693.0	14.5%	\$ 772.0	11.4%
<u>INCOME TAXES</u>					
Individual	\$ 479.4	\$ 648.0 ^{2/}	35.2%	\$ 845.0 ^{2/}	30.4%
Corporate	84.8	90.0	6.1%	108.0	20.0%
Total	\$ 564.2	\$ 738.0 ^{2/}	30.8%	\$ 953.0 ^{2/}	29.1%
<u>OTHER REVENUE</u>					
Inheritance, Gift, and Estate Tax	\$ 6.6	\$ 9.0	36.4%	\$ 7.0	(22.2%)
Insurance Tax	41.6	43.0	3.4%	48.0	11.6%
Pari-Mutuel Racing	8.8	10.0	13.6%	10.0	0.0%
Interest Income	37.6	28.0	(25.5%)	22.0	(21.4%)
Severance Tax	31.4	-- ^{3/}	--	-- ^{3/}	--
Court Receipts	7.2	7.0	(2.8%)	8.0	14.3%
Other Income	14.3%	14.0	(2.1%)	15.0	7.1%
Total	\$ 147.5	\$ 111.0	(24.7%)	\$ 110.0	(0.9%)
<u>LESS REBATES AND EXPENDITURES</u>					
Food Sales Tax Credit	\$ 1.3	\$ -- ^{4/}	--	\$ -- ^{4/}	--
Cigarette Tax Rebates	17.9	18.0	0.6%	18.0	0.0%
Old Age Pensions	37.0	41.0	10.8%	46.0	12.2%
Property Tax Relief for Aged/Heat Credit	21.5	22.0	2.3%	22.0	0.0%
Fire and Policy Pensions	20.0	20.0	0.0%	20.0	0.0%
Severance Tax Credit	10.5	-- ^{3/}	--	-- ^{3/}	--
Transfer to State Highway Fund	33.0	36.0	9.1%	-- ^{5/}	--
Transfer to State Water Project Construction Fund	10.0	10.0	0.0%	-- ^{5/}	--
Total	\$ 151.2	\$ 147.0	(2.8%)	\$ 106.0 ^{5/}	(27.9%)
<u>NET GENERAL FUND REVENUE</u>	\$1,165.5	\$1,395.0	19.7%	\$1,729.0	23.9%

- ^{1/} All figures, actual and estimated, are provided by the staff of the Legislative Council and are stated on the accrual basis of accounting. Revenue estimates are based on projections made March 18, 1982.
- ^{2/} Reflects expiration of the 16% credit after calendar year 1981 and a return to 106% indexing.
- ^{3/} 100% of Severance Tax Revenue is credited to Local Government Severance Tax Fund and Severance Tax Trust Fund.
- ^{4/} Food Tax credit eliminated.
- ^{5/} Highway and Water Transfers end after Fiscal Year 1981-82. Dollars transferred to Highways under S.B. 182 (1981 session) and dollars transferred to Water under H.B. 1617 (1981 session) are indicated on the following page.

GENERAL FUND REVENUE AND EXPENDITURES 1/
(\$ Millions)

	<u>FY 1981-82</u> <u>Estimate</u>	<u>FY 1982-83</u> <u>Estimate</u>
Carry Forward Balance From Prior Year	\$ 57.2	\$ 16.9*
<u>REVENUE</u>		
General Fund Revenue	\$1,395.0	\$1,678.0 <u>2/</u>
<u>EXPENDITURES</u>		
Operating	\$1,283.7	\$1,394.3
Capital Construction	21.5	7.8
Other New Legislation	5.2	0.0
Total Expenditures	<u>\$1,310.4</u>	<u>\$1,402.1</u>
Appropriated for Tax Relief <u>3/</u>	\$ 124.9	\$ 216.6
Balance Available for Tax Relief	N/A	20.2 <u>4/</u>
Ending Balance	\$ 16.9*	\$ 76.2 <u>5/</u> *

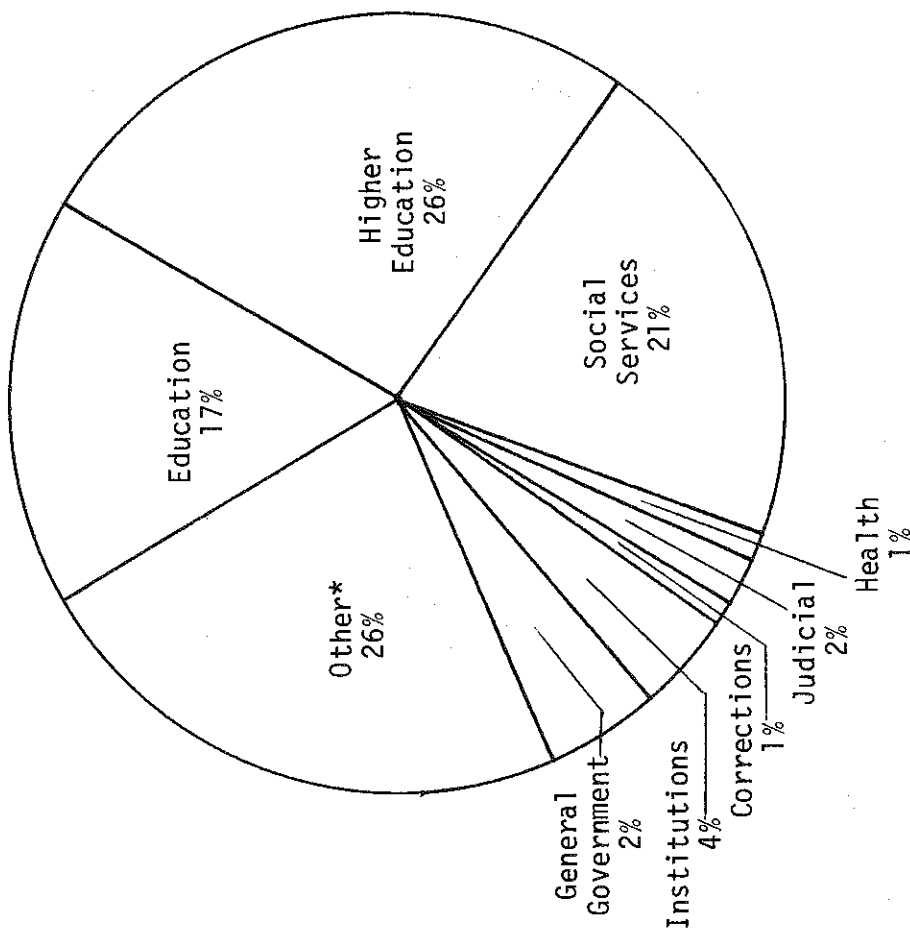
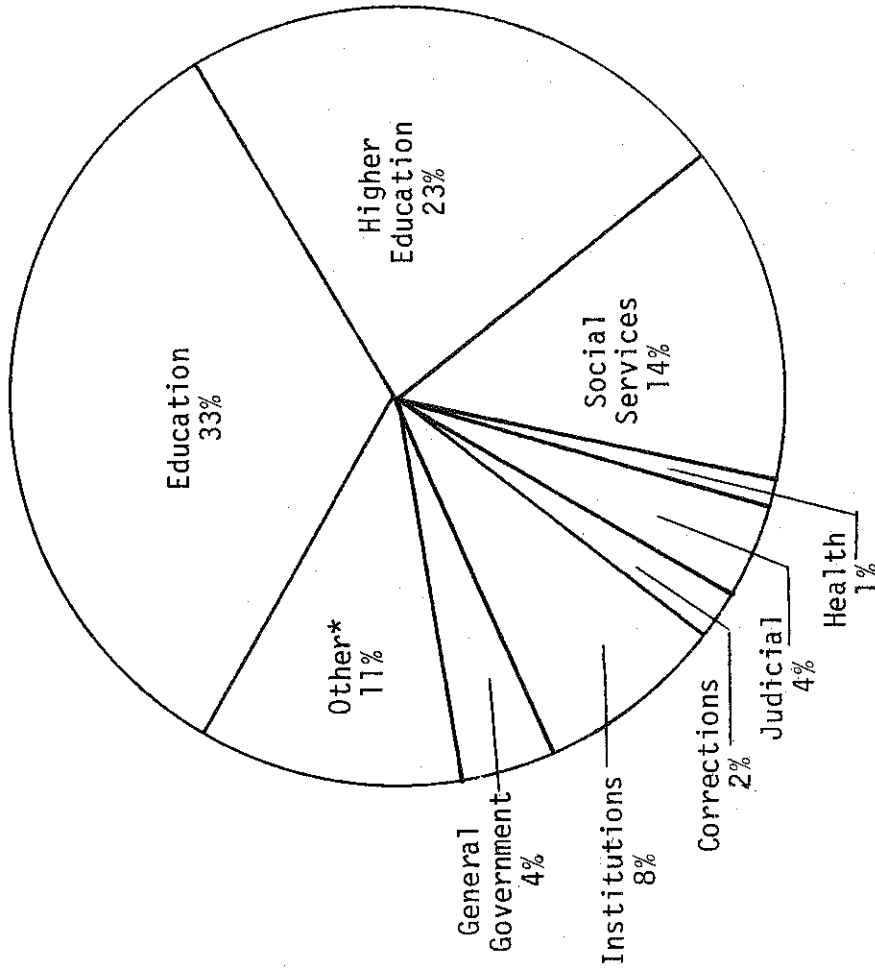
- 1/ Revenue estimates are provided by the staff of the Legislative Council and are based on March 1982 projections.
- 2/ Adjusted: \$49.0 transfer per S.B. 182 (1981 session) and reduction of \$28.0 per H.B. 1166 (1982 session).
- 3/ The \$91.7 million growth from FY 1981-82 to FY 1982-83 in funds "appropriated for tax relief" is overstated by \$60.0 million if used in a true comparison. This is due to H.B. 1287 (1982 session) which decreased the appropriation in FY 1981-82 by \$30.0 million and shifted the same amount to FY 1982-83. The shifting of the \$30.0 million appropriation was necessary to insure a positive year-end balance in FY 1981-82.
- 4/ The \$2.0 million appropriation to the State Lottery per S.B. 119 (1982 session) is not deducted from this amount because it will be repaid to the General Fund.
- 5/ Includes \$56.0 (4% reserve).

*The ending balances for fiscal years 1981-82 and 1982-83 of \$31.3 and \$89.7 million, respectively, that were used in working papers during the 1982 session, included the \$15.0 million revolving fund. Also, the figures for the General Fund appropriation in each fiscal year were overstated by \$0.6 and \$0.9 million, respectively, in the working papers used during the session. With these adjustments, the year-end balances utilized during the 1982 session do not conflict with those indicated in this table.

1972-73 COLORADO STATE BUDGET

GENERAL FUND

ALL FUNDS

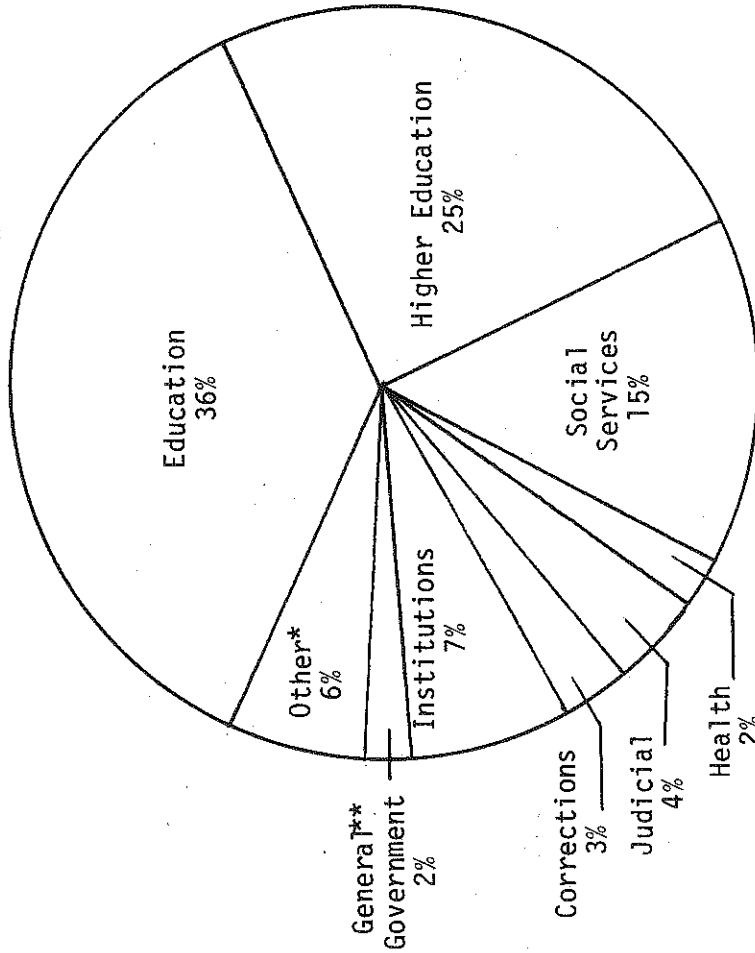


*Other includes the Departments of Labor and Employment, Local Affairs, Natural Resources, Military Affairs, Agriculture, Highways, State, Law, Treasury, Regulatory Agencies, Revenue, the Legislature, and Capital Construction.

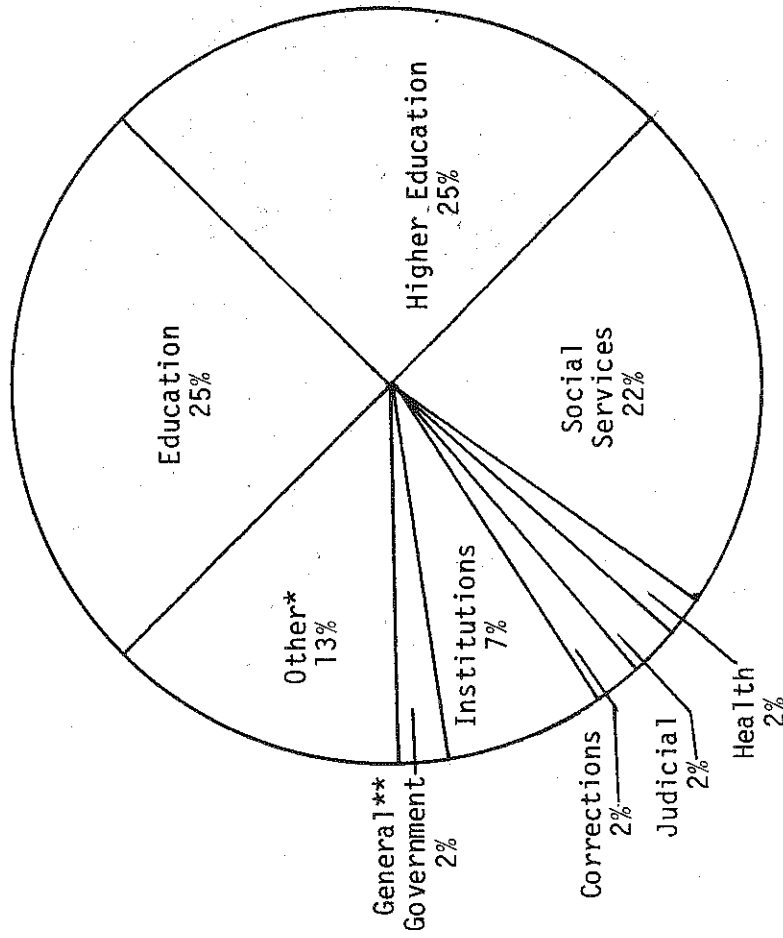
**General Government includes the Office of the Governor and the Departments of Personnel and Administration.

1982-83 COLORADO STATE BUDGET

GENERAL FUND



ALL FUNDS



*Other includes the Departments of Labor and Employment, Local Affairs, Natural Resources, Military Affairs, Agriculture, Highways, State, Law, Treasury, Regulatory Agencies, Revenue, the Legislature, and Capital Construction.

**General Government includes the Office of the Governor, Office of State Planning and Budgeting, and the Departments of Personnel and Administration.

GENERAL POLICIES

Several line items in agencies' budgets are determined by general policies adopted by the Joint Budget Committee. These policies are then applied to individual budgets. Listed below are these line items along with a brief explanation of the general policy. Any major deviation from these policies will be mentioned in the individual agency's section of this report.

CENTRAL POTS

This appropriation constitutes funding for a wide array of employee benefits including:

- Group Health and Life Insurance
- Annuitants Health and Life Insurance
- Workmen's Compensation Insurance
- Employees Emeritus Retirement
- Employment Security (Unemployment Compensation)
- Salary Survey (salary increases effective July 1 of each fiscal year designed to keep state pay comparable with private and other public pay)
- Staff Salary Increases for the Department of Education
 - Non-Classified Staff
- Shift Differential
- Anniversary Increases

Funds to cover the costs of these benefits have, in the past, been centrally appropriated to the Division of Accounts and Control and have then been allocated and reallocated over the year to the departments.

For 1982-83, funds for four of these benefits have been appropriated directly to each of the departments. The total money available for expenses of the salary survey, anniversary increases, staff salary increases and shift differential, is, therefore, known prior to the start of the fiscal year by department managers who will be able to manage to the funds available.

The remaining five benefits have been appropriated centrally to the Division of Accounts and Control as before.

OPERATING EXPENSES

The calculation of operating expenses appropriations is based on an estimate, for each major object code of expenditure, of actual inflation to occur between July 1, 1981, and June 30, 1983.

For each object code expenditure area, a number of state agencies and private sector suppliers were surveyed to determine unit price behavior over the indicated 2-year period. Estimates of the Gross National Product (GNP) deflator were also taken into account. The GNP deflator reflects the cost of goods and services purchased by state and local governments.

The two-year factors arrived at ranged from 2.6% for clothing to 27.9% for medical and laboratory supplies. The weighted average factor was 12.6%. Adjustments were made, when appropriate, for new staff or programs and for decreases in staff or program activity.

TRAVEL

The appropriations for travel were calculated on the basis of FY 1981-82 estimated travel expenditures. A 4.9% increase was applied to travel necessary to an agency's function, e.g., inspections and regulatory functions. No increase was granted for discretionary travel.

Adjustments for increases and decreases in staff and program activity were made as appropriate.

CAPITAL OUTLAY

The appropriations were based on four criteria:

- (1) Replacement of existing inventory of non-movable equipment which was beyond useful life, using the current inventory and general depreciation schedules.
- (2) Replacement of motor vehicles. For vehicles of three-quarter ton size and smaller, the Department of Administration's computerized cost benefit analysis was used with some modifications. Replacement of vehicles over three-quarter ton was determined on an individual basis.
- (3) Automated Data Processing was based on maintaining any lease purchase payments on existing systems only.
- (4) Items needed for new programs and FTE were determined on an individual basis.

Capital Outlay appropriations were placed in the Executive Director's office of the Department to provide administrative flexibility.

AUTOMATED DATA PROCESSING

The Committee had been concerned for some time about the management and use of the state's data processing capabilities. A major shortcoming has been the absence of a procedure for review of existing uses of these assets.

In order to become informed about agency data processing priorities and in order to make a sound decision on the Department of Administration's request for a new attached processor at the General Government Computer Center, the Committee requested zero-based data processing budgets from the agencies.

The submissions varied in approach and quality of response, but most were quite informative and provided a good basis for establishing an ongoing process for review of data processing applications.

To this end the Committee voted unanimously to recommend a continuing level of agency data processing funding for 1982-83 and to approve no new funding with the sole exception of a new program in the Department of Revenue which will automate the accounts receivable function.

An additional appropriation of \$526,917 was made to the General Assembly which was to have been available for agencies in 1982-83 upon completion and submission of a usage/capacity planning study to the General Government Computer Center. The study was recommended by the Committee as a necessary step in the process of review of uses and management of resources and is currently underway. The additional appropriation was vetoed.

HEARING OFFICERS

Funds for hearing officers have been appropriated to those departments utilizing hearing officer services. The allocation of funds has been based on the scope of services utilized by the individual departments and estimates of the number of hours of services required by the various departments as developed by the user agencies and the Division of Hearing Officers. The allocation of funds to the user agencies is shown in the Department of Administration, Division of Hearing Officers section of this report.

OREGON PLAN

Legal service to state agencies from the Department of Law are appropriated under the Oregon Plan system. Each Oregon Plan appropriation is the product of the number of hours of legal services to be provided and the average rate per hour of \$27.69. The Department of Law section in this report shows the appropriation to each agency by funding source.

UTILITIES

The appropriation for utilities for all agencies are based on calculations according to a formula which uses 1972-73 as a base year with adjustments for changes in utilization since that time. The formula includes a climate factor which is based on the thirty year average temperature for twelve different locations throughout the state. The rates for utility costs are determined by adding an inflation factor for each type of utility to the current year cost per unit which is supplied by the agency. The inflation factors were determined after consultation with a number of different agencies including Colorado Energy Research Institute, the Public Utilities Commission, the Denver Water Board, the Public Service Company and various coal companies.

DEPARTMENT OF ADMINISTRATION

OPERATING BUDGET	1979-80 Actual	1980-81 Actual	1981-82 Estimate	1982-83 Appropriation
	\$	\$	\$	\$
Executive Director	649,228	1,541,126	1,845,955	3,355,206
Management Services	132,891	207,697	271,538	291,070
Central Services	4,383,229	5,261,273	5,436,827	6,148,829
Accounts and Control	1,100,111	1,194,490	1,429,639	1,440,283
Group Health and Life Insurance	5,116,417	5,260,916	5,229,605 <u>4/</u>	4,736,902 <u>4/</u>
Annuitants' Health and Life Insurance	1,246,655	1,908,996 <u>1/</u>	2,248,790	2,412,952 <u>5/</u>
Workmen's Compensation	3,210,405	3,098,132	2,359,006 <u>4/</u>	3,241,552 <u>4/</u>
Employees' Emeritus Retirement	29,922	29,335	31,136	31,388
Retirement Benefits- School and Municipal Employees	2,134,903	3,363,921 <u>2/</u>	-0- <u>3/</u>	-0- <u>3/</u>
Retirement Benefits- State Employees	3,107,512	2,439,435 <u>2/</u>	-0- <u>3/</u>	-0- <u>3/</u>
Retirement Benefits- Judges	36,000	61,351 <u>2/</u>	-0- <u>3/</u>	-0- <u>3/</u>
Employment Security Payments	1,177,254	1,522,261	557,040 <u>4/</u>	557,040
Salary Survey Adjustments	19,054,400	16,160,769	19,016,105 <u>4/</u>	-0- <u>6/</u>
Staff Salary Increases	255,610	208,102	198,700 <u>4/</u>	-0- <u>6/</u>
Shift Differential	1,045,530	1,162,310	1,148,488 <u>4/</u>	-0- <u>6/</u>
Anniversary Increases	3,242,805	3,513,211	2,131,775 <u>4/</u>	-0- <u>6/</u>
Deferred Compensation Plan	-0-	-0-	5,260	14,750
Automated Data Processing	5,705,952	4,860,716	5,267,479	5,370,802
State Archives and Public Records	257,274	264,707	314,337	311,517
Capitol Buildings	3,039,721	3,192,782	3,674,794	3,788,893
Purchasing	392,376	424,616	480,079	421,939
Surplus Property	312,618	302,926	314,796	326,430
Communications	4,847,863	5,594,629	4,318,758	4,402,188
Hearing Officers	431,805	553,996	699,119	739,742
State Buildings	1,007,613	707,469	839,517	867,138
State Buildings-Leases	-0-	-0-	-0-	826,577
H.B. 1217	-0-	-0-	-0-	1,245,000
SUBTOTAL	61,918,094	62,835,166	57,818,743	40,530,198
General Fund	41,836,075	40,810,251	33,678,553	22,109,465
Cash Funds				
Purchase of Services	8,077,907	9,246,778	10,166,943	11,515,059
Central Collection Receipts	169,892	224,224	290,373	315,575
Grants or Contracts	39,574	31,814	156,238	100,000
HUTF	1,881,078	2,162,877	1,458,700	2,478,828
Indirect Costs	-0-	-0-	-0-	275,580
Other (Includes Cash Pots)	9,912,646 <u>7/</u>	10,350,145 <u>7/</u>	11,967,936 <u>7/</u>	2,026,154

(Continued)	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Appropriation</u>
Reed Act Funds	-0-	-0-	-0-	495,000
Mineral Lease Funds	-0-	-0-	-0-	750,000
Subtotal	20,081,097	22,015,838	24,040,190	17,956,196
Federal Funds	922	9,077	100,000	464,537
<u>CAPITAL CONSTRUCTION BUDGET</u>	3,979,950	17,080,743	7,508,204	8,984,728
Capital Construction Fund	3,886,575	17,080,743	6,023,994	2,345,268
Cash Funds:				
- Reed Act Funds	-0-	-0-	-0-	495,000 <u>8/</u>
- Mineral Lease Funds	-0-	-0-	-0-	750,000 <u>8/</u>
- Receipts from User Agencies	-0-	-0-	-0-	5,394,460
- HUTF	93,375	-0-	-0-	-0-
Federal Funds	-0-	-0-	1,484,210	-0-
<u>GRAND TOTAL</u>	\$65,898,044	\$79,915,909	\$65,326,947	\$49,514,926

1/ Includes University of Colorado Annuitants.

2/ S.B. 50 and S.B. 62, 1980 Session.

3/ Increase in state contribution to Public Employees Retirement Fund made these separate appropriations unnecessary.

4/ Does not include funds for Higher Education.

5/ Does not include University of Colorado Annuitants.

6/ Appropriated directly to agencies.

7/ Cash funds for centrally appropriated employee benefits are not broken out by source.

8/ These funds are also appropriated in H.B. 1217 and are counted twice in the totals appearing in this report.

COMPARATIVE DATA

	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Estimate</u>
Accounts and Control				
Total Vouchers Processed	286,000	304,500	310,000	325,500
Vouchers Processed by Computer	124,900	131,500	143,500	157,800
General Government Computer Center				
Teleprocessing Hours	33,320	46,930	66,098	85,927
Number of On-Line Transactions	775,281	2,340,000	2,340,000	2,947,500
Purchasing				
Number of Purchase Orders Processed	24,275	21,501	24,000	24,500
Number of Master Purchasing Contracts	484	577	600	620

FTE OVERVIEW

<u>Division</u>	<u>1979-80</u> Actual	<u>1980-81</u> Actual	<u>1981-82</u> Estimate	<u>1982-83</u> Appropriation
Executive Director	16.5	17.0	17.0	23.0
Management Services	4.3	7.0	7.0	7.0
Central Services	79.7	87.3	105.0	105.0
Accounts and Control	44.6	44.9	49.0	49.0
Automated Data Processing	125.1	130.8	137.0	136.0
Archives	12.6	13.0	13.0	13.0
Capitol Buildings	125.1	116.0	116.0	116.0
Purchasing	13.3	13.3	14.0	14.0
Surplus Property	11.9	10.0	10.0	10.0
Communications	60.0	56.9	59.0	57.0
Hearing Officers	13.4	15.6	19.0	19.0
State Buildings	18.7	21.3	27.0	23.0
 TOTAL	 525.2	 533.1	 573.0	 572.0

SUMMARY HIGHLIGHTS

Management of Automated Data Processing

The Division of Automated Data Processing is responsible for coordination, planning, and, to some extent, administration of the State's automated data processing activities. Centralized coordination of these activities appears to be lacking. As a result, this year's appropriation has deferred funding for new data processing applications. It is the hope of the Joint Budget Committee that efforts in these areas will be improved. Future funding of new data processing applications may depend on increased management initiatives towards improved coordination, planning, and administration of automated data processing activities within state government.

In conjunction with the decision to provide continuing level funding, the General Assembly has recommended that a usage/capacity planning study be completed at the General Government Computer Center. It is anticipated that 18 man month's effort (9 man months provided at no cost to the state by the hardware supplier and 9 state agency man months) will provide data on:

1. Current uses of the computer by user agency;
2. Measurements of user satisfaction;
3. User plans (explicit and latent) for the future; and
4. The marginal and long range impacts of each current and planned application added or deleted.

\$526,917 was appropriated to the Legislature to meet salary costs and associated operating and travel costs of 0.8 FTE principal systems analyst and for contingencies which might arise. This sum was reserved for distribution to agencies and for reimbursement of Statewide ADP and/or General Government Computer Center for 9 man months of work upon completion of the study, which is estimated to take three months. Because the sum was vetoed, funding for new programs or to meet contingencies may be requested as 1982-83 supplemental appropriations.

It is hoped that the recommended study will provide the data which will enable the Statewide ADP Division to publish its statewide plan in the fall of 1983. In the recent past, the statewide plan, due for publication in January, has not been available until March. In order to be useful in the appropriations process, the plan should be available by December 1st.

Centralized Lease Management

The Division of State Buildings has been appropriated \$826,577 which reflects the cost of leasing office space for various state agencies in nine major communities. It is the intent of the General Assembly that centralized management of state leases in these communities will result in cost savings and, to the extent possible, the consolidation of state agencies into as few as possible locations within each community.

General Government Computer Center Billing System

The billing system used by the General Government Computer Center does not appear to accurately reflect the costs of maintaining the Center. It is possible that agencies purchasing services from the Center are being charged in excess of the actual cost of providing services. It is the intent of the Joint Budget Committee that the Center's billing system be revised as necessary to reflect actual costs.

Need for Adequate Data on State Purchasing

The Division of Purchasing does not collect data concerning its activities in such a manner as to permit analysis of its activities. It is the intent of the Joint Budget Committee that the Division collect and maintain data to allow for better management and evaluation of its activities.

Salary Act, Anniversary and Shift Differential Appropriated Directly to Departments

For 1982-83, costs of the salary act, anniversary and shift differential have been funded directly to departments. In past years, these appropriations have been part of the centrally appropriated employee benefits which have been allocated among departments by the Division of Accounts and Controls or the Office of State Planning and Budgeting.

The purpose of the decision to appropriate directly to departments is to provide the department managers with early notification of the total amount available for these purposes for the fiscal year. The departments will, therefore, be able to manage to this amount of money and make personnel decisions, the results of which do not exceed funds available for personal services expenses.

The direct funding of these items to the departments causes, in many instances, large percentage increases for the departments over the 1981-82 appropriation. This effect of this switch in funding is noted in this report in the departments' narratives.

EXPLANATION OF APPROPRIATION

Executive Director. The Executive Director's Office is responsible for the management and administration of the Department. It is also charged by statute with reviewing overall management and programs of state government. There is an increase of 6.0 FTE resulting from including the Minority Business Development Agency in the appropriation.

A capital outlay reserve of \$250,000 has been included for the purchase of capital outlay items from Correctional Industries. This reserve is to be allocated to the various state departments, including the Legislative Department.

Agency indirect cost recoveries of \$275,580, from cash funded divisions, have been included in the cash funds appropriation thereby decreasing the level of General Fund support.

Management Services. This division conducts management evaluation studies for agencies of state government at their request.

Central Services. This division provides centralized supply, mailroom and printing services for state agencies in the Denver area. Some of the specific cash funded services provided by this division do not appear to be breaking even, a situation which the Joint Budget Committee hopes will be corrected during the ensuing year.

It is the intent of the General Assembly that the division submit budgetary data broken down according to its various services. It is further intended that the division report all of its direct and indirect costs by service and the results of surveys showing whether its pricing practices are competitive.

Agency indirect costs have been recovered in the division's appropriation. A 3% vacancy savings was utilized.

Accounts and Control. This division oversees the financial affairs of the state and establishes procedures for financial administration. It also includes a cash funded division responsible for collecting debts owed to state agencies. Agency indirect costs have been recovered from the cash funded collection unit. A 3% vacancy savings was utilized for the General Fund personal services line.

Group Health and Life Insurance. This appropriation provides funding for a benefit of \$43 per month for group health and life insurance per eligible employee per month.

Annuitants Health and Life Insurance. This provides funds for group health and life insurance benefits for state retirees. It does not include University of Colorado annuitants for whom funding was built into the University's 1981-82 base. Recent increases in approved retirement applications account for the increase in this appropriation.

Workmen's Compensation Insurance. This appropriation provides for the known advance workmen's compensation premiums for state agencies for 1982-83 plus a percentage of that figure for audit adjustments which will be completed in January of 1983. The appropriation is based on information provided by the Insurance Compensation Division.

Employee's Emeritus Retirement. Participants in this program are former state employees who retired before July 1, 1975, and who had either 20 years of service or a disability retirement. The appropriation funds estimated need for 1982-83.

Employment Security Payments. Effective July 1, 1976, all state employees became eligible for unemployment compensation. Of the amount appropriated, it is the intent of the General Assembly that an amount not to exceed \$75,000 be used to hire a private contractor to monitor claims. Any amount necessary for employment security payments in excess of the amount appropriated is intended to be met from personal services line items.

Division of Automated Data Processing. The Division is responsible for the Statewide Automated Data Processing Planning Program, including the review of existing and future data processing applications, systems, and facilities; the approval of acquisition of data processing services and facilities to state agencies.

Funding for the Division is intended to result in annual and long range statewide automated data processing plans, statewide costs savings and costs avoidance through efficient use of data processing technologies and effective management and review of all applications.

Funds are provided for 14 FTE. No vacancy savings was taken. \$8,529 is again appropriated for the Higher Education Consortium which is continuing the development of the Higher Education ADP Master Plan.

General Government Computer Center. This division provides centralized data processing services for agencies of state government. There has been a reduction of 1.0 FTE data entry clerk. A 2.9% vacancy savings was utilized.

The cash funding level has been increased to reflect cash funding of the Department of State, Commercial Recordings Division. Cash operating expenses have been appropriated as follows: Metropolitan State College - \$593,797; Department of Natural Resources - \$24,976; Department of Highways - \$64,200; and, Department of State - \$329,691.

Funds for automated data processing services have been included for personal services at the Computer Center as follows:

<u>General Government Computer Center</u> <u>Personal Services, Cash Funds for ADP Services</u>	
General Assembly	\$ 1,320
Agriculture	8,009
Education	11,938
CCHE	17,832
Auraria	13,903
Employment	57,489
Labor	1,500
Natural Resources	24,381
Personnel	185,287
OSPB	10,628
Regulatory Agencies	28,111
Social Services	186,344
State	55,507
Treasury	<u>17,832</u>
TOTAL FUNDS	\$620,081

Archives and Public Records. This division administers a statewide archives and public records management program and is responsible for preserving permanent records and disposing of records with limited value. The division's appropriation includes funds for field work with county and municipal government in 19 counties and for conducting six records management workshops for higher education institutions.

Capitol Buildings. This division is responsible for housekeeping, maintenance, security and utilities in the capitol complex. The appropriation includes funding and authority for contractual security and custodial services for 25% of the capitol complex. The amount appropriated for tree care in the capitol complex has been doubled to provide an increased level of care. A cash appropriation for Judicial Building utilities is included in the division's appropriation. A 3% vacancy savings was utilized for the housekeeping and physical plant units of the division.

Cash funds have been included in the appropriation for the capitol parking unit for a new roof, waterproofing, and related repairs for the capitol parking garage.

Purchasing. The division is responsible for establishing policies and standards for state purchasing and provides purchasing services for state agencies. The appropriation for the Colorado Code of Regulations has been increased to reflect higher purchasing costs and includes funds for subscriptions for the Judicial Department, other state agencies, and the counties.

Surplus Property. This agency receives and distributes surplus federal and state property. It is funded by the receipts from the sale of surplus property to public and private nonprofit organizations.

Communications. The division is responsible for operating and maintaining the state's microwave relay system. It also coordinates state telephone communications systems on a statewide basis and operates the capitol complex telephone system.

There is a reduction of 4.0 FTE in the division's appropriation - 2.0 FTE because of a lack of local cash funds for the local systems development program, and 2.0 FTE due to a reduction in Highway Users Tax Fund supported activities.

The funding split for capitol complex telephone equipment has been adjusted to reflect actual experience, with a decrease in the level of General Fund support and an increase in cash funds.

A 1% vacancy savings was utilized for the public safety section of the division.

Hearing Officers. This division provides hearing officers and conducts hearings for state agencies. It is intended that each hearing officer will provide 1,760 hours of billable services per year. Cash pots have been allocated within the division's appropriation. The appropriation for Department of Labor and Employment hearings includes funds for travel reimbursement for hearing officers.

Funds for Hearing Officers services have been included in each user department's budget as follows:

	<u>Hearing Officer Service Costs</u>	<u>Hearing Officer Hours</u>
Adult Parole	\$ 7,108	212
Education	1,174	35
Health	10,025	299
Labor	369,656	14,502
Personnel	89,925	3,414
Regulatory Agencies	85,770	2,558
Social Services	148,051	4,206
Teacher Tenure	13,412	400
Youth Services	<u>14,621</u>	<u>598</u>
	\$739,742	26,224

State Buildings. The division has numerous specific duties including overseeing state capital construction projects, maintaining state facilities, enforcing standards, negotiating leases, and maintaining an inventory of the state's real property. There has been an increase of 1.0 FTE real estate specialist in the division for the purpose of coordinating the leasing of office space for state agencies in nine major communities.

The funds for leasing office facilities in the communities listed below have been centrally appropriated to the division. It is the intent of the General Assembly that this appropriation be utilized to pay for the cost of state-leased office space in the

communities listed. Where possible and practical, the offices within a community should be combined into as few as possible separate locations. Transfers between the appropriations for office space leases are to be allowed with the stated goal of having one office location per community. In establishing this single site location, first priority should be given to existing state-owned facilities.

Centralized Leasing

<u>Community</u>	<u>Amount Appropriated</u>
Alamosa	\$ 24,689
Colorado Springs	309,604
Durango	37,377
Fort Collins	77,592
Fort Morgan	42,955
Glenwood Springs	40,755
Greeley	78,842
Montrose	40,556
Pueblo	<u>174,207</u>
	\$826,577

It is the intent of the Joint Budget Committee that the division submit a report on its leasing activities by December 1, 1982.

Relocation of State Agencies. In conjunction with the centralization of state agencies presently leasing office space into a single location within major Colorado communities, the General Assembly also is interested in the relocation of some state agencies out of downtown Denver. The cost of office space in the downtown Denver area is one of the most expensive in the state. It may be more economical to locate state agencies outside of downtown Denver and in other major communities in the state.

Such a relocation of state agencies could be financed by the sale of state property. For example, the initial stages of relocation could be financed by the sale of the state owned parking lot on the corner of Lincoln Street and Colfax Avenue in Denver. Other underutilized property owned by the state could be sold to finance later stages of the relocation.

These issues have been presented to the General Assembly by the Joint Budget Committee. The legislative interim committee on State Government Issues will be studying the relocation of state agencies.

CAPITAL CONSTRUCTION

State Services Building - Grand Junction	\$6,639,460 (CF)
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This appropriation is for the construction of a single state office building to house all state agencies presently leasing space in the Grand Junction area. Of the amount appropriated, \$495,000 is in Reed Act funds to be committed to the project before July 1st by the Department of Labor and Employment; \$750,000 is from the Mineral Lease Fund; and the remainder is to be financed through a lease purchase arrangement to be developed by the Department pursuant to H.B. 1217.

Emergency Projects \$ 150,000 (CCF)

This appropriation is reserved for emergencies which may arise in state facilities during the fiscal year.

Specific Maintenance Projects \$1,784,590 (CCF)

This appropriation is for specific maintenance projects in state facilities which will cost more than \$30,000. Over 62% of this appropriation is for higher education institutions.

Controlled Maintenance Projects \$ 410,678 (CCF)

This appropriation is for controlled maintenance projects costing \$30,000 or less. It is the intent of the General Assembly that the Division of State Buildings exercise its best judgment in establishing priorities for the use of controlled maintenance funds.

NEW LEGISLATION

H.B. 1099 - Repeals rules relating to travel reimbursement for privately owned motorcycles; vacancy procedures for the state employees and officials group insurance board; and, certain rules established under the state procurement code.

H.B. 1217 - Authorizes the executive director to enter into a lease-purchase agreement for the construction of a state services building to house state agencies in the Grand Junction area. Funds for this facility are included in the capital construction appropriation to the department as well as in H.B. 1217.

DEPARTMENT OF AGRICULTURE

<u>OPERATING BUDGET</u>	1979-80 Actual	1980-81 Actual	1981-82 Estimate	1982-83 Appropriation
	\$	\$	\$	\$
Administration and Agricultural Services	4,839,494	5,189,102	5,656,146	6,402,421 ^{1/}
Brand Inspection	1,486,261	1,481,600	1,582,919	1,552,034
Predatory Animal Control	352,675	171,230	330,807	382,866
Beef Promotion Board	249,999	172,394	1,800,000	1,500,000
Sheep and Wool Board	32,705	43,658	50,000	50,000
State Fair and Industrial Exposition	<u>1,585,245</u>	<u>1,738,318</u>	<u>2,050,538</u>	<u>1,949,832</u>
SUBTOTAL	8,546,379	8,796,302	11,470,410	11,837,153
General Fund	4,899,296	5,237,336	5,718,336	6,034,153
Cash Funds				
Indirect Costs	57,481	69,329	47,504	262,733
Brand Inspection Fees	1,486,261	1,481,600	1,582,919	1,552,034
Predatory Animal Industry	352,675	171,230	330,807	382,866
Beef Promotion Fees	249,999	172,394	1,800,000	1,500,000
Sheep License Fees	32,705	43,658	50,000	50,000
State Fair Revenues	<u>1,385,245</u>	<u>1,524,318</u>	<u>1,836,538</u>	<u>1,949,832</u>
Subtotal	<u>3,564,366</u>	<u>3,462,529</u>	<u>5,647,768</u>	<u>5,697,465</u>
Federal Funds				
Federal Veterinary	82,717	96,437	104,306	105,535
<u>CAPITAL CONSTRUCTION BUDGET</u>	144,215	80,000	212,000	-0-
<u>GRAND TOTAL</u>	\$ 8,690,594	\$ 8,876,302	\$11,682,410	\$11,837,153

^{1/} Includes departmental appropriation for travel and subsistence, capital outlay, legal services and ADP services.

FTE OVERVIEW

	1979-80 Actual	1980-81 Actual	1981-82 Estimate	1982-83 Appropriation
Administration and Agricultural Services ^{2/}	194.4	196.4	197.1	195.1
Brand Inspection	75.0	63.2	65.0	65.0
State Fair and Industrial Exposition	<u>21.5</u>	<u>21.5</u>	<u>21.6</u>	<u>17.3</u>
TOTAL	290.9	281.1	283.7	277.4

^{2/} Includes FTE for Gasohol Program and Peach Mosaic Inspections.

COMPARATIVE DATA

	<u>1979-80</u> <u>Actual</u>	<u>1980-81</u> <u>Actual</u>	<u>1981-82</u> <u>Estimate</u>	<u>1982-83</u> <u>Estimate</u>
Administration and Agricultural Services				
Number of Lab Tests	243,485	245,796	271,137	298,251
Millions of Gallons of Gasohol Produced	0.5	2.9	9.2	25.0
Fruit and Vegetable Shipment Lbs. Inspected	948,744,155	919,688,364	853,577,000	920,000,000
Brand Inspection				
Number of Inspections	4,876,000	4,720,000	4,350,000	4,100,000
State Fair				
Attendance	408,139	382,087	410,346	421,840
Revenue Earned	\$1,310,920	\$1,524,318	\$1,720,691	\$1,949,832

SUMMARY HIGHLIGHTS

Colorado State Fair and Industrial Exposition

It is intended that the State Fair become self-supporting; therefore, 4.3 FTE are eliminated and \$200,000 in fund raising "seed money" is appropriated. It is intended that the Department not seek a supplemental appropriation for the State Fair.

EXPLANATION OF APPROPRIATION

The principle responsibilities of the Department are: to respond to the general needs of Colorado agriculture through existing and new programs and resources; to formulate federal and state agricultural policy; to provide information to consumers; and, to collect data regarding agricultural resources, marketing, production, distribution, sale, and use of commodities.

Administration and Agricultural Services. Included in this division are Animal Industries, Inspection and Consumer Services, Markets, Plant Industry, and the Gasohol Program. The appropriation provides for 195.1 FTE. A 1.5% vacancy savings factor was applied. Funds for capital outlay, ADP services, central pots, and legal services for the Department are appropriated to this division.

Capital outlay for the entire Department is appropriated in this division.

Brand Inspection. This division inspects livestock for proof of ownership, handles estray livestock, records brands, transfers brands, and assesses all brands in the state.

The appropriation is at a reduced level based on a continued decrease in number of livestock to be inspected.

Predatory Animal Control - Beef Promotion - Sheep and Wool Board. These cash funded agencies generate funds through fees assessed for services and Licensing. The appropriation for each agency is as requested.

Colorado State Fair and Industrial Exposition. For the first time, the appropriation is shown in individual line items. The operating expense appropriation includes \$25,200 for repair of 60 horse stalls. Correctional Industries will provide the labor for this repair.

NEW LEGISLATION

S.B. 72 - Adds new subsections to 12-16-101, C.R.S., 1973, relating to storage of agricultural products, dealers and warehousemen.

DEPARTMENT OF CORRECTIONS

<u>OPERATING BUDGET 1/</u>	1979-80 Actual	1980-81 Actual	1981-82 Estimate	1982-83 Appropriation
	\$	\$	\$	\$
Executive Director	2,837,612	430,145	N/A	N/A
Administration	977,945	1,274,773	3,022,304	4,876,590
Adult Services	5,415,049	6,724,864	N/A	N/A
Institutional Services	N/A	N/A	6,784,805	6,903,746
Work Program	N/A	N/A	450,000	537,498
Area Vocational Schools	N/A	N/A	713,058	752,060
Correctional Industries	17,473,995	18,200,808	5,990,418	6,470,241
Parole Board	296,842	314,834	342,947	334,583
Diagnostic Unit	624,734	642,542	661,272	637,821
Medical and Mental Health	N/A	N/A	3,213,816	3,328,262
Penitentiary	9,393,360	12,798,854	13,530,356	13,456,321
Reformatory	3,242,213	3,644,021	3,469,067	3,444,273
Honor Camps	1,287,954	1,412,412	1,718,709	1,644,122
Community Corrections	4,118,742	4,841,385	4,062,722	4,702,331
SUBTOTAL	45,668,446	50,284,638	43,959,474	47,087,848
General Fund	28,783,023	34,593,099	37,155,198	40,265,047
Cash Funds:				
Correctional Industries	15,740,193	15,237,765	5,990,418	5,970,241
Area Vocational Schools	-0-	-0-		752,060
Adult Basic Education	13,850	12,484	18,000	18,000
Elementary and Secondary Education	43,484	57,161	82,500	82,500
Other	1,075,429	384,129	713,358	-0-
Subtotal	16,872,956	15,691,539	6,804,276	6,822,801
Federal Funds	12,467	-0-	-0-	-0-
CAPITAL CONSTRUCTION	365,112	1,611,525	115,000	1,806,000
Capital Construction Fund	66,112	1,031,425	115,000	1,641,000
Cash Funds	299,000	580,100	-0-	-0-
Federal Funds	-0-	-0-	-0-	165,000
GRAND TOTAL	\$46,033,558	\$51,896,163	\$44,074,474	\$48,893,848

- 1 / Due to the substantial reorganization that occurred in FY 1981-82, comparisons among Administration, Institutional Services, Correctional Industries, the Reformatory, Executive Director's Office and Adult Services may be misleading.
- 2 / Includes legislative appropriation that adds \$50,000 to the 1981-82 budget for the double bunking of inmates in Cell House 3.
- 3 / Includes \$246,468 in Personal Services and \$53,532 in Operating Expenses associated with the double bunking of inmates.
- 4 / These funds were from the Law Enforcement Assistance administration.
- 5 / These funds were from the Department of Revenue.

FTE OVERVIEW

	<u>1979-80</u> Actual	<u>1980-81</u> Actual	<u>1981-82</u> Estimate	<u>1982-83</u> Appropriation
Executive Director <u>1 /</u>	13.2	7.4	N/A	N/A
Administration	28.0	32.0	71.5	71.5
Adult Services <u>1 /</u>	7.1	9.0	N/A	N/A
Institutional Services <u>2 /</u>	N/A	N/A	106.0	106.0
Work Programs	N/A	N/A	25.0	25.0
Area Vocational Schools <u>2 /</u>	N/A	N/A	4.0	4.0
Correctional Industries	283.0	273.3	65.0	65.0
Parole Board	9.7	10.0	10.0	10.0
Diagnostic Unit	23.0	23.0	23.0	23.0
Medical and Mental Health	N/A	N/A	74.4	84.3
Penitentiary <u>3 /</u>	388.5	458.5	429.3	458.4
Reformatory <u>3 /</u>	117.6	117.6	100.0	100.0
Honor Camps	40.0	53.3	60.0	60.0
Community Corrections	95.9	92.8	91.5	94.5
TOTAL	1,006.0	1,076.9	1,059.7	1,101.7

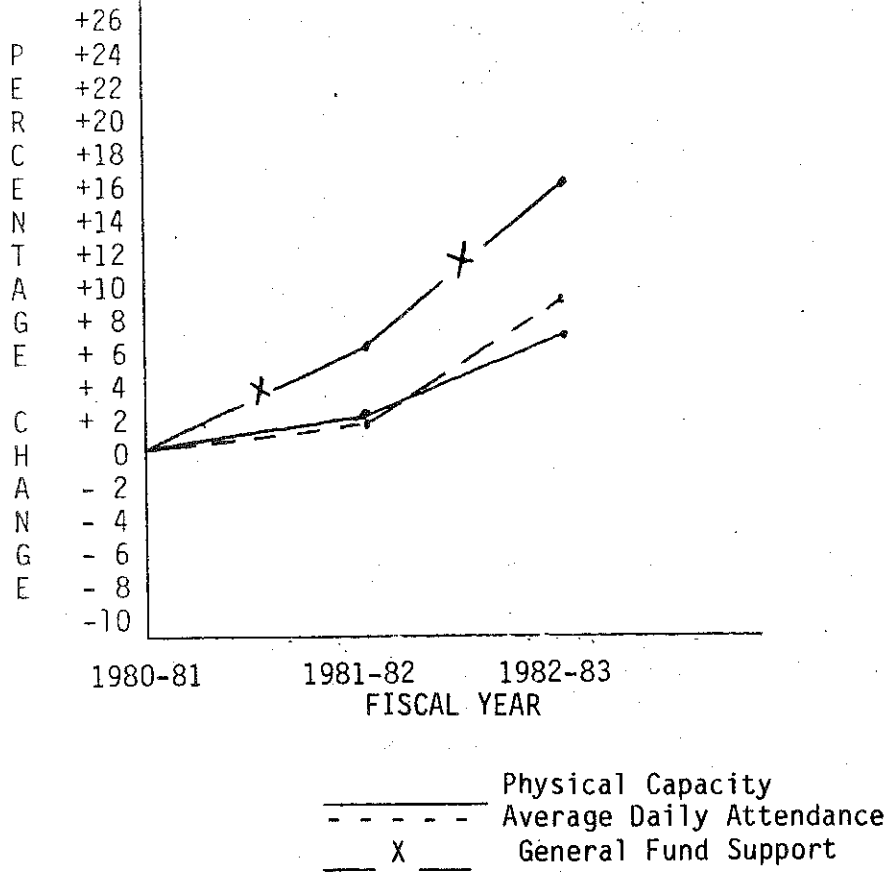
- 1 / In FY 1981-82, these Divisions were consolidated with Administration.
2 / Prior to FY 1981-82, these functions were performed by Correctional Industries.
3 / In FY 1981-82, some functions previously appropriated to this line item were moved to and accounted for in the Administrative section.

COMPARATIVE DATA

	<u>1980-81</u> Actual	<u>1981-82</u> Estimate	<u>1982-83</u> Appropriation
Physical Capacity	2,652	2,711 <u>2/</u>	2,849 <u>3/</u>
A.D.A. <u>1/</u>	2,496	2,547 <u>4/</u>	2,706 <u>5/</u>
General Fund Support <u>6/</u>	\$34,593,099	\$37,155,198	\$40,265,047

- 1/ Average Daily Attendance - On-grounds only, includes honor camps and community corrections facilities.
2/ Includes increased capacities of 29 at Golden and 30 in transition.
3/ Includes increased capacity of 88 due to double bunking and an increase of 80 A.D.A. in community corrections.
4/ Latest figures available. Although the population has been higher in the latter part of 1981-82, this figure represents the average through March, 1982.
5/ Calculated at 95% of capacity.
6/ Does not include capital construction funds.

COMPARISON OF PHYSICAL CAPACITY, AVERAGE ATTENDANCE AND GENERAL FUND SUPPORT



The preceding graph illustrates that:

- 1) The percentage increase in General Fund is almost double the percentage increases in capacity and average daily attendance.
- 2) The average daily attendance (ADA) is increasing faster than system capacity.

SUMMARY HIGHLIGHTS

General Fund Increase

The rapid increase in General Fund appropriations is due to the General Assembly's response to the Department's need for additional staff. At the penitentiary, 20.4 FTE security and program staff were added; Medical and Mental Health staff was increased by 9.9 FTE's; 14.3 FTE's were appropriated due to the double bunking of inmates and 3.0 FTE were added in Community Services. Additionally, \$500,000 was appropriated to Correctional Industries as working capital.

Prison Overcrowding

The General Assembly addressed the immediate problem by appropriating funds to double bunk 88 inmates in Cell House 3 at the Colorado Territorial Correctional Facility (Old Max) and by increasing the number of transitional placements available in the community by an average of 80 beds per day. With the additional 29 beds available at Golden, systems capacity was increased by 197 beds. The effect of these actions will be closely monitored in FY 1982-83.

To begin to address the projected overcrowding on a long term basis, \$1,100,000 was appropriated in Capital Construction for planning and remodeling costs of correctional facilities. These funds are to be used to analyze various options that exist, including remodeling of Old Max; additional double bunking at current facilities or the construction of new facilities. As part of this analysis, it is intended that the Department consider the construction of modular Regional Correctional Facilities that could be shared by the state and units of local government pursuant to the Intergovernmental Relations Act (29-1-201, C.R.S. 1973). Variables such as construction costs, operating and staffing costs, location, support services and security level required are to be considered. In order for the General Assembly to be closely involved with this issue, expenditure of these funds is contingent upon approval of the Legislative Council.

EXPLANATION OF APPROPRIATION

Administration. This division is responsible for managing the Department and includes the Executive Director's Office, Management and Development, Investigations, Offender Services, Fiscal, Personnel, Staff Training, A.D.P., the Director of Adult Services and the Medical and Mental Health Administration.

\$90,000 is included to provide inmates with access to state and federal courts. Because this is a new program, a footnote requires the Department to compare these costs with those of maintaining law libraries and to report on the effect of the filing of pro-se cases (cases related to the conditions of an inmate's incarceration).

Due to the consolidation of functions that occurred in FY 1981-82 and the consequent shift in staffing assignments, a historical base on which to calculate vacancy savings will not be available until the submission of the 1983-84 Budget Request. Adjustments based on that data may be considered during supplementals.

Institutional Services. This division provides operational control, technical coordination and planning for laundry, food service and buildings, grounds and vehicle maintenance. Due to the 1981-82 reorganization, vacancy savings cannot be calculated until the consideration of 1982-83 supplementals.

Work Program. This program is designed to provide labor intensive work assignments for 250 inmates. \$75,000 is appropriated for capital outlay and operating expenses.

Area Vocational Schools. This program is to provide full day vocational programs for 200 inmates (the equivalent of 320 student FTE). Funds for this program are from the State Board for Community Colleges and Occupational Education. Four (4.0) FTE are appropriated to administer the program while the instruction component is to be contracted to a local educational institution.

Correctional Industries. This program employs inmates in the areas of agri-business, production operations and construction. Although the division is not self-supporting, it is expected that \$5,970,241 will be raised by the sale of goods and services. \$500,000 in General Fund is appropriated for inventory or equipment purchases and to aid the division's cash flow problems. A footnote is included indicating that any General Fund expenditure first receive the approval of the Correctional Industries Advisory Council. Additionally, a footnote is included that reflects the General Assembly's intention that marketing of products be emphasized. One new line item, Contract Services, is included in case the Division needs to access management expertise not normally available. No vacancy savings was taken.

Parole Board. The Parole Board reviews and grants or denies parole requests for persons convicted of a felony prior to July 1, 1979, misdemeanants, sex offenders, habitual criminals or class 1 felons. Class 2, 3, 4 or 5 felony commitments are provided a one-year parole period, subject to revocation (17-22.5-103, C.R.S. 1973).

Diagnostic Unit. This unit is responsible for evaluating all new court commitments and parole violators, as well as re-evaluating inmates and interstate transfer cases. Security, housing, treatment, occupational and management needs, as well as facility placement, are determined here. The diagnostic center is located in the Colorado Territorial Correctional Facility (Old Max) and has a maximum capacity of 120 inmates.

Medical and Mental Health. The Physical Health program encompasses both in-house medical and dental services and outside services purchased to supplement in-house care. In-house services include sick lines, self care, first aid and emergency care, ambulatory clinic care and inpatient infirmary care. Life threatening emergency care is provided through contracts with local hospitals. Specialty clinics are held in-house and are arranged through contracts. Three (3.0) FTE nurses were added to provide holiday, annual, and sick leave coverage. Previously, contractual funds were utilized to provide the coverage.

The Mental Health program provides direct evaluation and treatment services to inmates housed in Canon City and Buena Vista. Additionally, on-call crisis intervention, outpatient treatment in the form of individual and group therapy and consultation with case management and other facilities' program staff is provided. The following positions were added in FY 1982-83:

2.0 FTE Record Technicians
4.4 FTE Psychiatric Nurses
0.5 FTE Psychiatrist
6.9 FTE

It is intended that one record technician be assigned at both Buena Vista and Canon City. The 4.4 nurses are intended to be used in conjunction with a crisis ward established at the infirmary. The 0.5 FTE Psychiatrist is to allow the Department to provide 20 hour per week coverage at Centennial, Shadow Mountain and Territorial. This raises the number of Psychiatrists assigned to this task to 1.5 FTE.

Penitentiary. The penitentiary includes the Territorial, Centennial, Shadow Mountain, Women's, and Fremont correctional facilities. Inmates with maximum to medium security needs are housed in this complex. An additional 20.4 FTE were added as follows:

1.7 FTE Supply Dock at Centennial
1.7 FTE Lower Control Tower at Centennial
10.2 FTE Shadow Mountain Control Centers
3.4 FTE OCTAD Housing at Fremont
1.7 FTE Meal Area at Centennial
1.7 FTE Contraband Control at Shadow Mountain
20.4 FTE

These positions are intended to increase safety for inmates and staff. It is intended that the Department fully staff two Control Centers at Shadow Mountain with the 10.2 FTE that are appropriated. This will necessitate housing all idle inmates in only two of the four housing units.

An additional 14.3 FTE are appropriated to provide additional staff at Cell House 3 once double bunking is accomplished.

\$7,500 is appropriated to pay for a reaccreditation audit at the Women's correctional facility. A 1.5% vacancy savings factor was applied.

Reformatory. The Reformatory is the only major correctional facility not located in the Canon City Complex. Staff was maintained at the FY 1981-82 level for FY 1982-83. \$7,500 is appropriated to pay the costs of reaccreditation audit. A 1.5% vacancy savings factor was applied.

Honor Camps. Honor Camps house lower security inmates and are located in Canon city (Skyline), Delta, Rifle and Golden. Staffing remains the same as in FY 1981-82.

Community Corrections. This division includes Field Services (Parole officers), Bails Hall, Fort Logan and transitional placements. Inmates nearing discharge or on parole are under the division's purview.

Three (3.0) FTE's were added in Field Services as follows:

- 1.0 FTE Correctional Specialist - Northeast
- 1.0 FTE Administrative Clerk Typist - Northeast
- 1.0 FTE Correctional Specialist - Western

Transitional placements were expanded by an average of 80 slots per day to reduce the impact of systems overcrowding. It is intended that the Department transition inmates as follows:

Month	ADA*	Cost
July	171	\$ 128,250
August	191	143,250
September	211	158,250
October	231	173,250
November	244	183,000
December	244	183,000
January	244	183,000
February	244	183,000
March	244	183,000
April	244	183,000
May	244	183,000
June	250	187,500
		<u>\$2,071,500</u>

*Average Daily Attendance

The appropriation allocates \$25 per day per inmate. A footnote is included which indicates the General Assembly's intent that the Department maximize transitional placements. Data is requested that will enable the Legislature to determine whether the Department is complying with Legislative intent.

Purchase of Employment Services is appropriated at \$91,224. These funds are to be used to subcontract for services with an agency such as Employ-Ex.

\$20,000 is appropriated to defray the cost of returning escaped inmates to the proper institution. \$15,067 rent for parole offices in Pueblo, Greeley, Fort Collins and Colorado Springs was extracted from operating expenses. These funds were appropriated to the Department of Administration.

DEPARTMENT OF EDUCATION

OPERATING BUDGET	1979-80 Actual	1980-81 Actual	1981-82 Estimate	1982-83 Appropriation
Administration				
of the Department	1,086,658	1,206,701	2,064,840	3,309,337
Assistance to				
Local School Districts	1,461,813	1,422,253	892,234	Included Above
Library Administration	724,312	889,309	732,239	801,101
Regional Systems	698,322	1,028,458 <u>2/</u>	1,092,797 <u>2/</u>	1,104,500 <u>8/</u>
Colorado Reference Center	428,401	491,985	310,000	887,500
County Equalization Grants	105,000	-0- <u>2/</u>	-0- <u>2/</u>	-0- <u>8/</u>
Interlibrary Loan	111,416	-0- <u>2/</u>	-0- <u>2/</u>	115,339
School District Distributions				
Education of				
Exceptional Children	37,448,197	39,624,572	39,592,572	42,120,897
Gifted and Talented	49,000	49,000	-0-	-0-
Emeritus Retirement	1,278,574	1,305,423	1,433,734	1,446,015
Boards of Cooperative				
Services	170,000	170,000	170,000	170,000
Bilingual/Bicultural				
Education	1,894,404	1,200,000	-0-	-0-
Bilingual/Bicultural				
Tutorial	-0-	594,450	-0-	-0-
Career Education	200,000	-0-	-0-	-0-
English Language Proficiency	-0-	-0-	2,800,000	2,753,999
Public School Finance Act				
Minimum Equalization	479,629,945 <u>1/</u>	516,039,239 <u>3/</u>	540,548,000 <u>5/</u>	669,330,795 <u>9/</u>
Low Income	5,794,034	5,770,525	5,868,212	5,937,500
Increasing Enrollment	1,466,212	856,083	2,332,268	2,785,733
Educational Television	440,000	440,000	440,000	440,000
Small Attendance Centers	4,208,261	4,919,125	5,172,212	6,000,000
Public School				
Transportation	14,632,016	19,918,622 <u>4/</u>	22,055,102 <u>6/</u>	22,184,140 <u>10/</u>
Contingency Reserve	40,000	40,000	2,308,350 <u>7/</u>	249,104
Region XI				
Contingency Reserve	23,083	28,495	-0-	-0-
Sponsored Programs	68,594,253	77,510,961	76,293,500	70,361,097
School for the				
Deaf and Blind	<u>3,464,052</u>	<u>3,806,000</u>	<u>4,095,786</u>	<u>4,096,928</u>
SUBTOTAL	554,947,953	577,755,079	593,292,874	617,545,078
General Fund	463,058,789	460,346,272	471,113,658	497,690,125
Cash Funds				
Indirect Revenues	185,216	265,800	285,661	214,103
Public School Income				
and Mineral Lease	22,213,354	38,700,474	44,650,225	48,030,000
Wildlife Cash	19,448	21,857	46,406	46,444
Film Contract	22,668	25,946	60,030	101,134
Region XI				
Contingency Fund	23,083	28,495	-0-	-0-
Authorized Revenue				
Base Funds to School				
for Deaf and Blind	376,797	441,493	502,000	524,700

	<u>1979-80 Actual</u>	<u>1980-81 Actual</u>	<u>1981-82 Estimate</u>	<u>1982-83 Appropriation</u>
Out of State Tuition - School for Deaf and Blind	111,000	111,000	55,500	55,500
Colorado Refugee Services Program	-0-	883,802	710,000	-0-
Matching Local Funds	-0-	-0-	-0-	288,750
Other Sources	645,209	915,102	691,648	437,661
Subtotal	<u>23,596,775</u>	<u>41,393,969</u>	<u>47,001,470</u>	<u>49,698,292</u>
Federal Funds	68,292,389	76,014,838	75,177,746	70,156,661
<u>CAPITAL CONSTRUCTION BUDGET</u>				
Capital Construction Fund	75	14,382	106,543	268,200 <u>11/</u>
<u>GRAND TOTAL</u>	<u>\$554,948,028</u>	<u>\$577,769,461</u>	<u>\$593,399,417</u>	<u>\$617,740,078</u>

- 1/ Includes \$69,000,000 designated as tax relief, which amount is not included in the total.
- 2/ The appropriation for regional systems includes \$112,350 for county equalization grants and \$105,100 for Interlibrary Loan.
- 3/ Includes \$94,637,500 designated as tax relief, which amount is not included in the total.
- 4/ Includes \$4,918,622 designated as tax relief, which amount is not included in the total.
- 5/ Includes \$107,682,000 designated as tax relief, which amount is not included in the total. Includes H.B. 1287 reduction of \$30,000,000 in property tax relief for 1981-82.
- 6/ Includes \$4,918,622 designated as property tax relief, which amount is not included in the total.
- 7/ Designated as tax relief and is not included in the total.
- 8/ Of this amount, \$112,350 is for county equalization grants.
- 9/ Includes \$211,364,152 property tax relief, which amount is not included in the total. This amount includes \$30,000,000 authorized by H.B. 1287 and \$29,764,152 authorized by H.B. 1286.
- 10/ Includes \$5,184,755 property tax relief, which amount is not included in the total.
- 11/ Of this amount, \$73,200 is to be repaid by the Department to the Capital Construction Fund before June 30, 1983, from proceeds from the sale of land and is therefore not included in the total.

FTE OVERVIEW

	<u>1979-80</u> Actual	<u>1980-81</u> Actual	<u>1981-82</u> Estimate	<u>1982-83</u> Appropriation
<u>Administration of the Department</u>	85.9	83.8	88.4	47.9 <u>1/</u>
<u>Library Administration</u>	28.2	30.15	24.3	26.3
<u>Sponsored Programs 2/</u>	113.48	109.98	109.98	103.0
<u>Colorado School for the Deaf and Blind</u>	172.4	173.4	173.4	174.4
<u>Classified - CSDB</u>				
Library	0.8	0.8	0.8	0.8
Administration	6.0	8.0	7.0	7.0
Clerical	9.2	7.8	7.8	7.8
Building, Grounds, Auto, Supply	23.0	24.0	23.0	23.0
Nurse	4.0	4.0	4.0	4.0
Residence Staff	41.0	41.0	41.0	41.0
Special Education Aides	6.4	5.6	4.8	4.8
Food Service	13.4	12.6	12.2	12.2
Laundry	3.6	3.6	3.6	3.6
Security	1.0	1.0	1.2	1.2
<u>Non-Classified - CSDB</u>				
Administration	3.0	2.0	2.0	2.0
Teachers	55.0	55.0	56.0	57.0
Psychologist	1.0	1.0	1.0	1.0
Speech Therapist	2.0	2.0	3.0	3.0
Counselor	2.0	2.0	2.0	2.0
Audiologist	1.0	1.0	1.0	1.0
Recreation Director	-	1.0	1.0	1.0
Curriculum Coordinator	-	1.0	1.0	1.0
Media Specialist	-	-	1.0	1.0
TOTAL DEPARTMENT	286.5	287.4	286.1	248.6 <u>3/</u>

1/ In addition to the appropriated FTE, funding for the equivalent of 37.5 FTE has been provided.

2/ These figures are for information only, representing unappropriated FTE paid with federal funds. They are not added in the department total.

3/ In addition to the total appropriated FTE, funding for the equivalent of 37.5 FTE has been provided in department administration.

COMPARATIVE DATA

Public School Finance Act
State Support to Local School Districts

	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Appropriation</u>	Average Percentage Increase Per Year
Average Daily Attendance Entitlement <u>1/</u>	517,032	511,218	512,036	515,021	
Minimum Equalization (Average Aid/ADAE) (\$ 928)	\$479,629,945	\$516,039,239	\$540,548,000	\$669,330,795	<u>11.9%</u>
Low Income Increasing Enrollment	\$5,794,034	\$5,770,525	\$5,868,212	\$5,937,500	
Educational Television	\$1,466,212	\$856,083	\$2,332,268	\$2,785,733	
Small Attendance Centers	\$440,000	\$440,000	\$440,000	\$440,000	
Public School Transportation	\$4,208,261	\$4,919,125	\$5,172,212	\$6,000,000	
Contingency Reserve	\$14,632,016	\$19,918,622	\$22,055,102	\$22,184,140	
Region XI	\$40,000	\$40,000	\$2,308,350	\$249,104	
Total - Public School Finance Act State Aid	\$23,083	\$28,495	-0-	-0-	
(Total Average Aid/ADAE)	\$506,233,551	\$548,012,089	\$578,724,144	\$706,927,272	<u>11.9%</u>

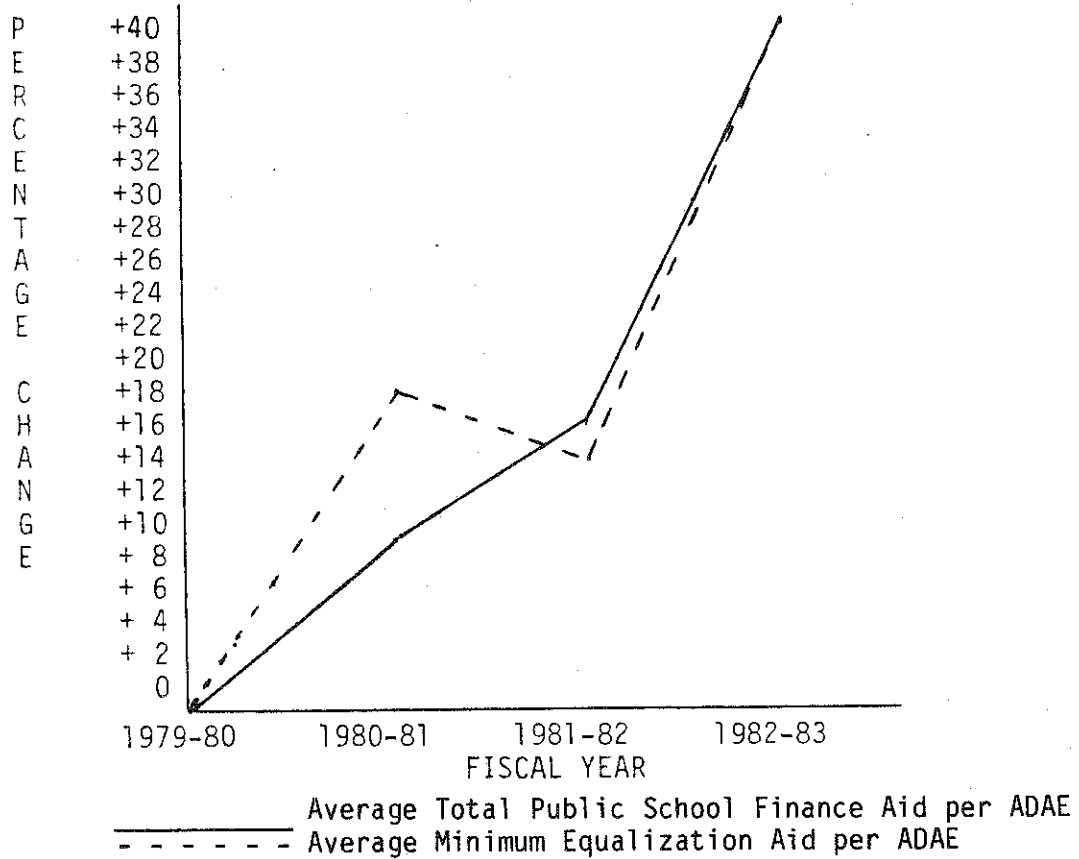
1/ The October count of pupils is the average daily attendance entitlement (ADAE). The ADAE is the greater of .96 of average daily membership or average daily attendance during the count period.

Summary of Local and State Equalization Support for Local Schools

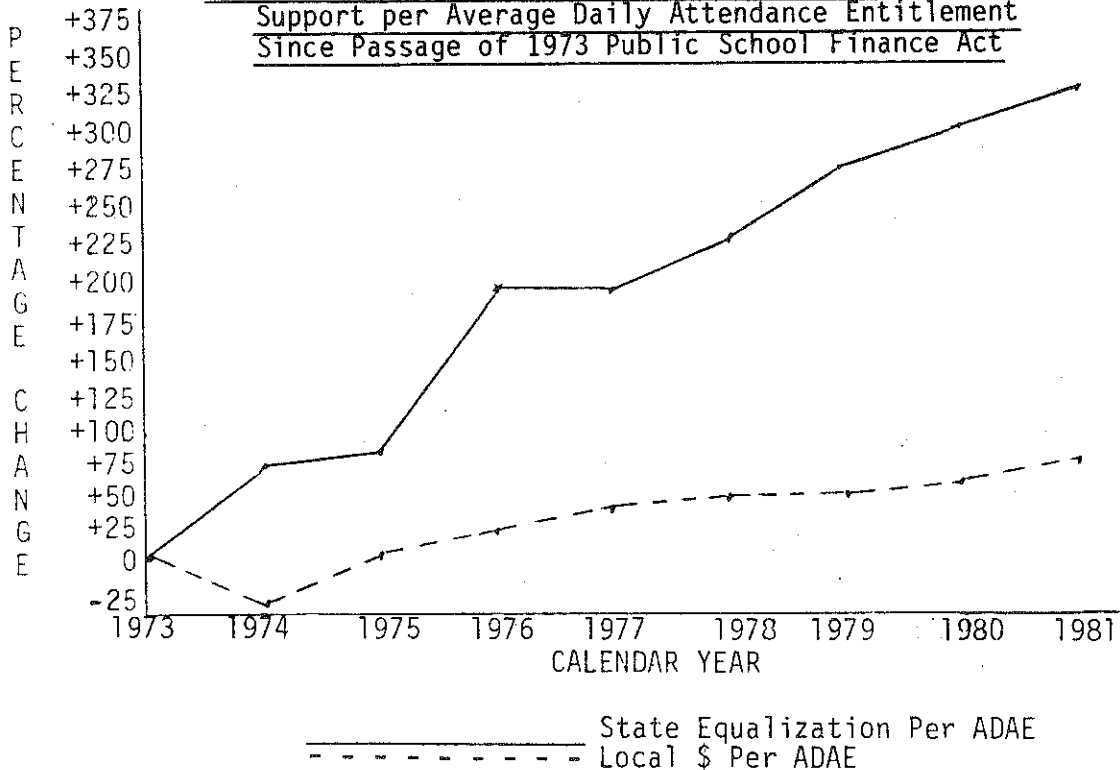
Calendar Year <u>1/</u>	ADAE <u>2/</u>	Local General Fund Property Tax	Local Dollars/ADAE	Total State Equalization	State Equalization Per ADAE
1973	533,903	\$ 315,495,123	\$ 591	\$ 159,824,483	\$ 299
1974	532,249	\$ 254,380,550	\$ 478	\$ 277,853,739	\$ 522
1975	529,446	\$ 313,617,340	\$ 592	\$ 295,482,656	\$ 558
1976	527,062	\$ 354,756,472	\$ 673	\$ 340,270,807	\$ 646
1977	526,443	\$ 411,964,608	\$ 783	\$ 342,648,212	\$ 651
1978	523,641	\$ 437,852,566	\$ 836	\$ 390,280,547	\$ 745
1979	520,567	\$ 447,300,284	\$ 859	\$ 459,171,278	\$ 882
1980	513,412	\$ 489,344,504	\$ 953	\$ 500,100,713	\$ 974
1981	508,955	\$ 561,200,550	\$ 1,103	\$ 532,000,187	\$ 1,045

1/ Local school district budget year.
 2/ The October count of pupils. Average Daily Attendance Entitlement (ADAE) is the greater of .96 of average daily membership or average daily attendance during the count period.

Public School Finance Act
State Support to Local School Districts



Local General Fund Property Tax and State Equalization
Support per Average Daily Attendance Entitlement
Since Passage of 1973 Public School Finance Act



SUMMARY HIGHLIGHTS

Personal Services Funding

For 1982-83, all personal services line items except Departmental ADP and the Colorado School for the Deaf and Blind have been consolidated into two lines - Classified Employees and Non-Classified Employees. Funding has been provided for all exempt positions without an FTE designation. This is intended to provide the Commissioner with the flexibility to contract for personal services and employ human resources according to changing statewide needs. It is anticipated that the flexibility will be necessary in light of changing federal and state roles in education.

Funding Increase for the Colorado Reference Center

A large increase in funding for the Colorado Reference Center includes \$310,000 (the 1981-82 level) for out-state use of the Denver Public Library for interlibrary loan, phone reference and walk-in access. In addition, \$288,750 General Fund, intended to be one-time appropriation, is to be matched with \$288,750 from metropolitan area governments, excluding Denver, for walk-in reference service. Inherent in the appropriation is the assumption that a permanent solution to equitable funding of Colorado Reference Center services will be developed by the metropolitan area governments.

The intent of the appropriation is that the state sign a contract for services with Denver Public Library and obtain written commitments from suburban metropolitan counties for participation by October 1, 1982. On that date, Denver Public Library will eliminate all current fees for library users from those counties or districts. By October 15, 1982, the Department of Education is expected to publicize the written commitments as they affect suburban library users.

Cost of Education of Exceptional Children

Of continuing concern to the Committee is the escalating cost of education of exceptional children and the difficulty in discerning the causes for the increases. The chart below illustrates these increases.

Department of Education Figures

	<u>1979-80</u>	<u>1980-81</u>	<u>1981-82</u>	<u>1982-83</u>
Total Cost* of Education of the Exceptional Child	\$75,600,000	\$86,600,000	\$98,100,000	\$106,700,000
Number of Children	56,540	55,513	56,500	56,100
Total Cost* per Child	\$ 1,337	\$ 1,560	\$ 1,736	\$ 1,902
Percentage Increase		16.7%	11.3%	9.6%
Total Claim to State per Statute	\$60,100,000	\$69,000,000	\$78,300,000	\$ 85,000,000
Claim per Child	\$ 1,063	\$ 1,243	\$ 1,386	\$ 1,515
Percentage Increase		16.9%	11.5%	9.3%

*These figures are in addition to local property tax, state public school finance, and federal dollars expended for each pupil.

In an effort to generate additional data, \$25,000 of the appropriation is to be used by the department to conduct a study of the advantages and cost-savings aspects of pre-school programs for handicapped children. The study will focus on existing pre-school programs in the state and the results will be presented to the Legislature by January 1, 1983. Recommendations on ways in which to deliver and consolidate services among districts and data demonstrating the effectiveness of such early intervention will be included.

EXPLANATION OF APPROPRIATION

Administration of the Department. This division acts as staff to the Colorado State Board of Education, provides administrative support for the department and delivers services to local school districts.

The appropriation is for a continued level of staff funding but consolidates the personal services lines as was previously described.

Library Administration. This division coordinates and fosters cooperative development of libraries and library resources in the state. In addition, it operates the State Library for the Blind and Physically Handicapped, and the State Publications Depository.

One FTE library assistant is authorized for the State Penitentiary. The position was initially added for 1981-82, but due to a technical error it was not fully funded.

One FTE library assistant position is appropriated for Buena Vista Reformatory due to the expiration of two federal grant programs. There have previously been no state-funded staff at the institutional library at Buena Vista.

An increase in funding for the Colorado Reference Center was already described.

County equalization grant funding is included, as in 1981-82, in the Regional Systems appropriation. The Interlibrary Loan appropriation is given a separate line; however, and is to be administered by state staff due to technical problems experienced by Regional Systems staff in administering funding for this item in 1981-82. An increase in cash funding for film purchase and contract services evidences increased use of these services.

School District Distributions. Categorical assistance to local school districts is provided for four programs through this appropriation.

Education of Exceptional Children - This line item provides funds for 56,100 handicapped children in kindergarten through twelfth grade and represents the same percent of request as was funded in 1981-82.

Emeritus Retirement - Funding is provided for retired faculty and surviving spouses who do not qualify for benefits under the Public Employees Retirement Association.

Boards of Cooperative Services - \$10,000 assistance for each of 17 Boards of Cooperative Services is provided in this appropriation. Boards are formed by two or more school districts in order to share instructional and administrative resources.

English Language Proficiency - This program provides funds for services for linguistically different students whose achievement is below the district mean.

The appropriation provides \$400 for each of 4,770 students whose dominant language is other than English and \$200 for each of 4,230 students whose dominant language is difficult to determine.

Public School Finance Act. Funds appropriated pursuant to the Public School Finance Act of 1973 and the Public School Transportation Act of 1975 are distributed to local school districts for the following statutory programs:

State Equalization: Each district is entitled to funding per pupil from state equalization and property tax equal to its authorized revenue base. This appropriation results from the application of a formula to determine the state's share of the funding.

Small Attendance Centers: Assists districts with schools of fewer than 175 pupils twenty or more miles from a similar center.

Low Income: Additional aid for districts in which the number of low income students exceeds 15% of the district attendance entitlement.

Increasing Enrollment: Assistance for districts experiencing continuing enrollment which will increase the attendance entitlement the following year.

Educational Television: Aid to school districts which financially support and operate a licensed public educational television station, programming of which is received by 50% of the state attendance entitlement.

Public School Transportation: Provides a reimbursement entitlement for pupil transportation costs incurred by districts.

Contingency Reserve: For unusual or unforeseen financial emergencies.

The low income, increasing enrollment and small attendance center appropriations are based on the following numbers of eligible students:

Low Income	47,500 students
Increasing Enrollment	2,931
Small Attendance Centers	2,900

The minimum equalization appropriation reflects estimated enrollments for 1982-83 plus \$30,000,000 in property tax relief from H.B. 1287. Because the local school districts operate on a calendar year, this bill decreased the fiscal year 1981-82 property tax relief appropriation by \$30,000,000 and increased the 1982-83 appropriation by the same amount without disrupting the flow of funds to local districts.

The public school transportation funding includes \$5,184,755 in tax relief authorized by S.B. 11 in 1980-81. Of this appropriation, the Department is authorized to expend up to \$48,640 to hire 1.8 FTE Consultants to offset the loss of school transportation safety personnel due to Federal Highway Safety funds reductions.

The contingency reserve appropriation is for financial emergencies facing school districts in Costilla County arising from problems in the collection of property taxes.

Sponsored Programs. These are federal funds which augment appropriated programs. The decrease reflects, in part, a collapse of 34 previously categorically funded programs into a \$5,500,000 block grant, to be used for basic skills development, educational improvement and support services and special projects. The remaining federal funds are from the following sources:

<u>Federal Revenue Source</u>	<u>Amount</u>
Adult Education	\$ 905,585
Bilingual Education	83,000
Civil Rights	615,918
Education of the Handicapped	11,662,818
Elementary and Secondary Education Act	31,320,000
Library Services and Construction Act	1,067,040
Department of Agriculture - School Food Program	19,002,300
Total	<u>\$64,656,661</u>

School for the Deaf and Blind. The Colorado School for the Deaf and Blind is located in Colorado Springs and provides education to students who, because of impaired hearing and/or sight, cannot be advantageously educated in other schools.

For 1982-83, 1.0 FTE diagnostic teacher has been added to the staff to perform diagnostic evaluations of children in a diagnostic classroom separate from the regular classrooms.

The appropriation includes a 2.5% increase in teacher salary base to keep salaries comparable with those in the Pikes Peak Board of Cooperative Services.

The decrease in appropriated cash funds received for summer olympic housing results from actual decreases in food services provided and from no planned accommodations for wrestling athletes for 1982-83.

CAPITAL CONSTRUCTION

School for the Deaf and Blind

Removal of Architectural Barriers - \$195,000 has been appropriated for the installation of two elevators for nonambulatory students, for restroom modifications and for architectural and engineering fees. This is the second and final phase of a project begun in 1980-81.

Planning for Multi-Purpose Facility - The appropriation allows for the planning of a multi-purpose facility which will be built with funds from the proceeds of the sale of land. The \$73,200 appropriated is to be repaid to the capital construction fund within the 1982-83 fiscal year.

NEW LEGISLATION

S.B. 83 - Changes the counting period for determination of school district attendance entitlement to a four-week period ending the fourth Friday of October from a one-day count. The legislation will, assuming results of the count are similar to previous four week counts, reduce the number of pupils funded (attendance entitlement) and, therefore, the amount of General Fund and property tax revenues expended.

S.B. 84 - Limits the financial responsibility of the school district of residence of a handicapped child to the state average authorized revenue base when that child receives education elsewhere. Any costs in excess of that average must be agreed upon by the district of residence and the institution, district or facility where the child is being educated. Provides for intervention by the Department of Education in order that agreement may be reached.

H.B. 1110 - Increases the maximum annual distribution of federal mineral leasing money to counties and school districts from \$200,000 to \$800,000, and, when sufficient revenues are available, provides for 37.5% of the amount over \$250,000 to be distributed among municipalities within the county in proportion to population.

Two counties, Rio Blanco and Moffat, may qualify for the full \$800,000 distribution when the act takes effect January 1, 1983. Four additional counties may qualify for distributions over \$200,000.

The effect of this legislation on the Public School Fund over the long term is to increase the state appropriation by \$600,000 for each county eligible for the full \$800,000 distribution.

With this new legislation, the Public School Fund will receive from the Mineral Leasing fund as of January 1, 1983:

1. 25% of total mineral leasing receipts.
2. Of the 50% reserved for distribution to counties from which the income was derived, \$10,100,000 plus 50% of that balance remaining after distribution (\$800,000 per county maximum) to counties.

H.B. 1286 - Establishes the equalization program support level, the minimum guarantee and alternate minimum guarantee levels, the increase in the authorized revenue base and the minimum authorized revenue base for 1983, extends the Public School Finance Act of 1973 but limits the state's percentage share of the total equalization program for 1983 to the previous year's level.

The legislation also limits the annual increase in the statewide authorized revenue base per pupil to 7% and appropriates \$29,764,152 in property tax relief funds for implementation of the act.

H.B. 1287 - Decreases the appropriation for minimum equalization for 1981-82, appropriating the same amount (\$30,000,000) for the fiscal year beginning July 1, 1982.

The result of H.B. 1286 and H.B. 1287 is:

	<u>1981-82</u>	<u>1982-83</u>
Minimum Equalization	\$540,548,000	\$669,330,795**
General Fund	495,899,775*	621,330,795***
Cash Funds	44,648,225	48,000,000

*\$107,682,000 shall be from property tax relief funds.

**Includes \$30,000,000 from H.B. 1287.

***\$181,600,000 shall be from property tax relief funds.

GOVERNOR AND LIEUTENANT GOVERNOR

<u>OPERATING BUDGET</u>	<u>1979-80</u> <u>Actual</u>	<u>1980-81</u> <u>Actual</u>	<u>1981-82</u> <u>Estimate</u>	<u>1982-83</u> <u>Appropriation</u>
Executive Office	\$ 798,844	\$ 786,096	\$ 934,142	\$ --
Executive Residence	112,319	138,576	143,214	--
Citizens Advocate Office	-0-	89,992	114,102	--
Oregon Plan Legal Services	-0-	-0-	97,277	--
Studies, Contingencies and Emergencies	164,608	344,209	353,750	--
Association and Commission Fees	131,132	180,418	78,700	--
Other Programs	72,558	952,822	821,365	--
Federal Grants	1,579,600	584,767	253,182	--
Subtotal-Governor's Office	\$2,859,061	\$3,076,880	\$2,795,732	\$1,497,735 a/
Lieutenant Governor	122,573	134,621	135,074	137,301
Commission on Indian Affairs	32,186	31,033	39,264	42,455
Special Purpose- Lieutenant Governor	-0-	417,979	150,602	-0-
SUBTOTAL	\$3,013,820	\$3,660,513	\$3,120,672	\$1,677,491
General Fund	1,434,220	1,716,682	1,913,786 b/	1,577,491
Cash Funds	-0-	1,060,179	803,102	100,000
Federal Funds	1,579,600	883,652	403,784	-0-
<u>CAPITAL CONSTRUCTION BUDGET</u>	100,000	-0-	-0-	-0-
<u>GRAND TOTAL</u>	<u>\$3,113,820</u>	<u>\$3,660,513</u>	<u>\$3,120,672</u>	<u>\$1,677,491</u>

a/ The Governor's Office was appropriated on a "lump-sum" basis for 1982-83.

b/ Estimate exceeds the General Fund appropriation by \$410,868.

FTE OVERVIEW

	<u>1979-80</u> <u>Actual</u>	<u>1980-81</u> <u>Actual</u>	<u>1981-82</u> <u>Estimate</u>	<u>1982-83</u> <u>Estimate</u>
Executive Cluster	3.0	2.9	3.0	3.0
Administrative Cluster	9.0	3.6	5.5	5.5
Legislative Cluster	4.0	2.9	3.5	3.5
Boards and Commissions	1.5	2.8	2.8	2.8
Legal Cluster	2.0	2.2	1.5	1.5
Issues Cluster	--	3.9	4.4	4.4
Press Cluster	2.0	5.5	5.5	5.5
Natural Resources Cluster	4.0	--	--	--
Citizens Advocate Office	5.0	5.6	6.5	6.0
Executive Residence	5.0	4.0	4.0	4.0
Lt. Governor's Office	6.0	4.8	4.0	4.0
Commission on Indian Affairs	1.5	2.0	2.0	2.0
TOTAL	43.0	40.2	42.7	42.2

COMPARATIVE DATA a/

	<u>1979</u> <u>Actual</u>	<u>1980</u> <u>Actual</u>	<u>1981</u> <u>Actual</u>
Average Number of Executive Branch Employees <u>b/</u>			
Full-Time	34,392	34,746	34,770
Part-Time	6,397	5,984	6,351
Other	14,193	14,947	14,237
	<u>54,982</u>	<u>55,677</u>	<u>55,358</u>
Citizens Advocate Office			
Total Case Inquiries Involving State Agencies <u>c/</u>	5,656	7,394	6,320
Case Inquiries by Major Department:			
Corrections	1,173	1,149	846
Governor	247	147	153
Health	175	148	158
Higher Education	131	138	135
Highways	287	277	239
Institutions	153	173	251
Labor and Employment	824	1,693	1,930
Local Affairs	124	139	130
Natural Resources	137	149	137
Personnel	93	110	90
Regulatory Agencies	464	541	337
Revenue	691	1,438	615
Social Services	669	706	668
Other	488	586	631
Colorado Resident Population	2,824,800	2,889,000	2,960,000

	<u>1978-79</u> <u>Actual</u>	<u>1979-80</u> <u>Actual</u>	<u>1980-81</u> <u>Actual</u>	<u>1981-82</u> <u>Estimate</u>
General Fund Appropriation to the Executive Branch	\$1,022,924,839	\$1,092,861,559	\$1,165,756,337	\$1,239,211,535
General Fund Reversion from the Executive Branch	\$ 11,134,121	\$ 10,325,100	\$ 70,891	\$ -0-
General Fund Overexpenditures by Executive Branch Agencies	\$ 633,264	\$ 2,103,300	\$ 1,365,361	?

- a/ Data presented herein concerns the entire executive branch of government and may not reflect functions that are directly performed by the Governor's office.
- b/ This data is from the Consolidated Payroll Report.
- c/ This information is from the annual reports of the Citizens' Advocate Office.

SUMMARY HIGHLIGHTS

Indirect Cost Recoveries

In order to assure that the Governor's Office collects all possible indirect cost recoveries from both cash and federal fund sources, an appropriation of indirect cost recoveries has been made to serve as financial support to the office. All non-General Fund revenues which are received by the Governor's Office, other than directly from the federal government, are subject to appropriation by the General Assembly. The appropriation of \$100,000 of cash funds is also a limit on the amount of cash which may be expended by the office.

Appropriation Format

The appropriations which formerly were line itemed as Executive Office, Executive Residence, Citizens' Advocate Office, Oregon Plan Legal Services, Governor's Contingency Fund, Governor's Emergency Fund, Governor's Agriculture Emergency Fund, Western State Regional Energy Program, Western Governor's Policy Office, and National Governor's Association; are now appropriated on a lump-sum basis. This is to allow the office maximum flexibility in expending the appropriation.

EXPLANATION OF APPROPRIATION

Office of the Governor. The staff of this office serves at the pleasure of the Governor and performs such duties as the Governor may determine. Currently, staff functions include a citizens advocate office, coordination of appointments to boards and commissions, handling of correspondence, coordination of the Governor's schedule, preparation of legal advice and handling of press relations. The appropriation includes a continuation of the currently appropriated personal services, increased by 7.45%, and assumes no vacancy savings. Dues for all organizations were included at the requested level.

Office of the Lieutenant Governor. The appropriation continues the existing level of FTE for both the Lieutenant Governor's Office and the Indian Commission. No vacancy savings was assumed.

DEPARTMENT OF HEALTH

<u>OPERATING BUDGET</u>	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Appropriation</u>
Air Pollution Control	\$ 2,444,241	\$ 3,047,191	\$ 3,543,065	\$ 3,298,274
Water Quality Control	2,066,991	2,661,232	3,550,687	3,293,639
Radiological and Hazardous Waste Control	971,084	988,756	1,436,482	1,271,949
Consumer Protection	622,271	636,966	773,893	776,180
Disease Control and Epidemiology	1,853,183	2,247,053	2,409,573	2,243,728
Alcohol and Drug Abuse	10,835,026	12,160,731	12,528,700	14,092,471
Family Health Services	18,248,808	21,966,967	22,551,653	20,063,587
Community Health Services	1,245,353	1,630,771	1,802,404	1,496,714
Health Policy Planning and Evaluation	380,184	393,511	384,646	409,417
Health Facilities Regulation	1,092,839	1,266,504	1,268,015	1,640,867
Emergency Medical Services	986,758	710,037	1,340,695	278,456
Health Statistics and Vital Records	466,743	512,180	484,233	482,176
Departmental Administration	2,603,103	3,499,359	3,463,570	4,186,739
Departmental Data Processing	669,615	708,875	842,075	845,436
Laboratory Services	1,640,806	1,729,174	2,032,128	2,479,430
Local Health Services	2,903,152	3,151,731	3,491,467	3,981,215
H.B. 1232 - Safe Driving Program	-0-	-0-	-0-	1,603,775
SUBTOTAL	49,030,157	57,311,038	61,903,286	62,444,053
General Fund	20,823,835	25,643,421	27,987,755	27,079,659
Cash Funds				
Mobile Sources	402,777	548,629	612,201	604,388
Vehicle Emissions	234,142	257,491	289,751	339,370
Energy Impact	21,392	13,224	19,000	23,810
Stationary Sources	135,883	187,862	224,725	218,217
Vehicle Inspection	-0-	46,442	599,709	575,321
Waste Water Permits	59,200	62,944	356,439	990,794
Tuberculosis	9,800	12,885	42,378	41,278
Radiation (SB 336)	66,942	-0-	-0-	-0-
EPSDT	1,012,568	1,111,359	1,390,425	1,291,753
Robert W. Johnson Foundation	274,877 <u>2/</u>	352,325 <u>2/</u>	218,073 <u>2/</u>	198,841
Genetic Testing	-0-	-0-	400,308	655,777
Private Donations	1,436 <u>2/</u>	3,140 <u>2/</u>	2,429 <u>2/</u>	2,565
Client Fees	19,568 <u>2/</u>	26,640 <u>2/</u>	28,000 <u>2/</u>	648,959
Title XIX	830,654	868,653	1,022,905	1,417,962
Other Government Agencies	773 <u>2/</u>	143,622 <u>2/</u>	323,601 <u>2/</u>	630,656
User Fees	3,248 <u>2/</u>	-0-	5,000 <u>2/</u>	325,435
Highway Safety	64,821	66,710	50,000	1,639,073
Indirect Cost Recoveries	1,522,311 <u>2/</u>	1,912,313 <u>2/</u>	1,692,269 <u>2/</u>	1,796,315
Methadone Drug Tests	-0-	53,624	83,071	119,600
Streptococcus Culture Tests	76,307	44,477	43,467	72,955

(Continued)	1979-80 Actual	1980-81 Actual	1981-82 Estimate	1982-83 Appropriation
Drinking Water Tests	-0-	-0-	28,020	194,747
Milk Tests	-0-	-0-	-0-	80,911
Pre-Marital Blood Tests	-0-	-0-	-0-	35,880
Funds Double Counted	-0-	-0-	-0-	404,032 ^{1/}
Subtotal	<u>4,736,699</u>	<u>5,712,340</u>	<u>7,431,771</u>	<u>12,308,639</u>

Federal Funds:

Preventive Block Maternal and Child Health Block	1,944,095 ^{3/}	1,543,526 ^{3/}	2,061,370 ^{3/}	1,060,588
Air Pollution	5,223,580 ^{4/}	5,435,328 ^{4/}	4,831,155 ^{4/}	3,048,073
Water Pollution	1,153,918	1,350,500	1,156,588	1,091,499
Public Water	341,833	378,163	470,223	508,569
Solid Waste	488,881	322,273	337,200	386,780
Vaccination Assistance	264,166	325,942	281,462	270,386
VD	89,956	124,229	154,576	167,182
Diabetes	443,303	547,996	569,737	453,973
WIC	150,870	181,809	144,748	123,501
Migrant Health	6,692,350	8,599,861	9,207,072	9,262,762
Family Planning	503,811	518,335	538,288	347,283
93-641 Planning and Development	836,905	923,980	1,038,453	775,000
Title XVIII	307,849	367,899	392,370	424,640
Other Categorical	400,497	391,426	206,168	206,526
Alcohol and Drug Block	1,562,924	2,079,439	2,632,586	1,560,857
Subtotal	<u>3,064,685 ^{5/}</u>	<u>2,864,571 ^{5/}</u>	<u>2,461,764 ^{5/}</u>	<u>3,368,136</u>

^{1/} This amount reflects double counting of some cash funds necessary to balance the source of funds to the appropriation.

^{2/} Appropriated as federal funds.

^{3/} Includes the following categorical grants - 314d, Hypertension, Colorado Fluoridation Project, Health Education Risk Reduction, Home Health Workshops, Emergency Medical Services.

^{4/} Includes the following categorical grants - Crippled Children's A and B, Infant Hearing, Maternal and Child Health A and B, Mental Retardation, Infant and Newborn Care, Adolescent Project, Title V, Section 516, Sudden Infant Death Syndrome, Genetics Disease Control, Supplemental Security Income.

^{5/} Includes various categorical grants from National Institute on Alcohol and Alcohol Abuse, and the National Institute on Drug Abuse.

CAPITAL CONSTRUCTION BUDGET	4,000,000	3,819,000	6,350,000	5,800,000
Capital Construction Fund	2,500,000	2,484,000	2,450,000	1,640,000
Cash Funds:				
Energy Impact Mineral Lease Funds				200,000
Federal Funds	1,500,000	1,335,000	3,900,000	3,960,000
<u>GRAND TOTAL</u>	<u>\$53,030,157</u>	<u>\$61,130,038</u>	<u>\$68,253,286</u>	<u>\$68,244,053</u>

FTE OVERVIEW

	<u>1979-80</u> <u>Actual</u>	<u>1980-81</u> <u>Actual</u>	<u>1981-82</u> <u>Estimate</u>	<u>1982-83</u> <u>Appropriation</u>
Air Quality	57.3	66.4	83.4	83.3
Water Quality	76.9	87.0	102.9	98.7
Radiation and Hazardous Wastes	28.9	33.9	39.7	44.7
Disease Control and Epidemiology	42.7	45.5	48.4	36.9
Consumer Protection	24.4	22.7	26.1	26.3
Alcohol and Drug	37.4	34.5	30.2	32.5*
Family Health Services	86.4	94.7	98.7	90.6
Community Health Services	38.1	40.4	39.9	30.5
Health Policy Planning and Evaluation	12.2	13.3	12.7	12.7
Health Facilities Regulation	42.8	43.7	39.6	44.8
Health Statistics and Vital Records	26.3	26.0	23.7	25.3
Emergency Medical Services	10.8	9.3	11.6	8.0
Departmental Administration	68.6	65.7	68.2	61.8
Laboratory Services	68.8	62.8	66.9	76.7
Data Processing	31.0	28.1	34.0	34.0
Total	652.6	674.0	726.0	706.8

*Includes 9.0 FTE transferred from the Department of Highways in the Alcohol and Drug Driving Safety Program.

COMPARATIVE DATA

	<u>1979-80</u> <u>Actual</u>	<u>1980-81</u> <u>Actual</u>	<u>1981-82</u> <u>Estimate</u>	<u>1982-83</u> <u>Estimate</u>
A. Percentage Indicators				
% Major Stationary Sources in Compliance	99.0%	99.0%	99.0%	99.0%
% Required Drinking Water Samples in Violation	1.2%	0.3%	0.5%	0.4%
% of School Children Immunized	97.7%	97.6%	98.0%	98.0%
% Syphillis Cases Interviewed	99.0%	99.0%	98.0%	98.0%
% Gonorrhea Cases Interviewed	70.0%	60.0%	70.0%	70.0%
B. Services Provided				
Community Maternity Program Patients	723	1,100	1,445	1,358
Handicapped Children's Program-Cured or Maximum Physical Rehabilitation	1,049	1,214	1,200	1,200
Family Planning Total Clients	25,463	31,234	30,190	30,090
Migrant Clients Served	9,600	9,500	8,500	9,500
Emergency Medical Technicians Certified	1,800	2,800	2,500	2,500
Total Lab Tests	582,400	578,500	606,000	621,000

	<u>1979-80</u>	<u>1980-81</u>	<u>1981-82</u>	<u>1982-83 Projection</u>
C. <u>Clients Treated</u>				
<u>Non-Hospital</u>				
Detoxification	16,977	22,223	23,238	21,965
Outpatient Counseling	10,655	9,651	9,941	9,774
Halfway Houses	2,211	2,215	2,324	2,324
<u>Community Intensive</u>				
Residential Treatment*	606	1,166	1,223	1,379
Drug Treatment Programs**	3,063	3,436	3,322	3,001

*The increase in episodes is a result of the increase in the number of community intensive residential treatment programs.

**The decrease in clients is due to the decrease in federal funds available to the state for drug treatment programs.

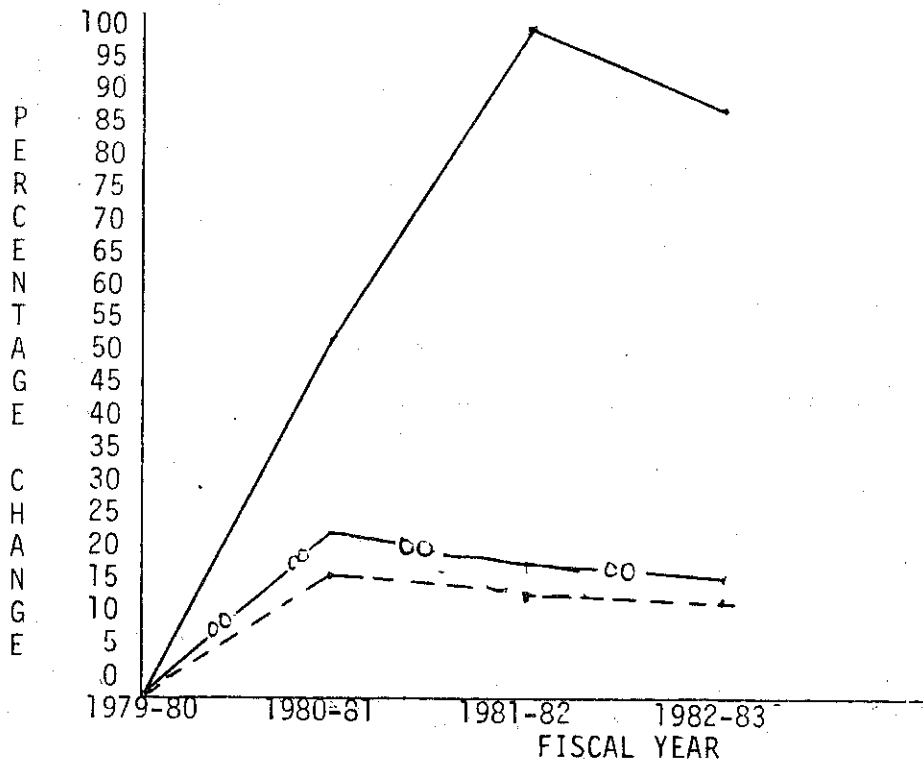
D. Comparison of General Fund support for alcohol treatment programs and revenue generated from the tax on the sale of alcoholic beverages which is earmarked for support of alcohol treatment programs.

<u>Revenue Estimate</u>		<u>General Fund Appropriation</u>	
1977	\$3,588,689	1977-78	\$3,993,951
1978	4,122,498	1978-79	5,695,366
1979	4,557,309	1979-80	6,218,993
1980	4,434,822	1980-81	7,653,513
1981	4,546,056	1981-82	7,722,720
1982	4,891,000	1982-83	9,266,743

The first chart on the next page gives a comparison of clients served in the Community Maternity, Handicapped Children's and Family Planning Programs.

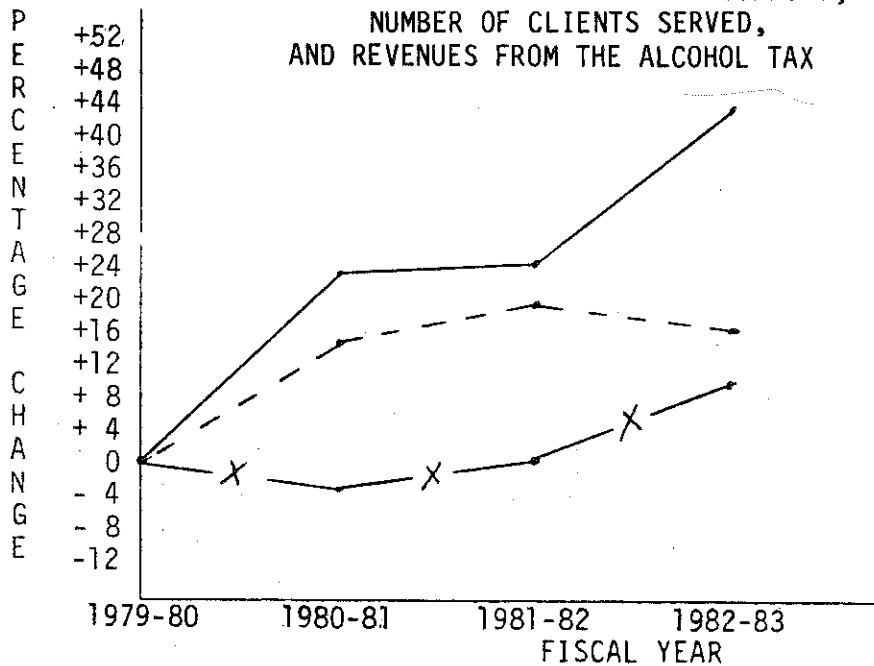
The second chart shows the relationship of the General Fund appropriation for alcohol programs to the amount of revenue generated and the number of clients treated.

COMPARISON OF COMMUNITY MATERNITY, HANDICAPPED CHILDRENS AND FAMILY PLANNING PROGRAMS



_____ Community Maternity Patients
 - - - - - Handicapped Children's Program - Clients Cured
 _ oo _ oo _ oo Family Planning Clients

COMPARISON OF GENERAL FUND SUPPORT, NUMBER OF CLIENTS SERVED, AND REVENUES FROM THE ALCOHOL TAX



_____ General Fund Appropriation
 - - - - - # of Clients Served
 _ x _ x _ x Revenues Generated from Portion of Alcohol Tax Earmarked to Support Alcohol Treatment Programs

SUMMARY HIGHLIGHTS

Treatment of Federal and Cash Funds

A major change in the Department's budget is the way in which federal and cash funds are treated. The flexibility of the new federal block grants - Preventive; Maternal and Child Health; Alcohol, Drug Abuse, and Mental Health - allowed those funds to be appropriated according to legislative priorities. The overall decrease in federal dollars also allowed the Legislature to pick up those programs it felt were necessary. Cash funds increased dramatically as a result of appropriating federal indirect cost recoveries as cash rather than as federal funds, correctly identifying some sources of funds as cash, charging cash funded activities for their fair share of departmental and statewide indirect costs, and cash funding some previously General Funded activities.

"M" Provision

Another major change in the appropriation format is no longer showing federal grants as a separate line item. Because the majority of federal funds received by the Health Department, including the block grants, require a direct, cost-sharing or in-kind state match, an "M" designation has been applied. Therefore, where the letter "(M)" appears directly to the right of a General Fund figure in H.B. 1284, that General Fund appropriation is used to match a federally supported program and is the maximum amount of General Fund moneys that may be expended in that program. In the event that additional federal funds are available for the program, the combined General Fund amount noted as "(M)" shall be reduced by the amount of federal funds received in excess of the figure shown in the "federal funds" column for that program. In the event that the federal funds earned are less than the amount shown in the "federal funds" column, the combined General Fund amount noted as "(M)" shall be reduced proportionately.

Alcohol and Drug Abuse Block Grant

The funding for 1982-83 includes the appropriation of the Alcohol and Drug Abuse Block Grant for the first time. The monies granted to Colorado have been allocated in accordance with the stipulations specified in the federal legislation - 10% for administration including indirect cost recoveries, 35% for alcohol treatment programs, 35% for drug treatment programs, and 20% for prevention and intervention programs. The funding for alcohol treatment programs includes monies which previously were passed directly from the federal government to individual recipients and which are now passed through the state. The funding for the drug treatment programs replaces the former Statewide Services Contract.

CIRT Programs

Another major initiative within the appropriation provides funding for 45 additional beds in the Community Intensive Residential Treatment programs. The average length of stay for clients has been changed from 16.6 to 18 days based on actual utilization during the current year.

Outpatient Counseling

Also in this appropriation, the basis of funding for Outpatient Counseling is changed, from counselor hours to client (face-to-face) hours. It is the intent of the General Assembly that the state reimbursement for outpatient programs be based on the following client hour rates for 1982-83: Urban Individual, \$18.11; Urban Group, \$3.83; Rural Individual, \$21.10; and Rural Group, \$4.92.

CSH Drug Treatment Program

The appropriation for the drug treatment program at Colorado State Hospital has been made to the Division of Alcohol and Drug Abuse so that the Division can contract with CSH for treatment in the same way it contracts with other agencies for drug treatment programs. It is the intent of the General Assembly that the contract between the Division and the State Hospital will include the full cost of employees for the program, including the

cost of all employee benefit programs. The appropriation does not include funding for any hospital-based alcohol treatment program.

EXPLANATION OF APPROPRIATION

Air Quality Control Division. This division is responsible for identifying the nature of the air pollution problem and for implementing measures to prevent, control, and abate all air pollution sources of concern throughout the state. The appropriation includes 6.0 General Fund FTE and 4.5 federal fund FTE currently performing duties related to Stationary Sources as part of that line item. Seven FTE in Stationary Sources continue to be cash funded. Operating expenses have been prorated among the various activities of this division on an FTE basis by funding source. In this way, those functions that are cash funded will be charged for all the costs associated with the function.

Water Quality Control. The primary goals of this division are to maintain and protect the quality of the state's water. The appropriation reflects a shift between General Fund and cash funds for activities related to permitting which became cash funded under S.B. 10 of last session. The source of cash funds is the discharge permit fees provided for in Section 25-8-502, C.R.S. 1973, including the fees collected to cover the reasonable costs of processing permit applications and issuance of permits, as well as the annual fees to cover the reasonable costs of administering the permits. There is a 4.0 federal fund FTE decrease due to declining federal funds.

Radiation and Hazardous Waste Control. This division has responsibility for preventing risks to health from radioactive sources, maintaining and developing emergency response capabilities involving hazardous materials incidents, and regulating the disposal of solid and hazardous wastes. The appropriation includes funding of 3.0 FTE from federal Preventive Block funds not used elsewhere for increased workload associated with uranium mill and heap leach licenses and applications. Also appropriated out of federal Preventive Block funds are 2.0 FTE for duties related to sanitary landfill inspections of open dump sites and to provide technical assistance.

Consumer Protection. This division is established to enforce sanitary standards which are sufficient to prevent and control food and vector borne diseases. The appropriation includes the use of federal Preventive Block funds not used elsewhere: to fund 2.0 FTE sanitarians for regulating activities related to a loss of federal categorical funds from the Food and Drug Administration; to fund 1.0 FTE clerical that would have terminated due to declining federal categorical funds; and to maintain the same percentage of federal fund support as in the actual year for operating and travel expenses.

Disease Control and Epidemiology. The primary responsibility of this division is to investigate and control the causes of epidemic and communicable diseases affecting the public health. Federal Preventive Block funds not used elsewhere are appropriated to replace the loss of federal categorical funds. This includes funding 4.0 FTE Public Health Control Representatives related to venereal disease control, 0.5 FTE Nurse Educator to continue outpatient diabetes education services, 0.7 FTE clerical support, and maintaining the same level of federal support of operating and travel expenses as in the actual year. Operating funds in the amount of \$98,560 are shown as cash since the source of funds is other state agencies or private funds.

Alcohol and Drug Abuse Division.

Administration - This component of the Division is responsible for administering the Department's contracts with various treatment programs. In addition, they work with these programs to determine the allocation of federal block grant funds and supervise development of Prevention/Intervention programs. The 12.0 FTE supported

by the General Fund remain constant based on current workload, but the number of FTE supported by federal funds has decreased from 18.2 in the current year to 9.0 for 1982-83 due to the decrease in federal funding for administration.

Alcohol Treatment Programs - The Division contracts with a variety of agencies across the state to provide these services. The state rate of reimbursement is based on payment of 75% of the cost of treatment. There are five different modalities of programs which are offered in Colorado. They are listed below:

- 1) Non-Hospital Detoxification is short-term treatment to safely accomplish withdrawal from alcohol and to motivate individuals to seek further treatment for their alcohol problems.
- 2) Medical Detoxification provides short-term treatment within a hospital setting.
- 3) Community-Based Intensive Residential Treatment programs provide intensive treatment for alcoholism for clients who do not at the same time require additional treatment for medical and psychological conditions.
- 4) Halfway Houses provide a transition phase for homeless clients between non-hospital detoxification and long-term treatment. It offers a temporary base and counseling support services to reinforce previous treatment.
- 5) Outpatient Counseling provides continuing treatment to clients who have been through detox or residential treatment and are now back in the community. It also provides initial treatment for clients who are trying to avoid later detox or residential treatment. Many clients are referred involuntarily following DUI/DWAI offenses.

The funding for Non-Hospital Detoxification, Halfway House, and Community-Based Intensive Residential Treatment programs is based on a 5% increase over the reimbursement rates in effect in 1981-82. The basis for funding for Outpatient Counseling has changed from counselor hours to client (face-to-face) hours. The appropriation for Outpatient Counseling includes \$76,462 for a program to provide assistance to state employees. The appropriation for Medical Detoxification is at the same level as the current year based on actual utilization throughout the state.

Drug Treatment Programs - Prior to the advent of the block grant, federal funding for drug treatment programs was allocated through a Statewide Services Contract from the National Institute of Drug Abuse. The grants under this contract required a state and a local match which are not required by the block grant legislation. The appropriation is for a pass-through of the 35% of the block grant which is stipulated for drug programs and a continuation of state and local funding in a ratio of 60% federal, 20% state funds, and 20% local funds.

The appropriation for the drug treatment programs at Colorado State Hospital is to provide treatment for the same number of cases (380) which are estimated to be treated there in 1981-82, at an average General Fund cost of \$3,020. The funding represents a 15.3% increase over the General Fund appropriated to CSH for drug treatment programs in 1981-82.

Family Health Services. This Division includes the Family Health, Handicapped Children, Family Planning, and Dental Health sections. Special emphasis is placed upon providing preventive services and services for mothers and children. Many previously categorical federal funds are now appropriated to this division as part of the Maternal and Child Health Block Grant. The appropriation includes funds for 6.0 General Fund FTE related to the Handicapped Children's Program that otherwise would have been terminated due to declining federal funds. Overall funding for the Handicapped Children's Program is appropriated at an 8.3% increase. The decrease in General Fund is the result of more cash funds being appropriated. The cash amount is comprised of \$224,900 cash from Medicaid, \$19,800 in client fees erroneously requested as federal funds, and \$246,594 as the amount that could be generated if the Health Department used the same ability-to-pay scale as the University of Colorado Health Sciences Center. It is the intent of the General Assembly that the Health Department use the same ability-to-pay scale as the Health Sciences Center in determining eligibility for its programs. The federal funds include \$120,507 that is to be transferred from the 1981-82 Alcohol and Drug Abuse Block Grant. Federal regulation allows up to 7% of the Alcohol and Drug Abuse Block Funds to be transferred. Program funds including 2.0 General Fund FTE related to the Community Maternity Program have been transferred to the University of Colorado Health Sciences Center. The appropriation shows 8.2 FTE and related operating and travel as cash funded, since the funds are either flow-through federal funds from other agencies or grants from private organizations. Expenses related to genetics counseling are appropriated as cash since this function was cash funded last year.

Federal Preventive Block funds have been used elsewhere in the Department. This eliminates funding for preventive dentistry services that are not statutorily authorized. The counseling program related to Sudden Infant Death Syndrome and the flouridation program can be continued if the Department chooses to use the block funds appropriated to this Division for these purposes.

The appropriation for Family Planning reflects a decrease of 3.3 federal funded FTE and funds available for services. The appropriation takes into account recent federal regulation changes which give states greater flexibility concerning frequency of revisits. In addition, a report is requested from the Department to provide information outlining the number of clients by method of birth control, number and percent considered high risk, a definition of high risk, and further cost savings as a result of regulation changes.

Community Health Services. This division provides direct supervision and consultation to county health nurses, provides or facilitates the provision of health services to migrants, and assists in developing health promotion programs. The appropriation does not provide any General Fund support for migrant health services because there is no specific statutory authority for this program. The appropriation does provide additional General Fund support for 1.0 FTE Nursing Supervisor for community nursing services. Also included is cash funding of all the FTE associated with health promotion and education activities. This does not prevent the Department from providing federal fund support for these activities from the federal funds appropriated to this division, if it so chooses. Preventive Health block funds not used here are used elsewhere in the Department.

Health Policy Planning and Evaluation. This division carries out planning and policy analysis activities to evaluate the health and medical care needs and resources of Colorado.

Health Facilities Regulation. This division is responsible for licensing and certifying health care facilities in the state. In addition, the Nursing Home Review Program is appropriated to include 8.0 FTE related to a Medical Review Program. This program is to perform medical review of Medicaid patients in skilled nursing facilities and independent professional reviews of Medicaid residents in intermediate care facilities.

Emergency Medical Services. This division is responsible for assisting local communities to develop and maintain emergency medical service systems. The appropriation provides General Fund for 5.0 FTE, Highway Safety cash funds for 1.0 FTE, and federal funds for 1.0 FTE to provide funding for a core staff - 1.0 Director, 1.0 Training and Certification Administrator, 1.0 Communications Coordinator, 1.0 Development Coordinator, 1.0 Administrative Officer, and 2.0 clerical - necessary to carry out statutory responsibilities. Also appropriated is 1.0 FTE to be cash funded from Energy Impact funds for a Western Slope Coordinator. Preventive block funds not used here are used elsewhere in the Department.

Health Statistics and Vital Records. This division has two main responsibilities. One is to register all births, deaths, fetal deaths, marriages and marriage dissolutions that occur within the state, to maintain files of such records and to furnish copies and information upon request. The other responsibility involves tabulating, analyzing and publishing vital statistics and other health data. The appropriation is for a 1.6 FTE increase based on actual 1980-81 workload performance.

Departmental Administration. In addition to providing overall direction for the Department, this division includes the support services of budgeting, accounting, personnel, purchasing, public relations, building and grounds maintenance, printing and reproduction, and mail service. There is an overall 13.6 FTE reduction as the result of less indirect cost recoveries and a staffing reduction of 4.4 FTE clerical and 2.0 FTE maintenance/custodial.

Departmental Data Processing. This division provides data processing services for the Department.

Laboratory Services. This division provides analytical services needed by the various divisions of the Department. The appropriation cash funds activities related to drinking water tests, pre-marital blood tests and milk tests. In addition, administrative, clerical and support FTE are cash funded in the same proportion that cash funded FTE are of the total FTE. General Fund of \$65,000 is appropriated for lab activities related to milk tests along with a footnote stating that it is the intent of the General Assembly that the Dairyman's Association Laboratory be certified for milk testing and the State remove itself as much as possible from milk testing. Federal Preventive Health block funds not used elsewhere are appropriated to maintain the level of operating expenses attributable to federal funded FTE at the same level as in 1981-82.

Local Health Services. This appropriation provides funds for reimbursement to local and regional health departments and reimbursement of public health nurses and sanitarians in areas not served by local and regional health departments.

CAPITAL CONSTRUCTION

The 1982-83 appropriation provides funds for the following capital construction projects:

- 1) \$1,000,000 - Sewage Collection and Treatment works for Municipalities with populations of 5,000 persons or less. This appropriation provides grants to cities with populations of 5,000 persons or less.

- 2) \$2,400,000 - Uranium Mill Tailings Removal - Grand Junction. This appropriation provides for removal of mill tailings used for construction in the Grand Junction area. The program is a 75% federal, 25% state/local match arrangement. \$200,000 of the state/local share shall be from Energy Impact Mineral Lease Funds.
- 3) \$2,400,000 - Uranium Mill Tailings Removal Project - Durango. The appropriation provides funds on a 90% federal, 10% state match for removal and proper disposal of inactive tailings in the Durango area.

NEW LEGISLATION

S.B. 76 - Specifies that fees charged for a stationary source permit be credited to a special cash fund rather than the General Fund.

S.B. 120 - Makes changes concerning the requirements for Certificates of Public Necessity.

H.B. 1055 - Raises the fees for the search time, the making and certification of copies of vital records from \$2 to \$4.

H.B. 1095 - Extends the life of statutes concerning remedial action for waste disposal sites by one year.

H.B. 1097 - Provides that the rules and regulations of the Department of Health adopted before January 1, 1982, except as noted, are extended.

H.B. 1232 - Transfers 9.0 FTE and \$1,603,775 from the Division of Highway Safety in the Department of Highways to the Division of Alcohol and Drug Abuse to administer contract for treatment programs for clients brought in through DUA/DWAI offenses. The staff also monitors the work of the judicial districts in evaluating and placing these clients.

DEPARTMENT OF HIGHER EDUCATION

<u>OPERATING BUDGET</u>	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Appropriation</u>
	\$	\$	\$	\$
CCHE	38,103,557	36,229,247	37,405,519	40,119,458
Board of Regents	205,692,931	227,598,656	259,733,960	250,725,931
Board of Agriculture Trustees of School of Mines	87,031,728	95,834,238	106,191,685	119,915,668
Trustees of the Consortium	12,465,537	14,643,297	17,590,949	16,804,035
University of Northern Colorado	32,953,641	36,126,935	46,691,123	52,433,269
State Board of Community Colleges and Occupational Education	27,021,596	29,825,099	32,919,352	34,125,459
Auraria Higher Education Center	77,982,353	86,047,861	90,828,004	89,174,788
Council on Arts and Humanities	3,904,384	5,232,089	6,050,223	6,540,128
State Historical Society	1,048,122	1,158,905	1,220,519	1,241,126
	1,159,769	1,334,162	1,437,731	1,559,291
SUBTOTAL	487,363,618	534,030,489	600,069,065	612,639,153
General Fund	244,802,696	272,576,785	310,725,657	350,366,151
Cash Funds				
Tuition, Indirect Cost Recoveries, and Other Sources of Cash	125,828,880	139,407,525	159,334,149	171,776,174
Extension Course Tuition	10,054,747	9,514,073	9,740,971	9,545,068
Local Funds	626,032	658,489	716,964	717,328
Student Loan Repayments	4,395,224	4,867,092	5,000,000	5,500,000
Patient Revenue	28,663,040	33,323,787	40,679,581	-0-
Faculty Practice Fund	8,094,674	8,611,854	10,074,500	-0- 1/
User Fees	161,898	319,769	864,752	206,969
Other	13,643,137	13,333,368	19,640,176	64,420,148 2/
Subtotal	191,467,632	210,035,957	246,051,093	252,165,687
Federal Funds	51,093,290	51,417,747	43,292,315	10,107,315
CAPITAL CONSTRUCTION BUDGET	15,572,963	10,077,904	8,601,004	41,843,753
Capital Construction Fund	14,886,455	9,739,304	8,129,504	1,570,628
Cash:				
WICHE Fees		243,900	121,500	120,800
Sale of Property	-0-	-0-	-0-	38,896,000
Other	-0-	94,700	350,000	756,325
Subtotal	-0-	338,600	471,500	39,773,125
Federal Funds	686,508	-0-	-0-	500,000
GRAND TOTAL	\$502,936,581	\$544,108,393	\$608,670,069	\$654,482,906

- 1/ The Faculty Practice Fund is no longer appropriated due to the establishment of a non-profit corporation provided for in Senate Bill 232, 1981 session.
- 2/ Includes patient revenue, hospital and clinic income, local center income, indirect cost recoveries, tuition income and other sources of cash from the Health Sciences Center.

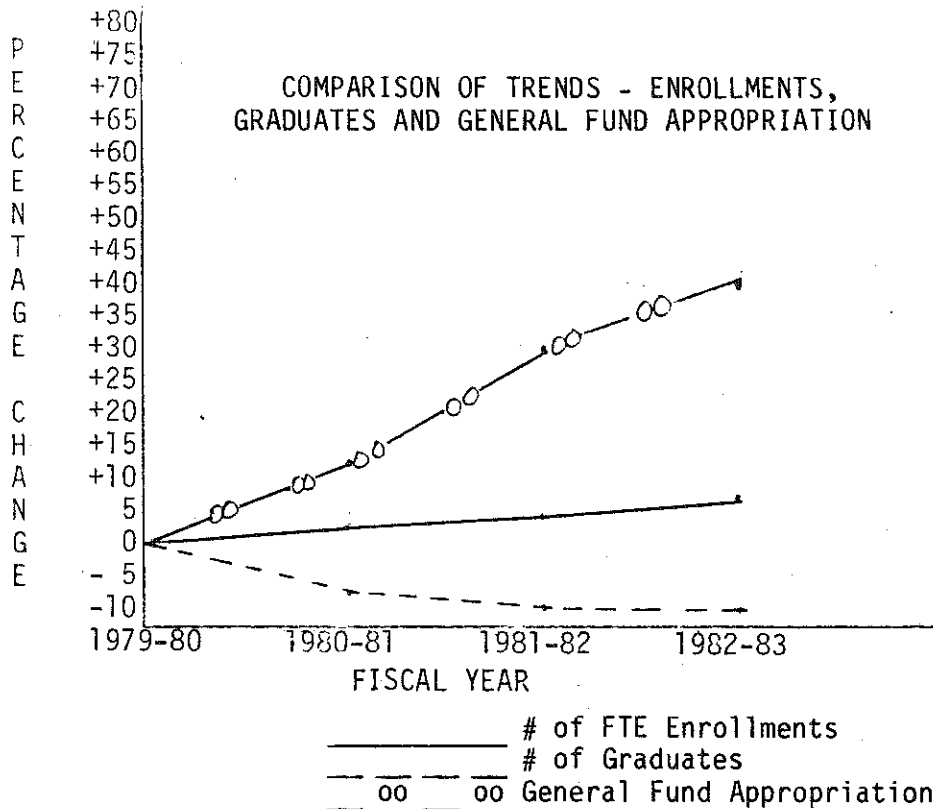
FTE OVERVIEW

	<u>1979-80</u> <u>Actual</u>	<u>1980-81</u> <u>Actual</u>	<u>1981-82</u> <u>Estimate</u>	<u>1982-83</u> <u>Appropriation</u>
CCHE	23.3	22.8	25.3	26.5
Regents	6,061.7	6,099.1	6,290.3	6,374.3
Board of Agriculture	3,518.1	3,568.1	3,603.1	3,433.1
Mines	443.3	476.5	501.3	471.3
Trustees	1,427.3	1,428.7	1,474.1	1,539.5
UNC	1,094.1	1,081.0	1,089.4	1,039.9
SBCCOE	1,952.5*	1,963.7	2,000.4	2,041.2
Auraria	159.6	177.3	166.4	169.5
Arts & Humanities	13.6	11.1	11.5	10.0
Historical Society	57.9	61.7	59.6	65.2
Total	14,751.4	14,890.0	15,221.4	15,170.5

*Appropriated level.

COMPARATIVE DATA

	<u>1979-80</u> <u>Actual</u>	<u>1980-81</u> <u>Actual</u>	<u>1981-82</u> <u>Estimate</u>	<u>1982-83</u> <u>Estimate</u>
Graduates	24,555	23,068	22,474	22,474
FTE Enrollments	113,286	115,938	117,969	119,423
Students on State Aid	18,438	14,991	17,000	19,000
Federal Research Dollars	\$90,000,000	\$109,000,000	\$112,000,000	\$112,000,000
Patient Days - University Hospital	115,890	123,165	123,100	128,645



SUMMARY HIGHLIGHTS

Continuation of Memorandum of Understanding

The appropriations for the 20 institutions that make up the state system of higher education in Colorado continue the funding approach begun in 1981-82 with the Memorandum of Understanding between the Governing Boards and the Joint Budget Committee. The appropriation includes a single line item for each governing board, but this report contains the assumptions used to arrive at the total and provides a breakout similar to the 1981-82 line items for comparative purposes.

As in 1981-82, a decision was made on how much General Fund support per resident student FTE each governing board should receive. The 1981-82 General Fund rate was adjusted for proposed supplementals, mandated Health and Life Insurance increases included in S.B. 56 (1981 session), and Auraria central pots allocations to arrive at a 1982-83 General Fund support base. The appropriation increases that base by 4.4%. Increases beyond 4.4% are caused by resident enrollment growth. Because central pots are included as part of the base percentage increase per resident student, they are not funded separately; the boards are expected to fund central pots from their total appropriation.

Guaranteed Transfer Program

A Guaranteed Transfer Program is initiated. The purpose of the plan is to encourage enrollments at Lamar, Otero, Trinidad, Morgan, and Adams through providing an agreed-upon program of education under which students may contract for upper division placement at CSU or CU-Boulder and be guaranteed transfer approval. In return for accepting the contract transfer students, CSU and CU-Boulder will be permitted to raise their enrollment cap on a one-for-one basis with the number of contract students they accept from the targeted institutions. This plan is contained in the Memorandum of Understanding. CCHE will serve coordination, advisory and facilitator functions in implementing this program.

Student Financial Aid

The appropriation for Student Financial Aid seeks to emphasize and encourage the development of Work-Study programs as is stipulated in footnote #31. The appropriation represents a 27.0% increase in General Fund over the 1981-82 level. While this increase does not provide a one-for-one replacement of the federal funds, it is believed that access is preserved. Included in the student financial aid appropriation as a fund raising initiative is \$250,000, the purpose of which is to provide a General Fund match for scholarships, grants, or loans which are to be provided by private industry.

Health Sciences Center

There are two major initiatives reflected in the Health Sciences Center appropriation for 1982-83. The first is the budget flexibility given to the Center through the Memorandum of Understanding. It is intended that the Center be reviewed as to actions taken to enhance performance which resulted from the flexibility. Second, the appropriations for medically indigent programs have been consolidated at the Center. By combining these appropriations, it is intended that a network be established for servicing the medically indigent in the state over the next several years. The General Fund support base has been increased by 4.0% for the Health Sciences Center programs.

Experiment Station, Forest Service and Extension Service

Of concern to the Legislature is how the Experiment Station, Forest Service, and Extension Service fit into the current Memorandum of Understanding with Higher Education. Although these agencies are excluded from the Memo, policy decisions of the State Board of Agriculture mandate salary increases for exempt staff identical to those received by exempt staff covered by the Memo. However, these agencies have no method by which additional revenues can be generated to make up the difference between the Board mandate and the increase appropriated by the General Assembly. This forces reductions in staff to meet the mandated increases. This raises the question of whether or not a separate policy needs to be established that takes into account the differences between the academic and non-academic components of Higher Education. An additional concern relates to the current administrative structures of the three agencies. Questions were raised regarding the possible consolidation of the three into one structure. To this end, a footnote is included in the Long Bill which requires the State Board of Agriculture to submit a plan for combining the administrative and programmatic aspects of the three agencies.

Administrative Functions for SBCCOE

Administrative functions for the State Board for Community Colleges and Occupational Education are consolidated into a single functional entity under the authority of the Executive Secretary and administrative officer. The purpose of this consolidation is to enhance coordination and to balance issues between the community colleges and occupational education.

EXPLANATION OF APPROPRIATION

The rates of General Fund support by governing board are listed below along with resident enrollments.

<u>Governing Board</u>	<u>Resident SFTE</u>	<u>General Fund Support Per Resident SFTE</u>
Regents - General Campuses	22,356	\$ 2,483
- School of Medicine	691.6	15,046**
- School of Nursing	424.0	3,214**
- School of Dentistry	132.0	21,688**
State Board of Agriculture	20,649	2,340
UNC Trustees	8,961	2,439
Consortium Trustees	17,515	1,931
Community Colleges	20,336	1,822
Mines Trustees	2,288	3,745.69
Total	93,352.6	\$ 2,227 *

* Weighted Average excludes Health Sciences Center.
 ** Does not include Central Administration costs.

ASSUMPTIONS FOR DETERMINATION OF SPENDING AUTHORITY
 IN THE FY 1982-83 LONG BILL

- A. Number of Faculty - 100% of the faculty formula.
- B. Faculty Compensation - All faculty will receive a 4% compensation increase over the FY 1981-82 estimate. New faculty will be budgeted at the 1981-82 compensation level.
- C. Resident Instruction Support Staff (Ratio of Support Staff FTE to Faculty FTE) -

Research Institutions	1:2.7 except CSU at 1:2.9
4 Year School (High Graduate)	1:4.9
4 Year Schools	1:6.5
Community Colleges	1:6.7
- D. Resident Instruction - Other Current Expense - Fund at 12.6% increase over actual.
- E. Resident Instruction - Travel - No increase.
- F. Rentals - 1980-81 estimated level.
- G. Capital Outlay - 1981-82 level.
- H. Public Service/Special Purpose - 1980-81 estimated level.
- I. Administration - 1980-81 estimated level for FTE; 4% exempt compensation increase; operating and travel based on above.

- J. Student Services - 85% of APCUP formula. Exempt compensation increase is 4%; operating and travel based on above.
- K. Library Operations - 100% of Part A, 50% of Part B, 0% of Part C of APCUP formula. Exempt compensation increases at 4%; operating and travel based on above.
- L. Learning Materials - Increase of 6.2% distributed on basis of formula.
- M. ADP - Use 1982-83 Division of ADP recommendations for FTE and equipment. Exempt compensation increases at 4%; operating and travel based on above.
- N. Physical Plant - 93% of formula - Exempt compensation increases at 4%; operating and travel based on above.
- O. Utilities - Same formula as for all state agencies.
- P. Auraria Library and Auraria Higher Education Center - Are to be supported by transfers of funds from the three governing boards.
- Q. Governing Board Administration - 1980-81 estimated level.
- R. Enrichment - 10% of cash funds.
- S. Central Pots - Calculated as for other state agencies.

The Memorandum of Understanding between the Governing Boards and the Joint Budget Committee has been refined and changed somewhat from 1981-82. It is given below in its entirety. It is understood by the Governing Boards to incorporate restrictions normally outlined by footnotes and that agreement by the Joint Budget Committee does not bind the General Assembly.

MEMORANDUM OF UNDERSTANDING BETWEEN
HIGHER EDUCATION GOVERNING BOARDS
AND THE LEGISLATIVE JOINT BUDGET COMMITTEE

I. PRINCIPLES

There are five major principles which this agreement implements:

1. This agreement reflects increased governing board responsibilities, increased fiscal flexibility and trust in the higher education community.
2. Each governing board has the authority and responsibility for setting the expenditure level at each institution under its jurisdiction. Appropriations are based on General Fund support per resident FTE student and are made to governing boards rather than to institutions.
3. Each governing board will have the authority and responsibility for setting tuition levels, subject to all applicable statutes and to the authority of the Colorado Commission on Higher Education, pursuant to 23-1-112, C.R.S. 1973.
4. There will be reduced emphasis on line item appropriations and increased flexibility to transfer resources between appropriations, subject to the specific limitations detailed in this agreement.

5. Each governing board may expend all cash revenues generated and retain them from fiscal year to fiscal year as necessary.

II. IMPLEMENTATION

1. This agreement pertains to public higher education institutions and specifically excludes Commission on Higher Education, Veterinary Medicine and Hospital, Experiment Station, Extension Service, State Forest Service, the Water Resources Institute, Auraria Higher Education Center, Colorado Energy Research Institute, Arts and Humanities, State Historical Society, Colorado Vocational Act Distributions, Area Vocational Postsecondary Programs, and the Occupational Education Division of the State Board for Community Colleges and Occupational Education, as well as Local District Colleges. The CU Medical School, Faculty Practice Fund, School of Nursing, School of Dentistry, Colorado General Hospital, Colorado Psychiatric Hospital, and Health Sciences Center Central Services and Administration are covered by a separate agreement.
2. The funding year covered by this agreement begins July 1, 1982, and ends June 30, 1983, except for the retention of cash funds as provided in Principle I-5 above. This agreement may be continued or discontinued for fiscal years beyond 1982-83 at the discretion of the Legislature. The agreement further is subject to review, modification, addition or other changes for subsequent fiscal years.
3. This agreement represents a good faith effort to enumerate the details of the assumptions and conditions for the state appropriations for the pertinent higher education entities. No further restrictions are implied; however, governing boards assume responsibility for notifying the Joint Budget Committee, the Education Committees of the General Assembly, and the Colorado Commission on Higher Education of any and all significant departures from previous methods of generating or allocating funds. There should be continual communication among the boards, JBC, and CCHE concerning questions, problems, and major impacts related to this appropriation method.
4. This agreement pertains only to those items enumerated herein and does not prejudice the availability or level of general fund support.
5. In order to fulfill the terms of this Memorandum, the boards will set tentative tuition rates and other planning budgetary figures as requested by the JBC in the format provided.
6. Nothing in this agreement may be construed to supersede statutory requirements, such as legal definitions of residency, nor rules such as CCHE student FTE policies or state fiscal rules.

III. GENERAL FUND AND CASH FUND SUPPORT

1. The governing boards have the responsibility to generate cash tuition funds and other appropriate cash funds to finance institutional expenditures. All indirect cost recoveries generated within their institutions may be retained by the governing boards as cash funds.

2. All cash funds will be retained by the governing boards and may be rolled forward into subsequent fiscal years. There will be an appropriate headnote in the Long Appropriations Bill to effect this procedure.
3. General Fund appropriations to the governing boards will be based upon a weighted board average General Fund support per resident FTE student excluding CU-Boulder and CSU. CU-Boulder and CSU appropriations will be based on the institutional General Fund support per resident FTE student. Other institutions in the Regents and SBA systems will have their appropriations based on the weighted average of non-Boulder, non-CSU institutions. The exact formula for this calculation is stated in the Long Bill narrative and the Appropriations Report of the JBC. In brief, the formula includes a percent increase over the 1981-82 General Fund appropriation per resident FTE student (adjusted for the AHEC Central Pots and the mandated health and life insurance included in S.B. 56) times the estimated 1982-83 resident FTE student enrollment figure.
4. "Central Pots", that is the costs of salary increases and certain benefits for classified personnel, will be separately described in the Long Bill narrative and calculated on the classified employment base on the same basis which is used for all state agencies. The central pots will be included as part of the base percentage increase per resident student and will not be funded separately; boards are expected to fund central pots from their total appropriation.

IV. APPROPRIATION FORMAT

1. The format for the Long Bill appropriation, except for the Auraria Board, will have one line item for each governing board. The assumptions for funding all line items will be stated in the Appropriations Report.
2. The Auraria Higher Education Board (AHEC) appropriation will be entirely cash funded. That is, in the appropriation for the Regents, Consortium Trustees, and SBCCOE, there will be identified (after consultation with the Auraria institutions) dollar figures which are required transfers to AHEC for the operation of the Auraria campus. As applicable, this agreement includes the Auraria Higher Education Center's board and its appropriation.
3. Sponsored programs will not be appropriated. Sponsored programs will be listed in the Appropriations Report of the Joint Budget Committee.

V. PERSONNEL LIMITATIONS

1. The FTE limit noted in the Appropriations Report for General Instructional and Governing Board Administration may not be exceeded. Temporary staff hired for less than 6 months to assist with peak loads (e.g., registration) do not count toward the FTE staff limits. A report to the JBC will be made showing totals of temporary staff utilized under this clause.

2. The FTE staff limitations on General Institutional Administration and Governing Board Administration apply only to the combination of the two functions and not individually. The governing boards may transfer FTE staff between these functions. These FTE staff limits will be noted in a Long Bill footnote.
3. The number of FTE faculty may not exceed that generated by 100 percent of the existing faculty formula. This limitation applies to governing boards as a whole and not to individual institutions. These FTE limits will be noted in a Long Bill footnote.

VI. TUITION

1. As set forth in Principle I-3 above, the governing boards will prescribe both resident and non-resident tuition rates. Prior to the rates becoming effective, CCHE must determine them to be consistent with the level of appropriations and other directives set by the General Assembly.
2. Tuitions may be different or the same within or between institutions, as judged appropriate by the governing board.
3. Mid-year adjustment, subject to the normal recommendation and approval process, are permitted. Summer school rates may differ from regular school year rates.
4. The non-resident tuition rates at an institution must be at least three times the resident rate, except that boards may apply to the CCHE for a waiver of this rule. CCHE is asked by the Committee to assess the impact on resident students and capital facility needs in evaluating the waiver request.

VII. ENROLLMENTS

1. Enrollment figures will be identified by the number of resident students and non-resident students.
2. CU-Boulder is appropriated to serve 13,500 resident student FTE, and CSU a minimum of 13,750 resident student FTE for 1982-83.
3. At CU-Boulder and CSU, if resident FTE students vary more than plus or minus 100 FTE from the appropriated level in VII-2, a negative General Fund supplemental will be taken. This supplemental will be in the amount of the institutional General Fund appropriation per student multiplied by the number of resident FTE students by which the institution falls outside the allowable limits.
4. There is no overall cap at CU-Boulder or CSU; the number of non-resident students enrolled may vary. No commitment for potential facility expansion due to the impact of non-resident enrollment is intended. The recognized capacity at CU-Boulder is for 20,112 student FTE, at CSU for 20,000 student FTE, and at the Auraria Higher Education Center for 15,000 student Fall day FTE.

5. There will be no positive General Fund supplementals at CU-Boulder or CSU for any additional resident student FTE above the minimums specified in VII-2. To the extent that CU-Boulder and CSU admit resident transfer student FTE above the current numbers from Lamar, Trinidad, Morgan, Otero, or Adams under the guaranteed transfer program concept, those resident student FTE shall be eligible for a positive General Fund supplemental at the receiving institution's rate for resident FTE students.

VIII. SUPPLEMENTALS

1. For enrollments of schools other than CU-Boulder and CSU, positive and negative enrollment supplementals will be taken for any aggregate resident FTE student variance from the board-wide FTE appropriation. Supplementals will be funded at the weighted board average General Fund support per resident student FTE excluding CU-Boulder and CSU. Enrollment-related supplementals for the Auraria Higher Education Center and Auraria Library will only be considered after AHEC and the Auraria Library have met with the governing board representatives. Nothing in this Memorandum will exclude enrollment-related supplementals for the local district junior colleges.
2. No cash supplementals will be taken.
3. Utility supplementals will be considered by the Legislature.
4. No other positive or negative supplementals will be considered except to make technical corrections.

IX. ACCOUNTING

1. Institutions will submit their budget requests using the budget format specified jointly by the JBC, OSPB, and CCHE pursuant to 23-1-105(1), C.R.S. 1973.
2. Total cash revenues will be reported in the budget submissions on November 1, and in special reports to the JBC, State Controller, and Legislative Education Committees on January 1, and August 1, which will show total for the fiscal year ending June 30.
3. There is assurance of continued auditability of all records, for General Fund and cash funds.
4. Allocations of all appropriations will be booked with the State Controller in the same manner as current practice.

X. ADDITIONAL AGREEMENTS

1. No new budget requests for special purpose items will be submitted. Boards may cover such items from within their appropriations; but if significant expenditures for new purposes are to be made, the JBC will be so advised. Current special purpose lines, except as otherwise provided, are included in the institutional base.

2. Organized research appropriations will be centralized in the CCHE. These funds may be allocated for research on state needs and priorities.
3. The Auraria Library and Media Center will be funded in the Regents' budget (after consultation with other boards) in a separate line with cash funds which are required transfers from the Regents, Trustees, and State Board for Community Colleges and Occupational Education.
4. Any capital construction project valued over \$100,000 that is not self-funded or funded from student fees must be specifically appropriated by the Legislature.
5. The concept of a guaranteed transfer program is endorsed. The purpose of this program is to stimulate enrollments at Lamar, Morgan, Otero, Trinidad and Adams by providing an agreed-upon program of education in which students may contract for upper division placement at CSU or CU-Boulder and be guaranteed transfer approval. CCHE will facilitate and encourage further development of this concept.

---END OF MEMORANDUM---

Total Enrollments

	<u>1980-81 Actual</u>	<u>1981-82 Estimate</u>	<u>1982-83 Appropriation</u>
Board of Regents	29,082	29,916	29,925
Board of Agriculture	25,477	25,846	25,799
Trustees of School of Mines	3,039	3,162	3,135
Trustees of the Consortium	18,165	18,529	19,077
University of Northern Colorado	10,871	10,350	10,300
State Board of Community Colleges	<u>21,328</u>	<u>21,705</u>	<u>22,188</u>
Total	107,962	109,508	110,424
Local District Junior Colleges	<u>7,976</u>	<u>8,461</u>	<u>8,999</u>
Grand Total	115,938	117,969	119,423

Resident Enrollments

	<u>1980-81 Actual</u>	<u>1981-82 Estimate</u>	<u>1982-83 Appropriation</u>
Board of Regents	21,359	22,113	22,356
Board of Agriculture	20,012	20,642	20,649
Trustees of School of Mines	2,169	2,265	2,288
Trustees of the Consortium	16,527	17,152	17,515
University of Northern Colorado	9,282	8,990	8,961
State Board of Community Colleges	<u>19,295</u>	<u>19,879</u>	<u>20,336</u>
Total	88,644	91,041	92,105
Local District Junior Colleges	<u>7,226</u>	<u>7,713</u>	<u>8,166</u>
Grand Total	95,870	98,754	100,271

Sponsored Program Funds

Sponsored program funds are not included in the 1982-83 appropriation but are included here for informational purposes.

	<u>1981-82</u> <u>Estimate</u>	<u>1982-83</u> <u>Estimate</u>	<u>Increase</u>
Board of Regents - General Campuses			
Cash Funds	\$ 6,480,609	\$ 7,488,626	\$ 1,008,017
Federal Funds	37,500,044	42,730,099	5,230,055
Total	<u>\$ 43,980,653</u>	<u>\$ 50,218,725</u>	<u>\$ 6,238,072</u>
Board of Regents - Health Sciences Center			
Cash Funds	\$ 16,954,150	\$ 14,675,000	\$ (2,279,150)
Federal Funds	34,940,850	30,545,000	(4,395,850)
Total	<u>\$ 51,895,000</u>	<u>\$ 45,220,000</u>	<u>\$ (6,675,000)</u>
State Board of Agriculture			
Cash Funds	\$ 12,234,019	\$ 10,350,293	\$ (1,883,726)
Federal Funds	41,415,897	39,494,457	(1,921,440)
Total	<u>\$ 53,649,916</u>	<u>\$ 49,844,750</u>	<u>\$ (3,805,166)</u>
School of Mines			
Cash Funds	\$ 4,426,665	\$ 6,810,800	\$ 2,384,135
Federal Funds	3,608,000	4,837,000	1,229,000
Total	<u>\$ 8,034,665</u>	<u>\$ 11,647,800</u>	<u>\$ 3,613,135</u>
University of Northern Colorado			
Cash Funds	\$ 896,160	\$ 762,200	\$ (133,960)
Federal Funds	5,573,117	3,089,500	(2,483,617)
Total	<u>\$ 6,469,277</u>	<u>\$ 3,851,700</u>	<u>\$ (2,617,577)</u>
Trustees of the Consortium			
Cash Funds	\$ 1,950,384	\$ 1,981,036	\$ 30,652
Federal Funds	8,255,362	8,055,125	(200,237)
Total	<u>\$ 10,205,746</u>	<u>\$ 10,036,161</u>	<u>\$ (169,585)</u>
State Board of Community Colleges			
Cash Funds	\$ 8,048,997	\$ 7,019,642	\$ (1,029,355)
Federal Funds	9,932,955	8,656,088	(1,276,867)
Total	<u>\$ 17,981,952</u>	<u>\$ 15,675,730</u>	<u>\$ (2,306,222)</u>
System Total			
Cash Funds	\$ 50,990,984	\$ 49,087,597	\$ (1,903,387)
Federal Funds	141,226,225	137,407,269	(3,818,956)
Total	<u>\$192,217,209</u>	<u>\$186,494,866</u>	<u>\$ (5,722,343)</u>

Colorado Commission on Higher Education (CCHE)

Following are the functions of the Commission:

1. To review and approve any new curriculum leading to a new degree program or the establishment of a college, school, division, institute or department;
2. To review existing or proposed non-degree programs and to make recommendations to the governing boards and General Assembly as to costs;
3. To make recommendations as to institutional functions;
4. To make recommendations as to the consolidation or addition of programs in order to reduce duplication;
5. To make recommendations concerning the establishment of state supported institutions of higher education;
6. To develop a unified program of extension offerings;
7. To perform comprehensive planning, research and statistical functions; and,
8. To administer the student financial aid program.

An additional 1.4 FTE over the 1981-82 appropriated level are funded to annualize three part-time positions. CCHE is directed to examine classroom building utilization patterns, to develop recommendations for enhancing the efficiency of building utilization, and to report its findings to the Joint Budget Committee on or before November 8, 1982.

An Enrollment Management Study was funded in 1981-82. On or before November 1, 1982, CCHE shall submit a report of the study findings and include in the report recommendations for possible application of the study's findings to Higher Education in Colorado.

Thirty-two student FTE are funded at \$5,564 each for the WICHE Optometry Program. State funded organized research is intended to provide funds for projects which bear directly upon the welfare of the State. Capital outlay is designated for non-Memorandum schools. The "Other Expenses" line item includes \$15,000 to cover the expenses of moving CCHE into the Colorado Heritage Center.

The Higher Education Central Pots appropriation includes the total appropriation for salary survey and anniversary increases for the entire year regardless of any changes which might be initiated by statewide personnel policy changes.

Trustees of the Consortium of State Colleges

The appropriation reflects a 4.4% increase in General Fund support per resident student for Adams State, Mesa, Metropolitan State, and Western State Colleges. The appropriation is intended to provide support for 17,515 resident student FTE which represents a 4% increase over the 1981-82 appropriation. The decrease in staff FTE is due to no longer showing FTE attributable to services purchased from the Auraria Library and the Auraria Higher Education Center.

The Trustees of the Consortium are expected to transfer funds to the Regents to reflect Metropolitan State College's share of the cost of the Auraria Library and Media Center. The Trustees are expected to transfer funds to the Auraria Higher Education Center to reflect Metropolitan State College's share of AHEC costs. Additionally, it is expected that the Trustees will transfer funds to the Department of Administration for computer time used by Metropolitan State College at the General Government Computer Center.

Based on the assumptions described earlier, below is the breakout of line items similar to the 1981-82 appropriation format.

Governing Board Administration	\$ 390,669 (5.3 FTE)
Resident Instruction	31,659,828 (1,103.5 FTE)
General Institutional Administration	3,227,120 (100.2 FTE)
Instructional Support	8,162,502 (197.9 FTE)
Physical Plant	4,101,027 (132.6 FTE)
Utilities	2,148,885
Central Pots	1,051,256
Enrichment	<u>1,691,982</u>
Total	\$52,433,269

Regents of the University of Colorado

The appropriation reflects a 4.4% increase in General Fund support per resident student for the Boulder, Denver, and Colorado Springs campuses. The appropriation is intended to provide support for 22,356 resident student FTE at the three campuses. This represents a 4.2% increase in resident students. The State Board of Community Colleges and the Trustees of the Consortium are expected to transfer funds to the Regents to reflect the Community College of Denver's and Metropolitan State College's share of the cost of the Auraria Library and Media Center. The Regents are expected to transfer funds to the Auraria Higher Education Center to reflect the University of Colorado at Denver's share of AHEC costs. The General Fund support for resident students is \$2,053 for the non-Boulder campuses and \$2,765 for the Boulder Campus. These rates will be utilized in considering of supplemental budget requests.

Based on the Assumptions described earlier, below is the breakout of line items similar to the 1981-82 appropriation.

Governing Board Administration	496,992 (13.6 FTE)
Resident Instruction	70,127,359 (2,325.1 FTE)
General Institutional Administration	7,711,559 (226.5 FTE)
Instructional Support	16,085,473 (475.7 FTE)
Auraria Library and Media Center	3,230,586 (125.1 FTE)
Physical Plant	8,056,557 (313.7 FTE)
Utilities	5,505,371
Central Pots	4,022,933
Enrichment	<u>5,972,688</u>
Total	\$121,209,518

Health Sciences Center

The appropriation for the Health Sciences Center includes budget flexibility similar to what other higher education institutions began in 1981-82 through a Memorandum of Understanding. The Memorandum of Understanding between the Board of Regents and the Joint Budget Committee is printed in this report.

The appropriation to the Health Sciences Center is made in five separate line items. This is a decrease from the 40 line items in 1981-82. This reduces the emphasis on line item appropriations and increases flexibility to transfer resources among appropriations at the centers; subject to specific limitations detailed in the Memorandum of Understanding. Central pots have been included in each line with classified personnel. The total amount of pots included in the appropriation is \$6,148,002.

Educational Programs: This line includes the appropriations for the School of Medicine, School of Nursing and School of Dentistry.

The enrollment data for each school is specified in the Memorandum of Understanding. Tuition levels are not specified since the Board of Regents will have the authority and responsibility to set the tuition rates. It is expected that the Health Sciences Center will advise the Joint Budget Committee of the tuition rates.

The number of FTE faculty may not exceed 100% of the 1981-82 level. The level is as follows:

School of Medicine	151.8 FTE
School of Nursing	59.6 FTE
School of Dentistry	46.3 FTE

The Family Practice Programs are funded at the following General Fund level:

State Programs	\$ 1,265,698
Community Programs	768,376

There are to be 72 residency slots in community programs and 42 slots in the state programs, 18 at Pueblo and 24 at the A.F. Williams Center. It is intended that revenue not be transferred between the two programs.

Funding of the Arthritis Program is continued.

Professional staff compensation is increased by 4%.

Since it is intended that the General Practice Residency program in the School of Dentistry not be funded, it is, therefore, not included in the total appropriation.

Health Care Programs: Colorado General Hospital and Colorado Psychiatric Hospital are included in this line.

It is intended that 1,701.2 FTE be the maximum obligation of the General Assembly for appropriated General Fund. This includes an increase of 20.7 FTE at Colorado General Hospital due to increasing the number of available beds from 356 to 379. The hospital may use existing bed capacity of 393 but the additional bed capacity is not to obligate more General Fund for its operations.

The appropriation is based on the following staffing levels:

	<u>Colorado General</u>	<u>Colorado Psychiatric</u>
Professional Staff/House Staff	157.6	56.2
Nursing and Support Staff	1,363.5	103.7
Health Care Support	20.2	-
Enrichment	78.3	8.0

It is estimated that of the General Fund appropriations to Health Care Programs and Institutional Support, \$24,239,927 provides for the medically indigent, pursuant to Section 23-21-102, C.R.S. 1973.

Health Care Support Phase-Out Per C.R.S. 23-21-106.5: S.B. 232, 1981 Session, provided for a non-profit corporation to be established for physicians' professional services. The corporation is to be self-supporting and the General Fund support provided Colorado General Hospital for the billing and collection of the faculty practice plan is to be phased-out of the General appropriation bill over a five-year period. This line item identifies the support which will be phased-out in the next three years.

Institutional Support: This category includes the functions previously appropriated under Central Services and Administration. The functions include:

General Administration	177.3 FTE
Health Sciences Research Center	4.0 FTE
Instructional Support	66.2 FTE
Management Systems	40.5 FTE
Physical Plant Operations	248.6 FTE
Utilities	
SEARCH	
Capital Outlay	

As per the Memorandum of Understanding, the FTE for General Institutional Administration may not be exceeded. This FTE limit includes 177.3 FTE in General Administration and 3.0 FTE for architects in Physical Plant operations for a total FTE limit of 180.3. Temporary staff are not to be counted toward the FTE staff limits.

Capital outlay, which was previously funded to the Colorado Commission on Higher Education, is appropriated in institutional support.

The SEARCH program General Fund support is increased from \$331,025 to \$756,660. This is due to the decrease of federal funds. The Center should provide a report to the Joint Budget Committee by December 1, 1982, accounting for all funding sources and expenditures by each Area Health Education Center. It is intended that at least 75% of the General Fund and federal funds received be expended in the Area Health Education Centers for their rural programs. The Center is encouraged to transfer resources to SEARCH where appropriate. Since federal funds will continue to decrease in the future, the budget submission for SEARCH next year should include the details on all funds and expenditures.

Indigent Care Programs: The following items are included in this appropriation:

Physician Reimbursement Incentive for Indigent Care	\$ 1,000,000
Community Maternity Program -	
Program Costs	1,633,674
Administrative Costs	54,158
	(2.0 FTE)
Medically Indigent	16,478,479
Total	<u>\$19,166,311</u>

Physician Reimbursement Incentive for Indigent Care -

The Physician Reimbursement Incentive for Indigent Care supports indigent care services in the Faculty Practice Fund. Pursuant to Section 23-21-106.5(5), it is requested that the Board of Regents provide a report to the Joint Budget Committee by December 1, 1982, of the faculty practice fund financial status, including but not limited to expenditures, revenues and the number of staff and faculty involved. For informational purposes, the estimated budget for 1982-83 for the faculty practice fund is \$10,074,500 with 199.9 FTE.

Community Maternity Program -

The program pays for hospital care for low-risk, low income, maternity clients. The responsibility for the Community Maternity Program which has previously been funded in the Department of Health is now at the Health Sciences Center. The program is to continue to operate as presently structured until the Board of Regents determines that the program can more effectively and efficiently meet the service, educational and research requirements of the State and the University. The University is to provide a report to the General Assembly no later than February 1, 1983, regarding the program. The appropriation is to serve at least 1,547 low-risk obstetric patients at community hospitals in the state, at an average length of stay of 2.5 days. The state is not to reimburse participating hospitals above the lowest rate obtainable in a community or service area. The Center is to pay a hospital the lesser of charges or cost for the delivery services, with the state's portion not to exceed \$1,056 per client. Each client is expected to pay a minimum of \$100 for services provided. Two FTE are appropriated for the administration of this program.

Medically Indigent -

This program provides funds for patients who are unable to pay for health care expenses. The funds for indigent care, previously funded in the Department of Social Services, are now funded at the Health Sciences Center. Of the \$16,478,479 appropriated, 95% is to be for Denver General Hospital and the remainder is for other health care providers. The other providers may include hospitals, physicians, and health maintenance organizations. The distribution of the funds to Denver General Hospital is to be based upon the availability of statistical data needed by the Health Sciences Center.

Reimbursements for this program are for all eligible billings made within sixty days following release for inpatient care or outpatient services rendered, exclusive of federal reimbursements, and less 3% of all hospital and center operating expenditures. The University Hospital ability to pay fee schedule in effect for 1982-83 fiscal year is to be utilized. Each hospital should provide a county of residence statement for clients served. The terms of reimbursement and the services for which reimbursement is made should be defined by contract.

It is the intent of the General Assembly that this shall be the final year of state General Fund support for the indigent care programs as a separate line item, unless specific statutory authority for this program is established.

MEMORANDUM OF UNDERSTANDING BETWEEN THE BOARD OF REGENTS
FOR AND ON BEHALF OF THE UNIVERSITY OF COLORADO HEALTH SCIENCES CENTER
AND LEGISLATIVE JOINT BUDGET COMMITTEE

I. PRINCIPLES

There are five major principles which this agreement implements:

1. This agreement reflects increased responsibilities and fiscal flexibility and trust for the Health Sciences Center, under the authority of the University of Colorado Board of Regents.
2. The Board of Regents has the authority and responsibility for setting the expenditure level for the Health Sciences Center.
3. The University of Colorado Board of Regents will have the authority and responsibility to set tuition rates for the Health Sciences Center, subject to all applicable statutes and to the authority of the Colorado Commission on Higher Education, pursuant to 23-1-112, C.R.S. 1973.
4. There will be reduced emphasis on line item appropriations and increased flexibility to transfer resources among appropriations at the Health Sciences Center, subject to specific limitations detailed in this agreement.
5. The Board of Regents for and on behalf of the Health Sciences Center may expend all cash revenues generated and retain them within the Center from fiscal year to fiscal year as necessary.

II. IMPLEMENTATION

1. This agreement pertains to the University of Colorado Health Sciences Center, which includes the Schools of Medicine, Nursing and Dentistry, the University Hospitals and Central Services and Administration. All funds appropriated to and generated by the Health Sciences Center shall be used only for activities at the Center.
2. The funding year covered by this agreement begins July 1, 1982, and ends June 30, 1983, except for the retention of revenue as provided in Principle I-5 above. This agreement may be continued or discontinued for fiscal years beyond 1982-83 at the discretion of the Legislature. This agreement further is subject to review, modification, addition or other changes for subsequent fiscal years.
3. This agreement represents a good faith effort to enumerate the details of the assumptions and conditions for the state appropriations for the Health Sciences Center. No further restrictions are implied; however, the Health Sciences Center assumes responsibility for notifying the Joint Budget Committee, the Education and Health, Environment, Welfare, and Institutions Committees of the General Assembly, and the Colorado Commission on Higher Education of any and all significant departures from previous methods of generating or allocating funds. There should be continual communication among the Board of Regents, JBC, and CCHE concerning questions, problems, and major impacts related to this appropriation method.

4. This agreement pertains only to those items enumerated herein and does not prejudice the availability or level of General Fund support.
5. In order to fulfill the terms of this Memorandum, the Board of Regents for and on behalf of the Health Sciences Center will set tentative tuition and hospital rates and other planning budgetary figures as requested by the JBC in the format provided.
6. We recognize and acknowledge the statutory and constitutional authority of the Board of Regents to manage the University of Colorado, however, for the purpose of this Memorandum, the Regents agree that they will not transfer funds from the Health Sciences Center to the other campuses of the university.

III. GENERAL FUND AND CASH FUNDS SUPPORT

1. The Board of Regents for and on behalf of the Health Sciences Center has the responsibility to generate tuition, hospital revenue, indirect cost recoveries and other appropriate funds to finance institutional expenditures. All revenue generated within the Health Sciences Center may be retained by the Center for disposition within the Health Sciences Center at the approval of the Board of Regents.
2. All cash funds will be retained by the Board of Regents for and on behalf of the Health Sciences Center and may be rolled forward into subsequent fiscal years. There will be an appropriate headnote in the Long Appropriations Bill to effect this procedure.
3. General Fund appropriations for 1982-83 for all budgets except the current line items "Physician Reimbursement Incentive for Indigent Care" and "SEARCH Program" will be based on an incremental increase to General Fund base including General Fund Central Pots and CCHE Capital Outlay allocation. Assuming agreement on the General Fund base, a percent increment will be added to this base.
4. The Physician Reimbursement Incentive for Indigent Care, supported by General Fund, will receive reimbursement for services provided as recommended by the Joint Budget Committee until such time as services are defined as provided in X-1-B-1 of this agreement. The SEARCH Program (in the Institutional Support line item in the new format) and the Family Practice Training Programs (in the Educational Programs line item in the new format) will continue to be funded by the General Fund at a funding level to be recommended by the Joint Budget Committee.
5. "Central Pots", that is the cost of salary increases and certain benefits for classified personnel, will be separately described in the Appropriations Report and calculated on the classified employment base on the same basis which is used for all state agencies. The central pots will be included as part of the base percentage increase and will not be funded separately; the Health Sciences Center is expected to fund central pots from their total appropriation.

IV. APPROPRIATION FORMAT

1. The format for the Long Bill Appropriation will have the following line items:
 - A. Educational Programs (Current Schools of Medicine, Nursing, and Dentistry except for Physician Reimbursement Incentive for Indigent Care)
 - B. Indigent Care Program
 - C. Health Care Programs (Current University Hospital - Colorado General and University Hospital - Colorado Psychiatric except for Health Care Support)
 - D. Health Care Support Phase-Out Per Senate Bill 232
 - E. Institutional Support (Current Central Services and Administration)
2. The Long Bill Appropriation will include the General Fund support and all appropriated cash and federal funds assumed to be generated by the Health Sciences Center. Sponsored programs will not be appropriated. Sponsored programs will be listed in the Appropriations Report of the Joint Budget Committee. Information on the Faculty Practice Fund will be footnoted in the Long Bill.

V. PERSONNEL LIMITATIONS

1. The FTE limit noted in the Appropriations Report for General Institutional Administration may not be exceeded. Temporary staff does not count toward the FTE staff limits. A report to the JBC will be made showing totals of temporary staff utilized with this clause.
2. The number of FTE Faculty may not exceed 100% of the 1981-82 level. This FTE limit will be noted in the Appropriations Report.
3. The FTE designation in Health Care Programs represents the maximum obligation of the General Assembly for appropriated General Fund dollars. This FTE designation is based on an assumption of open beds as noted in the Appropriations Report.

VI. TUITION

1. As set forth in Principle I-3 above, the Health Sciences Center will recommend to the Board of Regents both resident and non-resident tuition rates. Prior to the rates becoming effective, the Board of Regents must approve them and CCHE must determine them to be consistent with the level of appropriations and other directives set by the General Assembly.
2. Tuition rates may be different for the various educational programs at the Health Sciences Center as recommended by the Center and approved by the Board of Regents.

3. Mid-year adjustments, subject to the normal recommendation and approval process, are permitted. Summer school rates may differ from regular school year rates.
4. The non-resident tuition rates at the Health Sciences Center must be at least three times the resident rate, except that the Board may apply to the CCHE for a waiver of this rule. CCHE is asked by the Committee to assess the impact on resident students and capital facility needs in evaluating the waiver request.

VII. ENROLLMENTS

1. There will be no enrollment limits at the Health Sciences Center. Minimum numbers of resident student FTE will be as follows:

<u>School of Medicine</u>	
Medical Students	511
Graduate Students	86.6 *
Allied Health	94
<u>School of Nursing</u>	
Undergraduate	294
Masters	130
Doctoral	15 **
<u>School of Dentistry</u>	
Dental Students	100
Dental Hygiene	32

*Subject to change based on transfer of Health Administration program to UCD.

**This data is for information only. It is intended that no General Fund be expended for these programs.

2. The cap on total students is the total physical capacity of the plant as determined by the Health Sciences Center Administration.
3. No commitment for potential facility expansion due to the impact of enrollment is intended.

VIII. SUPPLEMENTALS

1. Enrollment Supplementals

If resident student FTE enrollments fall more than 2% below the specified level, a negative General Fund enrollment supplemental will be taken. The supplementals will be based on the cost/student FTE in the program with the enrollment decline. The cost/student FTE figures will be displayed in the Appropriations Report. No positive supplementals will be provided for any enrollment increases.

2. Medically Indigent Supplementals

The Appropriations Report will include the assumptions for the 1981-82 Provision of Indigent Care for the University Hospitals at the Health

Sciences Center. If these figures are exceeded, a supplemental may be considered. Expenditures by the Health Sciences Center should not assume a supplemental appropriation.

3. No cash funds supplementals will be taken.
4. No Utilities supplementals will be considered for 1982-83 except corrections to the 1981-82 base.
5. No other positive or negative supplementals will be considered except to make technical corrections.

IX. ACCOUNTING

1. The Health Sciences Center will submit its budget request in 1981-82 appropriation format as specified jointly by the JBC, OSPB and CCHE pursuant to 23-1-105(1), C.R.S. 1973.
2. Total revenues will be reported in the budget submissions on November 1, and in special reports to the JBC and State Controller on January 1, and August 1, which will show totals for the fiscal year ending June 30.
3. There is assurance of continued auditability of all records, for General Fund and cash funds.
4. Allocations of all appropriations will be booked with the State Controller in the same manner as current practice.

X. ADDITIONAL AGREEMENTS

1. Medically Indigent

It is agreed by the State of Colorado and the Regents of the University of Colorado that:

A. The University of Colorado Health Sciences Center will assume responsibility for the Community Maternity Program on July 1, 1982, and that:

- (1) The Community Maternity Program budget for 1982-83 will be appropriated to the Health Sciences Center for 1982-83 and the amount for program and administrative costs will be recommended by the Joint Budget Committee and approved by the General Assembly.
- (2) The Community Maternity Program will continue to operate as presently structured until such time as the Board of Regents determines that this program can more effectively and efficiently meet the service, educational, and research requirements of the State and University through an alternative structure and such a change has been reviewed and approved by the Joint Budget Committee.
- (3) In any event, the University will provide a report on the Community Maternity Program to the General Assembly through the

Joint Budget Committee - including their investigations into alternative delivery structures - no later than the first working day in February, 1983.

B. The University of Colorado Health Sciences Center will compile for the State of Colorado from existing data resources:

- (1) The interrelationship between various (1) population group definitions, (2) levels, types and frequency of health services, (3) delivery mechanisms, and (4) costs for levels and types of health services for health care for the medically indigent to assist the State of Colorado in defining and delineating a financially feasible program of adequate health care.
- (2) The advisability - including advantages, disadvantages, and requirements - of the University of Colorado Health Sciences Center assuming responsibility for such a unified program, including the Community Maternity Program.

This report shall be completed no later than January 1, 1983, and shall be funded by a separate appropriation from the State of Colorado in an amount to be recommended by the Joint Budget Committee and approved by the General Assembly. It is understood that prior to initiating this investigation, the University shall investigate the feasibility of completing this effort in the time and funding limitations noted above and shall review their findings with the Joint Budget Committee prior to initiating this effort.

C. The appropriation for the Family Practice Training Community Programs will be included in the Educational Programs line in the Health Sciences Center budget in an amount to be recommended by the Joint Budget Committee and approved by the General Assembly for fiscal year 1982-83. This funding is currently distributed by the Family Medicine Statewide Council. At the recommendation of the Joint Budget Committee, the allocation of these resources will be placed under Health Sciences Center management and will allow this program to serve initially as a network of providers of medically indigent care in the State.

2. No new budget requests for special purpose items will be submitted. The Health Sciences Center may cover such items within its appropriation; but if significant expenditures for new purposes are to be made, the JBC will be so advised. Current special purpose lines, except as otherwise provided, are included in the institutional base.
3. Organized research appropriations will be centralized in the CCHE. These funds may be allocated for research on state needs and priorities.
4. Any capital construction project valued over \$100,000, except hospital equipment, that is not self-funded or funded from student fees, must be specifically appropriated by the Legislature. Hospital equipment and installation costs valued over \$100,000 requiring General Fund or a Certificate of Need must be appropriated by the Legislature. Hospital equipment and installation costs valued over \$100,000, which do not require either a Certificate of Need or General Fund in 1982-83 and subsequent years, does not require a legislative appropriation.

5. The concept of a guaranteed transfer program is endorsed. The purpose of this program is to stimulate enrollments at Lamar, Morgan, Otero, Trinidad and Adams by providing an agreed upon program of education in which students may contract for upper division placement as CSU or CU-Boulder and be guaranteed transfer approve. CCHE will facilitate and encourage further development of this concept.

---END OF MEMORANDUM---

State Board of Agriculture

The appropriation reflects a 4.4% increase in General Fund support per resident student for Colorado State University, Fort Lewis College and the University of Southern Colorado. The appropriation is intended to provide support for 20,649 residents. General Fund support for resident students is \$2,077 for the non-CSU institutions and \$2,473 for CSU. A footnote is included requiring the State Board to submit by no later than January 1, 1983, a plan to combine the administrative and programmatic aspects of the Experiment Station, Extension Service and Forest Service.

Based on the assumptions described earlier, below is the breakout of line items similar to the 1981-82 appropriation.

Governing Board Administration	\$ 448,045 (9.5 FTE)
Resident Instruction	55,269,167 (1,846.7 FTE)
General Institutional Administration	5,073,123 (174.9 FTE)
Instructional Support	12,317,066 (411.1 FTE)
Physical Plant	7,255,242 (357.9 FTE)
Utilities	5,354,195
Central Pots	2,741,463
Enrichment	<u>4,013,964</u>
Total	\$92,472,265

CSU Veterinary School and Hospital

A student FTE enrollment of 753.7 is appropriated. Phasing-in of tuition rates for residents to 25% of the estimate year's cost is continued. Under this plan, first and second year students' tuition would be based on 25% of cost (\$2,061 on SFTE basis; \$2,839 on headcount basis), third year students' tuition would be based on 18.75% of cost (\$1,546 on SFTE basis; \$2,129 on headcount basis) and fourth year students' tuition at 12.5% of cost (\$1,030 on SFTE basis; \$1,420 on headcount basis). Tuition rate for non-residents is at 100% of cost. An increase of 1.5 faculty FTE is appropriated to allow the school to hire needed faculty in diagnostic radiology and pharmacology. Faculty and other exempt compensation increases are appropriated at 7.45%. An increase of 0.8 FTE in support staff is appropriated to correspond to faculty FTE increases. Faculty operating and travel expenses are combined with the Professional Staff line item to allow greater management flexibility.

Experiment Station

The Station is responsible for conducting agricultural research in the state and for coordinating that research with that being conducted in other states. Research funds are distributed to each college within the University, with research agendas being set in conjunction with the Experiment Station administration.

In FY 1982-83, the appropriations format was consolidated into a single line item entitled "Experiment Station Research Programs". As part of this consolidation, the Station was given a 7.45% increase over the FY 1981-82 General Fund estimate, excluding capital outlay. It is intended that all costs of salary increases or other benefits payable to employees be granted from the appropriation, with no consideration given to supplemental requests. Cash and federal funds are no longer shown, although it is expected that an unspecified amount will be generated. Expenditure of these funds is contingent upon approval of the State Board of Agriculture.

Additionally, no FTE's are appropriated in order to allow the Experiment Station flexibility in hiring staff. The General Assembly does intend, however, that no more than 85 state classified full-time equivalents be hired, excluding the CSU physical plant and administrative allocation.

Forest Service

The Forest Service is responsible for protecting forested lands from insects, disease and fire. To this end, programs are run to assist fire departments, fight the infestation of Mountain Pine Beetles, and to assist smaller communities in managing their forest resources.

Exempt staff salaries were increased by 7.45%. Cash funds were increased 7% from the FY 1981-82 estimate.

Extension Service

The Extension Service is responsible for providing the public with informal education in the areas of agriculture, community development, home economics and youth related activities. This is accomplished through cooperative relationships established with counties, wherein costs are shared with the state to maintain offices and agents.

FTE's in the agricultural and youth programs were increased by 3.2 FTE and 3.9 FTE, respectively, which results in the following staffing pattern:

Agricultural Program	110.0 FTE
4-H and Youth	82.0 FTE
Community Development	23.5 FTE
Home Economics	52.0 FTE
General Administration	9.5 FTE
Physical Plant	25.3 FTE
Total	<u>302.3 FTE</u>

Exempt staff salaries were increased by 7.45%.

Trustees of the Colorado School of Mines

The appropriation reflects a 4.4% increase in General Fund support per resident student, as well as a \$333,339 technical adjustment to the General Fund base. The recommendation is intended to support 2,288 resident students which represents a 4% increase in residents over the 1981-82 appropriation.

Based on the assumptions described earlier, below is the breakout of line items similar to the 1981-82 appropriation.

Resident Instruction	9,346,979 (279.9 FTE)
General Instructional and Governing Board Administration	1,239,739 (39.3 FTE)
Instructional Support	2,416,680 (60.3 FTE)
Physical Plant	2,018,147 (86.1 FTE)
Utilities	855,424
Central Pots	178,530
Enrichment	748,536
Total	<u>\$16,804,035</u>

Colorado Energy Research Institute

Statutory authority for the Colorado Energy Research Institute ended June 30, 1982. No appropriation is contained in the FY 1982-83 Long Bill; however, state agencies may contract with the Institute.

Trustees of the University of Northern Colorado

The appropriation reflects a 4.4% increase in General Fund support per resident student. The recommendation is intended to support 8,961 resident students which represents a 2.6% decrease in residents from the 1981-82 appropriation.

Based on the assumptions described earlier, below is the breakout of line items similar to the 1981-82 appropriation.

Governing Board Administration	\$ 52,138
	(1.0 FTE)
Resident Instruction	21,145,806
	(680.7 FTE)
General Institutional Administration	2,182,144
	(76.3 FTE)
Instructional Support	4,435,647
	(157.1 FTE)
Physical Plant	2,779,876
	(124.8 FTE)
Utilities	1,477,756
Central Pots	936,676
Enrichment	1,115,416
Total	\$34,125,459

State Board for Community Colleges and Occupational Education

Administration

As previously mentioned, the appropriation consolidates the administrations of the Community Colleges Division and the Occupational Education Division.

State System Community Colleges

The appropriation represents a 4.4% increase in General Fund support per resident student FTE. The magnitude of the increase is tied to increased enrollments. Included in the appropriation is \$1,465,820 in Enrichment cash funds. General Instructional Administration is set at the 1981-82 level of 157.7 FTE.

Local District Junior College Grants

The grant per student has been increased by 4% from the previous year and is now at \$1,496 per vocational student and \$891 per academic student.

	Students		
	Academic	Vocational	Total
Aims College	1,453	1,550	3,003
Colorado Mountain College	1,391	1,612	3,003
Colorado Northwestern Community College	300	330	630
Northeastern Junior College	810	720	1,530
	<u>3,954</u>	<u>4,212</u>	<u>8,166</u>

Colorado Vocational Act

The Colorado Vocational Act provides funds to the State Board for Community Colleges and Occupational Education for distribution to local school districts for secondary vocational education programs. The Consumer Homemaker program is incorporated within the Colorado Vocational Act. \$463,379 in federal funds and \$148,379 in General Fund is included for the Consumer Homemaking program. The Colorado Vocational Act is funded at 85.4% of the total entitlement, i.e., the average of the previous five-year appropriated percentage of the entitlement. Last year, \$700,000 was allocated in federal funds for a portion of the entitlement which could not be used as such; therefore, those funds are eliminated.

Area Vocational Schools

The area vocational schools provide vocational training to secondary, postsecondary, and adult students in a single location. Area vocational schools are funded at 82.5% of the Local District College rate. The 1981-82 funding level was 80.7% of the Local District College rate.

Proprietary School Administration

Proprietary School Administration supervises and regulates private occupational schools for consumer protection purposes. A continuing level of operation is funded.

Area Vocational School at the Department of Corrections

This program provides vocational training for inmates in the Department of corrections in each of the facilities. Full-day vocational programs are provided for 200 inmates (the equivalent of 320 student FTE). It is intended that the Division of Occupational Education have direct oversight responsibility. It is also intended that instructors be on a contractual basis.

Sponsored Programs

The 1981-82 appropriation included disbursements as well as administration. Funds available for disbursements are severely diminished, but as yet it is not known to what extent; therefore, the administrative component is the only information contained in this appropriation.

Auraria Higher Education Center

The appropriation continues to totally cash fund Auraria operations from transfers from the constituent institutions. The large increase in funding results from direct appropriation of central pots costs. The appropriation includes an increase in 2.0 FTE related to consolidated student service activities and 1.1 FTE for physical plant activities. Exempt compensation increases are appropriated at a 7.45% increase. A footnote is included stating it is the intent of the General Assembly that the Auraria Higher Education Center work towards the goal of having 15% of its FTE being students on a work-study program. In addition, to the extent there is a negative or positive utility supplemental at Auraria, the three institutions are expected to share proportionately.

Colorado Council on the Arts and Humanities

The Council was established in 1967 to encourage the development of the arts and humanities in the State, and to receive and distribute available federal funds for this purpose.

The two line item appropriation format started in FY 1981-82 is continued. Included in Administration and Coordination are Personal Services, Operating, and Travel expenses. The Special Purpose line includes the following major programs: Artists in Education, Major Institutional Assistance, Grants-In-Aid, Local Council Grants, Art in Public Places, and a General Fund amount to be utilized as seed money to generate corporate contributions.

Footnote 48 states that the Council may generate non-appropriated cash contributions to be applied to the Special Purpose line item only, not to Administration and Coordination.

Central pots and capital outlay are appropriated to the Colorado Commission on Higher Education.

State Historical Society

The Historical Society acts as trustee for Colorado's historical heritage. It maintains historical properties and collections of artifacts and displays and interprets these to the public.

The appropriation includes the following new positions: 1.0 FTE Typist in Administration, 1.0 FTE Public Safety Guard in the Buildings and Sites section, 1.0 Museum Technician in Exhibits, and 0.5 FTE Staff Assistant in the Historic Preservation Office. All new positions are funded from cash funds available due to the opening of the first phase of the Heritage Center permanent exhibit in August, 1982. The Society will begin charging admission at the Heritage Center at that time.

A 3% vacancy savings factor is applied to the appropriation.

Central pots and capital outlay are appropriated to the Colorado Commission on Higher Education. Partially cash funded from museum admission fees are: Exhibits - 25.3% cash; Buildings and Sites - 12.7% cash; and Regional Properties - 27.2% cash.

In addition to admission fees, cash spending authority is appropriated for \$10,000 from fees in Documentary Resources. User fees of \$11,063 are appropriated in the Historic Preservation Office to defray administrative costs. Indirect cost recoveries of \$34,240 are applied to personal services costs in Administration. Income from rental fees at the Grant-Humphreys Mansion is to be used for the Society's operating expenses.

A continuing level of grants to local historical societies is included. An appropriation of \$19,897 is made toward operating expenses of the Cumbres-Toltec Scenic Railroad Commission. The appropriation of \$6,000 will reimburse the City of Denver for maintenance of Governor's Park.

Footnotes 49 and 50 require:

1. That the Society enter into a lease agreement by December 31, 1982, with the tenants of the Grant-Humphreys Mansion including free space for the Colorado Council on the Arts and Humanities.
2. That the Society negotiate a contract with the City of Denver to establish the distribution of responsibility for maintenance work and costs at Governor's Park.

A one-time appropriation of \$100,000 is made for microfilming of the entire backlog of newspapers collected by the Society.

CAPITAL CONSTRUCTION

	<u>Total</u>	<u>Capital Construction Fund</u>	<u>Other Funds</u>
<u>Community College of Denver - North Campus</u>			

Volatile Storage Building	6,000	6,000	
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The appropriation permits construction of storage building for safe storage of volatile materials.

Community College of Denver - Red Rocks

Environmental Training Center	538,416	38,416	500,000
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This project was funded previously, but construction is not yet underway. Funds are appropriated once again because the three year limit on Capital Construction projects negates the original appropriation. The Environmental Training Center provides a water and wastewater treatment training center on the Red Rocks campus.

Otero Junior College

Fire Alarm Systems	20,700	20,700	
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The appropriation permits installation of fire alarm systems in McDonald Hall, the Gymnasium, and the Maintenance Building in order to comply with code regulations.

Pueblo Vocational Community College

Auto-Mechanics Fire Sprinkler System	19,733	19,733	
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The installation of a sprinkler system in the auto-mechanics shop is necessary to comply with Life Safety Code requirements.

Central Heating Plant	380,968	380,968	
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The appropriation provides for the replacement of the current plant which has been condemned.

Colorado State University

Hazardous Waste Disposal Facility	126,500	120,175	6,325
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The appropriation funds a temporary holding facility for toxic wastes. It is intended that 5% of the total cost be from non-resident tuition income.

Relocation of Equine Center and Animal Reproduction and Swine Facility	7,000,000		7,000,000
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The appropriation provides funds to relocate and construct new facilities for the Equine Center (54,193 gross sq. ft.) and the Animal Reproduction and Swine Facility (37,964 gross sq. ft.). All costs associated with the relocation of these facilities, including

moveable equipment, is included in the appropriation. Proceeds from the sale of 49 acres of land on West Elizabeth in Ft. Collins and any monies raised from private sources shall be used for this project.

	<u>Total</u>	<u>Capital Construction Fund</u>	<u>Other Funds</u>
Renovation of Glover Building	1,300,000		1,300,000

The appropriation authorizes the use of funds to begin renovation of the Glover Building for use by the College of Engineering. Proceeds from the sale of 49 acres of land on West Elizabeth in Ft. Collins and any monies raised from private sources may be used for this project. Expenditures of these funds requires approval by the State Board of Agriculture.

University of Colorado - Boulder Campus

Dance Addition to the Performing Arts Building	1,346,000		1,346,000
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The appropriation provides funds for a 21,530 gross sq. ft. addition to the Performing Arts Building for use by the Dance Department. Proceeds from fire insurance and the sale of the Academy building in Boulder shall be used to fund this project.

Health Sciences Center

Emergency Power to Central Laboratory	25,556	25,556	
Elevators Emergency Recall	37,644	37,644	
Radiology Sprinkler System	62,736	62,736	

The projects are funded in order to meet fire safety code standards.

Auraria Higher Education Center

Planning Funds for Addition to the Science Building and Construction of the UCD/Auraria Office, Laboratory and Classroom Complex	529,700	529,700	
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The appropriation provides planning funds for an addition to the Science Building and construction of the UCD/Auraria Office, Laboratory and Classroom complex. A footnote is included stating it is the intent of the General Assembly that these planning funds be repaid if the proceeds from the sale of the University of Colorado-Denver complex, located between Lawrence, Arapahoe, Speer and 14th Street in Denver's Central Business District, exceeds \$23,500,000.

	<u>Total</u>	<u>Capital Construction Fund</u>	<u>Other Funds</u>
Construction of the Addition to the Science Building and the UCD/Auraria Office, Laboratory and Classroom Complex	30,000,000		30,000,000

The appropriation provides funds for construction of the addition to the Science Building and the UCD/Auraria Office, Laboratory and Classroom complex. A total of 250,000 gross sq. ft. is appropriated. Proceeds from the sale of the University of Colorado-Denver Complex, located between Lawrence, Arapahoe, Speer and 14th Street in Denver's Central Business District, are appropriated to fund this project.

<u>Colorado Heritage Center</u>	208,200	208,200	
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This appropriation will allow remodeling of the remaining unfinished space at the Colorado Heritage Center for the expansion of the Historical Society's Documentary Resources section, and to create space for the Colorado Commission on Higher Education. The Commission will occupy 5,328 of the total 7,720 gross square feet included in this project when it moves from its present location at 1550 Lincoln Street.

Colorado State University

Veterinary Medicine Fluorescence-Activated Cell Sorter	241,600	120,800	120,800
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This appropriation is for a fluorescence-activated cell sorter designed to aid in genetic research at Veterinary School. Cash funds from the special reserve account created pursuant to Section 23-31-135, C.R.S. 1973, are also to be used in this appropriation.

NEW LEGISLATION

S.B. 47 - This bill allows the Regents of the University of Colorado to issue bonds up to \$10 million for the purpose of obtaining funds for the planning, construction or other acquisition, and equipping of research buildings and facilities. The bonds are to be paid exclusively from and secured by a pledge of the University of Colorado Research Building Revolving Fund.

S.B. 79 - This bill changes the requirements for private occupational schools under the student loan guarantee program in order to reconcile state law with federal law and regulations.

S.B. 80 - Provides for the exclusion of loans made or guaranteed by agencies, instrumentalities, or political subdivisions of the State under the student loan guarantee program from the "Uniform Consumer Credit Code".

S.B. 102 - This bill revises the tuition policy at the School of Dentistry, University of Colorado. It provides for the Board of Regents to establish tuition for the students. The Regents are to require that a student devote not less than one academic year of direct clinical dental services to any area determined to be in need of additional dental services. This change in tuition policy and service requirement should not require additional General Fund for the school. It may result in less General Fund needs due to increased tuition receipts.

S.B. 103 - This bill authorizes the Regents of the University of Colorado to convey or lease the current UC-D property and to use the proceeds to construct a new facility at the Auraria Higher Education Center.

H.B. 1134 - Extends statutory authority for the Colorado Water Resources Research Institution to July 1, 1987. No appropriation is included.

H.B. 1237 - This bill, to take effect in FY 1983-84, will provide state-appropriated support for off-campus course and program offerings. The procedures and policies to implement this action will be developed by CCHE during FY 1982-83.

STATE DEPARTMENT OF HIGHWAYS

APPROPRIATED FUNDS	1979-80 Actual	1980-81 Actual	1981-82 Estimate	1982-83 Appropriation
	\$	\$	\$	\$
OPERATING BUDGET				
Executive Director	-0-	-0-	-0-	1,300,072 a/
State Patrol	19,416,680	21,990,987	22,200,935	22,020,133
Highway Safety	4,024,096	3,682,531	3,925,515	3,671,229 b/
Transportation Planning c/	503,445	1,936,868	1,288,476	1,139,663
SUBTOTAL	23,944,221	27,610,386	27,414,926	27,240,111
General Fund	255,006	293,114	400,161	331,444
Cash Funds				
HUTF	18,758,232	21,292,568	21,662,354	22,789,269
Local Funds	13,525	430,745 d/	265,538	290,636
Fees and Fines	565,627	1,124,893 e/	1,507,441	1,166,536 b/
Transfers f/	456,822	337,961	-0-	94,386
Indirect Costs	-0-	-0-	-0-	53,037
Subtotal	19,794,206	23,186,167	23,435,333	23,502,878
Federal Funds				
Highway Safety Act	3,428,809	2,604,194	2,456,756	2,444,598
Rail Revitalization	124,560	905,085	436,492	465,946
Urban Mass Transportation	325,947	551,826	546,184	355,245
Other	15,693	70,000	140,000	140,000
Subtotal	3,895,009	4,131,105	3,579,432	3,405,789
NON-APPROPRIATED FUNDS g/				
Maintenance and Operations	\$81,633,601	\$96,535,085	\$102,156,707	\$107,666,088
Construction	170,395,610	196,762,161	159,704,224	182,410,912
SUBTOTAL	\$252,029,211	\$293,297,246	\$261,860,931	\$290,077,000
Tax Relief Funds h/	-0-	34,500,000	-0-	-0-
Cash Funds				
HUTF	110,170,475	118,814,175	123,453,310	131,845,000
Local Funds	8,566,595	5,107,308	14,377,988	4,560,000
Subtotal	118,737,070	123,921,483	137,831,298	136,405,000
Federal Funds	133,292,141	134,875,763	124,029,633	153,672,000
GRAND TOTAL	\$275,973,432	\$320,907,632	\$289,275,857	\$317,317,111

a/ Oregon Plan legal services and central pots.

b/ Differs from Long Bill due to H.B. 1232: Does not include \$1,603,775 for Alcohol and Drug Driving Safety Program transferred to the Division of Alcohol and Drug Abuse, Department of Health; does include an estimate of \$890,986 for the Law

Enforcement Assistance Fund. The \$890,986 is not added into subtotals or totals as H.B. 1232 does not make an appropriation.

- c/ Includes two appropriated programs: Rail Planning and Projects, and Transportation Services for the Elderly and Handicapped.
- d/ First-time appropriation of local match funds for the rail program and the transportation for the elderly and handicapped program.
- e/ First full year of statewide alcohol and drug driving safety program.
- f/ Includes Highway Safety Act funds transferred to the State Patrol, and state rail planning match transferred from the Legislative Council in all years except FY 1981-82, when the match was appropriated directly from the General Fund.
- g/ These funds are appropriated by the State Highway Commission.
- h/ Appropriated by S.B. 148, 1980 Session.

FTE OVERVIEW

<u>Appropriated Divisions</u>	<u>1979-80 Actual</u>	<u>1980-81 Actual</u>	<u>1981-82 Estimate</u>	<u>1982-83 Appropriation</u>
State Patrol	775.5	792.5	720.0 a/	725.5
(Uniformed)	(550.0)	(561.0)	(514.0)	(519.5)
(Civilian)	(225.5)	(231.5)	(206.0)	(206.0)
Highway Safety	29.0	29.0	34.0	18.5 b/
Transportation Planning	<u>5.0</u>	<u>9.5 c/</u>	<u>9.0</u>	<u>9.0</u>
Subtotal - Appropriated Divisions	809.5	831.0	763.0	753.0
<u>Non-Appropriated Areas</u>				
Administration and Services	265.0	272.0	277.0	280.0
Maintenance	1,696.0	1,703.0	1,667.0	1,652.0
Construction and Pre-Construction	974.0	992.0	957.0	919.0
Transportation Planning	<u>128.0</u>	<u>121.0</u>	<u>100.0</u>	<u>95.0</u>
Subtotal - Non-Appropriated Areas	3,063.0	3,088.0	3,001.0	2,946.0
TOTAL DEPARTMENT	3,872.5	3,919.0	3,764.0	3,699.0

- a/ Reduction due to Highway Users Tax Fund limit.
- b/ Does not include 9.0 FTE for Alcohol and Drug Driving Safety Program moved by H.B. 1232.
- c/ Increase due to first-time appropriation of rail planning FTE.

COMPARATIVE DATA

<u>Division/Item</u>	<u>1979 Actual</u>	<u>1980 Actual</u>	<u>1981 Actual</u>	<u>1982 Estimate</u>
<u>State Patrol</u>				
Patrol-Investigated				
Accidents	41,244	39,987	39,005	41,263
Accident Fatalities	692	709	755	775
Vehicle Miles Travelled (billions)	19,736	19,660	20,526	21,429
 <u>Highway Safety</u>				
Crashes	128,765	120,593	115,162	N/A
Injuries	37,120	37,383	41,579	N/A
Fatality Rate <u>a/</u>	3.51	3.30	3.32	N/A
55 MPH Compliance	58.6%	64.2%	50.3%	N/A
	<u>1979-80 Actual</u>	<u>1980-81 Actual</u>	<u>1981-82 Estimate</u>	<u>1982-83 Estimate</u>
<u>Non-Appropriated Areas</u>				
Miles in State System				
Below 70 PSI <u>b/</u>	3,648	4,183	4,621	5,187
Maintenance Budget <u>c/</u>	\$ 57.7	\$ 64.0	\$ 62.3	\$ 59.2
	Million	Million	Million	Million
Construction				
Expenditures <u>c/</u>	\$ 94.8	\$ 73.7	\$ 59.7	\$ 70.7
	Million	Million	Million	Million
New Miles of Interstate				
Four-Lane Opened	16.7	13.3	6.9	9.0
	(1980)	(1981)	(1982)	(1983)

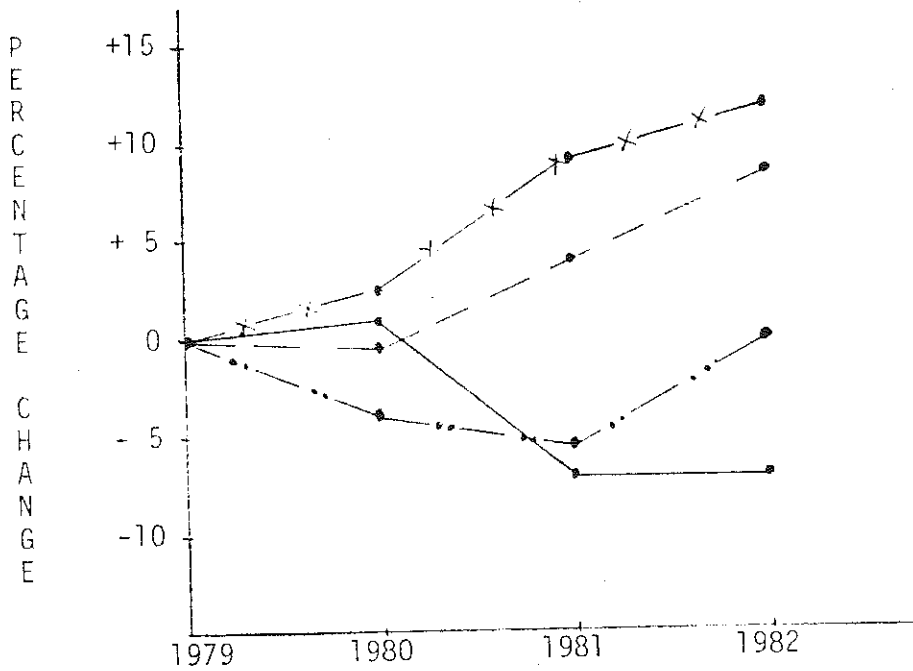
a/ Fatalities per 100 million vehicle miles traveled.

b/ PSI - Present Serviceability Index: An index of 100 indicates a new road with excellent pavement condition; an index of 70 indicates the point at which pavement is deteriorating and in need of repair.

c/ In 1977 constant dollars.

Colorado State Patrol

MANPOWER AND WORKLOAD TRENDS

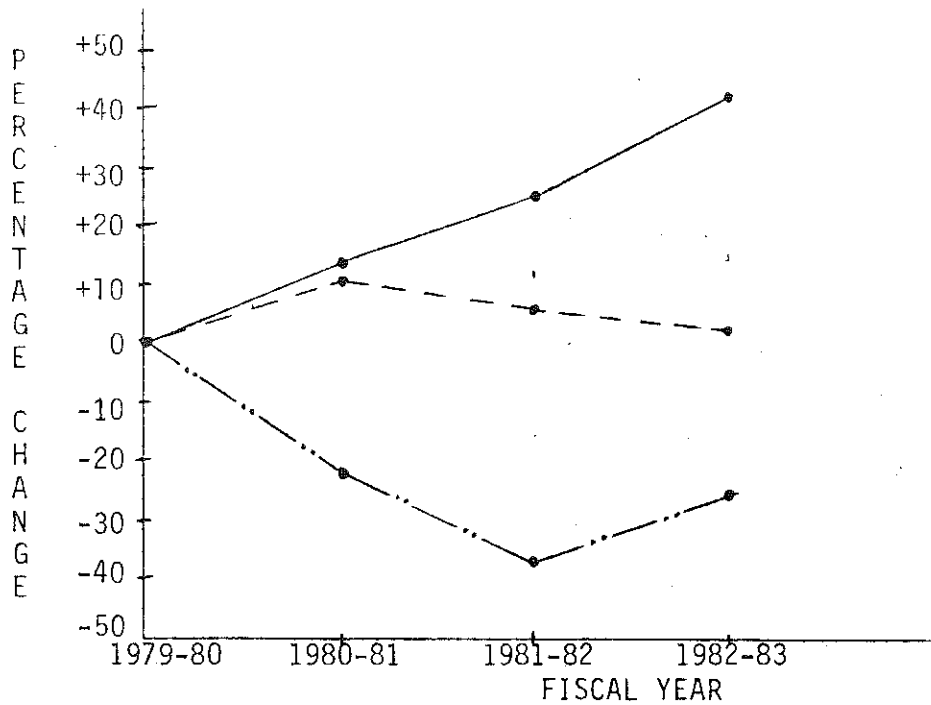


_____ Uniformed FTE
 - - - - - Vehicle Miles Traveled (Billions)
 Patrol-Investigated Accidents
 - x - x - x Colorado Traffic Deaths

While State Patrol uniformed strength was cut in 1980 due to the statutory spending limit on the Highway Users Tax Fund, vehicle miles of travel and traffic deaths continue to rise. Traffic accidents seem to be getting more severe, because even though the number of accidents has not increased, the number of fatalities has.

Non-Appropriated Areas

HIGHWAYS
MAINTENANCE AND CONSTRUCTION



————— State miles with pavement rating below 70 PSI (deteriorating)
----- Maintenance budget, 1977 constant dollars
- . . - . . - . . Construction expenditures, 1977 constant dollars

The chart illustrates the deterioration of the state highway system, while maintenance and construction expenditures, in constant dollars, have not grown.

SUMMARY HIGHLIGHTS

State Patrol

The scheduling of only one or two trooper recruit classes per year means that uniformed Patrol strength is significantly below the appropriated level prior to the graduation of each class. The Department is working on the development of an ongoing trooper recruit training program. The Committee encourages this new approach.

For the first time, the Aircraft Pool appropriation is set to charge all costs of this service, including personal services and airplane depreciation, to user agencies. The Patrol's aircraft enforcement is no longer funded as part of the Pool. This full-cost approach will show whether the Pool can be fully self-supporting.

Non-Appropriated Budgets

By statute, the State Highway Commission appropriates funds for highway maintenance and construction. As provided in H.B. 1090 of the 1981 session, the Committee received these budgets for review and forwarded recommendations to the Highway Commission. One recommendation was that future budget documents submitted to the Committee follow more closely the detailed format of budget requests from all other state agencies. Such a format will allow the Committee to conduct a more thorough analysis of these budgets prior to the formulation of recommendations for the State Highway Commission.

EXPLANATION OF APPROPRIATION

Executive Director. The Executive Director manages the Department of Highways.

The appropriation includes Oregon Plan legal services for the legislatively appropriated programs. Also appropriated are the costs for 1982-83 salary survey, anniversary increases, and shift differential for these programs.

The program for Transportation for the Elderly and Handicapped is no longer appropriated to the Executive Director. The appropriation is made to the Division of Transportation Planning which operates the program.

Colorado State Patrol. The Patrol's major function is the policing of state highways to enforce traffic laws and assist motorists.

The appropriation adds 9.5 troopers to the Patrol, partially offset by a reduction of 4.0 FTE supervisory personnel. It is intended that the additional troopers be deployed to aid in accident reduction.

The Long Bill erroneously shows the State Patrol's main FTE appropriation to be 711.5; this number should be 708.0. The dollar appropriation of \$17,157,840 is calculated on the basis of 708.0 FTE, with a 3% vacancy savings factor taken.

The Capitol and Governor's Security unit is appropriated at a continuing level. However, 1.0 FTE is funded from the State Patrol's portion of statewide indirect costs, which are assessed for the first time in FY 1982-83.

The Dispatch Contracts line (formerly Montrose Dispatch) is increased from 1.0 FTE this year to 3.0 FTE to reflect dispatch contracts in two additional joint dispatching centers. The 3.0 FTE dispatchers are funded from local sources.

The Aircraft Pool is appropriated at a reduced level, because Patrol aircraft enforcement is incorporated into the Patrol's operating expense line. It is the intent of the General Assembly that a fund be established, into which all cash income received from users is deposited; the balance in this fund shall be invested and, upon appropriation by the General Assembly, applied towards the purchase of replacement airplanes.

The Communications Program line was eliminated as it is funded in the Division of Communications, Department of Administration.

Footnote 11 defines "availability of gasohol" pursuant to Section 39-27-102(1)(a)(III), C.R.S., 1973, to be purchased by the Patrol as meaning that the gasohol is available from local sources to the general public.

Division of Highway Safety. This Division acts as highway safety advocate and coordinator in the state. Federal Highway Safety Act funds are administered and distributed. Also a function of the Division is the Alcohol and Drug Driving Safety program, which evaluates individuals convicted of an alcohol or drug-related driving offense prior to sentencing.

In the Highway Safety program, five vacant positions were eliminated. An additional 1.5 FTE were reduced in administration.

Footnote 52 requires the Division to provide a report describing projects funded under the Highway Safety Plan during FY 1981-82, detailing funding level, recipient - administrator, number and classification of FTE funded, and showing the effect each project had on highway safety in Colorado.

H.B. 1232 of the 1981 session moves the Alcohol and Drug Driving Safety program to the Division of Alcohol and Drug Abuse, Department of Health.

Division of Transportation Planning. This Division is responsible primarily for highway construction-related planning mandated by the federal government.

Two programs are legislatively appropriated in this Division.

Transportation for the Elderly and Handicapped:

This program is appropriated here rather than in the Executive Director's Office as in previous years. Disbursements for projects reflect the Division's best estimate of federal project funds to be received.

Rail Planning, Projects and Administration:

Rail Planning is reduced to reflect lower personal services cost assumptions. The non-federal match is appropriated as a cash funds transfer from the Legislative Council to ensure legislative oversight of this activity. This amount represents a one-time only doubled match to meet new federal matching deadlines. The amount also reflects required non-federal participation of 30%, increased from the current 20%.

Footnote 53 designates the cash appropriation as representing two years' match for federal Rail Planning funds.

Local sources will match federal project and project administration funds.

Division of Highways, Division of Administration, Office of Management and Budget, Division of Transportation Planning, Executive Director. These units constitute those portions of the Highway Department responsible for highway maintenance, construction, and administration of the Department. The budgets for these divisions are appropriated by the State Highway Commission and represent about 90% of the Department's total anticipated 1982-83 spending.

For informational purposes, these portions of the Highway Department's budgets are shown in the Long Bill. The amounts and numbers of FTE shown reflect the budget document submitted to the General Assembly pursuant to Section 43-1-105(1)(g), C.R.S., 1973. Included in these figures are Oregon Plan legal services at the requested level for these divisions.

NEW LEGISLATION

H.B. 1126 redefines the boundaries of the nine State Highway Commission districts. The bill replaces the at-large district with a geographically defined district. Thus, the Commission will continue to have nine members. The new districts will apply to appointments to the Commission by the Governor starting March 1, 1983.

H.B. 1172 eliminates the requirement that individuals with a valid Colorado driver's license sign a penalty assessment notice or summons as a promise to appear in court.

H.B. 1232 creates the Law Enforcement Assistance Fund, to be administered by the Division of Highway Safety. The Fund is to receive its revenue from a \$50 fine imposed on persons convicted of an alcohol or drug related traffic offense. The Division is charged with the distribution of these funds to municipalities for enforcement, and to the Division of Alcohol and Drug Abuse, Department of Health, for a program of prevention.

H.B. 1285 rewords the statute requiring the Patrol to perform inspections of school buses to conform to actual Patrol practice. The Patrol inspects a limited sample of 2,000 to 2,500 buses per year rather than all school buses in the state as was required by previous statute. This legislation thus does not affect the Patrol's operation or budget.

S.B. 94 limits the requirement that law enforcement officers, including Patrol troopers, investigate and report accidents to those accidents involving personal injury/death or personal property damage over \$500. An estimate of Patrol manpower savings suggests that a maximum of 1,865 hours, or about 1.0 FTE trooper, might be saved.

DEPARTMENT OF INSTITUTIONS

BUDGET OVERVIEW *

<u>OPERATING BUDGET</u>	1979-80 Actual	1980-81 Actual	1981-82 Estimate	1982-83 Appropriation
	\$	\$	\$	\$
Executive Director's Office ^{1/}	5,125,542	6,920,943	9,907,194	12,594,638
General Fund	3,328,489	4,551,944	6,094,300	7,235,562
Cash Funds	385,001	482,212	1,866,489	3,618,022
Federal Funds	1,412,052	1,886,787	1,946,405	1,741,054
Youth Services	14,320,762	15,450,355	16,903,830	16,149,308
General Fund	13,222,816	14,117,289	15,603,026	15,075,578
Cash Funds	980,392	1,205,813	1,034,496	596,730
Federal Funds	117,554	127,253	266,308	477,000
Mental Health	57,550,295	66,900,666	72,035,207	75,947,009
General Fund	39,443,992	43,463,388	49,132,447	47,975,322
Cash Funds	17,185,016	22,244,141	22,773,791	25,122,687
Federal Funds	921,287	1,193,137	128,969	2,849,000
Developmental Disabilities	50,804,574	58,560,350	65,979,839	67,295,971
General Fund	14,748,365	18,308,035	25,852,850	27,682,930
Cash Funds	36,056,209	40,252,315	40,126,989	39,613,041
Federal Funds	-0-	-0-	-0-	-0-
SUBTOTAL	127,801,173	147,832,314	164,826,070	171,986,926
General Fund	70,743,662	80,440,656	96,682,623	97,969,392
Cash Funds	54,606,618	64,184,481	65,801,765	68,950,480
Federal Funds	2,450,893	3,207,177	2,341,682	5,067,054
<u>CAPITAL CONSTRUCTION BUDGET</u>				
Division of Youth Services (CF)	100,000	-0-	-0-	-0-
Division of Mental Health (CCF)	62,822	292,869	228,629	300,000
Division for Developmental Disabilities (CCF)	1,171,400	3,016,006	253,000	-0-
TOTAL-CAPITAL CONSTRUCTION	1,334,222	3,308,875	481,629	300,000
Capital Construction Fund	1,234,222	3,308,875	481,629	300,000
Cash Funds	100,000	-0-	-0-	-0-
<u>GRAND TOTAL</u>	\$129,135,395	\$151,141,189	\$165,307,699	\$172,286,926

^{1/} Executive Director's Office includes administrative appropriation for all Divisions in 1981-82 and 1982-83. Pots for all Divisions is also included in 1982-83.

* NOTE: This is a departmental overview. See Division budgets for detailed information.

OFFICE OF THE EXECUTIVE DIRECTOR

<u>Appropriated Funds</u>	<u>1979-80</u> <u>Actual</u>	<u>1980-81</u> <u>Actual</u>	<u>1981-82</u> <u>Estimate</u>	<u>1982-83</u> <u>Appropriation</u>
	\$	\$	\$	\$
Administration <u>1/</u> ADP Center	4,159,776 965,766	5,964,711 956,232	8,842,706 1,064,488	11,592,493 1,002,145
SUBTOTAL	5,125,542	6,920,943	9,907,194	12,594,638
General Fund	3,328,489	4,551,944	6,094,300	7,235,562
Cash Funds				
Indirect Cost Recoveries	-0-	-0-	-0-	135,073
Medicaid Revenues	-0-	-0-	1,244,926	2,879,096
Interdepartmental Transfers	352,174	482,212	621,563	550,690
CETA	32,827	-0-	-0-	-0-
Medicaid Monitoring	-0-	-0-	-0-	53,163
Subtotal	<u>385,001</u>	<u>482,212</u>	<u>1,866,489</u>	<u>3,618,022</u>
Federal Funds				
HUD Handicapped Housing Developmental Disabilities Council	276,960	500,626	1,117,300	1,107,277
Medicaid Monitoring	-0-	-0-	-0-	56,000
LEAA	91,506	135,718	23,800	-0-
Mental Health Grants	690,683	811,946	394,676	169,141
HEW	75,607	-0-	-0-	-0-
Subtotal	<u>1,412,052</u>	<u>1,886,787</u>	<u>1,946,405</u>	<u>1,741,054</u>
GRAND TOTAL	\$5,125,542	\$6,920,943	\$9,907,194	\$12,594,638

1/ The administrative FTE and associated operating and travel expenses for the Division of Youth Services, Division of Mental Health, and the Division for Developmental Disabilities were consolidated into the administration component of the Executive Director's Office in 1981-82. The figures for 1979-80 and 1980-81 include that consolidation to provide a true comparison with 1981-82 and 1982-83.

FTE OVERVIEW

	<u>1979-80</u> <u>Actual</u>	<u>1980-81</u> <u>Actual</u>	<u>1981-82</u> <u>Estimate</u>	<u>1982-81</u> <u>Appropriation</u>
Administration	116.9	122.6	107.0	102.8
ADP Center	<u>34.3</u>	<u>32.9</u>	<u>34.5</u>	<u>31.5</u>
Total	151.2	155.5	141.5	134.3

SUMMARY HIGHLIGHTS

Indirect Costs

A major change in the Department's budget is the appropriation of indirect cost recoveries collected from Medicaid revenues. It is the appropriation of these indirect cost recoveries that has resulted in the large increase in the authorized cash spending authority.

EXPLANATION OF APPROPRIATION

- A) Administration. The Administration component provides overall direction to the Department by working with the three divisions to coordinate planning, management of resources, and the delivery of services. The appropriation includes the consolidation of all administrative FTE from the Division of Youth Services, Division of Mental Health, and Division for Developmental Disabilities into the administrative section of the Office of the Executive Director. The General Fund appropriation is for 15.5 FTE in the Division of Mental Health, 23.5 FTE in the Division of Youth Services, and 15.0 FTE in the Office of the Executive Director. This appropriation represents a continuing level of staff in Mental Health, based on actual workload, and 1.0 additional FTE in Youth Services to coordinate training programs within the Division. There is a net gain of 1.0 FTE in the Office of the Executive Director with the elimination of the positions of Deputy Director and Assistant Director of Management Services and the transfer of 3.0 Systems Analysts positions from the ADP Center. For the first time, the appropriation for the 23.0 administrative staff in Division for Developmental Disabilities is from cash funds to be raised from indirect cost recoveries from Medicaid revenues. There are also 2.0 FTE who are supported by cash funds who will monitor the use of Medicaid funds in the Division of Mental Health.

With this appropriation, it is the intent of the General Assembly that the Department shall submit to the Joint Budget Committee on or before July 1, 1982, a personal services reconciliation for the Executive Director's Office and the Divisions of Youth Services, Mental Health, and Developmental Disabilities. The reconciliation shall contain, for each state employee job classification, base salary plus all fringe benefits, with type and amount shown separately. In addition, a consistent definition of a full-time equivalent employee shall be developed and used to reconcile the data referenced above to the full-time equivalents contained in the 1982-83 Long Appropriations Bill.

The appropriation for capital outlay includes funding for equipment to open two new mental health wards, one at Pueblo and one at Fort Logan. The funding for the Manpower Development Grant (3.9 FTE) is for training programs administered by the Division of Mental Health. The appropriation for the WICHE Mental Health Grants is for a general membership fee that enables the Division to receive a variety of materials and research results which would not otherwise be available.

- B) ADP Center. This center, located in Pueblo, provides automated data processing services for all components of the Department of Institutions. The appropriation includes funding for 5.0 fewer FTE, which includes 2.0 positions not being utilized during the current year and 3.0 Systems Analysts who have been transferred to the Executive Director's Office - Administration to work more closely with the three divisions whose offices are all located in Denver. The cash support for the Center is from the Department of Corrections.

DIVISION OF YOUTH SERVICES

<u>Appropriated Funds</u>	<u>1979-80</u> <u>Actual</u>	<u>1980-81</u> <u>Actual</u>	<u>1981-82</u> <u>Estimate</u>	<u>1982-83</u> <u>Appropriation</u>
Administration and Support	\$ 6,290,610	\$ 6,500,120	\$ 7,224,843	\$ 6,486,202
Institutions	4,105,973	4,439,042	4,925,021	4,882,297
Detention	2,564,267	2,959,883	3,003,397	3,016,185
Community Programs	<u>1,359,912</u>	<u>1,551,310</u>	<u>1,750,569</u>	<u>1,764,624</u>
SUBTOTAL	14,320,762	15,450,355	16,903,830	16,149,308
General Fund	13,222,816	14,117,289	15,603,026	15,075,578
Cash Funds				
Youth Diversion	512,391	611,173	417,325	-0-
Refunds and Reimbursements	437,423	475,550	563,730	596,730
Alternatives Programs	30,578	119,090	53,441	-0-
Subtotal	<u>980,392</u>	<u>1,205,813</u>	<u>1,034,496</u>	<u>596,730</u>
Federal Funds				
CETA Funds	117,554	122,603	-0-	-0-
Violent Offender Project	-0-	-0-	200,000	333,336
Jail Removal Project	-0-	-0-	66,308	143,664
Other	-0-	4,650	-0-	-0-
Subtotal	<u>117,554</u>	<u>127,253</u>	<u>266,308</u>	<u>477,000</u>
Capital Construction	100,000	-0-	-0-	-0-
Oil Shale Trust Fund	100,000	-0-	-0-	-0-
GRAND TOTAL	\$14,420,762	\$15,450,355	\$16,903,830	\$16,149,308

FTE OVERVIEW

	<u>1979-80</u> <u>Actual</u>	<u>1980-81</u> <u>Actual</u>	<u>1981-82</u> <u>Estimate</u>	<u>1982-83</u> <u>Appropriation</u>
Administration and Support	146.7	151.4	159.3	159.9
Institutions	196.4	197.4	196.8	191.0
Detention	126.5	133.0	124.7	124.9
Community Programs	<u>29.9</u>	<u>31.0</u>	<u>31.5</u>	<u>31.5</u>
TOTAL	499.5	512.8	512.3	507.3

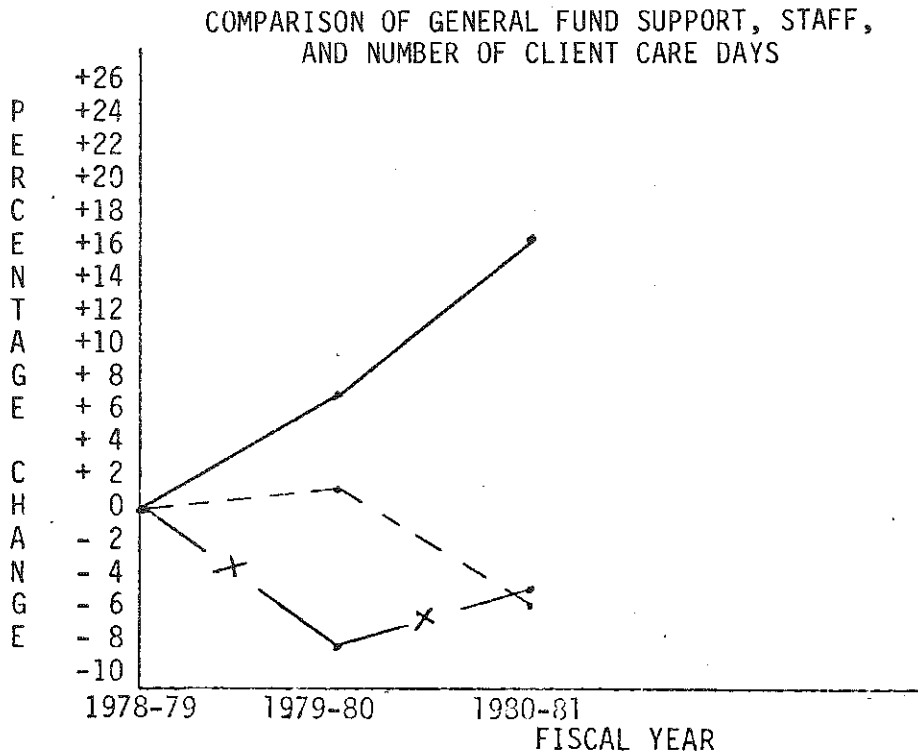
COMPARATIVE DATA

Total Clients Served

	<u>1978-79</u>	<u>1979-80</u>	<u>1980-81</u>
Institutions	924	885	752
Detention	9,364	7,989	7,520
Paid Placement	226	219	202
Parole	789	621	549
Diversion	<u>4,674</u>	<u>5,655</u>	<u>4,624</u>
Total	15,977	15,369	13,647

Average Daily Attendance

	<u>1978-79</u>	<u>1979-80</u>	<u>1980-81</u>
Institutions	376	366	344
Detention	198	164	160
Paid Placement	71	53	60
Parole Supervision	348	326	320



----- General Fund \$
 - - - - - Client Care Days
 _ x _ x _ x _ FTE

SUMMARY HIGHLIGHTS

Diversion Programs

A major issue which the Division faces is working with the four Youth Service Boards in Denver. With the appropriation for 1982-83, it is the intent of the General Assembly that the Denver quadrant programs be contracted as a single coordinated service operation and that the Division pay particular attention to the control of overall administrative costs. It is also the intent of the General Assembly that all diversion programs meet the following criteria in order to receive state funding: (1) Meet a demonstrated community need; (2) Provide services that do not duplicate services already provided in the community; (3) Serve youth who have been arrested for at least two misdemeanor offenses or one felony offense; and (4) Provide community support for the program through cash funds or in-kind match to meet at least 25% of the total cost of the program. The General Assembly also intends that the Division utilize any unused funds to serve more clients in existing programs.

Detention Centers

The Division has a major objective of working with youth to place them in the least restrictive setting possible in which treatment goals can be accomplished. Placement is made after a careful evaluation of the youth involved. There is included with the appropriation for Detention Centers a new Detention Intake program for the Zebulon Pike Center and the Adams County Center. The program is to be modeled on the Arapahoe Alternatives program. All youth brought to these detention facilities will be screened and those who are not in need of secure detention facilities will be placed in alternative services including group shelter care and foster family shelter care. The Division is to report to the Joint Budget Committee by February 1, 1983, on the accomplishments of the program.

Nursing Coverage

With this appropriation, 3.5 FTE have been added to the medical staff in Administration and Support to serve as nurses. With these additional staff, the Division will be able to expand nursing coverage to all its units from 5 days to 7 days per week.

Summer Work Program

The 1982-83 appropriation to the Division of Parks and Outdoor Recreation includes funding for a new summer work program in the state parks which will employ delinquent youth. It is the intent of the General Assembly that the Division of Youth Services and the Division of Parks and Outdoor Recreation jointly submit a report to the Joint Budget Committee by November 1, 1982, describing how the funds are used and what the benefits of the program are.

EXPLANATION OF APPROPRIATION

Administration and Support. The programs and offices included within Administration and Support are supply, maintenance, food services, medical services, family/psychological services, and education. The appropriation does provide for adding 3.5 nurses in medical services and 1.0 additional vocational teacher. A vacancy savings factor of 2.2% has been applied.

The appropriation of funding for Juvenile Diversion allocates the funds to three separate lines. Programs which may be funded under these line items are listed below:

Denver's Centrally Administered Diversion Programs -

North Denver Youth Services
Northeast Denver Youth Services
Girls Club (Southwest Youth Incorporated)
Southeast Denver Youth Services Bureau

All Other Existing Diversion Programs -

Police-to-Partners
Court-to-Partners in Denver, Mesa County, Weld County,
and Larimer County
New Pride Incorporated
Routt County Care Center
Adams County - DA
Arapahoe County - DA
Mesa County Partners Restitution
Boulder County
Pueblo Youth Services Bureau
Workout Ltd.
Jefferson County - DA
El Paso County - DA
Sterling
El Porton Academy

New Diversion Programs -

Garfield County
Weld County
Otero County

Institutional Services. This is the component of the Division which carries out the care and treatment of youth committed to the Division. The appropriation reflects the closing of one unit at Lookout Mountain School and the addition of a new federal program for treatment of violent juvenile offenders. A vacancy savings of 2.5% has been applied.

Detention Services. These staff operate the four secure detention centers, as well as the programs which have been established as alternatives to secure detention. The appropriation reflects the full closure of the Arapahoe Detention Center which has resulted in a reduction of 2.0 FTE. It also includes, for the first time, funding for a Detention Intake program for the Zebulon Pike and Adams County Detention Centers. A vacancy savings factor of 2.2% has been applied.

Community Services. This component of the Division includes parole services and the paid placement program. The appropriation includes an additional 0.5 FTE in Parole based on actual staff utilization during the current year. It also includes federal funding for a Western Slope Jail Removal project designed to develop a system to remove juveniles from incarceration in adult jails.

DIVISION OF MENTAL HEALTH

<u>Appropriated Funds</u>	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Appropriation</u>
	\$	\$	\$	\$
Central Office	1,343,586	1,467,602	1/	1/
Community Programs	15,661,141	19,719,148	20,477,108	25,308,778
Group Homes <u>2/</u>	-0-	-0-	288,000	428,619
Ft. Logan Mental Health Center	11,420,468	12,769,356	15,051,968	14,630,209
Colorado State Hospital	29,125,100	32,944,560	36,218,131	35,579,403
SUBTOTAL	57,550,295	66,900,666	72,035,207	75,947,009
General Fund	39,443,992	43,463,388	49,132,447	47,975,322
Cash Funds				
Patient Revenues <u>3/</u>	12,603,190	16,762,018	18,247,988	20,834,517
Dept. of Education	85,401	175,402	184,661	492,000
Dept. of Health	2,567,480	2,384,500	1,692,182	1,530,260
Other Revenue	1,928,945	2,922,221	2,648,960	2,265,910
Subtotal	<u>17,185,016</u>	<u>22,244,141</u>	<u>22,773,791</u>	<u>25,122,687</u>
Federal Funds <u>4/</u>	921,287	1,193,137	128,969	2,849,000
Capital Construction	62,822	292,869	228,629	300,000
Capital Construction Funds	62,822	292,869	228,629	300,000
TOTAL	\$57,613,117	\$67,193,535	\$72,263,836	\$76,247,009

1/ In FY 1981-82, this Division was consolidated with the Central Offices of the Divisions of Youth Services and Developmental Disabilities. All three are currently appropriated to the Executive Director's Office, Department of Institutions.

2/ New program begun in FY 1981-82. These funds are used to contract with Mental Health Centers and Clinics.

3/ Includes Medicaid reimbursements and other patient generated revenues.

4/ The sharp decline from FY 1980-81 to FY 1981-82 is due to the Central Office consolidation. The increase in FY 1982-83 is due to the appropriation of Mental Health Block Grant funds, which were previously not shown.

FTE OVERVIEW

	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Appropriation</u>
Central Office <u>1/</u>	33.7	35.4	N/A	N/A
Ft. Logan Mental Health Center	507.4	492.6	518.9	516.7
Colorado State Hospital	<u>1347.0</u>	<u>1322.8</u>	<u>1296.4</u>	<u>1259.0</u>
Total	1888.1	1850.8	1815.3	1775.7

1/ Since FY 1981-82, the Division's Central Office staff has been appropriated to the Executive Director's Office, Department of Institutions.

COMPARATIVE DATA

	<u>1979-80</u> Actual	<u>1980-81</u> Actual	<u>1981-82</u> Estimate	<u>1982-83</u> Appropriation
Patient Carryovers	2,226	2,571	2,466	2,347
CSH	1,734	2,080	1,992	1,875
FLMHC	492	491	474	472
Patient Admissions	5,028	4,560	4,186	4,175
CSH	3,814	3,724	3,570	3,520
FLMHC	1,214	836	616	655
Clients Served	7,257	7,131	6,652	6,522
CSH	5,551	5,804	5,562	5,395
FLMHC	1,706	1,327	1,090	1,127
Discharges	4,686	4,665	4,305	4,215
CSH	3,471	3,812	3,687	3,576 **
FLMHC	1,215	853	618	639 **
Percent Discharged	64.6%	65.4%	64.7%	64.6%
CSH	62.5%	65.7%	66.3%	66.3% **
FLMHC	71.3%	64.3%	56.7%	56.7% **
Hospital Expenditures*	\$40,545,568	\$45,713,916	\$51,270,099	\$53,025,762
CSH	29,125,100	32,944,560	36,218,131	37,574,011 ***
FLMHC	11,420,468	12,769,356	15,051,968	15,451,745 ****
Cost Per Client Served	\$ 5,587	\$ 6,410	\$ 7,707	\$ 8,130
CSH	5,246	5,676	6,511	6,965
FLMHC	6,694	9,622	13,809	13,710
Average Daily Attendance*****	1,064	1,056	1,032	1,062
CSH	797	787	769	787
FLMHC	267	269	263	275
Annual Cost Per A.D.A.	\$38,106	\$43,290	\$49,680	\$49,930
CSH	36,543	41,861	47,098	47,743
FLMHC	42,773	47,469	57,232	56,188

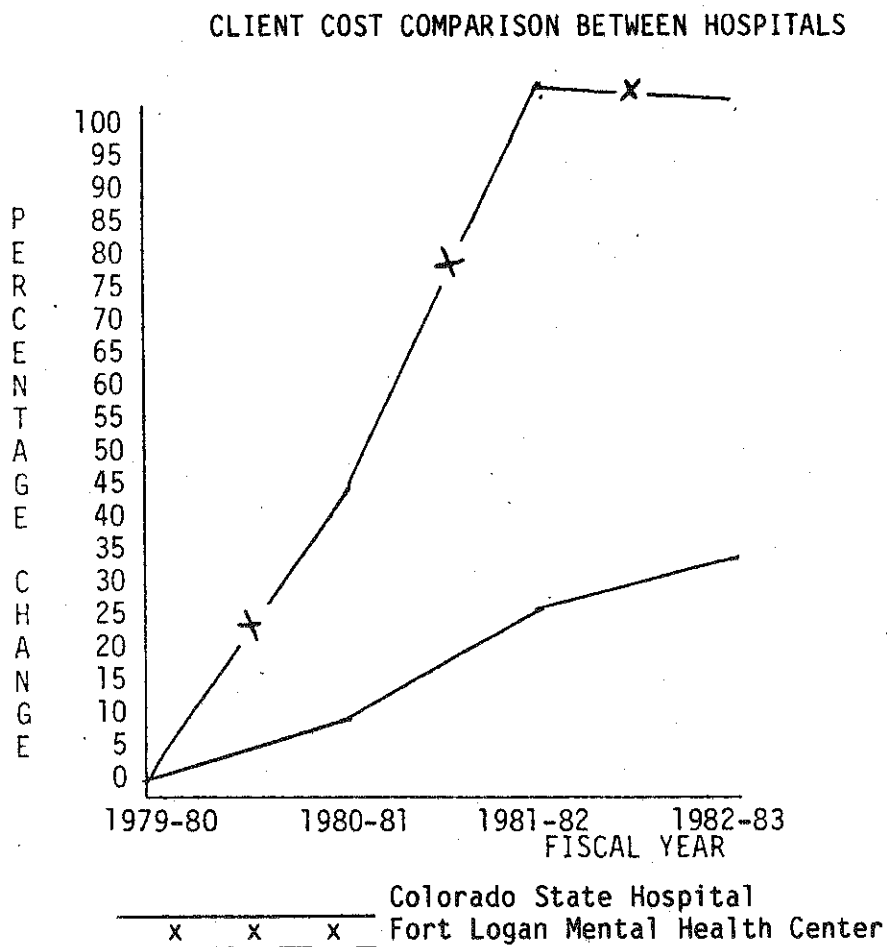
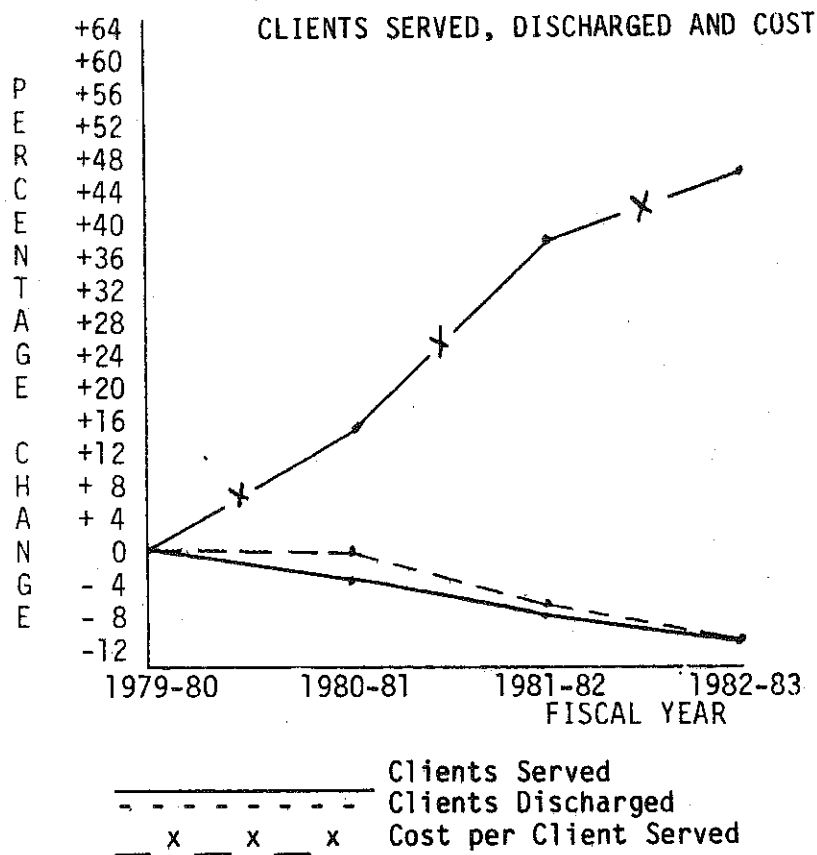
*Hospital direct costs only. Excludes capital construction.

**Staff estimate based upon the percentages of patients discharged in previous year.

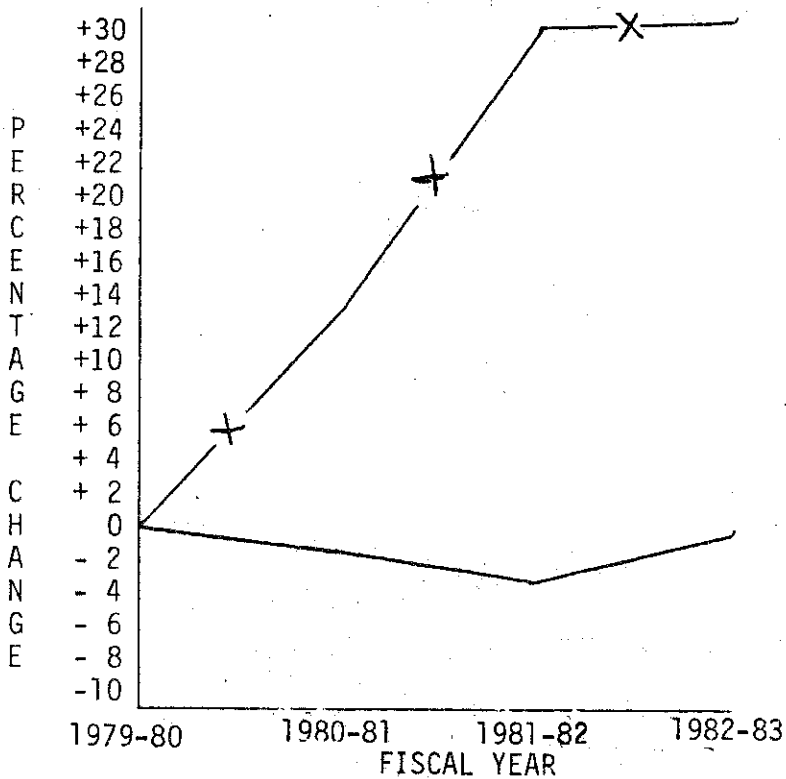
***Includes estimate of Salary Act, Merit Increases, Shift Differential and Health and Life Insurance of \$1,994,614.

****Includes estimate of Salary Act, Merit Increases, Shift Differential and Health and Life Insurance of \$821,536.

*****These figures are weighted due to the provision of other than in-patient care. Because Fort Logan provides more of these types of services, A.D.A. exceeds bed capacity.



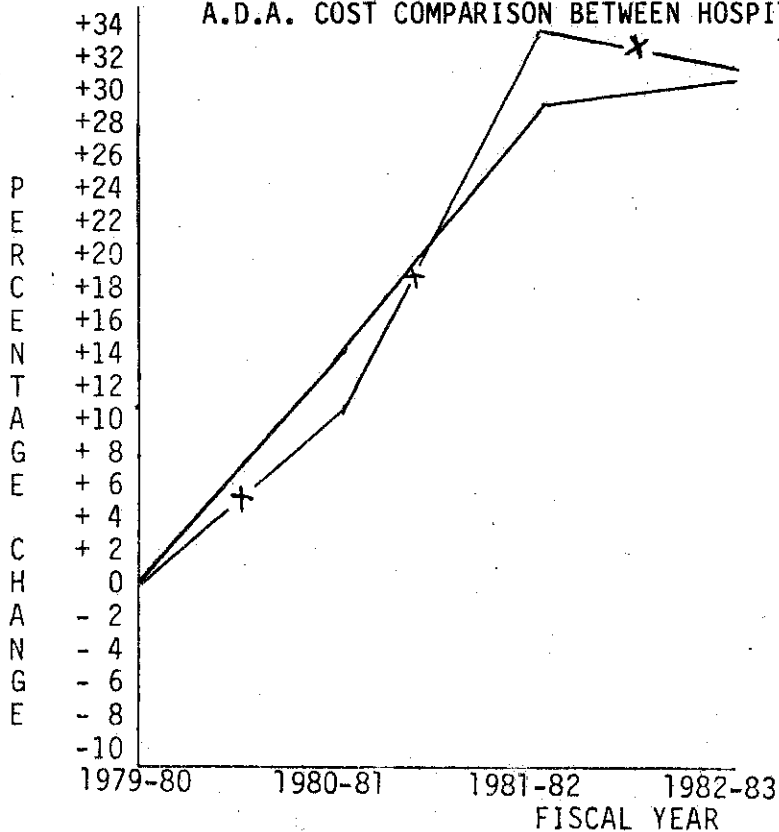
AVERAGE DAILY ATTENDANCE TO COST



x
x
x
x

Average Daily Attendance Total System
Cost per A.D.A. Total System

A.D.A. COST COMPARISON BETWEEN HOSPITALS



x
x
x
x

Cost per A.D.A. at Colorado State Hospital
Cost per A.D.A. at Fort Logan

SUMMARY HIGHLIGHTS

Cost Per Client Served

The preceding data indicates that while the number of clients served is decreasing annually, the cost per client served has increased 46% from the FY 1979-80 base. Of concern is the difference between the percentage increase in cost per client at Colorado State Hospital (CSH) and Fort Logan Mental Health Center (FLMHC). While CSH increased 33%, FLMHC increased 105%. Part of this increase can be attributed to the FY 1981-82 legislative mandate to serve only the severe, critical and chronically mentally ill. However, the graphs illustrate that the trend was evident prior to implementation of that policy and therefore does not completely explain the rapid increase.

Because average daily attendance (ADA) has remained relatively constant while the total number of clients served has decreased by 10%, a situation exists wherein fewer clients are being treated for longer periods of time. This situation, coupled with the increasing cost of treatment, raises the basic question of how best to address the needs of the clients served by the state mental health system.

EXPLANATION OF APPROPRIATION

Administration. Discussed under the Executive Director's Office, Department of Institutions.

Community Programs. The division purchases services from 24 mental health centers and clinics. A center is defined as an agency which provides at least inpatient, other 24-hour care, partial hospitalization, outpatient and 24-hour emergency assistance. A clinic provides fewer than the essential services, but must at a minimum provide outpatient and 24-hour emergency services. Each center is responsible for the planning and delivery of services in specified geographic areas (catchment area).

General Fund support was increased by \$1,494,098 (9%) while cash (Medicaid) funds increased \$738,752 (20.6%). Federal funds are shown for the first time due to the division assuming responsibility for Federal Block Grants. With federal funds excluded for comparison purposes, the total appropriation increased 11%. \$67,500 is included for the Asian Pacific Development Center, with whom the division is contracting for the first time.

Three footnotes are included:

1. Requiring a report detailing unit cost rates and usage by centers and clinics;
2. Indicating that up to \$500,000 of the total appropriation be made available to assist Mental Health Centers that choose to become involved in the Group Homes project. Expenditure of these funds will be at the discretion of the Division of Mental Health.
3. Indicating that the appropriation contains funds for the support of Mental Health patients currently residing in nursing homes. In the event that a federal waiver is granted that would allow the provision of services to these clients in non-nursing home facilities, a portion of this appropriation may be utilized for that purpose without requiring a supplemental appropriation (this footnote appears in the Social Services section of the budget).

Group Homes. Group homes are community based residential treatment facilities that offer mental health and support services, although clinical supervision occurs less than 24 hours per day. The program was begun in FY 1981-82 at seven mental health centers

offering 53 beds. In FY 1982-83, the system was expanded by 22 beds, allowing three more centers to participate.

State Hospitals. Funded capacity at Colorado State Hospital and Fort Logan Mental Health Center for FY 1982-83 is as follows:

	CSH	FLMHC
Children and Adolescent	96	76
Adult	164	109
Geriatric	84	30
Forensic	344	-
General Hospital	70	-
Drug Treatment	60	-
Total Capacity	818	215

Capacity was increased by 18 intermediate security beds in the Forensic Unit at Colorado State Hospital. An additional 24 FTE's and \$75,000 in capital outlay were appropriated due to the increased capacity. At Fort Logan, an additional 12 adult psychiatric beds were added, along with 14.0 FTE, and \$37,500 in capital outlay.

Overtime costs were extracted from the personal services line items at each institution and added as a separate line item entitled "Relief Pool". It is intended that the Division establish pools of temporary help that can be used when necessary, rather than using a private temporary employment agency.

Contractual funds at each institution were also extracted from the personal services line item and are now shown separately. In order to encourage the Division to utilize these funds efficiently, they were decreased by 10%.

An additional new line item appears, the Authorized Revenue Base Program, which reflects cash reimbursements from the Department of Education in compliance with Senate Bill 428 of the 1981 legislative session.

Due to the appropriation of Central Pots to each department, the General Assembly intends that the institutions manage to the dollars available. Personal service supplemental requests will not be considered for FY 1982-83. The Division is to implement management policies that will decrease the abnormally high use of sick leave and workmen's compensation claims. Vacancy savings rates of 0.5% and 2.0% were applied to Colorado State Hospital and Fort Logan, respectively.

CAPITAL CONSTRUCTION

\$300,000 in Capital Construction funds are appropriated to expand and modify the present ventilation system and to add cooling capacity in Building E at Fort Logan.

NEW LEGISLATION

S.B. 38 - Provides that the superintendent of the Colorado State Hospital and the director of the Fort Logan Mental Health Center do not have to be physicians.

H.B. 1239 - Provides for alternatives to long term nursing home care for the developmentally disabled and the mentally ill. Establishes a pilot program for the mentally ill that shall provide for the mental health, residential and other needs of mentally ill persons so that those persons may avoid institutionalization in nursing homes.

DIVISION FOR DEVELOPMENTAL DISABILITIES

<u>Appropriated Funds</u>	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Appropriation</u>
	\$	\$	\$	\$
Institutional Programs:				
Pueblo	5,637,407	6,686,124	8,368,497	N/A
Grand Junction	8,291,316	9,365,306	11,017,331	N/A
Wheat Ridge	12,974,833	14,834,496	17,086,772	N/A
	<u>26,903,556</u>	<u>30,885,926</u>	<u>36,472,600</u>	<u>34,587,995</u>
Community Programs:				
Day Program	19,301,707	22,318,302	23,339,761	25,243,487
Residential Programs	4,379,576	5,221,422	6,117,478	7,414,489
Other Programs	219,735	134,700	50,000	50,000
SUBTOTAL	50,804,574	58,560,350	65,979,839	67,295,971
General Fund	14,748,365	18,308,035	25,852,850	27,682,930
Cash Funds				
Medicaid Funds	25,218,201	28,870,628 ^{1/}	32,829,319	32,272,760
Title XX Funds	3,758,888	3,767,415	-0-	-0-
Local Matching Funds	2,994,550*	3,282,178*	1,472,102	1,632,898
School District Funds	1,814,694*	1,792,031*	2,310,700	2,575,456
Patient Fees	1,220,589*	1,658,630*	2,074,776	2,520,927
ESEA Funds	469,909**	307,330**	286,556	264,000
Other	579,378*	574,103*	1,153,536	347,000
Subtotal	<u>36,056,209</u>	<u>40,252,315</u>	<u>40,126,989</u>	<u>39,613,041</u>
Capital Construction	1,171,400	3,016,006	253,000	-0-
Capital Construction Fund	1,171,400	3,016,006	253,000	-0-
GRAND TOTAL	\$51,975,974	\$61,576,356	\$66,232,839	\$67,295,971

^{1/} Does not include \$1,200,937 excess Medicaid revenues transferred from the Division at year end closing.

*These funds are not shown on the state accounting system because they are collected by the Community Center Boards. They are shown here as cash funds to show a true comparison to appropriated amounts.

**In 1979-80, ESEA funds were funneled through the Division to Community Programs, therefore, \$124,857 is shown as cash. After 1979-80, ESEA pertains to institutional programs only.

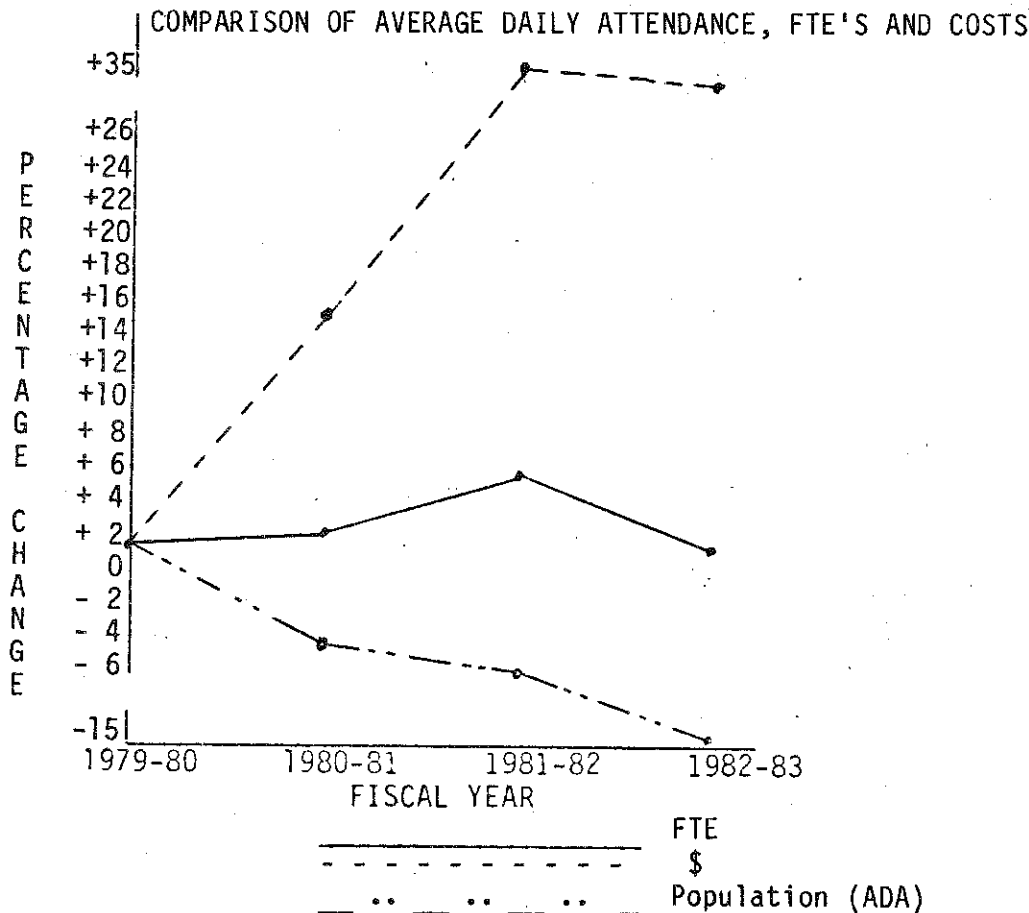
FTE OVERVIEW

	1979-80 Actual	1980-81 Actual	1981-82 Estimate	1982-83 Estimate
Direct Care	769.1	840.2	918.5	856.0
Program and Therapy	127.1	121.6	110.2	107.7
Clinical	81.8	22.3	22.7	21.5
Support	210.6	214.4	223.2	217.5
Administration	97.0	114.9	88.5	102.3
Clerical	55.2	36.9	57.5	35.5
Total	1340.8	1350.3	1420.6	1340.5

COMPARATIVE DATA

	1979-80 Actual	1980-81 Actual	1981-82 Estimate	1982-83 Estimate
Institutional Population (in Average Daily Attendance)	1,353	1,285	1,270	1,145
Community Clients (in Full Program Equivalents)	4,244	4,476	4,913	4,913
Residential Beds (in Full Program Equivalents)	551	713	770	861

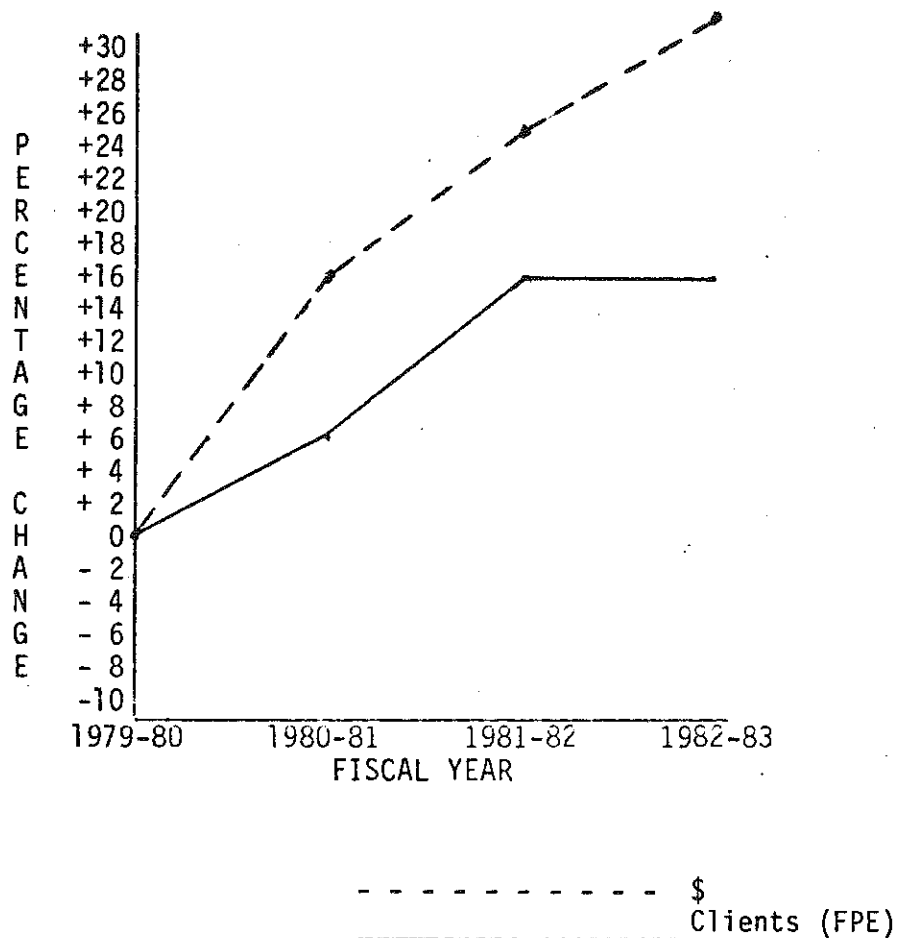
Institutional Program



NOTE: 1982-83 dollars include \$1,656,763 pots not shown in Division's budget above since they are appropriated centrally to Executive Director's Office.

Community Day Programs

COMPARISON OF COST TO CLIENTS SERVED



SUMMARY HIGHLIGHTS

Institutional Population

The major area of concern within the Division remains the long range plan for client placements. Specifically, if the Division will be able to meet its goal of deinstitutionalizing clients now residing in the State Home and Training Schools in order to meet the Medicaid certified number of 1,136 beds by July, 1982. The Division stated that this remains their goal, however, they may be 60-90 days late in meeting this population level. For those clients remaining to be deinstitutionalized and normal population growth, the issue of the most appropriate community residence setting was considered. Special consideration was given to large (40 bed) facilities.

Community Programs and Medicaid Waiver

The community programs' ability to handle the increasing number of deinstitutionalized clients in both the residential programs and day programs was considered. The possible use of Medicaid (Title XIX of the Social Security Act) funds was briefly discussed. The Committee wishes to address this funding source if and when the federal government approves the necessary waiver. The community programs' continual reversion of funds was also discussed.

Personnel Costs

The other major issue considered by the Committee is the continual increasing classified personnel salary costs and how the actions of the Department of Personnel and the personnel boards have affected the Division's budget. Specifically, how the Salary Survey, Occupational Studies, in-grade hires, and shift differential changes were acted upon by the Division's management in order to not overexpend the Division's appropriation.

EXPLANATION OF APPROPRIATION

The Division is responsible for the care of the developmentally disabled population. The Division has two major areas. The Institutional Program for those people residing in the State Home and Training Schools, and the Community Program for those people receiving training and/or residential services through community providers.

Administration. This section coordinates and administrates all programs of the Division. Since 1981-82 and continued in 1982-83, the administrative staff of the Division has been appropriated to the Executive Director of the Department.

Community Programs. The community day programs are continued as a combined appropriation to provide services to 4,913 clients. The appropriation was determined as follows:

\$ 5,138.10	Average Annual Cost
x 4,913	Clients - Full Program Equivalents (FPE)
\$ 25,243,487	

The annual rate was increased 3.8% per the Division's request. The number of clients to be served is the same as the 1981-82 level.

The Special Olympics program and the Preventive Dental Hygiene programs are continued. Funding splits were based upon a 5% local match and state education funds (ARB) as cash funds.

The residential program is funded to provide 861 beds (FPE) for residential clients in the community. This does not include the beds in residential programs funded through the Department of Social Services. The appropriation provides for 100 new beds (appropriated for 1/2 year, therefore 50 FPE).

The appropriation was determined as follows:

	<u>Adult Residential</u>	<u>Host Home</u>	<u>Total</u>
Beds	669	192	
Rate	\$24.50 / day	\$22.39 / day	
Appropriation	\$ 5,683,406	\$ 1,490,637	\$ 7,174,043

Both calculations assume a 5% vacancy rate. Both rates were increased by 5.9%.

Follow Along Services and Respite Care were funded as special purpose line items. They were given 5.9% and 7% increases, respectively.

The residential appropriations are made with the intent that the programs give priority in placements of deinstitutionalized clients.

Institutional Program. This program encompasses all services provided to the residents of the State Home and Training Schools. The appropriation is based upon the population of 1,145 ADA. This represents the population reaching 1,136 clients 90 days after the target date of July, 1982. Based upon this population, the following FTE's were established:

Direct Care	856.0
Program and Therapy	107.7
Clinical	21.5
Support	217.5
Administration	102.3
Clerical	<u>35.5</u>
Total	1,340.5

These levels were based upon the following:

Direct Care - FTE were determined by using the Sunada formula for institutional clients, a 1.14:1 client to staff ratio due to scheduling for the satellite facilities, 19.7 FTE for staffing of the infirmaries, and nursing at a decrease of 1.0 FTE due to declining population.

Program and Therapy - FTE were determined based upon the historical ratio of 9:1 clients to staff. Client population was decreased by the number of clients leaving campus to attend community programs. This represents a reduction of 2.5 FTE.

Clinical - FTE were determined based upon retaining a continuing level of staff.

Support - FTE were determined based upon reducing those positions that have a direct correlation to declining population. This represents a 5.7 FTE reduction.

Administration - FTE were determined based upon maintaining the same ratio of administrative staff to clients as in 1981-82. The appropriated number has been adjusted for changes in positions between this category and the clerical category.

Clerical - FTE were determined based upon maintaining the same level of clerical support after adjusting for changes in categories. A requested 3.0 FTE reduction was taken based upon the computerization of pharmacy billings for Medicaid.

A 0.68% vacancy savings factor was applied.

The remainder of the budget is a continuation budget with the appropriate changes for inflationary increases or estimated population size.

NEW LEGISLATION

H.B. 1239 - This bill provides enabling legislation for alternative community programs for those persons in risk of institutionalization should the appropriate federal funding become available. This act designates this as a pilot program that will be discontinued in 1985 unless the General Assembly continues the program.

JUDICIAL DEPARTMENT

<u>OPERATING BUDGET</u>	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Appropriation</u>
Supreme Court	\$ 985,875	\$ 1,405,564	\$ 1,376,782	\$ 1,393,201
Court of Appeals	1,084,189	1,226,640	1,362,722	1,473,862
Administration	1,335,831	1,835,708	3,756,297 ^{1/}	4,879,414
Special Purpose	2,489,219 ^{4/}	244,307 ^{2/}	494,891 ^{2/}	4,473,850 ^{4/}
Judicial Heritage Complex	285,257	387,126	462,609	479,328
Data Processing	758,775	615,438	812,726	820,842
Trial Courts	27,793,572	31,717,868	34,195,530 ^{3/}	34,858,314
Probation	7,580,636	8,474,766	9,779,100	9,727,097
Public Defender	3,908,342	4,765,421	5,857,869	5,916,164
SUBTOTAL	46,221,696	50,672,838	58,098,526	64,022,072
General Fund	44,991,295	49,334,504	57,885,214	63,855,367
Cash Funds				
Highway Safety Funds	-0-	-0-	20,000	10,000
Client Fees	212,559	355,000	42,932	60,000
City and County of Denver	62,946	64,437	149,380	96,705
Other	313,198	122,129	1,000	-0-
Subtotal	<u>588,703</u>	<u>541,566</u>	<u>213,312</u>	<u>166,705</u>
Federal Funds	641,698	796,768	-0-	-0-
CAPITAL CONSTRUCTION BUDGET	-0-	-0-	-0-	115,425
Capital Construction Fund	-0-	-0-	-0-	115,425
GRAND TOTAL	\$46,221,696	\$50,672,838	\$58,098,526	\$64,137,497

^{1/} \$2,608,223 is attributed to the transfer of the Diversion program from the Department of Corrections to the Judicial Department.

^{2/} Salary Act, Health Insurance, and Merit Increases are appropriated in Special Purpose but are shown in the line items where the expenditures occur. The total 1981-82 appropriation for Central Pots was \$4,631,433.

^{3/} 74.7 FTE were added in 1981-82.

^{4/} Includes Central Pots.

FTE OVERVIEW

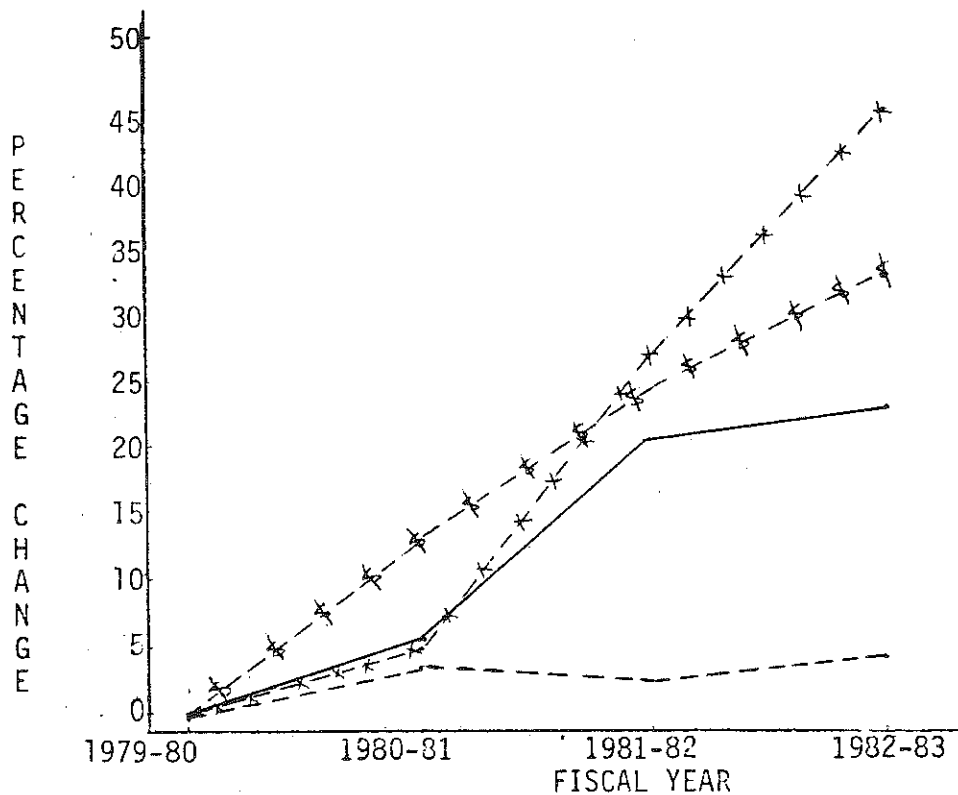
	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Appropriation</u>
Supreme Court	32.8	36.5	36.5	36.5
Court of Appeals	41.0	44.5	44.5	49.0
Administration	24.5	29.0	31.75	32.0
Special Purpose	2.4	3.5	3.3	3.5
Judicial Heritage Complex	3.0	3.0	3.0	3.0
Data Processing	10.3	12.0	13.0	13.0
Trial Courts	1058.5	1102.33	1185.0	1219.0
Probation	346.6	362.4	368.4	368.4
Public Defender	<u>155.0</u>	<u>167.0</u>	<u>182.75</u>	<u>194.0</u>
Total	1674.1	1760.23	1868.2	1918.4

COMPARATIVE DATA

I. COURT OF APPEALS

<u>Indicators</u>	<u>1979-80 Actual</u>	<u>1980-81 Actual</u>	<u>1981-82 Estimate</u>	<u>1982-83 Appropriation</u>
a. New Case Filings	1207	1273	1457	1497
b. Case Terminations	1166	1213	1197	1210
c. Cases Pending at Year End	1139	1199	1459	1746
d. General Fund	\$1,084,189	\$1,226,640	\$1,362,722	\$1,473,862

COURT OF APPEALS

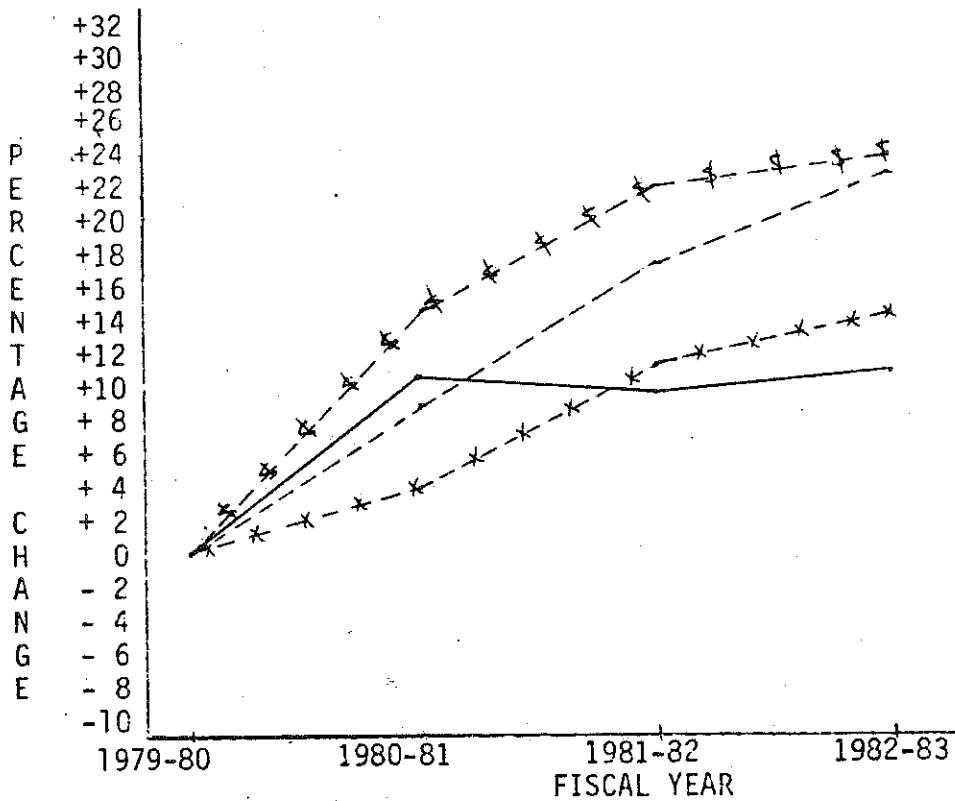


_____ New Filings
 - - - - - Terminations
 - x - x - x - x Cases Pending at Year End
 \$ - \$ - \$ - \$ - General Fund

II. TRIAL COURTS

Indicators	1979-80 Actual	1980-81 Actual	1981-82 Estimate	1982-83 Appropriation
a. District Court Filings	111,713	122,997	119,694	123,476
b. County Court Filings	241,646	262,578	285,218	300,283
c. FTE	1058.5	1102.33	1185.0	1219.0
d. Funds Available	\$27,793,572	\$31,717,868	\$34,195,530	\$34,858,314

TRIAL COURTS



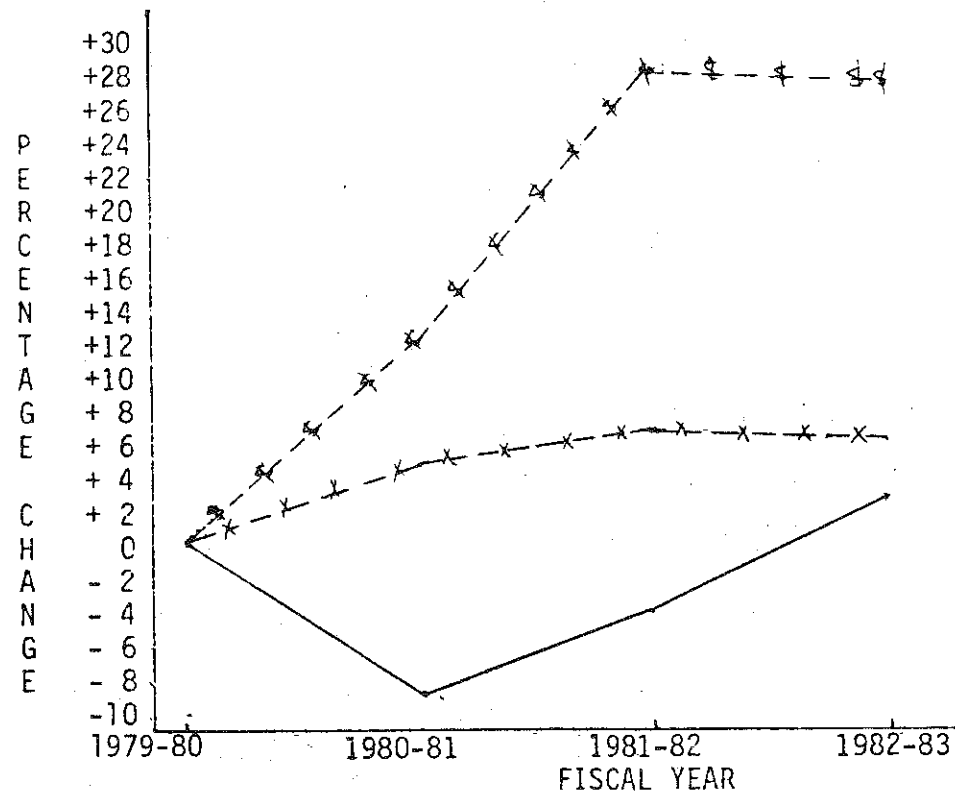
_____ District Court Filings
 - - - - - County Court Filings
 --x--x--x--x--x--x FTE
 \$--\$--\$--\$--\$-- Funding

III. PROBATION

<u>Indicators</u>	<u>1979-80</u> <u>Actual</u>	<u>1980-81</u> <u>Actual</u>	<u>1981-82</u> <u>Estimate</u>	<u>1982-83</u> <u>Appropriation</u>
a. Total Caseload	32,377	29,708	30,919	32,850**
b. FTE	346.6	362.4	368.4	368.4
c. Funding Available	\$7,580,636	\$8,474,766	\$9,779,100*	\$9,727,097

*Includes Pots.
**Estimate.

PROBATION



_____ Total Caseload
 --x--x--x--x--x-- FTE
 \$--\$--\$--\$--\$--\$ Funds

SUMMARY HIGHLIGHTS

Court Appointed Counsel

The issue of how best to provide Court Appointed Counsel is a recurrent one. The Department is directed to prepare a report for the Legislature which describes alternate methods for court appointed counsel service delivery, to be available on or before January 1, 1983.

Community Corrections Diversion

The Community Corrections Diversion program is expanded significantly.

Community Corrections Diversion

<u>1981-82 Appropriation</u>	<u>1981-82 Appropriation</u>	<u>Increase</u>	<u>%</u>
\$2,608,223	\$3,775,499	\$1,167,276	44.7%

Start-up funds are included for three new Diversion programs (\$35,000 each) which will provide an additional 56 beds. A total of 997 residential clients (285 Average Daily Attendance) at a daily rate of \$25, and 266 non-residential clients (116 Average Daily Attendance) at a daily rate of \$10 will be served. The Diversion line item includes operating costs for administration.

Probation

The Probation Division is directed to develop a methodology for determining workforce need which is directly related to caseload. The validity of the current Weighted Caseload Formula is believed to be questionable.

Case Backlog

An area of major concern to the Legislature is that of caseload backlog in the courts. The Department should be prepared to offer strategies which address alleviation of this problem in their next budget cycle.

EXPLANATION OF APPROPRIATION

Supreme Court. Generally, the Supreme Court's original jurisdiction is restricted to special writs. Because the Judicial Department is able to transfer funds from one line item to another without restriction, a single line item (except for capital outlay) budget format is utilized. Capital outlay is appropriated here but is intended to permit \$117,443 worth of equipment replacement and \$90,750 of equipment for new programs and new staff for the entire department, including the Public Defender. Operating expenses include \$7,500 for word processing equipment to expedite the processing of opinions. A 1% vacancy savings factor is applied.

Court of Appeals. The Court of Appeals has initial appellate jurisdiction over appeals from final judgments of the district courts and the Denver Probate, Juvenile, and Superior Courts, except for those matters which are the initial jurisdiction of the Supreme Court.

The appropriation includes 3.5 FTE attorneys and 1.0 FTE secretary whose purpose will be to alleviate the case backlog. Because of the ease of fund transferability in this department, the format is a single line item. No vacancy savings was taken.

Courts Administration. The State Court Administrator's Office handles a variety of functions for the judicial system, including budgeting, fiscal administration, public

communications, planning, personnel, research and statistics, data processing, facilities management, and general support functions for the trial courts.

Individual line items are utilized in Courts Administration in order to identify the distinct components (e.g., Oregon Plan, Community Corrections) and funding sources for each.

Administrative Special Purpose line items used in FY 1981-82 are compressed into a single line item for 1982-83, but includes the following components:

1. Judicial Training Program	\$ 52,459
2. Commission on Judicial Qualifications (1.5 FTE)	55,720
3. Retired Judges	38,000
4. Judicial Nominating Commissions	5,284
5. Judicial Conference	65,187
6. Jury Instruction Revision	15,000
7. Supreme Court Committees on Civil and Criminal Rules	2,500
8. National Center for State Courts	36,390
9. Floating Court Reporter	10,000
10. Judicial Planning Council	13,767
11. Public Education Project	25,875
12. Telephone Conferencing	5,000
	<u>\$325,182</u>

"Personnel Increases, Anniversary Increases, and Group Health Insurance" is the total appropriation for the year regardless of any changes in personnel policy, rule or regulation. A vacancy savings factor of 0.6% has been applied.

Judicial/Heritage Complex. Maintenance of the Judicial/Heritage Complex is provided through this appropriation in a single line item, which includes \$203,319 for utilities. No vacancy savings was taken.

Departmental Data Processing. The appropriation provides for a continuing level of funding. Detailed line items are provided here because of the contract Judicial Data Processing has with GGCC. No vacancy savings was taken.

Trial Courts. District courts are Colorado's trial courts of general jurisdiction. County courts are of limited jurisdiction, as set in statute. Municipal court jurisdiction is limited to municipal ordinance violation.

A cost model which aligns performance goals with staffing requirements is used by Judicial for staffing pattern decision-making. Twenty-six new FTE are funded based upon the cost model, 4.0 FTE of which are Referees to handle an increase in traffic related offenses, and 22.0 FTE are clerical staff. A 2% vacancy savings factor is applied.

Eight FTE are added for the Indigent Screening unit. This unit evaluates indigent clients' ability to pay for a portion or all of their counsel costs. The intent is to partially cash fund this unit based upon collections from clients who have an ability to pay. The cash funds have declined based on the actual earnings from the screening unit in 1981-82.

Probation and Related Services. Probation is a dispositional/sentencing alternative available to the courts.

No increase in staffing is funded.

The Purchase of Employment Services line item is for the purpose of providing job placement and development funds so that the Department may contract with firms such as Employ-Ex.

Probation salary equalization funds are included in this appropriation. A vacancy savings factor of 2.5% has been applied.

Public Defender. This section is responsible for providing legal counsel to those clients who are identified by the court as being indigent or partially indigent and in need of legal representation.

An estimated 20,177 Felony Equivalents will be handled by the Public Defender's Office compared to 19,435 Felony Equivalents in 1981-82. The following new positions are funded:

1.0 FTE	Accountant I-A
4.0 FTE	Administrative Clerk Typists
11.0 FTE	Public Defender I's

Sufficient funds for rental of word processors and copy machines are appropriated in Operating Expenses. A 2.0% vacancy savings factor has been applied.

CAPITAL CONSTRUCTION

Movable Equipment for New Courtrooms \$115,425 CCF

Counties have responsibility for the capital construction costs of building new courtrooms, but the State is responsible for furnishing the courtrooms once they are completed. The appropriation provides funds to equip four new courtrooms with their movable equipment.

NEW LEGISLATION

S.B. 106 - Authorizes the Supreme Court to accept the publications of the decisions of the Supreme Court and Court of Appeals by a private publisher as the official reports of those decisions.

H.B. 1008 - Increases the docket fee in civil actions in district court which must be paid at the time of first appearance. Alters the additional fee schedule which requires payment by the judgment debtor after a trial in which a money judgment is rendered.

H.B. 1015 - Increases docket fees for civil cases in county courts.

H.B. 1038 - Increases appellate docket fees and provides that one-third of these docket fees shall be allocated to the Supreme Court Library Fund and two-thirds shall be deposited in the General Fund.

H.B. 1169 - Provides that a part-time county judge who is assigned judicial duties in any other county court or any district court shall receive, in addition to his own part-time salary and to reimbursement for expenses and mileage, an amount equal to the per diem salary of a district judge or full-time county judge, whichever is applicable.

DEPARTMENT OF LABOR AND EMPLOYMENT

<u>OPERATING BUDGET</u>	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Appropriation</u>
Administration and Personnel	\$ 725,394	\$ 832,107	\$ 1,789,204 <u>1/</u>	\$ 2,911,118
Labor and Employment Programs	59,280,536	56,027,010	33,811,190	30,083,824
Displaced Homemakers	-0-	77,598	402,402 <u>2/</u>	240,000
Public Employees' Social Security Section	153,785	193,568	207,651	235,051
State Compensation Insurance Fund	5,973,278	6,614,264	7,378,800	7,460,882
Industrial Commission	<u>163,135</u>	<u>183,943</u>	<u>210,374</u>	<u>225,143</u>
TOTAL	\$66,296,128	\$63,928,490	\$43,799,621	\$41,156,018
General Fund	2,239,749	2,489,175	2,980,480	2,696,361
Cash Funds				
HUTF	335,970	370,329	421,306	384,675
Indirect Costs	55,835	108,725	453,975	336,337
State Compensation Insurance Fund	5,979,278	6,600,952	7,382,388	8,025,872
Medical Insurance Fund	38,023	53,820	115,150	108,854
Displaced Homemakers Fund	-0-	38,799	201,201	120,000
Social Security Contribution Fund Interest	<u>153,785</u>	<u>193,568</u>	<u>207,651</u>	<u>235,051</u>
Subtotal	<u>6,562,891</u>	<u>7,366,193</u>	<u>8,781,671</u>	<u>9,210,789</u>
Federal Funds	57,493,488	54,073,122	32,037,470	29,248,868

1/ Increase in funds is due in part to including a personnel section within the Department and inclusion of special purpose line item for final settlement regarding the property at 14th and Broadway.

2/ Funds rolled forward from 1980-81.

FTE OVERVIEW

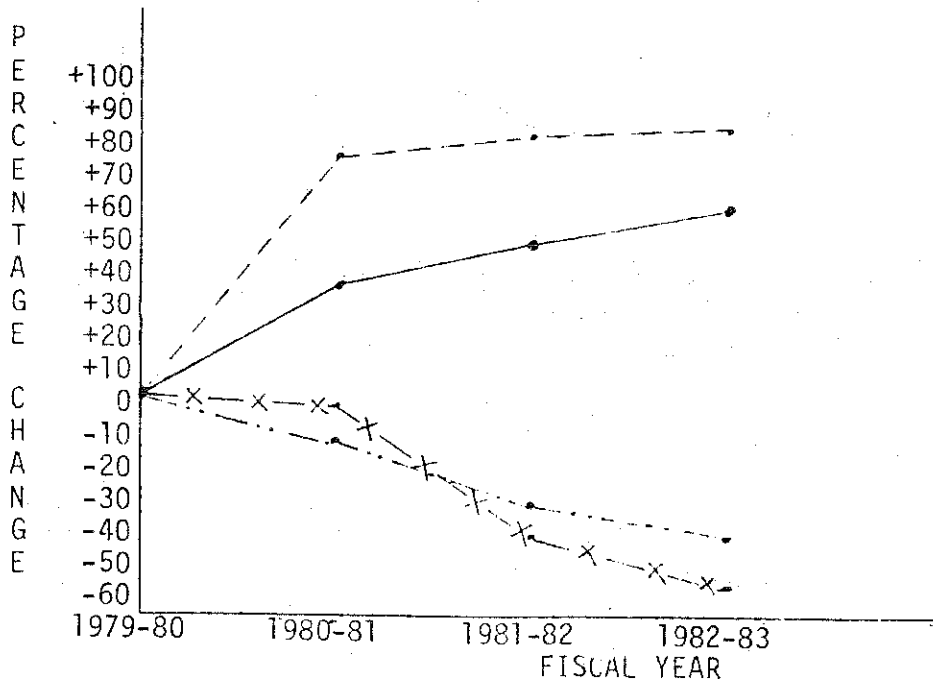
<u>Division</u>	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Appropriation</u>
Administration and Personnel	11.8	11.5	28.1 <u>1/</u>	22.6
Labor and Employment Programs	1,339.1	1,214.2	1,148.3	1,102.6
Public Employees' Social Security Section	5.0	5.0	5.0	5.0
State Compensation Insurance Fund	235.4	245.0	236.6	251.5
Industrial Commission	<u>6.0</u>	<u>6.2</u>	<u>7.0</u>	<u>7.0</u>
	<u>1,597.3</u>	<u>1,481.9</u>	<u>1,425.0</u>	<u>1,388.7</u>

1/ Increase in FTE is due to establishing a personnel section within the Department.

COMPARATIVE DATA

	<u>1979-80</u> Actual	<u>1980-81</u> Actual	<u>1981-82</u> Estimate	<u>1982-83</u> Estimate
<u>Unemployment Insurance</u>				
UI Benefits	\$76,289,583	\$122,929,977	\$130,141,500	\$131,442,000
UI Claims	1,328,701	1,701,948	1,898,059	2,050,026
<u>Job Service</u>				
Job Placement				
Applications	213,173	237,496	200,000	150,000
Individuals Placed	51,540	50,149	33,600	30,000
<u>Workmen's Compensation</u>				
First Reports of Injury	37,591	41,966	45,900	50,025
<u>State Compensation Insurance Fund</u>				
Accidents Reported	76,571	73,978	73,978	79,526
Number of Policies	37,926	39,732	42,712	45,915
Losses (Payments)	\$73,841,032	\$96,412,709	\$100,000,000	\$107,500,000

COMPARISON OF APPLICATIONS,
CLAIMS, BENEFITS AND PLACEMENTS



----- Unemployment Benefits
 - - - - - Unemployment Insurance Claims
 - x - x - x Individuals Placed
 - . . - . . - Job Placement Applications

SUMMARY HIGHLIGHTS

Reduction in Federal Funds

The most critical issue facing the Department is the major reduction in federal funds for its federally mandated job service and unemployment programs which has occurred over the past year. Available federal funds projected for 1982-83 are nearly \$25,000,000 less than the federal funds expended by the Department in 1980-81, which amounts to a 45.9% reduction in federal support. The result has been the closure of job service offices and a reduction of over 200 FTE. It should be noted that the General Assembly has virtually no input or control over these programs due to federal restrictions and past Gubernatorial vetoes of efforts by the General Assembly to exercise influence over these federally funded programs.

Appropriation Format

There is a major change in the format of the Department's appropriation this year. In conjunction with the headnote in the Appropriations Act, federal funds received by the Department are being appropriated by the General Assembly. The appropriation of these funds has been consolidated with other labor and employment programs. It is the intent behind these consolidations that the Department submit budgetary data for these federally supported programs in the format required by the Joint Budget Committee along with its requests for other programs in ensuing fiscal years.

Reduction in Migrant Labor Program

Within the Department of Labor, there has been a reduction of 2.0 FTE in the Labor Standards section. This reduction is due to the fact that the Department's migrant labor registration program duplicates, in virtually all significant ways, a similar federal program. The intent of the General Assembly is to avoid using state funds to substantially duplicate federal programs.

Use of State Office Facilities by Non-State Agencies

The Department, through an enterprise fund, leases the former north campus property of the Community College of Denver from the State at no cost. In turn, the Department maintains the property and provides space for other state agencies. However, some of this space is being used by non-public organizations. The Joint Budget Committee questions whether this is proper utilization of state buildings when many state agencies are forced to lease office space in the Denver area.

EXPLANATION OF APPROPRIATION

Administration and Personnel. This division includes the administrative personnel for the Department's labor and employment programs and the Department's executive director. It is responsible for the management and financial affairs of the Department. It also includes the Department's personnel office.

There has been a reduction of 4.2 FTE in the personnel section, reflecting a decrease in federal funds and related reductions in the overall number of FTE in the Department.

There has been a 4.9% reduction in General Fund support with a corresponding increase in cash funds due to the appropriation of indirect cost recoveries.

Cash funds in the administration and personnel division are appropriated from the following sources: \$247,492 from statewide indirect cost recoveries; \$81,713 for legal services used by cash funded agencies; \$23,709 for capital outlay by cash funded agencies; \$456,303 from cash funded agencies for salary survey and anniversary increases, which includes \$6,635 from the Highway Users Tax Fund; and the remainder from agency indirect cost recoveries.

Generally, within the Department, operating expenses have been reduced by \$347,031 in federal funds and \$13,442 in cash funds for the leasing of office space in Colorado Springs, Durango, Fort Collins, Fort Morgan, Glenwood Springs, Greeley, Montrose, and Pueblo. These funds have been included in the appropriation to the Department of Administration for the purpose of centralizing state office space locations.

The capital outlay appropriation includes \$37,082 in General Fund and \$23,709 in cash funds, with the remainder in federal funds. This appropriation includes \$10,608 for purchase of ADP equipment by the Division of Labor for its Grand Junction office.

No vacancy savings was taken.

Labor and Employment Programs. This appropriation funds the Division of Labor and all federally supported job related programs. The responsibility of the Department for the federally supported programs is to provide job training and job placement services and to administer unemployment insurance programs. These programs include the Work Incentive Program, Job Service, Job Corps, Unemployment Insurance, Balance of State CETA, and the Office of Manpower, Planning and Development.

The Division of Labor is responsible for a variety of labor related programs, including Labor Standards, Apprenticeship and Training, Workmen's Compensation, Public Safety, and Oil Inspection sections.

There has been a reduction of 3.0 FTE in the Oil Inspection program.

A 1.8% vacancy savings was utilized for the Division of Labor programs.

Displaced Homemakers. This appropriation provides funds to assist displaced homemakers obtain counseling, training, and job placement services to enable them to enter the labor force. The program is funded at a continuing level.

Public Employees' Social Security Section. This section is responsible for the state program that enables local governments to participate in the federal social security system and is responsible for collecting and making contributions to the federal program on behalf of local governments. The section is funded at a continuing level. No vacancy savings was utilized.

State Compensation Insurance Fund - Administration. The Fund is responsible for providing workmen's compensation insurance coverage for Colorado employers. The Fund operates essentially as a non-profit insurance company.

The appropriation includes an increase of 5.0 FTE due to increased workload. A 1.5% vacancy savings was utilized. This is a lower vacancy savings rate than indicated by the Fund's actual experience.

State Compensation Insurance Fund - ADP Section. This section provides ADP services for the Fund. It is funded at a continuing level. No vacancy savings was utilized.

Industrial Commission. The Commission serves as an appeals board for the Division of Labor, Workmen's Compensation. It also approves rules for the Division. Funding is at a continuing level. No vacancy savings was utilized.

CAPITAL CONSTRUCTION

There is no direct capital construction appropriation to the Department. However, \$495,000 of Reed Act funds are appropriated for the construction of a state services building to house state agencies leasing office space in the Grand Junction area. The use of these funds will offset the Department's administrative expenses by providing office space for the Department in a state-owned building.

NEW LEGISLATION

H.B. 1173 - Raises the ceiling on the amount of funds that can be utilized for displaced homemaker services from \$120,000 to \$145,000. These funds are raised from a \$5.00 fee collected from divorce filing fees in state courts.

H.B. 1195 - This bill pertains to the state's unemployment insurance program and makes several major changes. It allows child support payments to be withheld from unemployment insurance benefit checks. It changes procedures for allowing new evidence to be submitted in claims hearings. It imposes a surcharge on employer contributions to offset interest payments if the state program borrows funds from the federal program. It increases the minimum earnings requirements for becoming eligible for unemployment insurance benefits and reduces the eligible claimants by 18.8%. It also makes some minor changes in order for the state statutes to conform with the language of federal regulations.

DEPARTMENT OF LAW

<u>OPERATING BUDGET</u>	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Appropriation</u>
General Fund	\$ 3,332,776	\$ 3,254,231	\$ 2,277,449	\$ 2,112,542
Cash Funds				
UCCC a/	175,435	185,313	203,213	219,805
Oregon Plan	1,975,095	3,096,139	4,519,569	4,660,871
Reserved Water Rights Litigation - S.B. 87	-0-	-0-	-0-	250,000
Subtotal	<u>2,150,530</u>	<u>3,281,452</u>	<u>4,722,782</u>	<u>5,130,676</u>
Federal Funds				
Antitrust	154,196	153,040	-0-	-0-
RMIN b/	103,267	71,058	124,925	95,710
Medicaid Fraud	-0-	-0-	114,676	-0-
Subtotal	<u>257,463</u>	<u>224,098</u>	<u>239,601</u>	<u>95,710</u>
<u>GRAND TOTAL</u>	\$5,740,769	\$6,759,781	\$7,239,832	\$7,338,928

a/ Uniform Consumer Credit Code.

b/ Rocky Mountain Information Network, also known as Quad State Project.

FTE OVERVIEW

	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Appropriation</u>
Attorneys	113.09	114.81	101.17	90.0
Legal Assistants	-0-	-0-	15.70	30.0
Investigators/Examiners	17.90	14.25	12.50	10.0
Computer/Clerical/ Administrative	62.39	47.57	52.98	49.5
Special Purpose Programs a/	N/A	N/A	7.0	19.7
TOTAL	<u>193.38</u>	<u>176.63</u>	<u>189.35</u>	<u>199.2</u>

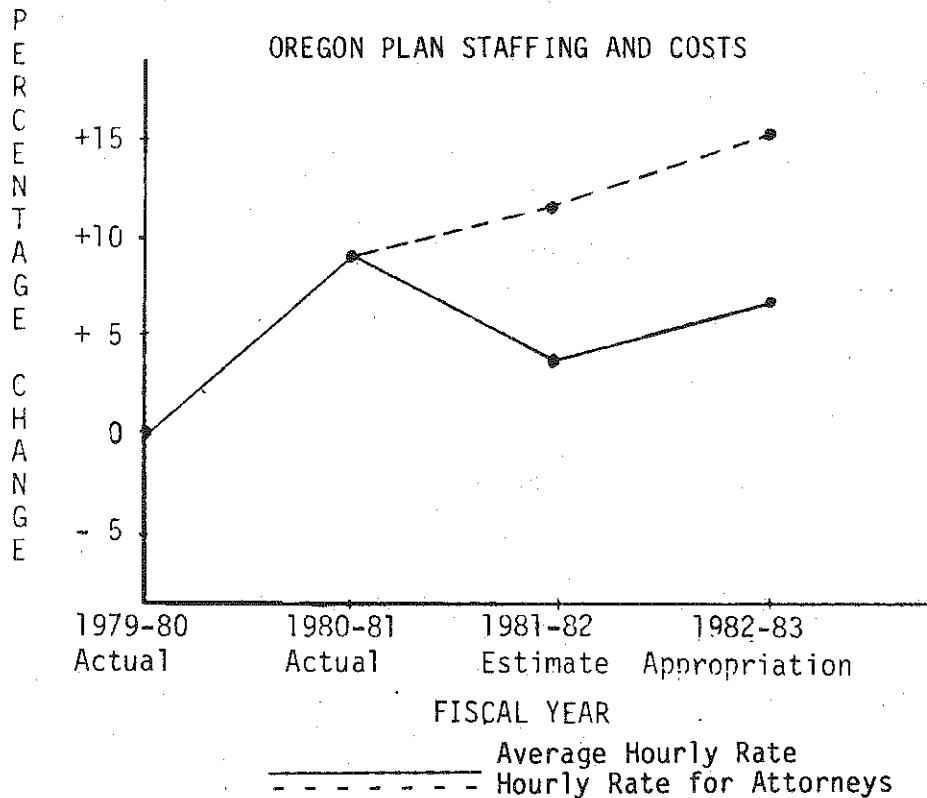
a/ Includes: FY 1981-82 - Rocky Mountain Information Network, CARC and Ramos, Securities Investigation and Medicaid Fraud.

FY 1982-83 - Rocky Mountain Information Network, Uniform Consumer Credit Code, reserved water rights litigation per S.B. 87, and an estimate for legal services to the State Lottery required by S.B. 119.

COMPARATIVE DATA

	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Appropriation</u>
Legal Services Hours	200,560	205,929	210,000	229,345 a/
Hourly Rate:				
Average Rate	\$26.00	\$28.38	\$27.10 b/	\$27.69
Attorneys	\$26.00	\$28.38	\$28.96	\$30.03
Legal Assistants	N/A	N/A	\$19.31	\$20.02

- a/ Includes an estimate of 9,029 hours for State Lottery Division and Colorado Lottery Commission - S.B. 119, and 9,029 hours for reserved water rights litigation - S.B. 87.
- b/ Based on utilization of 15.7 legal assistants and 101.17 attorneys for 210,000 total hours of legal services.



Due to a sharp increase in usage of legal assistants - and an associated decrease in attorneys - the average hourly rate charged to user agencies is lower in 1982-83 than in 1980-81 and only 2.2% higher than in 1981-82.

SUMMARY HIGHLIGHTS

Use of Legal Assistants

The Department has incorporated a significant number of legal assistants into its legal staff during 1981-82. This initiative has lowered the average hourly rate charged to user agencies. For 1982-83, the proportion of legal assistants will increase again significantly. Not known at this time is what is the optimal mix of legal assistants and attorneys. The budgeted increase in legal assistants requires their extensive use in FY 1982-83, and the Department is expected to gather information and experience for future staffing mix decisions.

Appropriation Format

The appropriation format, which combines most special purpose lines into the Oregon Plan, is intended to provide management flexibility to the Attorney General in allocating resources for legal work not chargeable to user agencies. The intent is that the appropriation provides for planned and currently unanticipated legal work, and that supplemental requests will be considered only under extraordinary circumstances.

EXPLANATION OF APPROPRIATION

The Attorney General, who heads the Department of Law, is legal counsel and advisor to all agencies of State government. He represents the State in legal actions before the Supreme Court, in criminal appeals, and other circumstances as required.

The appropriation continues the Oregon Plan for all Colorado State agencies. The General Fund amount includes District Attorneys' salaries, District Attorneys' criminal appeals, Department of Law Oregon Plan hours for legal work not chargeable to user agencies, and the cost of the 1982-83 Salary Survey and Anniversary Increases.

All agencies are appropriated funds to purchase legal services from the Department of Law, which in turn is appropriated cash spending authority for an equal amount. In addition, General Fund and federal funds are appropriated directly to the Department for legal work not chargeable to user agencies. The direct General Fund appropriation includes the following programs:

- District Attorneys' Criminal Appeals (23,760 hours)
- Ethical Conflicts Contractual Funds
- Water Rights Litigation
- The Colorado Association for Retarded Citizens and Ramos Cases
- 19,198 hours for Department of Law legal work not chargeable to user agencies

The average rate to be charged for legal services is set at \$27.69 per hour. This rate is based on the sum of all Oregon Plan costs, including personal services, operating expenses, travel, capital outlay, and litigation costs. In order to earn the cash amount appropriated, the Department of Law will charge \$30.03 per hour for agencies' use of attorneys and \$20.02 per hour for legal assistants. The appropriation provides the Department the flexibility to allocate directly appropriated funds, as management determines optimal, rather than setting certain numbers of hours and/or dollars for each area of work. In return, it is the intent of the General Assembly that supplemental appropriations be considered only under extraordinary circumstances.

A 2% vacancy savings factor has been applied in calculation of the personal services appropriation.

Building rental costs of \$3,002 for the Pueblo office are appropriated to the State Buildings Division, Department of Administration.

Two footnotes are included. Footnote 5 applies to all Oregon Plan appropriations in the Long Bill. It encourages the use of cash funds and allows agencies with cash fund appropriations for legal services to exceed their appropriation by up to 15%. This footnote also encourages conservation of legal services by stating that agencies may utilize up to 15% of their legal services appropriation for other statutory expenditures.

Footnote 65, a companion to footnotes 78 and 79, specifies that of the appropriated hours, 12,206 shall be applied only to cases backlogged as of June 30, 1982, in the Divisions of Real Estate and Registrations, Department of Regulatory Agencies, and that any of these hours not used for that purpose in FY 1982-83 shall remain available during FY 1983-84 if any of these cases are still unresolved at the end of FY 1982-83.

Oregon Plan Overview - FY 1982-83

Agency	Hours	Cost at Average Rate of \$27.69/Hour			
		Total	General Fund	Cash Funds	Federal Funds
Administration	2,409	\$ 66,705	\$ 66,705	\$ --	\$ --
Agriculture	1,739	48,153	37,326	10,827	--
Corrections	4,861	134,601	134,601	--	--
Education	2,645	73,240	73,240	--	--
Governor	3,359	93,011	93,011	--	--
Health	13,169	364,650	327,206	--	37,444
Higher Education	13,193	365,314	98,992	266,322	--
Highways	12,500	346,125	125	234,299	111,701
Institutions	6,400	177,216	177,216	--	--
Judicial	930	25,752	25,752	--	--
Labor and Employment	9,000	249,210	69,530	81,740	97,940
Law: Non-Chargeable					
Legal Hours and District Attorneys'					
Appeals	51,987 <u>a/</u>	1,434,872 <u>a,b/</u>	1,184,872 <u>b/</u>	250,000 <u>a/</u>	--
Other Programs	N/A	350,954 <u>c/</u>	255,244 <u>c/</u>	--	95,710
Legislature	800	22,152	22,152	--	--
Local Affairs	3,500	96,915	69,225	27,690	--
Military Affairs	118	3,267	3,267	--	--
Natural Resources	20,000	553,800	411,570	127,499	14,731
PERA	660	18,275	--	18,275	--
Personnel	2,400	66,456	66,456	--	--
OSPB	432	11,962	11,962	--	--
Regulatory Agencies	35,303	977,540	153,569	751,783	72,188
Regulatory Agencies- Backlogged Cases	12,206	337,984	--	337,984	--
Revenue	21,029 <u>d/</u>	582,280 <u>d/</u>	232,264	350,016 <u>d/</u>	--
Social Services	8,900	246,441	174,406	47,489	24,546
State	1,000	27,690	27,690	--	--
Treasury	806	22,318	22,318	--	--
TOTAL	229,346	\$6,696,883	\$3,738,699	\$2,503,924	\$454,260

- a/ Includes 9,029 hours/\$250,000 for reserved water rights litigation - S.B. 87.
- b/ Excludes \$3,002 Pueblo office rent.
- c/ Includes salary costs of 1982-83 Salary Survey and Anniversary Increases.
- d/ Includes estimate of 9,029 hours/\$250,000 to provide legal services to the Colorado State Lottery Division and the Colorado Lottery Commission.

Appropriated as separate special purpose line items are District Attorneys' salaries, as required by Section 20-1-306, C.R.S. 1973, and administration of the Uniform Consumer Credit Code and Collection Agency Board.

NEW LEGISLATION

S.B. 87 sets up the Reserved Rights Litigation Fund in the Department of Treasury. Appropriates \$250,000 out of this Fund to the Department of Law for the resolution of reserved water rights claims.

S.B. 119 directs the Department of Law to provide legal services to the Colorado State Lottery Division and the Colorado Lottery Commission, to be purchased by those entities using resources in the Lottery Fund.

LEGISLATIVE BRANCH

<u>OPERATING BUDGET</u>	<u>1979-80 Actual</u>	<u>1980-81 Actual</u>	<u>1981-82 Estimate</u>	<u>1982-83 Appropriation</u>
General Assembly	\$ 3,076,696	\$ 3,852,610	\$ 3,796,580	\$ 4,857,121
State Auditor	2,581,962	3,008,736	3,199,876	3,539,404
Joint Budget Committee	332,499	387,005	575,000	524,238
Legislative Council	784,095	886,353	993,776	1,113,934
Legislative Studies	167,635	151,501	174,158	735,530*
Legislative Drafting Office	659,044	755,509	728,272	865,825
Office of Revisor of Statutes	285,015	858,942	1,003,168	897,984
Committee on Legal Services	20,535	23,829	27,040	67,000
Commission on Uniform State Laws	12,472	13,116	14,150	15,140
Air Pollution Study	539,000	-0-	-0-	-0-
Oregon Plan Legal Services	-0-	-0-	20,272	22,152
Interstate Compact for Education	-0-	-0-	26,550	-0-
1% Property Tax Study	-0-	-0-	-0-	1,000,000
Rail Planning	-0-	-0-	-0-	64,386
SUBTOTAL	\$ 8,458,953	\$ 9,937,601	\$10,558,842	\$13,702,714
General Fund	\$ 8,433,953	\$ 9,912,601	\$10,508,842	\$13,645,714
Cash Funds				
Sale of Bill Boxes	25,000	25,000	50,000	57,000
CAPITAL CONSTRUCTION BUDGET	-0-	600,000	1,200,000	290,000
Capital Construction Fund**	-0-	600,000	1,200,000	290,000
GRAND TOTAL	\$ 8,458,953	\$10,537,601	\$11,758,842	\$12,992,714

*Includes funding for the Rail Plan update and CERI.

**Appropriated funds.

FTE OVERVIEW

	<u>1979-80 Actual</u>	<u>1980-81 Actual</u>	<u>1981-82 Estimate</u>	<u>1982-83 Appropriation</u>
House Employees	29.5	29.5	29.5	29.5
Senate Employees	24.0	24.0	24.0	24.0
State Auditor	67.0	68.8	75.0	75.0
Joint Budget Committee	14.2	14.3	14.0	14.5
Legislative Council	32.0	32.0	32.0	32.0
Legislative Drafting Office	26.0	26.0	26.0	26.0
Office of Revisor of Statutes	19.0	19.0	19.0	19.0
Total	211.7	213.6	219.5	220.0

COMPARATIVE DATA

	<u>1979-80</u> <u>Actual</u>	<u>1980-81</u> <u>Actual</u>	<u>1981-82</u> <u>Estimate</u>	<u>1982-83</u> <u>Appropriation</u>
Amount of Tax Relief:				
- Appropriated	\$121,770,000	\$200,072,271	\$124,953,222	\$207,064,755
- Reduced Revenues	<u>116,300,000</u>	<u>101,700,000</u>	<u>126,200,000</u>	<u>28,000,000</u>
Subtotal - Tax Relief	\$238,070,000	\$301,772,271	\$251,153,222	\$235,064,755
Number of Bills Introduced	1,148	419	1,141	437
Number of Bills Passed	464	178	543	176
Hours of Audit Services				
by State Employees	95,000	97,485	95,430	95,430
by Private CPA Firms	30,000	30,000	25,000	25,000

SUMMARY HIGHLIGHTS

Property Tax Study

Pursuant to Section 39-1-104(16), C.R.S. 1973, an appropriation of \$1,000,000 is made for the purpose of conducting a study of 1% of the property taxed in Colorado.

EXPLANATION OF APPROPRIATION

General Assembly. The appropriation is based upon an estimated 176 day session in 1983. It also provides for 11 full-time and 37 part-time employees in the House, and 10 full-time and 28 part-time employees in the Senate. Also included within the appropriation is \$135,000 for Capitol Security, \$321,900 for the CLEAR system, \$118,144 for dues and membership to national organizations to which the General Assembly belongs, and \$100,000 for additional remodeling.

State Auditor. The State Auditor is required to see that post audits of all financial transactions and accounts kept by agencies of the State are performed. The Auditor also has the authority to conduct performance post audits.

The appropriation is based upon a continuing level of staff. It also includes \$499,982 for contract audits and \$100,000 for a contingency fund. It is anticipated that revenues to the General Fund from the charges for audits will equal \$384,000.

Joint Budget Committee. The statutory duties and powers of the Committee include:

- (1) To study the management, operations, programs, and fiscal needs of state agencies;
- (2) To hold hearings on budget requests and to make appropriation recommendations; and,
- (3) To study the state's financial condition, fiscal organization and its budgeting, accounting, reporting, personnel and purchasing procedures.

The appropriation continues the current level of staff and operating expenses.

Legislative Council. The staff of the Council is responsible for the collection and assembling of all data, and for preparation of reports, recommendation, and bills. The appropriation continues the staff necessary for the research, library and print room functions. It also includes \$20,000 for the ballot analysis.

Legislative Drafting Office. The office is responsible for bill drafting, preparation of a digest of laws, review of state agencies' rules and regulations, and records concerning bills and the proceedings of the General Assembly. The appropriation for the Office for 1982-83 continues the current level of staff.

Revisor of Statutes. The Revisor is required to compile, edit, arrange and prepare for publication, the Constitution and all laws of the State of Colorado. The budget for the Revisor's Office includes 19.0 FTE and \$400,700 for contract printing services.

DEPARTMENT OF LOCAL AFFAIRS

<u>OPERATING BUDGET</u>	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Appropriation</u>
	\$	\$	\$	\$
Executive Director <u>1/</u> Colorado Bureau of Investigation	7,832,394	3,687,748	4,560,748	2,761,360
Colorado Law Enforcement Training Academy	3,640,069	3,960,949	4,095,709	4,284,029
Commerce and Development <u>1/</u>	444,566	443,080	561,891	601,749
Criminal Justice	13,287,704	26,091,531	38,470,436	27,096,042
Housing	5,419,140	4,194,364	3,018,109	-0-
Local Government <u>2/</u>	3,103,716	6,389,842	7,100,824	2,614,276
Property Taxation	2,378,295	2,334,178	2,177,777	1,231,325
	<u>1,057,609</u>	<u>1,057,226</u>	<u>1,188,325</u>	<u>1,213,010</u>
 SUBTOTAL	 37,163,493	 48,158,918	 61,173,819	 39,801,791
 General Fund	 9,128,166	 11,975,143	 12,953,751	 11,576,910
 Cash Funds				
Indirect Costs	43,470	125,000	150,874	56,444
HUTF	274,557	335,897	336,909	360,851
Mineral Lease and Severance Tax	4,696,652	11,554,146	24,016,500	25,243,151
Oil Shale Trust Fund	6,755,468	12,679,907	12,678,693	-0-
CETA	-0-	101,512	110,910	110,000
Tourism Donations	11,268	-0-	-0-	500,000
Automated Mapping Program	1,866	-0-	39,500	45,429
Fireman Certification	1,088	4,347	5,000	11,000
Interdepartmental	216,699	221,332	240,007	247,056
Fingerprint Applications	8,850	41,778	78,400	65,250
LEAA	133,962	94,917	23,222	-0-
Data Center	-0-	934	-0-	-0-
DOE Grants	18,863	1,698	2,942	-0-
Letter Program	56,691	13,510	24,449	-0-
State/County Property Tax	5,208	-0-	-0-	-0-
Subtotal	<u>12,224,642</u>	<u>25,174,978</u>	<u>37,707,406</u>	<u>26,639,181</u>
 Federal Funds				
Criminal Justice	5,408,948	884,942	2,904,218	1,585,700
Energy Assistance	-0-	219,405	2,742	-0-
Medicaid Fraud	387,038	373,736	-0-	-0-
Economic Development Grants	278,100	394,276	258,803	-0-
DOE Grants	2,650,735	4,182,976	3,772,236	-0-
Fin HA	45,787	144,335	18,482	-0-
HUD Grants	240,928	464,714	488,268	-0-
LEAA	-0-	3,872,134	2,936,404	-0-
Water Programs	370,369	237,669	79,795	-0-
Front Range Project	85,078	31,345	-0-	-0-
Oregon Plan	-0-	-0-	36,880	-0-
Community Services Admin.	5,692,850	-0-	-0-	-0-
CETA	59,185	-0-	-0-	-0-
International Trade	106,309	-0-	-0-	-0-
District Attorney Training	238,009	-0-	-0-	-0-
Census Bureau	25,275	-0-	-0-	-0-
Mapping Program	75,000	-0-	-0-	-0-
Other	147,074	203,265	14,834	-0-
Subtotal	<u>15,810,685</u>	<u>11,008,797</u>	<u>10,512,662</u>	<u>1,585,700</u>

- 1/ The Office of Impact Assistance has been transferred from the Executive Director's Office to the Division of Commerce and Development for 1982-83. The figures shown for 1979-80, 1980-81, and 1981-82 reflect this change to provide a true comparison.
- 2/ In 1980-81, the Division of Planning was consolidated into the Division of Local Government. The figures shown for all four years reflect this change.

(Continued)	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Appropriation</u>
<u>CAPITAL CONSTRUCTION BUDGET</u>				
Capital Construction Fund	1,880,000	-0-	-0-	-0-
<u>GRAND TOTAL</u>	\$39,043,493	\$48,158,918	\$61,173,819	\$39,801,791

FTE OVERVIEW

	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Appropriation</u>
Executive Director's Office	10.3	14.2	15.5	20.0*
Colorado Bureau of Investigation	86.4	93.1	92.3	96.2
Colorado Law Enforcement Training Academy	7.4	11.0	11.0	11.0
Commerce and Development	23.4	44.7	34.0	26.5
Criminal Justice	20.6	23.2	15.8	-0-
Housing	16.5	26.8	30.5	19.0
Local Government	27.2	29.3	23.1	23.0
Property Taxation	35.4	32.7	36.0	36.0
Total	227.2	275.0	258.2	231.7

*This includes 2.0 FTE from the Statistical Analysis Center who were formerly in the Division of Criminal Justice.

COMPARATIVE DATA

	<u>1979-80</u> <u>Actual</u>	<u>1980-81</u> <u>Actual</u>	<u>1981-82</u> <u>Estimate</u>	<u>1982-83</u> <u>Estimate</u>
<u>Colorado Bureau of Investigation</u>				
Major Crime Unit -				
Assignment per Agent*	84	131	140	150
Denver Lab -				
Cases Received	3,124	3,440	3,800	4,100
<u>Colorado Law Enforcement Training Academy</u>				
# Students in Basic				
Courses at CLETA**	286	210	215	105
# Students in In-Service				
Courses at CLETA**	328	275	200	375
<u>Commerce and Development</u>				
Business Development -				
# of New Company Contacts	200	175	300	350
Impact Assistance -				
# of Project Proposals Analyzed***	115	183	171	190
Impact Assistance - # of				
Project Proposals Funded***	67	89	135	140
<u>Housing</u>				
Housing Grants -				
New Units Funded	136	227	418	100
Housing Grants - Rehabi-				
litation Units Funded	1,210	1,246	489	500
State Weatherization				
Program - Units Weatherized	N/A	171	169	190
<u>Local Government</u>				
# Local Governments				
Requesting Exemptions From 7% Revenue Raising Limit	N/A	150	93	90
% Full Exemptions Granted	N/A	67%	23%	N/A
# Local Governments Participating in State-Local Purchasing Program	100	100	210	250
<u>Property Taxation</u>				
# of Exempt Properties	6,400	6,500	6,600	6,450
# of Exemptions Revoked	104	200	400	425

*The number of agents assigned to the unit was increased from 4.0 to 5.0 in 1980-81.

**The changes in the number of students trained at CLETA in Basic and In-Service courses reflect the increase in the number of local academies who are offering Basic courses.

***Projects funded through Mineral Lease and Severance Tax funds only.

SUMMARY HIGHLIGHTS

Criminal Justice

The appropriation for the Department does not include funding for a separate Division of Criminal Justice. The funding for Juvenile Justice programs and for the Statistical Analysis Center have been included as line items within the Office of the Executive Director.

Organized Crime Strike Force

The appropriation for the Colorado Bureau of Investigation includes funding for 4.0 FTE for the Organized Crime Strike Force. With this appropriation, it is the intent of the General Assembly that the Department shall report by February 1 of each year on the activities of the Strike Force. The report shall include but not be limited to the following information:

1. The number, location, and types of investigations undertaken.
2. The number of indictments returned.
3. The number, type, and status of all pending prosecutions, as well as the disposition of all concluded prosecutions.
4. An organizational chart of the Strike Force including departments from which officers were contributed.
5. A record of funds expended during the prior fiscal year and the first half of the reporting year including the purpose of such expenditures.

It is also the intent of the General Assembly that the Strike Force retain its advisory committee who shall meet on a regular basis.

Impact Assistance Office

The appropriation for the Division of Commerce and Development includes for the first time the funding for the Impact Assistance Office, to better enable the Division to work with communities throughout the state who are experiencing the "boom and bust" cycle. It is the intent of the General Assembly that the Department present a report on the current status of oil shale development in Colorado to the Joint Budget Committee by November 1, 1982. The report shall draw on the information gathered by the Cumulative Impact Task Force to provide projections for future oil shale development and its impact on the state.

Office of Tourism

The appropriation for the Office of Tourism includes cash funding authority for the first time to be raised through donations by members of the tourism industry. With this opportunity for the Division to raise funds from private sources, it is hoped that a new state/private partnership can be developed to more effectively promote the tourism industry within Colorado. It is the intent of the General Assembly that \$100,000 of the General Fund support for advertising shall not be expended unless it is matched on a ratio of 5:1, private funds to state funds.

EXPLANATION OF APPROPRIATION

Office of the Executive Director. In addition to providing overall direction for the Department, this office includes the support services of budgeting, accounting, and personnel for the Department. The appropriation includes an additional 2.5 FTE over the appropriation for 1981-82. These additional staff are 1.0 Accountant II who will have responsibility for working with audits in the department, an Administrative Officer I-B who will perform internal personnel functions for the department, and 0.5 Senior Secretary, formerly paid through Law Enforcement Assistance Administration funds, who serves as secretary for the Executive Director and the Associate Director.

The appropriation for the Board of Assessment Appeals is for 1.0 Administrative Officer II and 0.5 clerical FTE who could be hired to work full time for part of the year. This is a new increase of 0.5 FTE over the funding for 1.0 clerical FTE during the current year. The increase is based on the increased number of cases the Board has experienced last year and during the current year.

The funding for the Colorado Jail Health Project is for a contract with the Colorado Medical Society to continue to provide training for local law enforcement officials to enable them to meet mental and physical health standards in local jails. Funding for Oregon Plan Legal Services is based on a utilization of 3,500 hours in 1981-82. The appropriation does not include funding for Denver Cultural Facilities as the City and County of Denver made no request for such funding.

Colorado Bureau of Investigation. The Investigation section of the CBI includes the offices in Denver, Pueblo and Montrose; the lab in Denver; the Crime Information Center; the investigative units; and the Organized Crime Strike Force unit. The appropriation includes funding for 1.0 additional agent for the Denver laboratory and 4.0 agents for the Organized Crime Strike Force. The additional lab agent will enable the CBI to address the increased workload they are experiencing in drug analysis, arson, and serology cases. A vacancy savings factor of 2.8% has been applied.

The Administration of Justice Computer Center provides data processing services for the CBI, local law enforcement agencies, for other divisions within the department, and for some other departments within state government. It is appropriated at a continuing level based on current utilization.

The funding for the leases of the Pueblo and Montrose offices has been appropriated to the Division of State Buildings. The decrease in cash funding appropriated for full fingerprint checks for all non-criminal justice applications except the Division of Insurance and the Colorado Racing Commission is based on the anticipated need for these checks from the Departments of Revenue and Regulatory Agencies.

Colorado Law Enforcement Training Academy. The Academy provides basic training and in service courses for law enforcement officers throughout the state. It also works with a number of local governments and community colleges who are authorized as local academies to offer the basic training course. The reimbursement to these local academies is based on training 550 students at a rate of \$395.76 per student. The decrease in the reimbursement rate is due to the fact that ammunition is no longer furnished at state expense, either at CLETA or the local academies.

Commerce and Development. This division provides assistance to local governments in the areas of economic and business development, tourism promotion, and energy impact assistance. The appropriation for the Business Development programs continues at the same level as 1981-82, based on current workload. In past years, the cost of the salary of the Division Director and his Administrative Assistant have been split equally between the Business Development and Tourism programs. Also in past years, the Tourism program has been allocated 7.0 FTE which has included the salaries for 0.5 of the Director's position and 0.5 of the Administrative Assistant's position. In this appropriation, the part of these two salaries which have been paid through the Tourism program will be paid through Impact Assistance funds, as that program is now part of the Division. The appropriation does include two additional staff in the Tourism program - 1.0 FTE to enable the Division to better pursue matching funds for tourism promotion and 1.0 FTE to promote the tourism potential of State Historical Society properties, with particular emphasis to be given to publicizing the Cumbres-Toltec Railroad.

The appropriation for Advertising for Tourism increases General Fund support by \$50,000 over the current year and authorizes additional cash spending authority of \$500,000. There is also a footnote which specifies that \$100,000 of the General Fund support for advertising not be spent unless it is matched on a ratio of 5:1, private funds to state funds.

The appropriation for the Impact Assistance program includes funding for 2.0 additional FTE who were funded in 1981-82 through a Department of Energy grant which is not available after the current year. The appropriation for administration also includes funding for the costs of four advisory board meetings which have been paid through federal funds in the past.

Division of Housing. This division does inspections of mobile homes and factory built housing for the state and also administers state and federal grant programs for housing construction and rehabilitation. The appropriation does not include funding for the Division to continue to perform inspections on plans and building sites for multi-family dwellings in areas which have no local building codes. This results in the reduction of 1.0 Housing Specialist position.

The appropriation for the Housing Rehabilitation and Construction Grants program includes \$100,000 to continue the funding of the State Weatherization Program. There is also a footnote indicating that it is the intent of the General Assembly that at least \$100,000 of the appropriation for Rehabilitation and Construction grants be used for weatherization projects.

Division of Local Government. This division works with local governments throughout the state providing technical assistance in the areas of purchasing, budget review, and training for local officials. It also provides land use planning assistance, maintains the A-95 Clearinghouse process, and operates the State Data Center. The appropriation includes a reduction of 1.0 FTE based on actual staff utilization during the current year. The funding for the lease of the office in Pueblo has been appropriated to the Division of State Buildings. The appropriation does not include funding for Planning and Engineering Grants as the Division of Water Quality Control in the Department of Health now has the statutory responsibility to make these grants.

Division of Property Taxation. This division provides state supervision for property tax collection throughout the state, working with the assessors in each county. The division prepares manuals and conducts training sessions for assessors, as well as evaluating property taxes for utility companies and eligibility for all property tax exemptions. The appropriation for personal services is for a continuation level of funding with the understanding that there will be two additional staff persons assigned to the utilities and exemptions sections next year. A 2% vacancy savings rate has been applied. The appropriation for the Annual Assessors' Schools includes funding for nine programs for county assessment officials and a law seminar to update county assessors on the changes in state statutes. There is also funding for the purchase of two professionally produced manuals with updates provided to replace two of the longest manuals that the Division currently produces on an annual basis. This purchase will be an expense only once every four years as the purchase price includes the cost of updated information.

NEW LEGISLATION

S.B. 28 - Establishes a revolving loan fund in the Division of Housing for the purpose of making loans for low or moderate income housing. The initial funding for the loan fund shall be a maximum sum of up to 15% of the moneys appropriated for housing rehabilitation and construction grants for 1982-83. No additional appropriation is necessary.

S.B. 44 - Requires that the county commissioners report to the Division of Local Government the name and type of any proposed special district within five days of receipt of the service plan for the new district. No additional state appropriation is needed to fulfill this requirement.

S.B. 113 - Expands the powers of the Colorado Housing Finance Authority but does not require any additional appropriation.

H.B. 1006 - Specifies that the procedure for determining the actual value of real property shall be used in the determination of the actual value of mobile homes. No additional appropriation is necessary for the enactment of this procedure.

H.B. 1100 - Provides for the extension of the rules and regulations of the Department of Local Affairs which were adopted prior to January 1, 1982, except for those regulations relating to mobile home valuation. No additional appropriation is needed for the continuation of these rules and regulations.

H.B. 1240 - Authorizes the Colorado Housing Finance Authority to finance business development within the state. No additional appropriation is necessary for enactment of this legislation.

DEPARTMENT OF MILITARY AFFAIRS

<u>OPERATING BUDGET</u>	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Appropriation</u>
	\$	\$	\$	\$
National Guard	1,062,997	1,248,988	1,864,403	1,959,385
Disaster Emergency Services	798,091	967,150	942,099	957,253
Civil Air Patrol	<u>72,624</u>	<u>82,469</u>	<u>98,299</u>	<u>106,467</u>
SUBTOTAL	1,933,712	2,298,607	2,904,801	3,023,105
General Fund	1,105,312	1,303,571	1,492,126	1,509,593
Cash Funds				
Indirect Costs	16,423	20,166	20,166	20,166
Armory Rental	-0-	20,000	-0-	19,646
Subtotal	<u>16,423</u>	<u>40,166</u>	<u>20,166</u>	<u>39,812</u>
Federal Funds				
Department of Defense	191,159	233,898	644,000	700,000
Federal Emergency Management Agency	620,818	720,972	748,509	773,700
Subtotal	<u>811,977</u>	<u>954,870</u>	<u>1,392,509</u>	<u>1,473,700</u>
CAPITAL CONSTRUCTION BUDGET	45,970	-0-	-0-	-0-
Capital Construction Fund	45,970	-0-	-0-	-0-
<u>GRAND TOTAL</u>	\$1,979,682	\$2,298,607	\$2,904,801	\$3,023,105

FTE OVERVIEW

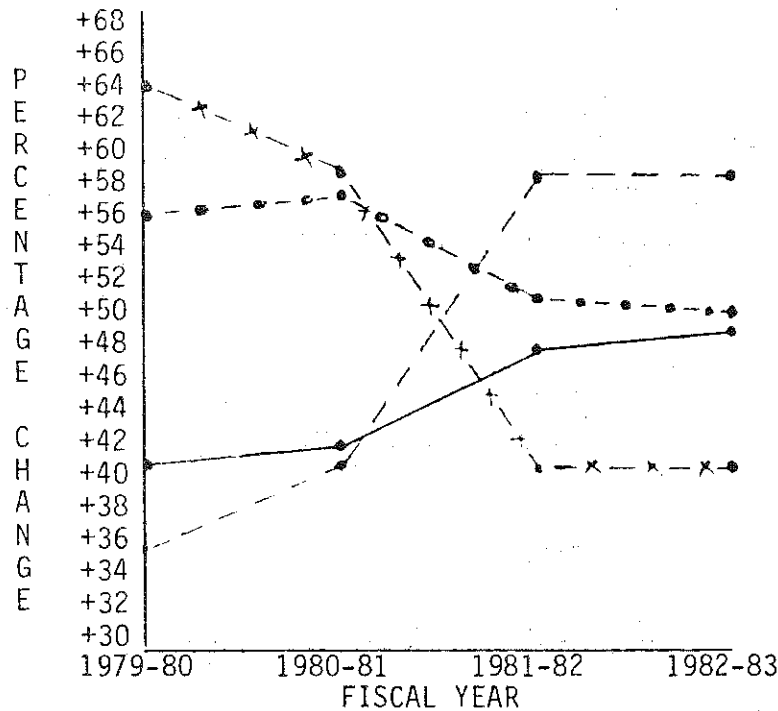
	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Appropriation</u>
National Guard	32.4	35.1	55.8	56.0
Disaster Emergency Services	13.6	16.3	19.0	19.0
Civil Air Patrol	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
TOTAL	47.0	52.4	75.8	76.0

COMPARATIVE DATA

	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Estimate</u>
Number of Guard Units	55	55	55	55
Number of Active Guard Members	4,158	4,509	4,700	4,700
Number of State Declared Emergencies	6	4	5	6
Number of State Conducted Exercises	7	8	9	10
Training Sessions Conducted	11	10	7	10
Number of Search Missions	71	71	74	75

DEPARTMENT OF MILITARY AFFAIRS

COMPARISON OF GENERAL FUND
AND FEDERAL FUND SUPPORT AND FTE



- Indicates % Increase of Federal Funds in Total Budget.
- - - - - Indicates % Increase of Federal FTE in Total Budget.
- • • • • Indicates % Increase of General Fund in Total Budget.
- x - x - x Indicates % Increase of General Fund FTE in Total Budget.

SUMMARY HIGHLIGHTS

Emergency Operations Center

As there are recurring costs in activation and supply of the Emergency Operations Center, it is important that these costs be well documented during FY 1982-83.

Disaster Preparedness Plan

During FY 1982-83, the Department should clearly specify each county having a plan for disaster preparedness and evaluate the adequacy of that plan.

EXPLANATION OF APPROPRIATION

The Department is responsible for maintaining and coordinating the National Guard, the Civil Air Patrol, and the Disaster Emergency Services Division.

National Guard. The Division is organized, trained and equipped to respond to state emergencies. The appropriation is at a continuing level and includes funds for a security contract at Camp George West. Cash funds from the overhead reimbursement of Federal Emergency Management Agency (FEMA) contracts and from the rental of armories are appropriated to offset operating costs. No vacancy savings factor was applied.

Disaster Emergency Services. The Division works closely with federal and local governments in development of disaster planning and preparedness. The appropriation is at a continuing level. No vacancy savings factor was applied.

Civil Air Patrol. The Division provides aircraft and manpower to conduct searches for downed aircraft within the state. The appropriation is at a continuing level and includes funds for the repair/replacement of two engines and two propellers on state-owned aircraft.

NEW LEGISLATION

S.B. 3 - Amends 28-4-104, C.R.S. 1973, to read that in time of peace, the Colorado State Guard shall be maintained in numbers to be determined by the Governor.

DEPARTMENT OF NATURAL RESOURCES

<u>OPERATING BUDGET</u>	1979-80 Actual	1980-81 Actual	1981-82 Estimate	1982-83 Appropriation
\$	\$	\$	\$	\$
Executive Director	1,387,528	1,986,064	3,225,254 2/	5,680,284
Administrative Services	933,965	1,109,255	1,154,941	-0- 3/
Mined Land Reclamation	734,637	747,882	962,481	1,014,990
Division of Mines	811,269	437,833	-0- 3/	-0- 3/
Geological Survey	1,126,005	1,011,560	1,137,996	1,184,336
Oil and Gas				
Conservation Commission	426,598	470,450	481,129	562,542
State Board of Land Commissioners	768,450	891,435	1,034,270	858,084
Parks and Outdoor Recreation	4,834,532	5,090,089	5,401,009	5,871,761
Water Conservation Board	1,053,964	41,229,454 1/	1,197,522	1,219,109
Water Resources Division	4,955,414	5,486,714	6,731,138	6,558,563
Division of Wildlife				
Game Operations	15,823,874	17,157,789	19,506,501	18,619,129 4/
Non-Game Programs	813,628	1,013,067	1,365,850	1,037,732
Federal Aid	4,049,255	4,352,965	3,949,304	5,160,519
Soil Conservation Board	310,926	294,749	313,899	316,031
SUBTOTAL	38,030,045	41,279,306	46,461,294	48,083,080
General Fund	10,649,723	11,526,887	13,492,737	14,327,472
Cash Funds				
Wildlife Cash	18,350,818	19,123,191	22,154,328	21,750,778
Oil and Gas Fund	426,598	470,450	607,514	672,964
Non-Game Check-Off Fund	276,641	523,405	728,324	631,784
Parks and Outdoor Recreation Fund	2,081,018	2,585,779	2,765,948 5/	3,436,184 5/
Indirect				
Cost Recoveries	-0-	569,713	546,221	464,600
Other	106,610	961,070	767,274	1,405,884
Subtotal - Cash Fund	21,241,685	24,233,608	27,569,609	28,362,194
Federal Funds	6,138,637	5,518,811	5,398,948	5,393,414
Unappropriated Federal Funds*	1,498,849*	2,214,332*	1,179,039*	-0-
*Non-Add				

- 1/ Of this amount, \$40,000,000 is designated as tax relief per S.B. 149, 1980 session and is not included in the total.
- 2/ Of this amount, \$388,024 was spent on the Mine Safety Program, formerly the Division of Mines.
- 3/ Included in Executive Director.
- 4/ Includes the appropriation to the Wildlife Commission.
- 5/ Includes a double count of Parks cash which is shown in the Division of Wildlife as a purchase of service. Double count is included in order to balance to the appropriation.

(continued)	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Appropriation</u>
CAPITAL CONSTRUCTION BUDGET				
Capital Construction Fund	-0-	15,000	1,849,418	636,079
Wildlife Cash	2,872,984	3,565,450	1,560,000	3,681,260*
Parks Cash	874,000	185,000	-0-	-0-
Highway Users Tax Fund	-0-	-0-	700,000	369,020
Income Tax Check-Off Fund	231,962	-0-	-0-	-0-
Other	1,355,500	-0-	-0-	-0-
Federal Funds	7,363,417	690,000	8,640,000	1,625,760*
Subtotal	<u>12,697,863</u>	<u>4,455,450</u>	<u>12,749,418</u>	<u>6,312,119</u>
GRAND TOTAL	\$50,727,908	\$45,734,756	\$59,210,712	\$54,395,199

*Includes the appropriation in House Bill 1065.

FTE OVERVIEW

	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Appropriation</u>
Executive Director	12.6	14.2	14.0	61.3
Administrative Services	43.1	43.1	43.3	Combined with Executive Director
Mined Land Reclamation	13.2	28.7	32.0	33.0
Division of Mines	26.2	10.9	10.0	9.0*
Geological Survey	15.0	16.0	16.0	29.5
Oil and Gas				
Conservation Commission	13.7	13.0	14.0	14.0
State Board of				
Land Commissioners	25.0	27.2	29.5	29.5
Parks and Outdoor Recreation	130.0	134.7	137.0	136.0
Water Conservation Board	24.0	22.7	25.0	25.0
Water Resources Division	212.9	206.3	217.2	217.2
Division of Wildlife				
Game Operations	473.9	477.9	476.9	453.0
Non-Game Programs	31.2	34.4	36.4	34.1
Federal Aid	107.5	112.7	112.7	139.9
Soil Conservation Board	<u>4.2</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>
TOTAL FTE	1,132.5	1,145.8	1,168.0	1,185.5

*These 9.0 FTE are appropriated to the Executive Director's Office and are listed separately for ease of comparison.

The primary increases from 1979-80 are due to Mined Land Reclamation, which started to administer the federal coal program in 1980-81, and to Geological Survey, where the FTE reflect the actual FTE which includes grants and contracts. The third major increase is in the Division of Wildlife, federal aid. This is in part reflective of the increase in federal funds received.

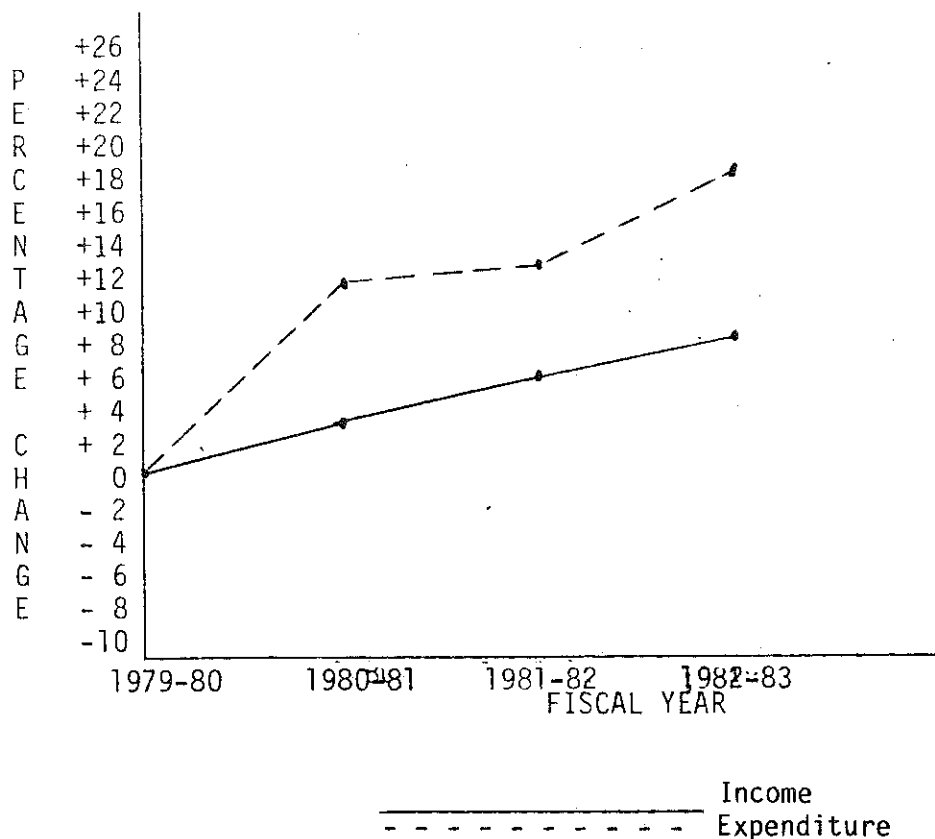
COMPARATIVE DATA

Division of Wildlife

	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Appropriation</u>
Coldwater Fish Catch - Per Day	2.4	2.3	2.2	2.3
Deer - Days Per Animal Harvested	12.6	12.1	9.4	9.0
Elk - Days Per Animal Harvested	26.0	29.6	28.8	24.0
License Income	\$23,783,965	\$24,563,800	\$25,224,461	\$25,816,761
Expenditures*	\$20,874,578	\$23,287,562	\$23,503,749	\$24,846,278

*Includes capital construction appropriations and the Division's operating expenditures from their five year operating plan.

COMPARISON OF PERCENT INCREASE
OF WILDLIFE INCOME AND EXPENDITURES



While the dollar expenditures at Wildlife are below income, this will not be the case if the percent expenditure continues to increase at a greater rate than income. Subsequent appropriations should be considered with the income level as an indicator for operations decisions.

Parks

	<u>1979-80</u> <u>Actual</u>	<u>1980-81</u> <u>Actual</u>	<u>1981-82</u> <u>Estimate</u>	<u>1982-83</u> <u>Appropriation</u>
Parks Cash Income	\$2,205,027	\$2,848,620	\$3,262,504	\$3,507,309
Expenditures*	\$5,708,532	\$5,290,089	\$7,250,427	\$6,507,840
% Income to Expenditures	38.6%	53.8%	45.0%	53.9%

*Includes capital construction appropriations from the Capital Construction fund and the Parks fund.

SUMMARY HIGHLIGHTS

Office of Executive Director Consolidation

A major change in the appropriation for 1982-83 is the consolidation of the Office of Executive Director and the Division of Administrative Services. The consolidation is both organizational and locational and is expected to result in greater departmental control over purchasing, accounts payable, accounts receivable and automation of records. The position of Division Director of Administrative Services has been eliminated and a new FTE Minerals Revenue Auditor position has been created as part of the consolidation. Audits will be conducted on oil and gas production records, mill levy and mineral royalties revenue, parks concessions, fee collections of Mined Land Reclamation, well permit revenue, Department contracting procedures, and federal funds receipts. It is estimated that these audits may result in an additional \$750,000 in revenue annually.

Oil and Gas Resources Study

Funding is provided in the Oil and Gas Conservation Commission for an Oil and Gas Resources Study intended to calculate remaining Colorado oil and gas reserves, estimate future production rates and predict future oil and gas revenue to the Commission, State Land Board, Treasurer and local governments. Funds are for the first year of a two to three year project. It is intended that the study:

1. Provide a procedure for continual updating of projections over time;
2. Be coordinated with current departmental automated data processing proposals for storage and cross referencing of statewide resources data, and;
3. Be coordinated with other available studies intended to provide energy resource projections.

Staffing Requirements In Three Divisions

Three related issues which may be addressed in more detail for the 1983-84 fiscal year are the staffing of the Division of Water Resources (in particular, the assignment of 60% of the 68 engineers to the Denver Office), plans for staffing of the Water and Power Development Authority (which should avoid duplication in activities performed by the Authority and the Water Conservation Board), and assignment of workload to staff of the Oil and Gas Conservation Commission. With particular regard to workload assignments in the Oil and Gas Commission is the fact that for the past several years, of the seven professionals in the division, only one engineer has been assigned to field inspections.

Parks and Outdoor Recreation Summer Work Program

Due to federal cutbacks in the Youth Conservation Corps and Young Adult Conservation Corps programs, the summer work program appropriation in the Division of Parks has more than doubled in order to provide personnel to work in the state parks during the summer. In addition, part of the summer work program is to employ youths in Youth Diversion programs. These programs should provide quality service within the parks.

Wildlife - Discretionary Fund and Federal Funds

There are two major concerns in the Division of Wildlife. First, that the Wildlife Commission be given staff support which can provide autonomous and analytical reviews of the Division's expenditures. In addition, a discretionary fund is established in order for the Commission to decide how those funds will be used. Second, federal funds have been maximized by using them in part to fund game operations expenditures. Future use of the funds will be analyzed to determine if more game operations can be funded with federal dollars in order for the Wildlife cash expenditures to stay within expected revenues.

Mined Land Reclamation Oil Shale Increase

One FTE has been added to the minerals section of Mined Land Reclamation for the purpose of oil shale reclamation needs. The continued need of an oil shale FTE should be closely reviewed in conjunction with decisions made on future development of the oil shale resources in Colorado.

EXPLANATION OF APPROPRIATION

Executive Director. The Office of the Executive Director provides overall fiscal, personnel and budgetary management and direction to the divisions. For 1982-83, the Office has been consolidated with the Division of Administrative Services to bolster its ability to provide departmental management. The position of Director of Division of Administrative Services has been eliminated and a departmental Revenue Auditor position created in its place. In addition, a new Minerals Revenue Auditor position has been funded for 1982-83.

Provision is made for a new FTE Trails Development Specialist to be funded from cash funds derived from projects designed by the Specialist for state trails development and coordination.

Because federal grant funds are not expected to be available for the Natural Areas program, one FTE is to be funded from donations made by users of the program's materials and from cooperative ventures with the federal government and institutions of higher education whose purpose it is to protect and research natural areas.

The appropriation for the Mine Safety Program reflects a continuing level of service. Nine FTE positions filled in 1981-82 are appropriated for 1982-83. The funding of the positions demonstrates the availability of fewer federal funds and more cash funds from explosive and diesel permitting fees and inspection fees.

A 2.49 percent vacancy savings has been taken.

For the first time, funds for the 1982-83 salary survey and anniversary increases are appropriated directly to the department. This switch to direct funding accounts for 61% of the increase in the funding for the Office of the Executive Director over 1981-82.

Mined Land Reclamation. This division is responsible for environmental control and reclamation for all mining in the state. An additional FTE has been funded in the mineral land reclamation section for oil shale reclamation. In addition, it is expected that at least 65% of the efforts of the minerals section will be devoted to providing services to the sand and gravel industry. A 1.9% vacancy savings was taken.

Geological Survey. The purpose of this division is to coordinate and encourage the full development of the state's natural resources which are related to geological processes. The increase of 13.5 FTE reflects the actual FTE funded through grants and contracts.

Oil and Gas Conservation Commission. The Commission is supported by oil and gas industry filing and services fees and revenue from a mill levy imposed on the market value at the well of oil and gas produced.

The Commission was created and is funded to encourage and promote the development, production and utilization of oil and gas in the state and to protect the rights of owners and producers in a common pool of oil and gas.

The appropriation continues funding for 14.0 FTE for 1982-83 and provides for a new Oil and Gas Resources study described above. No vacancy savings was taken.

State Board of Land Commissioners. The Land Board is responsible for managing the trust lands granted by the federal government. There is an increase in cash funds from the Oil and Gas Conservation Fund for 1.0 FTE who inspects oil and gas fields. A 2.0% vacancy savings has been taken.

Parks and Outdoor Recreation. This division is responsible for managing the recreation areas of the state. The administrative staff appropriation includes 2.0 FTE for the boat safety program, which previously has been a separate line item. The summer work program General Fund appropriation has more than doubled to offset cutbacks in federal funds. In addition, \$75,000 is appropriated for a summer work program for youth in Youth Diversion programs. The Division of Parks and Outdoor Recreation and the Division of Youth Services, Department of Institutions, are to jointly submit a report to the Joint Budget Committee by November 1, 1982, describing how the funds are used and the benefits of the program.

A vacancy savings of 2.8% was taken.

Funds of \$30,165 for contract services for mass media information services with the Division of Wildlife are included in operating expenses.

A new line item for the snowmobile program is appropriated in order to maintain snowmobile trails. The funds are from the Snowmobile Fund.

Water Conservation Board. The Board is responsible for recommending water projects to the Legislature for funding from the Water Conservation Board Construction Fund. It designates flood plains and appropriates water for minimum streamflow and other uses on behalf of the state.

For 1982-83, one-half of the salary and related costs of the FTE involved in flood control and flood plain management will come from local entities requesting the staff's assistance.

Wildlife cash funds have been appropriated to cover the actual personal services, operating and travel expenses incurred in meeting Division of Wildlife requests for instream flow appropriations and hydrologic investigations.

A 1.5% vacancy savings rate has been used.

Water Resources Division. The division is responsible for the administration of the waters of the state and enforcement of water decrees. Funding for the division is 99.4% General Fund.

For 1982-83, funding has been provided for:

68.0	Engineers
7.0	Geologists
6.0	Engineering Technicians
7.0	Engineering Aids
57.0	Full-Time Water Commissioners
37.2	Part-Time Water Commissioners
4.0	Well Drilling Inspectors
22.0	Clerical Staff
8.0	Data Processing Personnel
1.0	Budget Analyst

A vacancy savings of 0.9% has been taken for part-time staff and 1.7% for full-time staff.

Of particular interest to the Committee is the fact that the appropriation for this division increased by 14.9% from 1981-82 to 1982-83, in spite of the fact that no new programs or personnel were authorized. The increase is solely the result of the salary survey increases which took effect July 1, 1981.

Division of Wildlife. The division is responsible for managing, protecting, enhancing and preserving wildlife and its environment both for game and non-game programs. The appropriation is divided into four sections: Wildlife Commission, Game Operations, Non-Game Programs and Federal Aid.

Wildlife Commission: For the first time, an appropriation has been made to the Wildlife Commission which is divided into two parts. First, 2.0 FTE are appropriated as staff responsible to the Commission for budget and expenditure assistance and for other projects as the Commission requests. Second, a commission discretionary fund is appropriated. These funds are to be expended only upon the review and approval of the Wildlife Commission. The Commission may expend the funds for whatever expenses they so choose, such as the fish cooperative, game cooperative, extension program, correctional industries services, communications, training, etc. An appropriation for these individual activities has not been made. The Commission is to determine what projects/activities are to be funded and how much should be funded. One FTE is appropriated to assist the Commission in the allocation.

Game Operations: The personal services line items have been reduced from four lines to one. In addition, the FTE for the management of the former parks areas, the FTE for pheasant habitat and the FTE for game damage are included in the Personal Services line. Twenty-three FTE which were previously funded in game operations are now funded under the federal aid programs. These include FTE in fish research, game research and wildlife services. This will have the FTE in these sections all federally funded for allowable activities under the federal guidelines. It is the intent of the General Assembly that pursuant to Section 39-27-102, C.R.S. 1973, gasohol be deemed available when its price to the Division does not exceed its price to other retail consumers in the same geographical area. It is also the intent of the General Assembly that no funds be expended for litigation regarding the Catlin Canal Company. The appropriation for rentals, survey, and appraisal includes land and water rentals, property boundary survey and land appraisals. A vacancy savings of 2.3% was taken.

Non-Game Programs: These programs are funded primarily from the non-game wildlife voluntary checkoff and the appropriation is within the estimated fund receipts for 1982-83. In order to maximize and review the use of the funds, however, the Division of Wildlife is to submit a report to the Joint Budget Committee by October 1, 1982, which describes all non-game programs, breaks down dollars expended by year and expenditure category and includes a description of proposed activities for future years. The report should include proposals for non-game viewing areas and other non-game activities. The appropriation for the management and development of the southern portion of Barr Lake includes 1.0 FTE as well as \$20,000 for displays at the visitor center and a sewage system project.

Federal Aid: The appropriation has increased due to the addition of 23.0 FTE previously funded by Wildlife cash. Also funded are 4.2 additional FTE, one FTE for each of the four regions. The regional inventory and development appropriation includes \$100,000 for warmwater fish, \$13,000 for Bonny Dam operations and operating expenses for the new FTE.

Soil Conservation Board. The Board is responsible for providing programs which will conserve both agricultural land and underground water reserves through the control of wind and water erosion and reducing flood damage. Contractual funds for drafting services are again appropriated in order to complete the updating of the Board's records. It is expected that the updating of records will be completed in the 1982-83 fiscal year.

CAPITAL CONSTRUCTION

Parks and Outdoor Recreation

Road Maintenance - This appropriation is a controlled maintenance project for the roads at Cherry Creek and Navajo State Recreation areas. Pursuant to Section 33-30-110(4), C.R.S. 1973, the funding for the maintenance is to be from the Highway Users Tax Fund.

Replacement of Toilets at Golden Gate and Lathrop State Parks and Rifle State Recreation Area and Controlled Maintenance for Bonny Well -

Barr Lake Toilet and Sewer Maintenance -

Resurface the Bike Path at Cherry Creek State Recreation Area -

These appropriations are for controlled maintenance projects requested by the Division.

Title Search, Planning, Legal Surveys and Options for Roxborough State Park - This project is for the reappropriation of the funds which were originally appropriated in 1978-79. The funds had not been expended due to legal action on an access road at the park.

Boyd Lake Development - This appropriation continues Phase II of the development of Boyd Lake. This appropriation will pay for comfort stations, landscaping and revegetation, site lighting and trails for the south side development of the lake.

Bonny Reservoir Marina Parking Lot - The appropriation of federal funds will complete the marina parking lot at Bonny Reservoir. This represents the final year of development at the reservoir from the federal funds grant.

Pueblo Reservoir Development - The appropriation is for the continued development of Pueblo Reservoir, funded through federal funds. There will be one more year of development appropriations in order to complete the contract with the Bureau of Reclamation.

Division of Wildlife

Dam Maintenance and Improvement - The appropriation is for maintaining the water storage structures for which the Division is responsible.

Fish Unit Improvement for the Purpose of Increasing Fish Production - It is expected that with this appropriation the Division of Wildlife will be able to increase its fish production from 1.4 million pounds of fish to 1.8 million pounds of fish by 1984. Included in the appropriation are funds for the following areas:

Rifle - Water supply line	\$350,000
Other improvements	70,000
Finger Rock	90,000
Glenwood and Crystal River	120,000
Pitkin	360,000
Roaring Judy	80,000
Durango	39,000
Bellvue	33,000
Poudre	51,000
Watson	118,000
Chatfield	250,000
Chalk Cliffs	50,000

Fish Unit Maintenance and Improvement - Funds are appropriated for ongoing controlled maintenance and repair of the fish facilities in the state.

Cheesman Reservoir Facilities - Funds are appropriated for public use facilities which are to be provided as part of the agreement with the Denver Water Board for the use of Cheesman Reservoir.

Fish Unit Pollution Control - The appropriation provides funds for the fish units to come into compliance with federal water pollution control acts. These items will be necessary for one more year.

Wildlife Easements - Funds are appropriated to allow the Division to secure long-term public easements on fishing streams, lakes and wildlife areas.

Controlled Maintenance - The appropriation provides for repairs, replacements and/or maintenance of land, buildings and structures for which the Division is responsible. This does not include the fish facilities which are covered in a separate appropriation.

Streams and Lake Habitat Improvement on Public Lands - The projects in this appropriation include protective fencing, log and rock stream structures, streambank erosion control, jetties, spawning areas and public use facilities.

Red Lion Seep Collection - This appropriation provides for developing a seep collection system for the Red Lion Wildlife area.

Employee Housing Maintenance and Improvement - The funds are to be used for the maintenance of housing units for which the Division has the maintenance responsibility. The appropriation is based on the estimate of rent paid by Division employees for use of the homes.

NEW LEGISLATION

S.B. 87 - Authorizes expenditures for the Water Conservation Board Construction Fund for six specific projects totaling \$8,221,500. Also mandates the transfer of funds to the Colorado Resource and Power Development Authority. The transferred funds are to be paid by the Authority into debt service reserve funds or other funds designated by the Authority.

In addition, this legislation creates a reserved rights litigation fund in the Office of the State Treasurer. These funds are to be utilized by the Department of Law in the resolution of claims of agencies of the federal government to Colorado waters also claimed by Colorado citizens. \$5,000,000 is to be transferred from the Water Conservation Board Construction Fund to this fund. Of the \$5,000,000 so transferred, \$250,000 is appropriated to the Department of Law for fiscal year 1982-83.

S.B. 127 - Provides that the Colorado Water Resources and Power Development Authority may establish funds in addition to debt service reserve funds and outlines the purposes for which reserve funds monies may be spent.

H.B. 1006 - Revises the statutes regarding soil conservation districts. The changes address the organization of the districts, elections, voting results, board of supervisors, assessments, appeals, procedures and consolidation. There is no appropriation with the act nor is one needed. The changes should not add to the expenses of the Soil Conservation Board.

H.B. 1034 - Provides for non-resident two-day and ten-day fishing licenses and non-resident additional-day fishing stamps. The income from these licenses will go into the Wildlife Cash Fund and be part of the revenue estimates for the future. No appropriation is necessary.

H.B. 1065 - Appropriates \$585,760 of Wildlife Cash Funds and \$585,760 of land and water conservation funds for the acquisition of a conservation pool in Bonny Reservoir. This appropriation, in addition to prior appropriations, will complete the amount needed by the federal government for guaranteeing the conservation pool.

H.B. 1099 - Provides that rules, or parts of the rules, of the Mined Land Reclamation Board are not extended concerning the following items:

- The filing of temporary abandonment reports for prospect drill holes.
- The submission of lithologic descriptions for prospect drill holes.
- Rules which refer to "Prospecting Drill Hole Abandonment Guidelines".

H.B. 1222 - Stipulates the per diem compensation for members of the Board of Examiners and authorizes an examination fee for each examination by the Board of Examiners of twenty-five dollars to be credited to the Division of Mines operational fund.

DEPARTMENT OF PERSONNEL

<u>OPERATING BUDGET</u>	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Appropriation</u>
Executive Director's Office	361,017	491,325	800,334	N/A
Compensation & Classification	499,028	461,525	489,640	N/A
Selection Center	369,119	400,146	388,226	N/A
Information Systems	228,165	314,473	415,559	N/A
Technical & Consulting Services	735,823	655,884	435,247	N/A
Personnel Board	145,061	153,850	169,169	N/A
SUBTOTAL	2,338,213	2,477,203	2,698,175	2,849,041*
General Fund	1,882,567	2,088,404	2,514,309	2,521,992
Cash Funds				
Indirect Costs	11,500	11,813	13,893	9,741
State Personnel Board Fees	9,802	13,132	7,145	12,142
IPA Matching Funds	29,746	42,045	11,309	-0-
Personnel Management Service Fees	-0-	-0-	104,905	122,547
Merit System Contract	105,502	71,476	-0-	-0-
Other	83,102	26,656	458	-0-
Higher Education Payments Management Certification Program	-0-	-0-	-0-	147,619
Subtotal	239,652	165,122	137,710	35,000
Subtotal	239,652	165,122	137,710	327,049
Federal Funds				
IPA Program	204,881	179,533	46,156	-0-
Mobility Assignment	11,113	44,144	-0-	-0-
Subtotal	215,994	223,677	46,156	-0-
GRAND TOTAL	\$2,338,213	\$2,477,203	\$2,698,175	\$2,849,041

*The 1982-83 appropriation was not broken down by unit within the department.

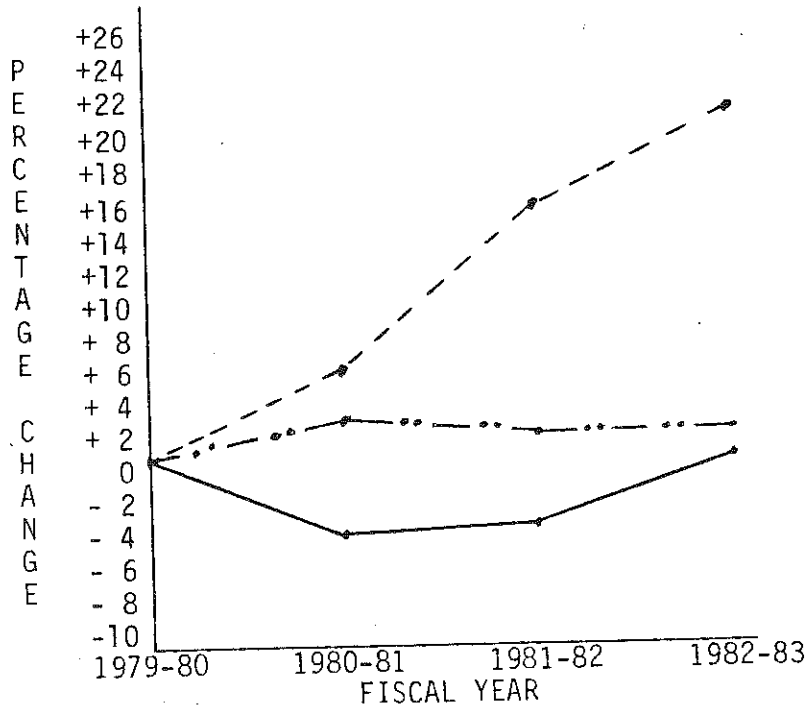
FTE OVERVIEW

	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Estimate</u>
Executive Director	11.6	13.7	13.7	12.0
Compensation & Classification	18.9	16.6	19.3	20.0
Selection Center	18.2	17.7	18.7	19.0
Information Systems	5.8	7.3	9.0	9.0
Technical & Consulting Services	21.5	17.7	15.7	16.5
Personnel Board	4.0	4.5	4.5	5.0
Special Purpose	4.9	4.0	1.0	4.0
TOTAL	84.9	81.5	81.9	85.5

COMPARATIVE DATA

	<u>1979-80</u> Actual	<u>1980-81</u> Actual	<u>1981-82</u> Estimate	<u>1982-83</u> Estimate
Number of Personnel Actions Handled	143,412	184,118	195,000	207,000
Number of Appeals	257	215	229	233
Number of Classifications	1,423	1,264	1,500	1,500
Number of Firms Contacted for Salary Survey	287	270	320	350
Number of Applications Processed	14,746	15,116	15,000	15,000

COMPARISON OF APPLICATIONS, FTE'S AND COST



_____ FTE
 - - - - - \$
 - . . - . . - . . Applications Processed

SUMMARY HIGHLIGHTS

S.B. 308 Update

The major areas of emphasis for the Department this year in presenting their 1982-83 budget request were based upon continuation of the implementation of the new programs provided in S.B. 308, 1981. This included the following; the Pay-For-Performance evaluation system, oversight of state training activities, Career Development program, and implementation of the new Personnel Data System as part of the Colorado Management Information System (CMIS).

Statewide Budget Issues

Areas that were also a matter of concern included; the Department's annual salary survey, including the proliferation of in-grade hire classifications, occupational studies, the actions of the Personnel Board as they relate to the budget (i.e. shift differential), and the Department's continuing decentralization program.

EXPLANATION OF APPROPRIATION

The Department is responsible for the administration of the personnel system. Major responsibilities include; job announcements, referrals, testing and selection, wage and salary survey, job classification system, and appeals.

Executive Director's Office. This office is responsible for the overall administration and support of the Department. The unit which was reduced by 1.0 FTE who was responsible for a rules review program. This was intended as a one-time position for 1981-82. No vacancy savings was taken. A special purpose line item was appropriated to continue the Management Certification program with 50% of the costs to come from the participants in the program. It is the intent of the General Assembly that the state not pay or reimburse employees for this cost in any way.

Compensation and Classification. This unit provides for the maintenance of the classification system and the wage and salary survey. The appropriation was at a continuing level with no vacancy savings applied.

Selection Center. This unit is responsible for the publication of job announcements and the interviewing, testing and referral of people to many of the state's agencies for job placement. This unit was appropriated at a continuing level without the requested reclassifications. No vacancy savings was taken.

Information Systems. This unit is responsible for the maintaining of the personnel record system including development of the new Personnel Data System and its interaction with CMIS. The unit was appropriated at a continuing level of FTE as an indication of support for the continued implementation of the new data system. No vacancy savings was taken.

Technical and Consulting Services. This unit is responsible for a number of specialized duties of the personnel system and was appropriated at a continuing level with the 1.0 FTE for Career Development added to the base. A special purpose line item with 4.0 FTE was added to the unit for the purpose of training state employees in the use of the new employee evaluation system. No vacancy savings was applied.

State Personnel Board. The Board is responsible for developing the rules under which the personnel system is administered as well as acting upon appeals to the administration of the system and personnel actions. The Board was appropriated at a continuing level with no vacancy savings.

NEW LEGISLATION

H.B. 1099 - Did not extend the following rules:

- (I) Rule No. 1-6-1, concerning implementation of affirmative action corrective remedies (4 CCR 801-1);
- (II) Rule No. 4-2-3, concerning postponement or cancellation of tests (4 CCR 801-1);
- (III) Rule No. 4-2-4 (D), concerning voluntary self-identification (4 CCR 801-1);
- (IV) Rule No. 5-2-4, concerning affirmative action (4 CCR 801-1);
- (V) Rule No. 5-6-1 (B), concerning affirmative action requisitions: single vacancies (4 CCR 801-1);
- (VI) Rule No. 5-6-2 (B), concerning affirmative action referrals (4 CCR 801-1);
- (VII) Rule No. 5-6-6 (B), concerning affirmative action requisitions: multiple vacancies (4 CCR 801-1).

OFFICE OF STATE PLANNING AND BUDGETING

<u>OPERATING BUDGET</u>	<u>1979-80</u> Actual	<u>1980-81</u> Actual	<u>1981-82</u> Estimate	<u>1982-83</u> Appropriation
	\$	\$	\$	\$
Executive Director	186,541	207,672	247,066	955,670*
Budget Operations	429,745	444,597	510,694	N/A
Economic Research	121,897	122,640	138,506	N/A
Planning	113,079	105,313	87,101	N/A
Other Programs	561,193	498,707	203,973	148,032
SUBTOTAL	1,412,455	1,378,929	1,187,340	1,103,702
General Fund	890,483	993,967	605,027	535,132
Cash Funds				
Indirect Costs	49,482	-0-	8,000	74,016
Wildlife Cash	-0-	-0-	407,839	420,538
Highway Department	61,604	86,942	-0-	-0-
Social Services	-0-	14,286	-0-	-0-
Local Affairs	37,359	-0-	-0-	-0-
Labor and Employment	-0-	37,829	-0-	-0-
Office of Energy				
Conservation	23,799	-0-	-0-	-0-
Subtotal	172,244	139,057	415,839	494,554
Federal Funds				
Department of Commerce	188,133	166,149	166,474	-0-
Department of Labor	81,562	50,541	-0-	-0-
Department of HEW	80,033	29,215	-0-	-0-
Department of Energy	-0-	-0-	-0-	74,016
Subtotal	349,728	245,905	166,474	74,016
GRAND TOTAL	\$1,412,455	\$1,378,929	\$1,187,340	\$1,103,702

*Includes departmental appropriation for travel and subsistence, capital outlay, legal services, ADP services, and Economic Forecasting subscription, as well as Budget Operations, Economic Research and Planning.

FTE OVERVIEW

	<u>1979-80</u> Actual	<u>1980-81</u> Actual	<u>1981-82</u> Estimate	<u>1982-83</u> Appropriation
Executive Director	4.1	4.0	4.0	25.0*
Budget Operations	15.5	16.6	15.7	N/A
Economic Research	3.0	3.0	3.0	N/A
Planning	3.1	3.4	2.1	N/A
Other Programs	15.0	11.2	5.0	4.6
TOTAL	40.7	38.2	29.8	29.6

*For 1982-83, the FTE for Budget Operations, Economic Research and Planning were combined into the Office of the Executive Director.

COMPARATIVE DATA

	<u>1979-80</u> <u>Actual</u>	<u>1980-81</u> <u>Actual</u>	<u>1981-82</u> <u>Estimate</u>	<u>1982-83</u> <u>Appropriation</u>
General Fund Budget Requests Received	\$1.5 Billion	\$1.8 Billion	\$1.9 Billion	\$2.1 Billion
General Fund Supplemental Budget Requests Received	\$51 Million	\$62 Million	\$35 Million	\$40 Million
Number of Fiscal Notes	1,038	350	170	350
Capital Construction Requests Received	-- --	\$186 Million	\$160 Million	\$180 Million
Number of Special Purpose Programs Operated	14	9	2	1

SUMMARY HIGHLIGHTS

FTE Reduction

An area of change for the Department with the FY 1982-83 appropriation is the 3.0 reduction in FTE. All FTE are appropriated to the Executive Director's Office, enabling the office to use those FTE within divisions as seems appropriate. With the elimination of the two Criminal Justice Planning positions, greater emphasis is placed on the Budget Execution function of the Department.

EXPLANATION OF APPROPRIATION

The principle responsibilities of the Office of State Planning and Budgeting are the development of the Executive budget, the review and analysis of departmental budget requests, preparation of revenue and economic forecasts for the state, providing fiscal notes on proposed legislation to the Legislature, and development and coordination of long-term planning for the state.

Executive Director's Office. This unit is responsible for the administration of the Department and works closely with the Executive, the Legislature, and state agencies. The appropriation for 25.0 FTE represents a reduction of 3.0 FTE from the FY 1981-82 level. A 1.6% vacancy savings factor has been applied.

Budget Operations. The major responsibility of budget operations is the preparation of the annual Executive budget proposal for the General Assembly. The appropriation is at a continuing level for this unit.

Economic Research. This unit prepares economic and revenue forecasts and tax analyses for the Executive and Legislative Branches. The unit is appropriated at a continuing level.

Planning. The purpose of the planning unit is to develop and coordinate long and short-range plans for state agencies. The appropriation eliminates 2.0 FTE Criminal Justice Planning positions.

Other Programs. The Department has significantly reduced the number of special purpose programs it has handled over the past several years. Only one such program is in the FY 1982-83 appropriation - the Institutional Building Grants Program. This program administers grants to schools, hospitals, local governments, and public care facilities for technical assistance and energy conservation measures. It is the intent of the General Assembly that the state costs of administering the program be paid through a 5% service fee assessed those institutions receiving grant money. The Institutional Building Grants Program is responsible for collection of this fee. The 4.6 FTE are supported through these cash funds and from the federal funds of the program.

DEPARTMENT OF REGULATORY AGENCIES

<u>OPERATING BUDGET</u>	1979-80 Actual	1980-81 Actual	1981-1982 Estimate	1982-83 Appropriation
	\$	\$	\$	\$
Executive Director's Office	200,486	185,734	162,949	2,207,301
Office of Regulatory Reform	-0-	58,557	84,618	102,995
Administrative Services	415,097	475,637	571,093	562,397
Banking	1,162,645	1,279,759	1,652,691	1,618,213
Civil Rights	1,017,094	1,148,953	1,078,212	1,079,387
Insurance	1,334,705	1,479,916	1,743,211	1,698,189
Public Utilities Commission	2,362,767	3,035,626	3,708,749	3,524,842
Racing	834,412	931,807	1,083,618	1,068,115
Real Estate	850,484	1,118,010	1,248,776	1,307,069
Registrations:				
Administration	415,641	388,714	443,796	405,473
Boards	2,073,062	2,446,098	3,113,284	2,960,573
Electrical Board	1,108,052	1,257,554	1,404,346	1,516,590
Savings & Loan	209,129	236,846	293,579	291,317
Securities	232,733	285,604	344,227	383,413
S.B. 70 - Plumbers Board	-0-	-0-	-0-	61,868
SUBTOTAL	12,216,307	14,328,815	16,933,149	18,787,742
General Fund	4,826,078	5,387,854	5,828,303	6,219,291
Cash Funds				
Fixed Utilities				
Assistance	1,109,101	1,513,918	1,929,106	2,120,454
Highway User Tax Fund	1,253,666	1,351,397	1,510,287	1,617,123
Real Estate Fees	849,359	1,118,010	1,248,776	1,428,905
Boards Fees	2,073,062	2,446,098	3,113,284	3,466,439
Electrical Board Fees	1,108,052	1,257,554	1,404,246	1,516,590
Securities Fees	-0-	-0-	367,327	422,511
Other	1,726	2,290	1,860	1,860
Funds Double Counted 1/	638,999	599,924	912,572	1,589,166
Subtotal	<u>7,033,965</u>	<u>8,289,191</u>	<u>10,487,458</u>	<u>12,163,048</u>
Federal Funds				
EEO Grants	354,303	422,902	348,032	305,903
HUD Grants	1,087	-0-	-0-	99,500
Utility Regulatory				
Reform Grants	-0-	170,311	269,356	-0-
Other	874	58,557	-0-	-0-
Subtotal	<u>356,264</u>	<u>651,770</u>	<u>617,388</u>	<u>405,403</u>
CAPTIAL CONSTRUCTION BUDGET				
Capital Construction Fund	-0-	-0-	49,750	-0-
GRAND TOTAL	\$12,216,307	\$14,328,815	\$16,982,899	\$18,787,742

1/ This amount is equal to the amount of funds double counted for Indirect Costs and Personal Services Merit and Anniversary Increases.

FTE OVERVIEW

<u>Divisions</u>	<u>1979-80 Actual</u>	<u>1980-81 Actual</u>	<u>1981-82 Estimate</u>	<u>1982-83 Appropriation</u>
Executive Director's Office:				
Executive Director	4.8	4.0	4.0	5.0
Office of Regulatory Reform	-	-	4.0	4.0
Administrative Services	19.0	19.5	21.5	21.0
Banking	39.0	40.0	45.0	47.0
Civil Rights	37.0	37.0	33.0	32.5
Insurance	60.0	63.8	64.3	62.3
Public Utilities Commission	92.0	98.0	98.0	96.0
Racing	12.8	12.8	12.8	12.8
Real Estate	28.0	35.0	35.0	35.0
Registrations:				
Administration	10.0	10.0	10.0	10.0
Boards	51.5	54.5	56.6	55.4
Electrical Board	39.4	39.4	39.0	43.5
Savings & Loan	7.0	8.0	8.0	8.0
Securities	9.0	9.5	11.0	11.0
TOTAL	409.5	431.5	442.2	443.5

COMPARATIVE DATA

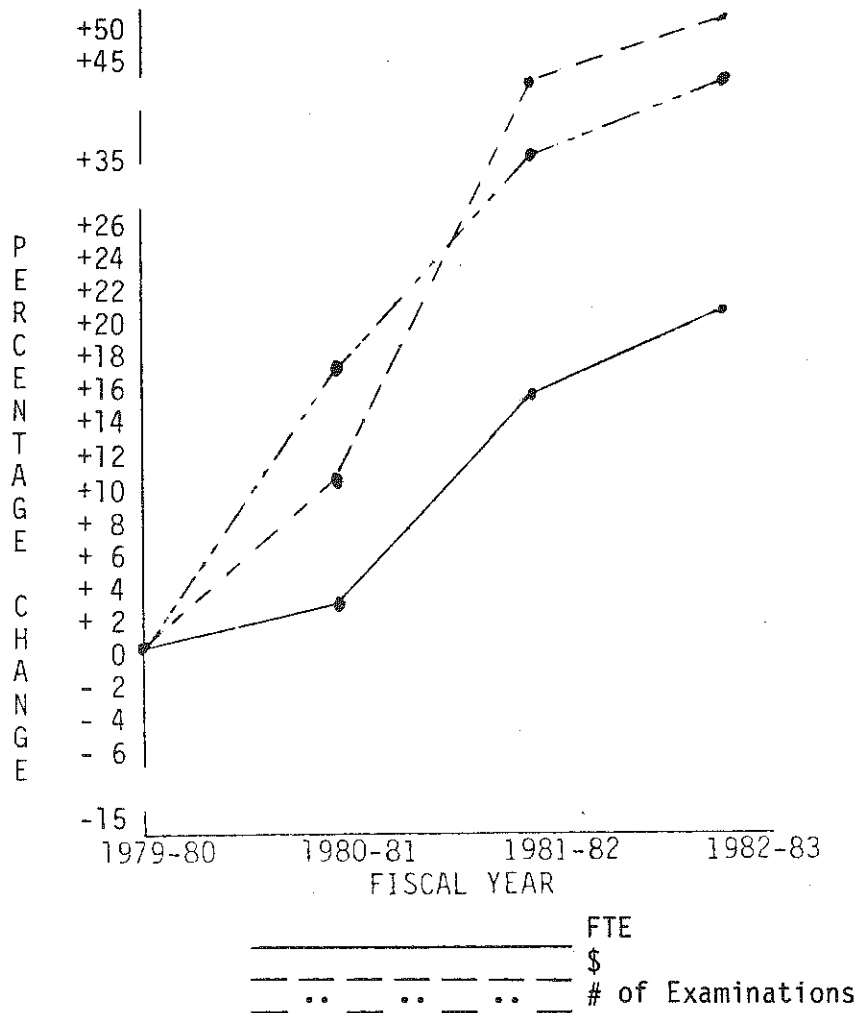
<u>Division/Indicator</u>	<u>1979-80 Actual</u>	<u>1980-81 Actual</u>	<u>1981-82 Estimate</u>	<u>1982-83 Estimate</u>
Banking				
# of Examinations	379	443	503	546
Civil Rights				
# of Cases Closed	1,362	1,123	1,014	1,186
Public Utilities Commission				
Fixed Utilities:				
Rate Cases	54	41	46	48
Audits Performed	29	20	42	69
Gas Safety Inspections	215	221	225	320
Transportation:				
Rate Increases	482	352	500	600
Investigations	74	108	212	230
Audits	355	273	450	470
Complaints Handled	7,394	6,711	7,153	7,595
Racing				
Licenses	7,324	4,033	4,500	7,500
Race Programs	644	671	688	693
Real Estate				
Licenses	25,328	20,917	22,970	24,750
Audits	112	241	308	332
Disciplinary Actions	52	40	75	90

COMPARATIVE DATA (Continued)

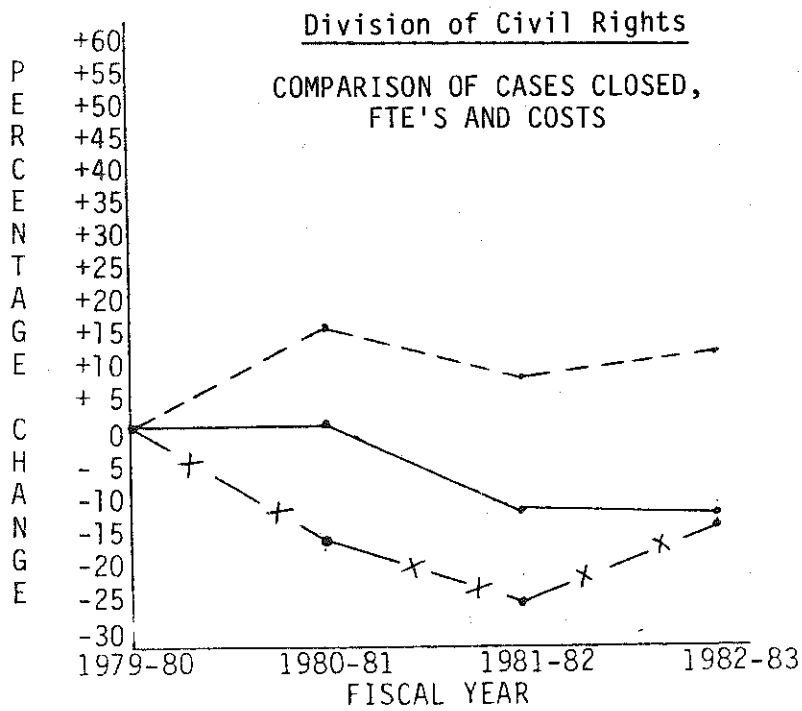
<u>Division/Indicator (Contd.)</u>	<u>1979-80</u> <u>Actual</u>	<u>1980-81</u> <u>Actual</u>	<u>1981-82</u> <u>Estimate</u>	<u>1982-83</u> <u>Estimate</u>
<u>Registrations</u>				
Licenses	104,142	114,926	114,163	82,244
Examinations	11,587	11,891	12,516	12,299
Complaints	965	748	808	825
Hearings	30	28	69	74
Inspections	6,760	6,308	7,482	7,609
Electrical Board Inspections	38,120	41,216	42,000	45,780
<u>Savings & Loan</u>				
Associations	27	26	27	25
Examinations	27	25	27	25
Applications	31	22	20	30

Division of Banking

COMPARISON OF EXAMINATIONS, FTE'S AND COST

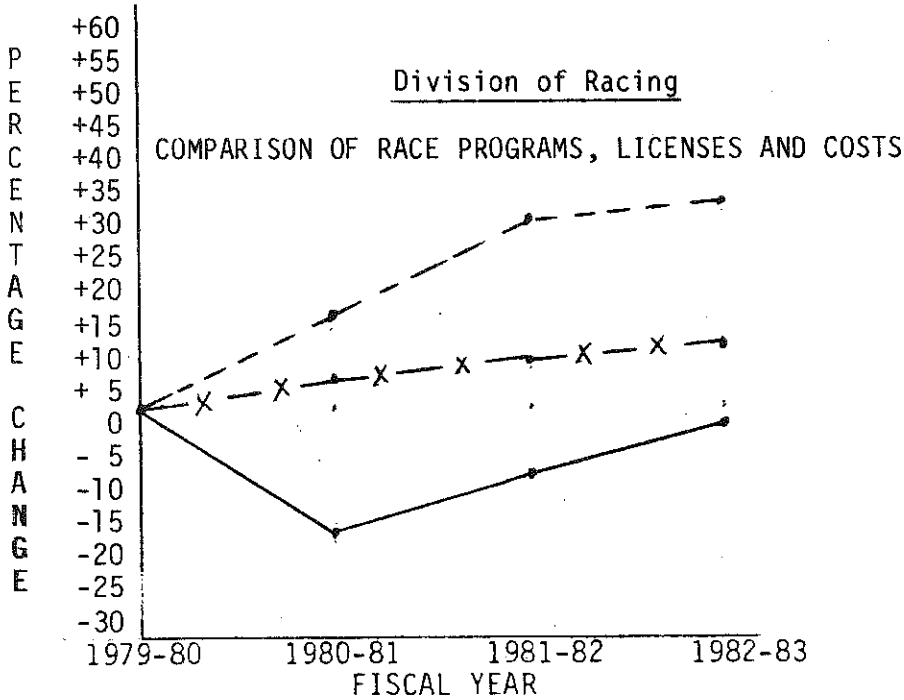


- Note: 1. 1982-83 dollars include \$138,266 in pots appropriated centrally to the Executive Director's Office.
 2. Graph not to scale.



_____ FTE
 _____ \$
 x _ x _ x _ x _ Cases Closed

Note: 1982-83 dollars includes \$31,445 pots appropriated centrally to the Executive Director's Office.

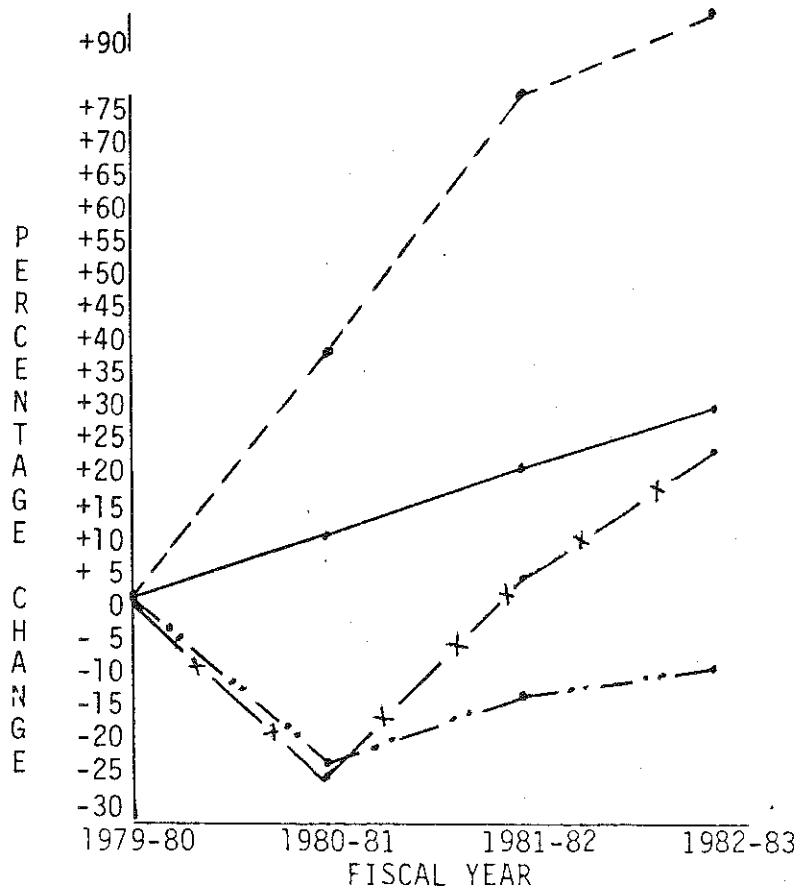


_____ \$
 _____ Licenses
 x _ x _ x _ x _ Race Programs

Note: 1982-83 dollars include \$18,533 pots centrally appropriated to the Executive Director's Office.

Public Utilities Commission

COMPARISON OF FUNDS,
CASES AND RATE INCREASES

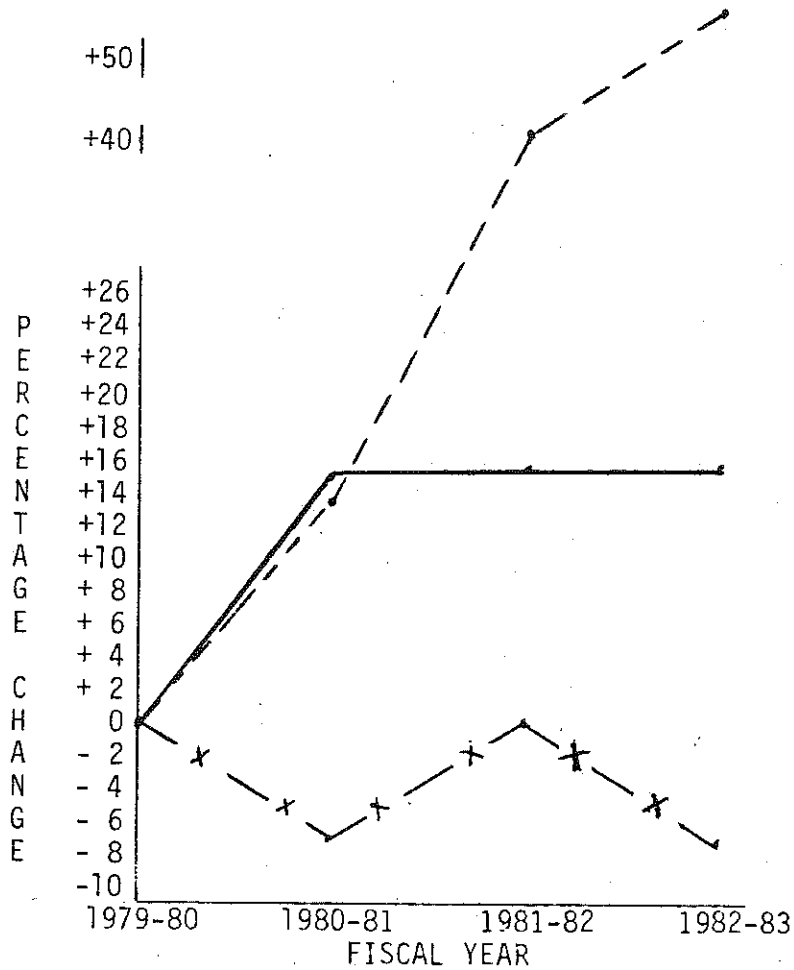


_____ HUTF Funds
 - - - - - Fixed Utilities Funds
 Fixed Utilities Rates
 - x - x - x - x Transportation Rate Increases

Note: Chart not to scale.

Division of Savings & Loan

COMPARISON OF EXAMINATIONS, FTE'S AND COST



_____ FTE
 _____ \$
 - x - x - x - x Examinations

- Note: 1. 1982-83 dollars include \$24,962 pots appropriated centrally to the Executive Director's Office.
 2. Graph not to scale.

SUMMARY HIGHLIGHTS

Executive Director's Office

The major area of concern in this office was the continuing cost and resources needed to perform sunset audit responsibilities and which staff would be used to perform these audits. Also discussed was the newly created Office of Regulatory Reform and its programs.

Banking

The major issue discussed in this division was the FTE increases requested to meet the division's responsibility to examine the state chartered banks. The feasibility of co-examination with federal examiners was discussed.

Civil Rights

The division's reorganization, the closing of a regional office, and the Compliance and Investigation staffing level and workload were the major issues discussed in the division's budget hearing. The level of federal support, Equal Employment Opportunity Commission, and Housing and Urban Development Grants, were also discussed.

Public Utilities Commission

The division's continued request for additional staff to regulate utilities and the net effect of this work on citizens' utility bills was a major issue discussed. The effectiveness of the Transportation section's Safety Inspection Program and the Gas Safety Inspection Program were also discussed.

Racing

The cost of regulating the Fair Circuit Race Meets was again discussed. The cash funds donated by the city of Trinidad for two extra race days at the Southwestern Equine Association race meet, and the potential new Greyhound race track in the Grand Junction area were also discussed.

Registrations

By far, the major issue for the division is the ever increasing backlog of unresolved complaints against licensees. This, along with the ever increasing cost of the litigation of these cases, was discussed. Other issues were the Engineer's Board staff, Dental Board examination policy, Roster printing costs, and the Department's travel policies. Electrical Board's licensing and inspection workload was also discussed.

Real Estate

As with the Division of Registrations, the major issue in this division was the ever increasing backlog of cases awaiting hearing and the associated litigation costs.

EXPLANATION OF APPROPRIATION

The Department is responsible for the administration of the regulation of many of the professions and industries within the State.

Executive Director's Office. The office's appropriation was divided into two areas. The Executive Director and his staff, where 1.0 FTE was added to continue its sunset review responsibilities in 1982-83. Capital outlay, personal services pots, and Oregon Plan legal services are centrally appropriated to the Executive Director. The second area, the Office of Regulatory Reform, was appropriated at a continuing level in this second and final year under its pilot project enabling legislation. Cash funds are based upon indirect cost recoveries. No vacancy savings was taken.

Administrative Services. The appropriation is based upon a decrease of 1.0 FTE Data Entry Operator and an increase of 0.5 clerical for the personnel function. Cash funds are based upon indirect cost recoveries. No vacancy savings was taken.

Banking. The appropriation is based on an increase of 2.0 FTE examiners for the Division's examination workload. A 1.7% vacancy savings factor was applied.

Civil Rights. The appropriation is based upon an overall decrease of 1.5 FTE as a result of several programmatic changes. FTE computation is as follows:

- Increase of 1.0 FTE in the Compliance Unit based upon workload data and providing services to the State Personnel Board.
- Increase of 0.5 FTE in the Regional Offices based upon the inability of the Division to staff regional offices with part-time clerical. This is the net increase after considering the 1.5 FTE decrease from the closure of the Alamosa Regional Office.
- Decrease of 3.0 FTE in the Research and Education unit based upon the federal research and education funds received.

FTE are shown by unit and a 2.0% vacancy savings factor was applied.

For the first time, federal research grants amounts are being shown.

Insurance. The appropriation is based upon the reduction of 2.0 FTE. This is a result of the division's continuing high vacancy savings rate. A 1.7% vacancy savings rate was also applied. The combination of these actions is equivalent to the historical vacancy savings rate of 3.3%.

Public Utilities Commission. The appropriation is based upon the following FTE changes:

- Increase of 1.0 FTE for utility construction regulation.
- Increase of 1.0 FTE for rate auditing.
- Decrease of 4.0 FTE related to Vehicle Safety Inspection program.

FTE are shown by unit and a 1.1% vacancy savings rate is applied.

Energy Forecasting is based upon providing for maintenance of programs developed for that purpose.

Indirect costs are based upon the Department's indirect cost allocation formula, as well as Salary Survey and Anniversary Increases attributable to the Division. Funding splits between the Fixed Utilities Assessments and the Highway Users Tax Fund are based upon a historical, line item by line item, split of these costs applied to this year's appropriation.

Racing. The personal services recommendation is based on a continuing level of administrative FTE with inflationary increases for miscellaneous services positions. A reduction was taken based upon the suspension of six race days at Monte Vista. No vacancy savings were taken.

A new special purpose line item is recommended to purchase fingerprint checks from the FBI who, for the first time, will charge for this service starting in 1982.

A new special purpose line item is included for the State's participation in a national quality assurance program.

Cash funds are indicated for the first time based on local donations to provide extra race days at Trinidad.

Real Estate. The appropriation is based upon a continuation level of FTE with a 3.2% vacancy savings rate applied. The appropriation for rent was increased for lease cost increases.

A new special purpose line item, Legal Services-Backlogged Cases, is appropriated. This is a one-time appropriation to provide legal services to eliminate those cases that are backlogged at the end of the year. The attached footnote states the intent that these funds are to be used for this purpose and are to follow the cases should they not be resolved in 1982-83. It also states that this appropriation is provided with the expectation that this is the full amount that will be provided for this purpose. Funding for ongoing level of legal services is provided as part of the Oregon Plan Legal Services line item in the Executive Director's Office.

Registrations.

Administration - This unit was appropriated at a continuing level with a new special purpose line item - Records Management.

Boards - The appropriation of 55.4 FTE is based on the reallocation of positions among the 18 remaining boards because of the elimination of those Boards in their wind down year of the Sunset process. Therefore, no funding was included in the Long Bill for the following: Abstractors, Mortuary Science, and Plumbers Boards. However, the Plumbers Board is funded through S.B. 70. One FTE was added for the Engineers Board, and a 2.2% vacancy savings rate was applied. Contractual Services of \$18,503 were added to an existing \$11,497 to provide full-time supervision of the Passenger Tramway Board safety inspection program.

Operating and Printing were adjusted to include cost of the Engineering Board's roster and inflationary increases. Travel, Board Meetings, and Examination costs were adjusted for inflation and variation in Boards' workload. Investigation costs are appropriated to purchase this service from the Investigation unit in the Division's Administration section. Payment to Other State Agencies is based upon Workmen's Compensation charges and fingerprinting costs.

A new special purpose line item, Legal Services-Backlogged Cases, is recommended. This is a one-time appropriation to provide legal services to eliminate the backlog of cases pending as of June 30, 1982, in the Medical, Dental, Nursing and Nursing Home Administrators Boards only. The intent, as stated in the footnote, is for this appropriation to follow the cases should they not be resolved in 1982-83 and further that this be the total amount appropriated to resolve these cases. A continuation level of legal services has been centrally appropriated as part of the Oregon Plan Legal Services line item in the Executive Director's Office.

Electrical Board - The appropriation is based upon the transfer of previous Miscellaneous Services positions to FTE, as well as the addition of 1.0 FTE for increased inspections in the Western Slope area. A 1.7% vacancy savings factor was applied.

Savings and Loan. The Division was appropriated at a continuing level of FTE with no vacancy savings applied. Inflationary factors were applied.

Securities. The Division was appropriated at a continuing level for continued implementation of the new Securities Act passed in 1980. No vacancy savings was applied. Since 1981-82, the Division has been cash funded.

NEW LEGISLATION

S.B. 18 - Creates the Public Utilities Commission's Motor Carrier Fund to provide for the administrative expenses of the Commission in regulating motor carriers. States that if the fund, in any given year, is not sufficient to pay expenses that the difference shall come from the Highway Users Tax Fund. Conversely, any excess shall be transferred to the Highway Users Tax Fund.

S.B. 64 - Concerning requirements for licensure by endorsement for Nurses.

S.B. 70 - Providing for the re-establishment of the Examining Board of Plumbers and making appropriation of \$61,868.

H.B. 1092 - Concerning the supervisory powers of the State Commissioner of Savings and Loan Association.

H.B. 1099 - Continues the rules of the Boards and Commission of the Department except for the following:

(I) Rule S-20 (a) (4) of the rules of the real estate commission, concerning a requirement to be met by subdivision developers prior to the conveyance of any time-share units (4 CCR 725-1);

(II) Rule 6.3, concerning availability of records, of the rules and regulations of the state bank commissioner pertaining to credit unions (3 CCR 701-3).

H.B. 1105 - Concerning disciplinary hearing procedures of the State Board of Medical Examiners.

H.B. 1109 - Concerning the state's share of pari-mutuel wagering receipts of non-profit horse racing organizations. Includes the following changes in the act:

- Provides that administration of the division related to supervision of non-profit horse racing be cash funded and creates the Racing Commission Cash Fund.
- Changes the state share of pari-mutuel receipts.
- Provides for new type of non-profit license.
- The effective date of the cash funding is July 1, 1984.

DEPARTMENT OF REVENUE

<u>OPERATING BUDGET</u>	1979-80 Actual	1980-81 Actual	1981-82 Estimate	1982-83 Appropriation
	\$	\$	\$	\$
Executive Director	2,409,899	2,608,981	2,965,248	5,726,945
Operations	3,707,972	4,181,071	4,856,326	4,839,647
Management Information Services	4,133,820	4,665,486	5,334,048	5,076,407
Motor Vehicle	7,385,972	8,011,088	8,811,948	8,598,788
Special Purpose	1,107,837	1,231,713	1,962,925	1,739,119
Taxation	4,758,307	4,676,600	5,114,376	5,265,872
Ports of Entry	2,984,093	3,264,371	2,451,036	2,276,478
Taxpayer Service	1,527,508	2,160,630	2,377,353	2,340,273
Liquor Enforcement	611,604	706,577	598,930	577,883
State Lottery (S.B. 119)	-0-	-0-	-0-	2,000,000*
SUBTOTAL	28,627,012	31,506,517	34,472,190	36,441,412
General Fund	11,500,949	15,133,893	14,658,310	15,615,638
Tax Relief	-0-	-0-	-0-	2,000,000*
Cash Funds				
HUTF	16,018,226	15,140,911	17,850,955	18,819,943
Safety Inspection Sticker Account	473,048	520,728	-0-	-0-
Vehicle Emissions Account	-0-	111,183	980,151	956,861
Dealer License Fund	486,266	535,500	663,920	669,945
Highway Safety Funds	148,523	64,302	318,854	224,000
Funds Double Counted	-0-	-0-	-0-	155,025**
Subtotal	17,126,063	16,372,624	19,813,880	20,825,774
CAPITAL CONSTRUCTION BUDGET	640,000	-0-	-0-	-0-
Cash Funds - HUTF	640,000	-0-	-0-	-0-
GRAND TOTAL	\$29,267,012	\$31,506,517	\$34,472,190	\$36,441,412

*This amount is in tax relief funds and is not included in the total as it is a loan to be repaid by the state lottery.

**This amount reflects double counting of cash funds necessary to balance the source of funds to the appropriation.

FTE OVERVIEW

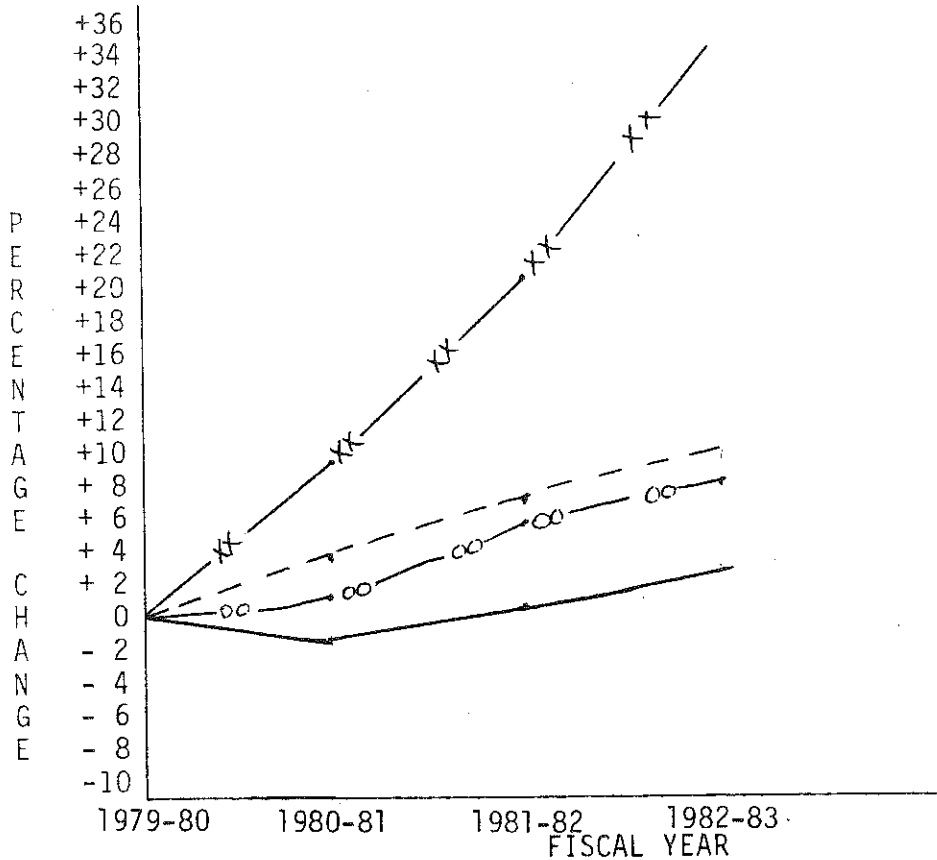
<u>Division</u>	1979-80 Actual	1980-81 Actual	1981-82 Estimate	1982-83 Appropriated
Executive Director	79.7	81.1	82.3	81.5
Operations	170.7	175.7	184.6	184.6
Management Information Services	224.8	215.0	209.7	213.4
Motor Vehicle	433.6	426.9	442.0	439.0
Special Purpose	40.0	42.5	48.6	48.6
Taxation	160.5	163.4	162.0	164.0
Ports of Entry	155.9	155.4	98.5	98.5
Taxpayer Service	129.7	118.7	118.5	116.5
Liquor Enforcement	26.6	27.6	20.6	20.6
State Lottery	N/A	N/A	N/A	86.0
Total	1,421.5	1,406.3	1,366.8	1,452.7

COMPARATIVE DATA

<u>Indicators</u>	<u>1979-80 Actual</u>	<u>1980-81 Actual</u>	<u>1981-82 Estimate</u>	<u>1982-83 Appropriation</u>
Tax Documents Processed	4,273,467	4,225,497	4,310,006	4,396,207
Funds Deposited by 9 am	N/A	75%	80%	80%
Funds Deposited - 24 hours	N/A	10%	5%	5%
Driver License and I.D. Cards in Force	2,310,154	2,342,317	2,412,600	2,485,000
Registrations	2,536,390*	2,621,779*	2,710,200	2,802,100
Title Applications	1,126,567	1,117,157	1,128,000	1,139,000
Dollar Value of Field Audit Assessments	\$26,031,788	\$27,634,464	\$25,000,000	\$25,000,000
Dollars Collected Due to Distraint Warrants	\$22,322,469	\$26,226,114	\$28,000,000	\$30,000,000
Trucks Cleared	3,678,159	3,653,859	2,557,701	2,813,471
Retail Liquor Licenses	6,735	6,858	6,968	7,058

*These are estimates.

COMPARISON OF DOCUMENTS, REGISTRATIONS
DRIVERS LICENSES AND TOTAL APPROPRIATIONS



----- Tax Documents Processed
 - - - - - Registrations
 — oo — oo — oo Driver Licenses in Force
 — xx — xx — xx Total Appropriations

SUMMARY HIGHLIGHTS

New Tax Collection System

Discussions concerning the relocation of the Revenue Department revealed that given current tax law and processing requirements, relocation of the Department outside the Denver metro area would be costly in terms of lost interest income. As a result, the Treasury Department has been requested to develop a new tax collection system. A report outlining the details of the proposed new system is to be delivered to the JBC no later than November 1, 1982. Hopefully, this study will provide alternatives to the highly centralized, labor intensive processing system currently in place.

Accounts Receivable System and Automated Audit Select

For many years the State Auditor has recommended that the Department of Revenue design, develop and implement an adequate accounts receivable system to record, control, monitor and track the activity and status of monetary receivables due to the state. In addition, it is believed that automation of audit selection and audit tracking would increase revenues through better tax compliance and increased employee productivity. To achieve these goals, funding for 6.0 FTE and related capital outlay has been provided to develop a new automated accounts receivable and audit program. It is understood that the 6.0 FTE will be required for only two years and the new system will become operational by no later than July 1, 1984. The Department has agreed to revert the 6.0 FTE and the associated dollars at that time. The Department has agreed that beginning with its first year of operation (FY 1984-85), there will be an increase in annual audit assessments by \$500,000 and an increase in annual collections of receivables of at least \$1,750,000. These target figures represent increases over what the audit and collection totals would have been had the systems not been put into place.

EXPLANATION OF APPROPRIATION

Office of Executive Director. This division provides the leadership, planning, research, analysis, and administrative support for the various programs within the Department. In addition, the Motor Vehicle Hearings Section, responsible for conducting hearings on driver license suspensions, revocations, implied consent actions and other related actions, is within this Division. There has been a 0.8 FTE reduction in the Motor Vehicle Hearings Section. This reduction is based on 1979-80 actual workload/performance statistics applied to 1982-83 estimated workload. A 2.1% vacancy savings factor has been applied to the personal services appropriation.

The capital outlay appropriation reflects the third year payment of the Department's computer and related hardware and software costs. Also included is \$50,000 in capital outlay related to the new automated accounts receivable and audit program.

Operations Division. This division provides for the central coordinated processing of all functions and activities of the Department from the initial contact between the taxpayer and the Department to final disposition of tax forms, collections and returns. 2.0 FTE are no longer shown as a separate line item for microfilming. A vacancy savings rate of 5.0% has been utilized.

Management Information Services. This division provides all the data processing support for the Department. In addition to the increased FTE related to the development of a new automated accounts receivable and audit program discussed previously, there is a decrease of 2.3 FTE in computer operations as a result of conversion to a new operating system for the new computer. A vacancy savings factor of 3.9% is utilized.

Motor Vehicle Division. This division carries out functions related to driver licensing and post licensing control, financial responsibility, accident reports, record maintenance, information services, and the titling and registration of motor vehicles. The appropriation reflects a decrease of 3.0 FTE in the Driver Licensing Section. The appropriation includes a small portion of General Fund related to the issuance of identification cards since fees for identification cards issued are deposited to the General Fund. The personal services appropriation includes a 2.5% vacancy savings factor.

Revenue Special Purpose. This division licenses and regulates businesses and salesmen who manufacture, sell and dispose of motor vehicles; provides for the inspections of motor vehicles required to comply with the emissions inspection and maintenance program; and manages projects provided for by federal grants made available through the Division of Highway Safety in the Highway Department. No vacancy savings has been taken on personal services.

Taxation Division. This division is responsible for the auditing, enforcement and collection of state taxes. The personal services appropriation reflects the transfer of 2.0 FTE from the Taxpayer Service Division resulting from continual refinement of duties and responsibilities following the Department's reorganization in 1981-82. The travel appropriation includes funds for approximately 85 additional out-of-state trips needed to achieve the estimated \$25 million audit assessment goal. A vacancy savings factor of 2.6% has been applied to personal services.

Ports of Entry. This division is responsible for the enforcement of clearance of motor vehicles at port of entry weigh stations. A 3% vacancy savings rate is included in the appropriation.

Taxpayer Service Division. This division is responsible for assisting individuals and businesses in preparing tax returns and for maintaining the tax accounts. The personal services appropriation reflects the transfer of 2.0 FTE to Taxation. A vacancy savings factor of 2.6% has been applied to personal services.

Liquor Enforcement Division. This division regulates and controls manufacturers and distributors of liquor. No vacancy savings was taken on personal services.

NEW LEGISLATION

S.B. 119 - Appropriates \$2,000,000 out of tax relief to be repaid with interest for the establishment of a State Lottery. An estimated 86.0 FTE will be necessary for the state-supervised lottery program. The Lottery Division shall be headquartered in Pueblo in existing state-owned facilities or in facilities to be provided by the City of Pueblo at no charge for at least 10 years.

H.B. 1099 - Specifies that all rules and regulations, except Regulation 29-107.5, concerning the allowance and calculation of the severance tax credit for prior payment of impact assistance (1 CCR 201-10), of the Department of Revenue are extended.

DEPARTMENT OF SOCIAL SERVICES

<u>OPERATING BUDGET</u>	1979-80 Actual	1980-81 Actual	1981-82 Estimate	1982-83 Appropriation
\$	\$	\$	\$	\$
<u>Departmental and Welfare</u>				
Administration	9,036,109	9,610,217	10,301,632	11,355,921
County Administration	49,757,997	52,990,831	53,017,256	55,605,299
<u>Assistance Payments</u>				
Aid to Families with Dependent Children	69,220,073	81,931,896	83,477,629	92,108,322
Old Age Pension Recipients	720,297	4,894,427	6,233,697	8,881,974
Other	6,699,858	6,816,160	7,249,439	7,339,881
Subtotal - Assistance Payments	76,640,228	93,642,483	96,960,765	108,330,177
Child Welfare	28,492,071	31,608,458	32,595,610	33,566,737
Day Care	14,872,482	15,694,545	10,817,567	9,486,311
<u>Medical Assistance Division</u>				
Administration and Special Purpose	9,162,357	6,150,656	8,385,554	9,864,649
Medical Programs	171,712,607	203,806,745	229,276,406	248,934,306
Subtotal - Medical Assistance Division	180,874,964	209,957,401	237,661,960	258,798,955
<u>Special Purpose Welfare Programs</u>				
Refugee Assistance Programs	5,755,061	10,667,941	8,849,427	8,323,681
Client Oriented Information Network	1,471,810	1,134,074	1,888,259	2,832,155
Low Income Energy Assistance Program	-0-	-0-	28,201,219	27,359,753
Medical Care of Indigent Patients	10,369,000	12,967,386	15,731,885	-0-
Contract Training Funds	-0-	1,057,921	200,000	500,000
Other	2,621,608	1,818,105	1,383,136	786,713
Subtotal - Special Purpose Welfare Programs	20,217,479	27,645,427	56,253,926	39,802,302
Services for the Aging	6,482,639	6,238,046	7,940,896	7,833,303
<u>State Nursing Homes</u>				
Trinidad State Nursing Home	1,949,865	2,116,584	2,350,231	2,296,023
Colorado State Veterans Center - Homelake	1,011,756	1,066,383	1,225,821	1,196,931
State Veterans Nursing Home - Florence	1,183,491	1,394,943	1,699,335	1,611,488
Subtotal - State Nursing Homes	4,145,112	4,577,910	5,275,387	5,104,442

(continued)	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Appropriation</u>
<u>Rehabilitation Division</u>				
Administration	255,474	278,454	329,627 <u>1/</u>	} 11,781,320 <u>2/</u>
Vocational				
Rehabilitation	12,777,410	13,873,077	11,653,307 <u>1/</u>	
Home Teaching Services	246,826	300,250	293,201 <u>1/</u>	
Special Purpose Programs	<u>3,906,718</u>	<u>4,994,785</u>	<u>6,102,569</u> <u>1/</u>	<u>7,555,986</u> <u>2/</u>
Subtotal -				
Rehabilitation				
Division	17,186,428	19,446,566	18,378,704 <u>1/</u>	19,337,306 <u>2/</u>
SUBTOTAL	407,705,509	471,411,884	529,203,703	549,220,753
General Fund	156,264,452	181,289,294	203,190,438	214,230,494
Revenue Sharing	2,464,610	-0-	-0-	-0-
<u>Cash Funds</u>				
Indirect Costs				
and Federal				
Overhead				
Reimbursements	12,147,600	8,245,149	10,598,688	8,101,797
County Matching				
Funds	31,882,697	37,316,617	36,656,566	39,238,308
Old Age Pension	720,297	4,894,427	6,233,697	7,339,881
Medical Assistance				
Third Party Liabi-				
lity Recoveries				
and Local Funds	-0-	-0-	749,544	2,046,728
Receipts for Patient				
Care - State				
Nursing Homes	3,843,890	4,278,061	5,136,548	4,939,577
Workmen's Compen-				
sation - Recoveries	55,672	430,870	523,992	627,320
Vending Stand				
Operators	290,006	137,588	114,061	156,839
Sale of Goods -				
Rehabilitation	577,879	529,181	400,000	143,722
Other Cash Funds	38,645	37,293	311,875	815,849
Subtotal	<u>49,556,686</u>	<u>55,869,186</u>	<u>60,724,971</u>	<u>63,410,021</u>
<u>Federal Funds</u>				
Title XX -				
Social Services	<u>3/</u>	27,793,470	26,978,747	22,610,857
Title XIX -				
Medicaid	97,846,228	114,228,455	123,197,293	132,252,361
Title IV - A				
AFDC	36,803,994	44,313,609	45,943,457	52,325,905
Title IV - B				
Child Welfare	<u>3/</u>	1,207,047	2,759,145	1,326,155
Title IV - C				
WIN	<u>3/</u>	1,557,889	367,706	400,000
Title IV - D				
Child Support	<u>3/</u>	1,206,025	733,557	190,680

(continued)	1979-80 Actual	1980-81 Actual	1981-82 Estimate	1982-83 Appropriation
Food Stamp Administration	3/	3,249,167	2,281,506	2,515,511
Food Stamp Fraud	-0-	-0-	89,934	58,515
Client Oriented Information Network and Denver Income Maintenance Experiment	3,657,033	1,134,074	2,992,034	2,539,258
Low Income Energy Assistance	-0-	425,000	28,201,219	27,359,753
Refugee Assistance	5,755,061	10,884,304	8,849,427	8,323,681
Older Americans Act	6,232,156	5,915,582	7,452,856	7,345,263
Vocational Rehabilitation Act - SSI and SSDI	9,988,432	11,184,054	8,249,854	7,722,133
Social Security Reimbursements - Disability Determination	2,788,554	3,556,266	4,535,902	5,336,166
Other Rehabilitation	1,119,135	998,975	1,325,365	1,274,000
Other	35,229,168	6,599,487	1,330,292	-0-
Subtotal	<u>199,419,761</u>	<u>234,253,404</u>	<u>265,288,294</u>	<u>271,580,238</u>
<u>CAPITAL CONSTRUCTION BUDGET</u>	-0-	-0-	601,627	3,428,571
Capital Construction Fund	-0-	-0-	184,320	-0-
Cash Funds - Oil Shale Trust Fund	-0-	-0-	-0-	1,200,000
Federal Funds - Veterans Administration	-0-	-0-	277,307	2,228,571
Vocational Rehabilitation Act	-0-	-0-	140,000	-0-
<u>GRAND TOTAL</u>	<u>\$407,705,509</u>	<u>\$471,411,884</u>	<u>\$529,805,330</u>	<u>\$552,649,324</u>

1/ Based on FY 1981-82 supplemental appropriation (H.B. 1280).

2/ Appropriation does not specify amounts by program area.

3/ Information not available.

NON-APPROPRIATED FUNDS

Old Age Pension Support - State Funds	20,659,636	22,078,132	27,706,090	31,184,097*
Old Age Pension - Medical Fund	10,000,000	10,000,000	10,000,000	10,000,000

*Estimate for 1982-83.

FTE OVERVIEW

	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Appropriation</u>
Departmental and Welfare Administration	317.0	319.9	330.7	326.5
County Administration	2,632.2	2,702.4	2,344.2	2,328.9
Medical Assistance Division -				
Administration	51.4	52.3	52.3	68.0
Services for the Aging	13.0	13.3	11.0	11.0
State Nursing Homes	219.3	222.9	223.7	225.2
Rehabilitation Division	338.9	364.9	394.5	404.0
TOTAL - DEPARTMENT OF SOCIAL SERVICES	3,571.8	3,675.7	3,356.4	3,363.6

COMPARATIVE DATA

Departmental and Welfare Administration

Comparison of increases in Department of Labor poverty level, benefits received by AFDC recipients, wages for production or nonsupervisory workers on private non-agricultural payrolls and CPI:

	Department of Labor Poverty Level for Non-Farm Family of Three	Benefits 1/ Received by AFDC Recipient Family of Three in Colorado	Spendable Average Weekly Earnings Non-Farm Married Worker 2/ With Three Dependents		Consumer Price Index
			Private	Manufacturing	
1979	\$5,600	\$5,492	\$194.82	\$212.70	218.9
1980	6,230	6,121	206.06	225.79	247.8
1981	7,070	6,894	220.57	244.09	269.1
(Percent Increase from 1979)	(25.25%)	(25.5%)	(13.1%)	(14.8%)	(22.9%)
1982	7,599 est.	7,310 est.	not available	not available	292.5 est.
(Percent Increase from 1979)	(35.7%)	(33.1%)			(33.6%)

1/ Includes AFDC Grant Standard, Food Stamps, Medicaid, employment incentives, day care assistance and energy expenses assistance.

2/ Source: Monthly Labor Review April 1982 published by U. S. Department of Labor, Bureau of Labor Statistics.

Of particular interest in the above comparison is the role played by the Consumer Price Index in increases in entitlement programs. Increases in the Index parallel increases in the Department of Labor poverty level figure and the increases in benefits received by Colorado AFDC recipients.

Wage increases from 1979 to 1981, however, were just over half the amount of increases in benefits to AFDC recipients during the same period.

The suggestion that increases in benefits for entitlement programs might more justly be tied to wage increases than to the Consumer Price Index has many proponents.

One of the problems with use of the CPI can be illustrated with the following example:

The consumer price index (using 1967 as the standard year) in September 1981 was 279.3. Many items which would be purchased with a basic assistance grant were lower than this average and those items received as other benefits were higher than this average.

<u>Items Purchased</u>		<u>CPI</u>	<u>Items Probably Not Purchased</u>	
Food	270.7	279.3	367.8	Home Ownership
Rent	211.9		301.7	Medical Care
Apparel	190.7			(AFDC recipients receive Medicaid benefits)

Should the state take more initiative in the design of standards for eligibility and benefits for assistance programs, these problems should be addressed.

County Administration

<u>Error Rates</u>	<u>1979-80 Actual</u>	<u>1980-81 Actual</u>	<u>1981-82 Estimate</u>	<u>1982-83 Goal</u>
Aid to Families with Dependent Children (AFDC)	10.0% *	10.06% *	Not Available	4.1%
Food Stamps	12.6% *	13.3% *	14.43% **	12.6%

*October through March.

**April through September (only data available).

The error rate for 1982-83 reflects the federal goal requirement in order for fiscal sanctions not to be applied to the state. The greatest concern is AFDC for which a reduction in federal participation will occur if the error rate is not reduced.

Assistance Payments

	<u>1978-79 Actual</u>	<u>1979-80 Actual</u>	<u>1980-81 Actual</u>	<u>1981-82 Estimate</u>	<u>1982-83 Appropriation</u>
AFDC Caseload	26,674	26,344	28,451	26,938	29,723
Percent Increase (Decrease)	(1.3%)	8.0%	(5.6%)	10.3%	
Average Monthly Payment per Case	\$203.31	\$212.06	\$230.55	\$258.24	\$258.24
Percent Increase (Decrease)	4.3%	8.7%	12.0%	0.0%	

Medical Assistance Division

	<u>1979-80</u>	<u>1980-81</u>	<u>1981-82</u>	<u>1982-83</u>
# Medicaid Eligibles	125,056 <u>1/</u>	126,507	122,891 <u>2/</u>	124,488 <u>3/</u>
General Fund	\$ 83,017,739	\$ 96,734,558	\$113,963,273	\$125,183,000
Federal Funds	\$ 97,846,228	\$113,222,843	\$122,936,855	\$131,556,807

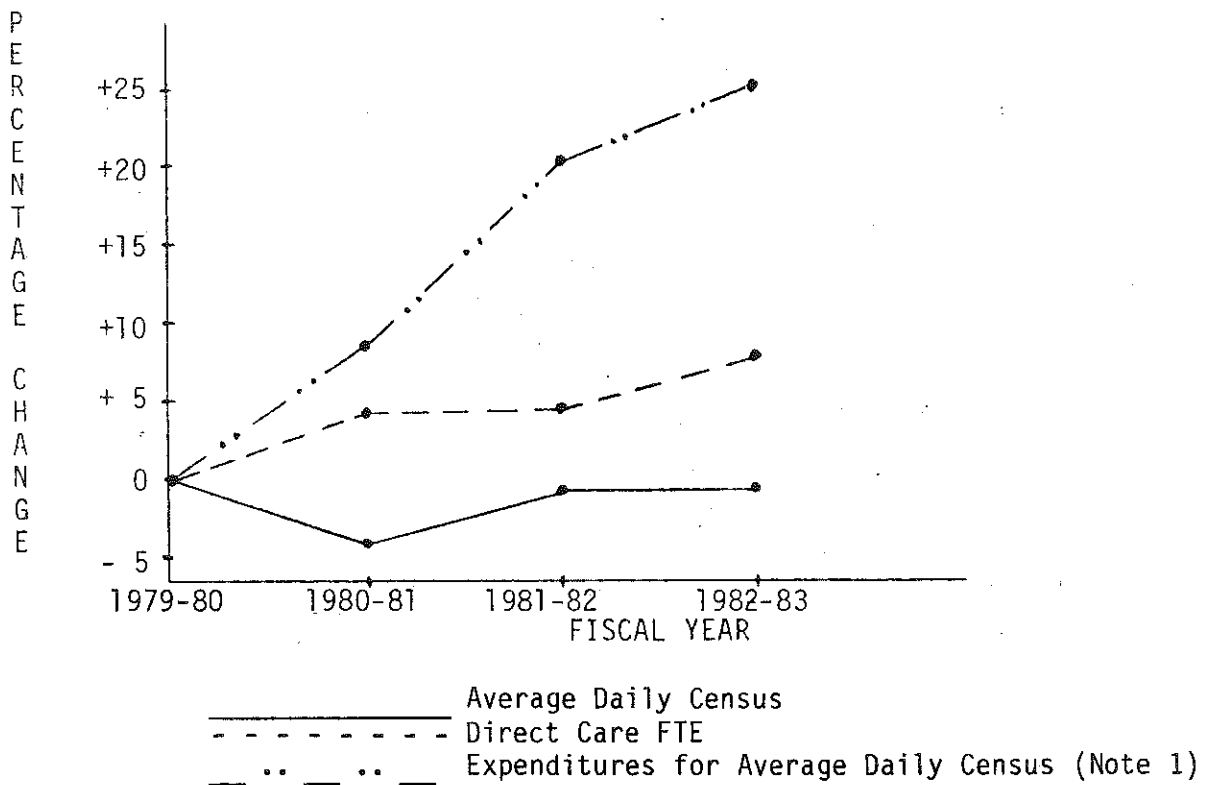
- 1/ This number is extrapolated because of a difference in reporting mechanism from 1979-80 to subsequent years.
- 2/ The decline is caused by the redefinition of AFDC eligibility criteria.
- 3/ Estimated.

State Nursing Homes

	<u>1979-80</u>	<u>1980-81</u>	<u>1981-82</u>	<u>1982-83</u>
Capacity	513	513	513	513
Average Daily Census (ADC)	488	467.2	484.6	484.8
Occupancy Rate - (ADC divided by Capacity)	95.1%	91.1%	94.5%	94.5%
Direct Care FTE a/	157.3	163.9	164.7	169.2
ADC per Direct Care FTE	3.10	2.85	2.94	2.87

a/ Includes nursing, food service and activity director.

STATE NURSING HOMES
COMPARISON OF DAILY CENSUS, FTE AND EXPENDITURES



NOTE 1: Excludes capital construction; for 1982-83, includes central pots of \$376,791.

While average daily census is remaining stable, direct care FTE are increasing, indicating improved patient care. Costs are increasing at a faster rate than FTE, due to inflation and personal services cost increases.

Division of Rehabilitation

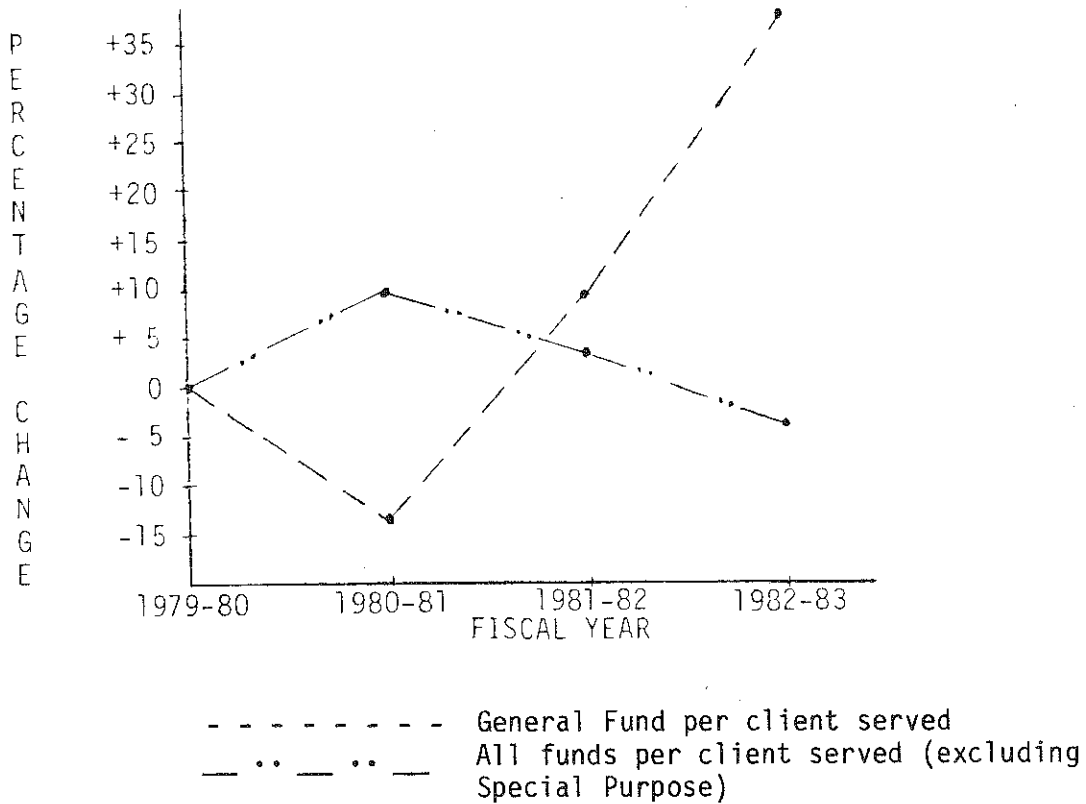
	<u>1979-80</u>	<u>1980-81</u>	<u>1981-82</u>	<u>1981-83</u>
Number of Clients Served <u>a/</u>	23,022	22,847	20,612	21,470
Number of Clients Rehabilitated	3,785	3,319	3,276	2,957
Cost per Client Rehabilitated <u>b/</u>	\$ 3,362	\$ 3,917	\$ 3,525	N/A
Rehabilitation Success Rate <u>c/</u>	75.8%	76.2%	72.5%	N/A

a/ Excludes Special Purpose programs.

b/ Includes direct and indirect costs.

c/ Successful closures as percent of all cases accepted into rehabilitation.

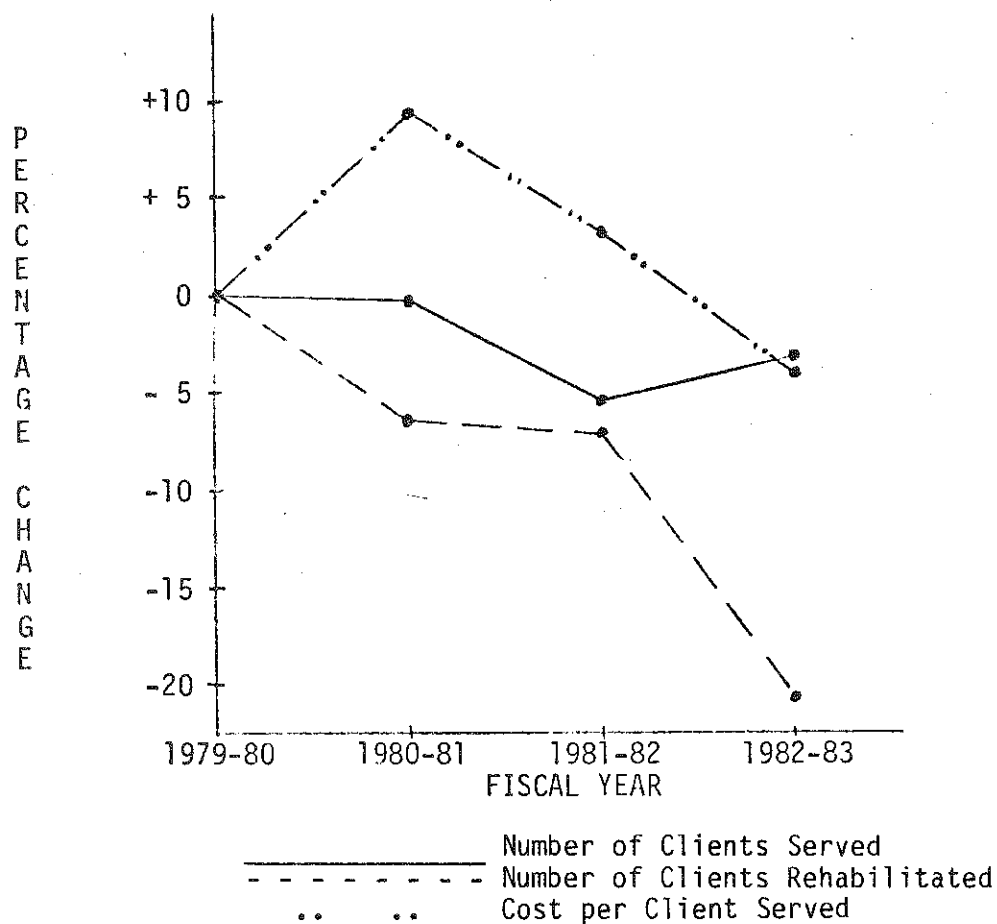
VOCATIONAL REHABILITATION - GENERAL FUND TRENDS



NOTE 1: For FY 1982-83, central pots of \$116,087 General Fund and \$2,782 cash funds incorporated into calculations.

The chart illustrates how General Fund support of vocational rehabilitation clients has increased in response to falling federal funding levels.

REHABILITATION - CLIENT TRENDS



NOTE 1: Special Purpose programs not included.

NOTE 2: For FY 1982-83, central pots of \$118,869 incorporated into calculation.

The trend lines indicate that the reduced funding available is being allocated more sparingly to clients. This reduction in funds per client seems to result in a lower rehabilitation success rate.

SUMMARY HIGHLIGHTS

County Administration

There are two issues in county administration which need to continue to be reviewed. First are the error rates in the processing of Aid to Families with Dependent Children and Food Stamps. The high error rates result in funds lost to the state due to overpayments and funds lost due to fiscal sanctions by the federal government. The Department has not been able to significantly reduce the errors. Second, the services provided by the counties in the social services categories need to be prioritized on a yearly basis. These services are not entitlement programs and should therefore continue to be reviewed anew each year.

Assistance Payments

A major initiative centers around efforts to respond to federal rules and regulations changes in the Aid to Families with Dependent Children (AFDC) program.

The states set their own benefit levels for AFDC and the federal government shares a percentage of the costs, the percentage varying according to per capita income in the state and the level of state benefits.

Formerly there was no limit on gross income as a requirement for AFDC eligibility. Now, to be eligible to receive an AFDC grant, income cannot exceed 150% of a state's "need standard". The development of a reasonable need standard level for Colorado (involving estimates of costs of living for a family) proceeded from the maximum amount of income which would have been allowed an employed AFDC recipient under the old system - \$570. This maximum is 150% of \$380 which was, therefore, chosen as the state's need standard.

The new need standard affects only working poor who would be ineligible for AFDC assistance under new federal rules and who might, therefore, quit working in order to keep AFDC and Medicaid benefits. Employed AFDC recipients represent 9.5% of the total AFDC caseload in Colorado.

The need or income eligibility standard of \$380 and the grant or payment standard of \$320 (the maximum that can be paid to a family of three per month) are expected to result in average monthly payments of \$258 for the appropriated caseload.

The development of a need standard to respond to federal regulations changes is an example of an effort requiring greater initiative and responsibility on the part of the state. More such efforts will be required in the near future as state and federal responsibilities for social service and welfare programs continue to change.

For the first time, the appropriations for the Aid to Families with Dependent Children and Day Care programs include the intent that these funds may be used in conjunction with job diversion or community work experience programs which are approved by a board of county commissioners. It is hoped that this authorization will result in greater numbers of AFDC and Day Care applicants and recipients finding suitable employment.

Child Welfare

S.B. 26, 1979 session (mandating placement of children, when placement is necessary, in the least restrictive environment possible, and encouraging fewer out-of-home placements and the development of alternative programs) has resulted in the growth of alternative care, increased local control in defining needs, reduced costs and declining placements out of the home.

It is not yet clear whether these alternatives will result in reduced length of treatment and long term resolution of children's problems.

Department of Social Services data on cost per child per month by type of placement for the period July 1, 1981, to December 31, 1981, is:

<u>Type of Placement</u>	<u>Average Cost per FTE Child per Month</u>
Residential Child Care Facility (RCCF)	\$1,384
Specialized Group Home	583
Receiving Home	406
Family Foster Home	209

For this period, the following changes occurred by type of placement:

RCCF	placements declined by 7%
	total costs declined by 4%
Specialized Group Home	placements declined by 15%
	costs declined by 5%
Family Foster Home	placements declined by 2%
	total costs increased by 1%
Alternative Program	placements increased by 17%
	costs increased by 25%

It is intended that the Department report to the Joint Budget Committee on a monthly basis the caseload and expenditures for each type of placement mentioned above, so that the Committee can stay abreast of placement and cost data. In addition, it is intended that a minimum of \$3,400,000 of the 1982-83 appropriation be expended for alternative programs. This is the amount estimated to be expended for alternative programs in 1981-82.

The cap of \$1,812 on RCCF monthly rates which had been in effect since 1979 has been raised to \$1,912 per month.

S.B. 428 of the 1982 session stipulates that the authorized revenue base (ARB) shall "follow the child" to provide educational services. This applies to children who may be receiving education in a residential child care facility. It is assumed that the Departments of Social Services and Education will join together to facilitate administration and reimbursement for the now distinct educational and balance of services components, assuring that ARB funds are used only for educational purposes.

Medical Assistance Division

The appropriation for Medical Programs contains two major initiatives; descriptions follow:

1. Inpatient Hospitalization, Outpatient Hospitalization and Physicians Services-
The appropriation ties these three line items together in a manner that is expected to impact favorably on client utilization patterns while not diminishing access to appropriate care.
 - a. Inpatient Hospitalization utilization is to be controlled through 100% Concurrent Review by the Professional Standards Review Organization (PSRO), the appropriation for which is located in the Facilities Certification line item in the Administration section. A footnote (#89) prohibits lengths of stay per spell of illness longer than six days without expressed approval by the PSRO. Client access to the hospital is gained through referral by the client's primary physician.
 - b. Outpatient Hospitalization utilization is limited by footnote #90 to one visit per year per client with the exception of emergencies and primary physician or PSRO approval. This limitation of care is expected to reduce utilization by approximately one-half.

It should be noted that Outpatient Hospital Clinic Services are to be considered Physicians Services in this instance and are to be billed against that line item. Further, the Outpatient Clinic Service should assume primary responsibility for the client in the same manner as Physicians Services.

- c. Physicians Services is considered to be the key in controlling client utilization of Inpatient and Outpatient Hospital Services. Two program changes are contained in the appropriation. The first is to implement a utilization control plan whereby recipient behavior is altered through a program of physician/client assignments. This requires approval of a 1915B type of federal waiver for the purpose of case management.

The client, upon eligibility determination, will have a period of open enrollment (possibly 2-3 months) in which to decide which physician they choose to be their primary physician. That physician then becomes the client's primary broker to specialty care, to Outpatient and Inpatient Services (except emergencies). The measurement of that control is to be based on the ratio of number of Medicaid eligibles to caseload as compared to the ratio which existed in fiscal year 1981-82 with allowance for a 5% caseload increase having been built in for 1982-83.

The second part of the plan provides the incentive for physicians to participate -- i.e., the Physicians Incentive Pool. This is a set aside appropriation which is designed to increase the level of reimbursement to physicians from 55% to 75% of billed charges if savings in Outpatient and Inpatient Hospitalization are realized. Reimbursement is to occur on a unit-for-unit basis; however, if savings are not realized, the Incentive Pool acts as a built-in supplemental to cover cost overages as they occur in the hospitals.

2. The second major initiative relates to Long Term Care. Skilled and Intermediate Nursing Care are combined to form a single line item. A significant departure from past funding practice is established. Senate Bill 38 and more stringent medical admissions criteria have effected a least a 22% reduction in the number of new admissions to nursing care facilities. The impact of the new admissions guidelines is that the case mix of clients who remain in nursing care are generally more seriously medically involved.

In an attempt to address the case mix issue and, to some extent, quality of care, the appropriation is organized following two cost centers:

- a. Administration, Property, Room and Board - This item is funded to the 90th percentile of an array of audited costs (i.e., "reasonable cost"). Incentive payments are permitted to a total of 12% of the total reasonable cost and are permitted to apply to this line item only. The maximum incentive payment is \$2.95/day. The change to 12% of total reasonable cost is enabled through statutory revision (H.B. 1288).
- b. Health Care and Food - 100% of actual audited costs are reimbursed with no option for earning incentive for these expenses. This, it is hoped, will address the more difficult case mix. Funding is to remain prospective, which means that nursing homes must demonstrate and absorb start-up costs for program initiatives for one full audit period before those expenses are considered for reimbursement. Included in the appropriation is a line item for \$850,000 called "Grants to facilities which desire to incorporate exemplary practices with regard to quality of care and case mix within their current program of care to be awarded on the basis of proposal merit and applicability." The Department of Social Services is to administer this line item with consultation from the Department of Health based on the merit of provider proposals.

The Health Sciences Center study of the Long Term Care issue in Colorado will have its recommendations completed in December of 1982. The appropriated plan for 1982-83 in no way competes with or obstructs the potential for further program modification as may be determined beneficial from the Health Sciences study.

Total caseload is reduced by 2.5% for those individuals who are now being refused admission or issued early dismissal from nursing care facilities. To address that caseload reduction, in Special Purpose Welfare Programs is included a line item for \$624,600 General Fund for Room and Board for 150 clients.

Health Care is increased to include homemakers who were funded through Title XIX. Medical Equipment is funded at a continuing level.

Rehabilitation Division

The Division's vocational rehabilitation programs have experienced a significant reduction in federal funds. In order to allow the Division to set priorities among the various program areas under conditions of declining funding, the appropriation is made as one line item. The Division's budget request document for FY 1983-84 will be reviewed with particular interest as to the allocation of resources among client service areas.

EXPLANATION OF APPROPRIATION

Departmental and Welfare Administration. This appropriation provides funds for the administration and supervisory functions performed by the Department, including internal administrative activities such as personnel, accounting, auditing and quality control and program supervision in the areas of income and food assistance, veterans affairs, day care, child welfare, medical assistance and other social service programs.

The appropriation decreases departmental staff to reflect federal funds cutbacks in programs. In addition, 4.0 FTE whose workload is directly attributable to the Blind Vendor Program are now funded in the Division of Rehabilitation.

\$37,000 to pay a maximum \$50 per month to 62 County Veterans' Services Officers previously funded in County Administration is included in the personal services line.

Total departmental needs for the 1982-83 salary survey, anniversary increases and shift differential are appropriated as a separate line item and alone account for 8.1% of the increase in the 1982-83 appropriation over the 1981-82 appropriation.

Operating expenses are decreased by \$53,150 for lease money for statewide offices now appropriated to the State Buildings Division of the Department of Administration.

The Oregon Plan Legal Services line provides for 8,900 hours of service which is equal to the number of hours appropriated for 1981-82.

Continued funding for 4,471 hours of Hearing Officer services is provided for 1982-83.

County Administration. This appropriation is for payment to the counties for administration of the Social Services programs.

The appropriated staffing levels are:

	FTE
Assistance Payments	648.0
Food Stamps	332.2
Social Services	1,346.7
Special Purpose	2.0
Total	<u>2,328.9</u>

Assistance Payments: FTE has decreased due to a decline in the number of cases resulting from federal regulation changes. The FTE required for the projected caseload is 638.9 FTE based on the 1980-81 actual cases per FTE. The remaining 9.1 FTE are to be utilized in reducing the error rate in the Aid to Families with Dependent Children (AFDC) program.

Food Stamps: The reduction in FTE is based on a projected caseload decrease due to federal regulation changes.

The state department is to report to the Joint Budget Committee by November 1, 1982, regarding the status of the error rate for Food Stamps and Aid to Families with Dependent Children including analysis of the current error rate, reasons for changes and the state and county plans for reducing the error rate.

Social Services: The appropriated staffing level is based on the caseworker/client ratio of the 1981-82 appropriation. No longer included in staffing, however, are: 150.0 FTE homemakers, who are now funded as home health aides under Title XIX; 19.1 FTE for Community Centered Boards programs due to Title XX changes; and 45.0 FTE which are an overall reduction due to Title XX funding changes. An additional 3.5 FTE are not funded based on caseload projections.

It is intended that funds in Social Services may be used in conjunction with job diversion or community work experience programs approved by Boards of County Commissioners.

Special Purpose: The appropriation is based on a continuing level of 2.0 FTE homemakers pursuant to Section 26-1-122(4)(g), C.R.S. 1973.

The County Contingency appropriation has increased 17.4%. The appropriation is based on 3 mils of the total taxable valuation compared to the estimated county expenditures for 1981-82.

A vacancy savings of 3.5% has been taken. A salary increase of 7.45% has been calculated for county staff for the county fiscal year.

Assistance Payments. This group of appropriations provides income assistance to eligible individuals in four general categories.

Aid to Families with Dependent Children - The appropriation increases the grant standard (the maximum amount which can actually be paid) from \$313 to \$320 per month for a family of three. Caseload is projected to increase from 1981-82 actual caseload figures for 1982-83 due to difficult economic conditions, despite federal eligibility standards changes.

It is intended that funds from this appropriation may be used in conjunction with county approved job diversion programs when the programs are designed to assist qualified AFDC recipients in obtaining training and employment.

Aid to the Needy Disabled and Aid to the Blind - The appropriation includes an increase in the grant standards of 6.2%. Caseload increases in 1981-82 due to an outreach program are expected to level out. No additional increase in 1982-83 is expected.

Adult Foster Care - The increase in the grant standard is 6.2%. Caseload is expected to remain stable.

Old Age Pension Recipients - The appropriation is based on actual 1980-81 caseload growth. The grant standard increase is 6.2%. The utilities standard is \$32 per month as provided in statute.

Child Welfare. The appropriation includes a 3.8% decrease in the block grant to counties and in caseload for foster care. The decrease is based on 1981-82 actual expenditures for foster care. In addition, it is intended that a minimum of \$3,400,000 of this appropriation be expended for alternative programs and that the Department report monthly to the Joint Budget Committee the caseload and expenditures for family foster care, receiving homes, special group homes, residential child care facilities, and alternative programs.

The monthly rate for in-state residential child care facilities has been increased to \$1,912 per month maximum. The Executive Director may approve a rate in excess of \$1,912 for a child if the child is brought back to Colorado from an out-of-state facility with a rate in excess of \$1,912, or if a child is accepted by a Colorado facility who the Department determines would otherwise have to be placed out-of-state.

The increase in the Adoption Medical Subsidy line item reflects increasing use of this form of placement.

Day Care. A major change resulting in a funding decrease is the transfer of funding for Developmentally Disabled Community Center Boards to the Department of Institutions in order to respond to federal cuts in Title XX funds. The transfer accounts for 22.6% of the total decrease in funding.

Another change which decreases the appropriation is the refinancing of day care for AFDC recipients as an income deduction.

Further steps taken to cope with Title XX decreases reduced the appropriated caseload. They are:

- 1) Tightening of rules regarding eligible goals plans;
- 2) Requiring Title IV-D collections from responsible parents;
- 3) Providing funds for qualifying students in 2-year colleges or the last two years in 4-year colleges. Previously, students in the first two years of a four-year college could also qualify for assistance.

It is intended that the appropriated funds may be utilized in conjunction with day care services provided in conjunction with job diversion or community work experience programs approved by a board of county commissioners.

Medical Assistance Division.

Administration:

This section oversees the coordination and operation of the Medical Assistance Division (i.e., Medicaid program). 7.0 FTE are funded for the collection of Third Party Liabilities. 5.0 FTE are funded for the implementation and maintenance of the Physicians Services, Outpatient and Inpatient Hospital Services (discussed in major initiatives) program. 4.0 FTE are funded for one year only for the purpose of restructuring the Long Term Care reimbursement system to one of cost center reimbursements, as stipulated in Footnote #93.

A 2% federal funds reduction is occurring from July 1, 1982, through September 30, 1982, and a 4% reduction of federal funds will occur for the remainder of the year for all of the Medical Assistance Division. A 1.5% vacancy savings factor has been applied.

Sufficient funds are provided to allow audits on 100% of the hospitals and nursing homes participating in Medicaid. \$393,294 General Fund is appropriated for the performance of 100% Concurrent Review of hospital placements.

Special Purpose Medical Programs:

Contained in this section is the Medicaid Management Information System, the Early and Periodic Screening, Diagnosis, and Treatment Program, the University of Colorado Pharmacy Contract and a one-time appropriation for Mental Health program monitoring.

The Medicaid Management Information System contract appropriation allows for claim processing at \$1.08 per claim and also provides 10,000 hours of system design time for fulfillment of the following intent:

"Department of Social Services, Medical Assistance Division, Special Purpose Medical Programs -- It is the intent of the General Assembly that the MMIS system produce the following report on or before January 1, 1982, to be continued on an ongoing basis:

1. A most recent five-year appropriated caseload history by line item including the actual and estimated costs per unit of service on the state fiscal years.
2. A breakout of appropriated unduplicated recipients compared to appropriated units of service by line item tracked to the state fiscal year.
3. A comparison of Medicare rates of reimbursement to Medicaid rates for fiscal year 1982-83."

The MMIS appropriation also includes funds for system design which would provide for reimbursement of Medicare claims at the lower of Medicare or Medicaid rates.

Four positions (2.0 FTE) are funded for six months only, to perform a monitoring/reporting function with respect to the Mental Health Ambulatory line item. The following footnote applies:

"Department of Institutions, Division of Mental Health -- It is the intent of the General Assembly that these 2.0 FTE prepare a report containing

recommendations concerning reimbursement criteria based on the caseload study already underway and develop unit cost recommendations for the community mental health programs. In addition, the report shall detail, by center, the collections from client co-pay."

Medical Programs - Medicaid service delivery to clients is provided through this section. Inpatient and Outpatient Hospital Services, Physician Services and Long Term Care have already been discussed as major initiatives.

Hospice Care, Rural Clinic Visits, and Lab and X-Ray are all funded at a continuing level based on the actual experience in 1981-82.

Health Maintenance Organizations - Peak HMO is a new program which is funded for 684 units of service. Rocky Mountain and San Luis HMO's are funded at a continuing level.

Mental Health Ambulatory - A client co-pay of \$2.00 per unit of service is included in the appropriation. The Community Mental Health Centers are encouraged to serve the client population who live in nursing care facilities and are funded to do so.

Mental Health Inpatient - The line item which serves the age group 21-64 years is a new entitlement area. During this first year, the department is directed to develop baseline caseload and unit cost information.

Intermediate Nursing Care for Developmentally Disabled Clients is funded at a continuing level.

Prescription Drugs - A client co-pay of \$1.00 per unit of service is intended for the 60% of the population who use this line item who do not reside in long term care facilities. Long term care clients currently contribute an average of \$250/month toward their own care.

Transportation - County transportation costs are increased to allow \$.20/mile reimbursement. The remainder of the appropriation is for a continuing level of funding.

Family Planning Services and Dental Services are funded at a continuing level of operation based upon 1981-82 actual utilization.

Care for Developmentally Disabled and Skilled and Intermediate Care Class III Nursing Care Facilities - The State Home and Training Schools must reduce their population. In order to accommodate this deinstitutionalization, Class III nursing care facilities are funded for the first time for a case mix which is 60% deinstitutionalized clients and 40% clients from the community.

The Skilled and Intermediate appropriation is derived as follows:

1,145 clients x
97% occupancy rate x
365 days per year x
\$91.45 rate per day = \$37,072,664

Supplemental Medicare Insurance Benefits and Medicare Co-Insurance/Deductible -
In years past, the Co-Insurance/Deductible was allocated to line items throughout the Medicaid budget. Those lines were given an average unit cost and number of units of service, which in fact bore no resemblance to the actual method of utilizing these funds. An estimated \$500,000 in savings has been incorporated in the Co-Insurance/Deductible, which is in response to the intent to fund Medicare at the lower of Medicare or Medicaid rates for services.

Special Purpose Welfare Programs. A major change in the funding of this group of programs is the transfer of funding for the medically indigent program to the Health Sciences Center.

The totally federally funded Refugee Assistance and Low Income Energy Assistance programs are funded at estimated benefit levels for 1982-83. A local match of funds is no longer required for participation in the Low Income Energy Assistance Program (LEAP).

It is intended that recipients of assistance under the LEAP program shall annually apply for funds, prove eligibility for energy needs, and notify the Department of Social Services of any change in eligibility or need. Any recipient who receives an overpayment shall be required to reimburse the state for the total amount of the overpayment.

The Client Oriented Information Network, the first phase of the department's development of a statewide automated system for all Social Services programs, is funded based on the actual progress and expected future progress of conversion of the system.

Funding for contract training, previously received in addition to the Title XX grant, now must come under the Title XX ceiling. Due to the reduction in Title XX funds, this line item is appropriated at 45.5% of the 1981-82 level.

The Indian Center is appropriated at a continuing level of support.

The Ute Mountain Ute project receives continued funding with a 20% tribal cash funds match. The appropriation is based on staffing patterns and numbers of clients served.

Total long-term care caseload is reduced by 2.5% for those individuals who are now being refused admission or early dismissal from nursing care facilities. To address this issue, a new line item is appropriated to provide room and board for these individuals.

Services for the Aging. This division is the federally designated state agency to receive and distribute federal funds for community services for older individuals. The division does not deliver services directly.

State Nursing Homes.

Trinidad State Nursing Home:

This state-owned nursing home has an authorized capacity of 233 beds for skilled and intermediate care patients. The home accepts all eligible individuals in need of nursing home care as beds become available. The home was originally established to alleviate overcrowding of private sector nursing homes in the state.

The appropriation includes the addition of 1.5 FTE, 0.5 FTE in nursing services and 1.0 FTE in food services.

Included in the total FTE appropriation are 3.0 FTE in administration, 4.0 FTE clerical, 65.7 FTE nursing, 15.0 FTE food service, 1.0 FTE activity director, 17.5 FTE maintenance, and 1.0 FTE pharmacy. A vacancy savings factor of 2.3% has been applied.

Colorado State Veterans Center - Homelake:

Homelake is a veterans facility with an authorized capacity of 30 intermediate nursing beds and 130 residential units. The residential units serve individuals who need some housekeeping and medical help, but who do not require nursing home level care.

The appropriation reduces staff by a net of 2.0 FTE. Reductions are 0.5 FTE in administration, 0.5 FTE in clerical, and 2.0 FTE in maintenance, while nursing is increased by 1.0 FTE.

Included in the total appropriation are 1.5 FTE in administration, 2.5 FTE clerical, 14.0 FTE nursing, 12.5 FTE food service, 0.5 FTE activity director, 12.0 FTE maintenance, and 1.0 FTE driver. A vacancy savings factor of 1.8% has been applied.

General Fund support is maintained at the 1981-82 level. A footnote requires the Center to charge patients on the statutorily required basis.

The appropriation also requires, for the first time, payment of indirect costs for central government functions.

State Veterans Nursing Home - Florence:

Florence is a skilled care nursing home for veterans. It is authorized for 120 beds.

The appropriation provides for an increase of 2.0 FTE in nursing to improve direct patient care.

Included in the total appropriation are 2.0 FTE in administration, 3.0 FTE clerical, 52.0 FTE nursing, 8.0 FTE food service, 0.5 FTE activity director, and 8.5 FTE in maintenance. A vacancy savings factor of 1.1% has been applied.

Division of Rehabilitation. The main goal of the Division of Rehabilitation is enabling adults with physical or mental disabilities, through a range of diagnostic, counseling and rehabilitation services, to live independently and to become employed.

The appropriation represents an increase of 5.2% and 9.5 FTE over the 1981-82 appropriation as adjusted by the supplemental process.

A reduction in federal funds of \$623,831 or 7.8% in the vocational programs is partially offset by an increase in General Fund support for these programs of \$456,946 or 15.8%.

The appropriation is made in the form of a one line item block grant. In consideration of reduced federal support, this format will allow the Division to set program priorities within the overall appropriation.

Of the appropriation, \$7,555,986 and 147.0 FTE are applied to the following special purpose programs: Disability Determination (all federal funds), Workmen's Compensation (all cash funds), and Establishment and Independent Living Grants (federal funds matched by local grantees).

The remaining \$11,781,320 and 257.0 FTE are applied to administration, vocational rehabilitation programs (General Program, Institutional Programs, Developmentally Disabled/Community Centered Boards, Services for the Visually Impaired and the Deaf, and Vending Facility Program), and Home Teaching Services. The 257.0 FTE include fiscal staff moved from the Department's accounting office budget to the Vending Facility Program. An overall vacancy savings factor of 2.3% has been applied.

Building rental costs of \$70,004 for offices in Pueblo, Greeley, Fort Collins, Alamosa, Montrose, Glenwood Springs, Colorado Springs and Durango are appropriated to the State Buildings Division, Department of Administration.

Cash funds include those generated by the Workmen's Compensation program, including statewide indirect cost recoveries from that program, local match monies for Establishment and Independent Living grants, proceeds from the sale of manufactured goods at the Rehabilitation Center, and contributions assessed to vendors in the Vending Facility Program. The 21.8% reduction in cash funds is primarily due to the phasing out of manufacturing activity at the Rehabilitation Center.

The appropriation carries a footnote requiring the Division to submit a detailed budget request for FY 1983-84 on standard budget request schedules with details provided on programs in the following new format:

(A) Administration:

- Personal Services (FTE)
- Operating Expenses
- Travel and Subsistence
- In-Service Training

(B) Vocational Rehabilitation:

(1) Community Programs:*

- Personal Services (FTE)
- Operating Expenses
- Travel and Subsistence
- Case Services
- Purchase of Services

*Community Programs shall include: General Program, Institutional Programs, and the Developmentally Disabled/Community Center Boards Program.

(2) Services for the Visually Impaired and the Deaf:

- Personal Services (FTE)
- Operating Expenses
- Travel and Subsistence
- Case Services
- Center on Deafness

(3) Rehabilitation Center for the Visually Impaired:

- Personal Services (FTE)
- Operating Expenses
- Travel and Subsistence
- Utilities
- Manufacturing and Selling Expenses

(4) Vending Facility Program:

Personal Services (FTE)
Operating Expenses
Travel and Subsistence
Vendors' Minimum Return
Equipment Maintenance
Facility Site Expenditures
Equipment Replacement
Remodeling, Renovation and Reconstruction of Facilities

(C) Home Teaching Services:

Personal Services (FTE)
Operating Expenses
Travel and Subsistence

(D) Special Purpose Programs:

- (1) Disability Determination (FTE)
- (2) Workmen's Compensation (FTE)
- (3) Establishment Grants
- (4) Independent Living Grants

CAPITAL CONSTRUCTION

Construction of Nursing Home for Veterans in Garfield County	\$3,428,571
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To accommodate the growing need for a veterans nursing facility on the Western Slope, this appropriation provides spending authority of \$1,200,000 from the Oil Shale Trust Fund to match \$2,228,571 in available federal funds from the Veterans Administration.

NEW LEGISLATION

S.B. 101 - Stipulates that should an evaluation for placement of a child out of the home recommend placement in a facility located in Colorado and that facility can provide appropriate treatment and will accept the child, then the court shall not place the child outside of the state.

S.B. 138 - Defines additional services to be provided Medicaid eligible persons as an alternative to Long Term nursing home care. Expands eligibility for home health care and adult day care programs and allows the provision of listed services.

H.B. 1093 - The bill changes the state statute to reflect new federal regulations for Aid to Families with Dependent Children (AFDC). It provides for eligibility for children 18-19 years of age, an option which is allowed but not mandated by the federal government. Students between the ages of 19 and 21 and expectant mothers prior to the sixth month of pregnancy are no longer eligible for AFDC benefits. The cost for 1982-83 of exercising the option to serve 18-19 year old full-time students is estimated at \$376,200 for 475 individuals, of which \$104,283 is General Fund.

H.B. 1099 - Provides for the expiration on June 1, 1982, of rules and regulations of the Department of Social Services concerning adult day health care, the appeal mechanism for providers of services under the medical assistance program, and income eligibility for food stamp benefits.

H.B. 1288 - Concerns the method for reimbursing nursing homes for providing Long Term Care. Amends the definition of "reasonable cost of services" to mean the actual cost of providing health care services and food costs to the one hundredth percentile and of providing administration, property, and room and board costs to the nineteenth percentile of Medicaid patients in participating nursing homes. Defines "health care services". Makes conforming amendments.

DEPARTMENT OF STATE

<u>OPERATING BUDGET</u>	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Appropriation</u>
Administration	\$ 225,254	\$ 260,618	\$ 363,061	\$ 406,720 ^{1/}
Corporations Section	391,445	421,520	391,582	771,348
Uniform Commercial Code Section	297,997	165,337	147,571	135,601
Elections and Governmental Filings Division	172,589	430,618	212,593	385,385
Licensing and Enforcement Section	<u>112,526</u>	<u>115,758</u>	<u>122,988</u>	<u>111,825</u>
<u>GRAND TOTAL</u>	\$1,199,811	\$1,393,851	\$1,237,795	\$1,810,879
General Fund	1,199,811	1,393,851	1,237,795	852,906
Cash Funds-Corporate Filing Fees	-0-	-0-	-0-	957,973

^{1/} Includes departmental appropriation for travel and subsistence, capital outlay, legal services, and General Fund ADP services.

FTE OVERVIEW

	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Estimate</u>
Administration	8.5	9.5	9.0	10.0
Corporations Section	20.3	20.5	21.3	22.3
Uniform Commercial Code Section	11.2	10.0	9.0	9.0
Elections and Governmental Filings Division	7.0	7.5	7.0	7.0
Licensing and Enforcement Section	<u>4.7</u>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>
TOTAL	<u>51.7</u>	<u>52.5</u>	<u>51.3</u>	<u>53.3</u>

COMPARATIVE DATA

	1979-80 <u>Actual</u>	1980-81 <u>Actual</u>	1981-82 <u>Estimate</u>	1982-83 <u>Estimate</u>
Corporate Filings	78,174	79,543	89,070	94,838
U.C.C. Filings	58,137	62,186	68,774	75,675
U.C.C. Searches	14,169	19,388	21,300	23,388
Elections-Candidate Filings (State and Federal)	<u>1/</u>	5,796	4,500	6,300
Bingo and Raffles Quarterly Filings	3,334	3,750	3,800	3,800
Notary Public Filings	16,063	19,799	23,500	24,500

^{1/} Prior to Campaign Reform Act.

SUMMARY HIGHLIGHTS

Cash Funding of Corporations Section

A major change in the Department's budget is the cash funding of the Corporations Section from corporate filing fees. Approximately 53% of the Department's budget is now cash funded as a result of S.B. 451, enacted in 1981. This bill also resulted in a 50% or more reduction in major corporate filing fees.

Additional FTE to Improve Service to the Public

A significant problem within the Department has been the length of time required by the public to obtain information regarding corporate or Uniform Commercial Code filings. To improve this situation, the General Assembly has added 2.0 FTE in the Corporations and Uniform Commercial Code sections of the Department's appropriation. Funds have also been appropriated to install an additional computer terminal and telephone line in the Corporations section for handling additional telephone inquiries. Funds have also been included for three additional microfilm or microfiche readers to assist the public in conducting records searches.

EXPLANATION OF APPROPRIATION

Administration. This division is responsible for administering the Department's programs and managing its financial affairs. An additional FTE has been transferred into the administration division to handle increased workload involved in administering the cash funding of the Corporations section.

The appropriation for ADP Services includes \$52,800 for ADP related services within the Department and the remainder is for purchase of services from the General Government Computer Center.

Within all divisions of the Department, a 1.6% vacancy savings has been utilized.

Commercial Recordings. This division contains the Corporations and Uniform Commercial Code sections of the Department. Its primary responsibilities are to handle all corporate and commercial filings, ensure that the filings conform to statutory requirements, and provide public access to and information about all filings.

As a result of the cash funding of the Corporations section, indirect costs have been recovered from this section. Two additional FTE have been funded in this division to provide increased services to the public. An additional FTE has been transferred to the Corporations Section from other divisions within the Department.

Elections and Governmental Filings. This division generally supervises all elections in the state, and administers filing and disclosure requirements. Funds have been included in the appropriation for microfilming of election and filing records. There has been a 0.5 FTE reduction in the division as a result of FTE transfers within the Department.

Licensing and Enforcement. This section administers and enforces bingo and raffle licensing requirements and is responsible for notary public filings. It also licenses fireworks manufacturers and wholesalers. The section is funded at a continuing level.

DEPARTMENT OF TREASURY

<u>OPERATING BUDGET</u>	<u>1979-80</u> <u>Actual</u>	<u>1980-81</u> <u>Actual</u>	<u>1981-82</u> <u>Estimate</u>	<u>1982-83</u> <u>Appropriation</u>
Administration/Operations	\$ 355,544	\$ 491,447	\$ 576,034	\$ 511,103 <u>1 /</u>
Judge's Retirement Fund	58,000	101,317	124,331	162,841
Elderly Property Tax Relief	<u>29,481*</u>	<u>43,077*</u>	<u>60,000*</u>	<u>80,000*</u>
SUBTOTAL	413,544	592,764	700,365	673,944
General Fund	413,544	537,826	647,092	673,944
Cash Funds				
State Compensation Study	-0-	19,500	-0-	-0-
Federal Funds				
Department of Energy Grant	-0-	35,438	53,273	-0-
CAPITAL CONSTRUCTION BUDGET	-0-	-0-	47,652,669	-0-
Oil Shale Trust Fund	-0-	-0-	47,652,669	-0-
GRAND TOTAL <u>2/</u>	\$413,544	\$592,764	\$48,353,034	\$673,944

1 / Includes departmental appropriation for travel and subsistence, capital outlay, legal services and ADP Services.

2 / Excludes Property Tax Relief appropriation.

* Non-add item. Tax relief funds pursuant to Section 24-75-201.1 C.R.S. 1973.

FTE OVERVIEW

	<u>1979-80</u> <u>Actual</u>	<u>1980-81</u> <u>Actual</u>	<u>1981-82</u> <u>Estimate</u>	<u>1982-83</u> <u>Appropriation</u>
Administration	3.1	3.7	4.5	5.0
Clerical/Staff Assistant	8.5	7.8	6.5	6.0
Accounting	2.1	2.8	3.0	3.0
Investments	<u>1.0</u>	<u>0.3</u>	<u>0.6</u>	<u>1.0</u>
TOTAL	14.7	14.6	14.6	15.0

COMPARATIVE DATA

	<u>1979-80</u> <u>Actual</u>	<u>1980-81</u> <u>Actual</u>	<u>1981-82</u> <u>Estimate</u>	<u>1982-83</u> <u>Estimate</u>
Warrants Processed (millions)	3.1	3.6	3.6	3.6
Deposit Items	600,000	610,000	615,000	615,000
Securities Portfolio - Transactions	1,300	1,050	900	1,200
Certificates of Deposit	1,500	1,600	1,600	1,600
Custodial \$ (billions)	2.33	2.85	3.5	3.5
Safekeeping \$ (millions)	78.3	128.5	180.0	230.0
Escheats (millions)	2.5	2.5	2.5	2.5

SUMMARY HIGHLIGHTS

Computer Conversion

A major area of concern is the computer conversion from the CU computer to the computer at the Department of Education. A part-time programmer has been used since the task began in January, 1981. It appears that this is neither time nor cost efficient and an alternative plan is being considered by the Department.

Elderly Property Tax Relief Program

The Elderly Property Tax Relief Program participation increased during FY 1981-82, requiring a supplemental appropriation of \$15,750. An even greater participation may be expected in FY 1982-83 if economic conditions do not improve.

EXPLANATION OF APPROPRIATION

The Department acts as the banking and investment mechanism for the state. Major responsibilities include; providing custodial and safekeeping services for state agencies, making daily, monthly, and yearly financial reports, conducting certificate of deposit auctions to place state funds in Colorado communities, and making investments.

The Department was appropriated a continuing level of 15.0 FTE, which includes funds for a full-time Director of Investments. No vacancy savings factor was applied.

The Elderly Property Tax Relief Program and the Judges' Retirement Fund were appropriated as requested. Both programs have experienced significant increases in participation during FY 1981-82.

NEW LEGISLATION

S.B. 85 - Allows the State Treasurer to borrow money in connection with the management of state moneys. The profitability of this procedure will be reported in the Treasurer's annual report for FY 1981-82 through FY 1984-85.

