

Colorado Office of Economic Development & International Trade FY2018 Annual Performance Evaluation (November 2018)

Strategic Policy Initiatives

The Colorado Office of Economic Development and International Trade identified several strategic policy initiatives for FY 2017-18 and beyond. For this performance evaluation, the Department has updated progress on the initiatives identified in the FY2017 Performance Plan that capture the Department's strategic and operational priorities, and reflect the overall direction as identified by Department leadership.

Additional detail for these, and other, strategic policy initiatives is available in the Department's Performance Plan, which may be accessed [here](#).

SPI 1: Ensure strong rural focus for business growth initiatives.

The key strategies to achieve this SPI are as follows:

- Increase small business consulting and training programs directed at job creation and capital.
- Visit 3 rural communities for Advanced Industries Roadshow to educate on Advanced Industries programs – goal to see increase in AI grant applications from rural areas of the state.
- Promote business startup activity in rural areas by assisting the Venture Capital Authority to create a rural seed venture fund supporting the creation of a front range to rural mentoring program and making grants to nonprofit small business lender.
- Promote job growth by administering state funding for 5 regional tourism act projects.
- Coordinate visits to rural communities by SBDC Advisory Board members, who will educate on SBDC programs and identify barriers to small business growth.
- Increase economic and business opportunities between Minority and Women Businesses, government agencies, and corporations by facilitating the certification process, capacity increase, and contract pursuit.
- Develop survey that will measure key drivers of resiliency and business readiness to ensure intervention where needed.
- Continue to give priority to non-profit organizations, businesses and creative entrepreneurs through ongoing recruitment and support in our grants, initiatives and leadership programs.
- Host at least one "Creativity Connects" round-table in one or more rural communities, focusing on opportunities for creative employment and engagement through cross-sector programs and collaboration.
- Drive traveler spending through promotion and development of compelling, sustainable travel experiences for off-peak periods and less-traveled regions.

SPI 2: Define and employ an industry focus for business attraction, retention, expansion initiatives.

The key strategies to achieve this SPI are as follows:

- Grow global and domestic business opportunities by proactively visiting 6 domestic competitor markets and 4 international target markets.
- Secure funds for 18 federal export grants.
- Focus resources towards existing businesses and more advanced companies through the SBDC Advanced program, Connect2DOT program, and Manufacturer's Edge program.
- Promote job growth via administering contracts for more than 150 active discretionary incentive awards under the job growth incentive tax credit and strategic fund programs.
- Develop 4 regional tech focused conferences to provide business assistance to advanced industry companies.
- Visit 3 rural communities for Advanced Industries Roadshow to educate on Advanced Industries programs.

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SPI 3: Apply technology to enhance existing ERP System (CORE) and internal control.

The key strategies to achieve this SPI are as follows:

- Develop a mechanism for tracking PO/CT in Salesforce that will measure the time taken from PO/CT Request by Division to execution.
- Increase accountability and behavior by divisions that will reduce procurement and statutory violations.
- Serve as a tool that will automate the purchase and procurement process

SPI 4: Improve customer service by minimizing administrative burdens and increasing efficiency and security.

The key strategies to achieve this SPI are as follows:

- Eliminate paper checks by enrolling new vendors into the Electronic Funds Transfer system.

Operational Measures

SPI 1: Ensure strong rural focus for business growth initiatives

Major Program Area – Global Business Development, Regional Development, Small Business Development, Outdoor Recreation, Tourism, Business Funding & Incentives, Creative Industries, Film, TV & Media

Process - Encourage opportunity and growth in rural areas of the state by providing tax incentives, funding and business consulting.

Measure	FY17 Actual	Q1 YTD FY18	Q2 YTD FY18	Q3 YTD FY18	Q4 YTD FY18	FY18 Actual	1-Year Goal	3-Year Goal
Drive/Contribute to the creation of 15,340 rural jobs by June 2018.	15,987	4,282	17,068	27,272	30,380	30,380	15,340	48,000
Drive/Contribute to the creation of 694 rural business starts by June 2018	888	210	330	762	777	777	694	2,700

- In FY18, OEDIT continued to focus on rural economic transformation efforts, including: Blueprint 2.0, Creative Districts, Main Streets, Rural Jump Start, Certified Small Business Communities, Enterprise Zones and Rural Destination Development.
- OEDIT supported the efforts in nominating Colorado Opportunity Zones through extensive stakeholder engagement. Opportunity Zones were identified in areas where growth has been slow, but the hope is that the incentive will be catalytic for further investments in these communities. OEDIT will continue to educate communities and investors about how they may benefit from Opportunity Zones.

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SPI 1a: Rural Response, Recovery & Resilience (4R) - Support communities where severe economic disruptions occur due to transition or loss of core industries or major employers.
Major Program Area – Regional Development, Small Business Development, Outdoor Recreation, Tourism, Business Funding & Incentives, Creative Industries, Film, TV & Media
Process - Encourage recovery by stabilizing the workers, businesses and communities through economic development and diversification support.

Measure	FY17 Actual	Q1 YTD FY18	Q2 YTD FY18	Q3 YTD FY18	Q4 YTD FY18	FY18 Actual	1-Year Goal	3-Year Goal
Drive/Contribute to the creation of 2,894 jobs in communities where severe economic disruptions occurred	-	723	2,923	4,529	5,102	5,102	2,949	9,000
Drive/Contribute to the creation of 57 business starts in communities where severe economic disruptions occurred	-	13	51	115	113	113	57	180

SPI 2: Define and employ an industry focus for business attraction, retention, expansion initiatives.
Major Program Area – Global Business Development, Advanced Industries

Process – Promote growth and sustainability of new and existing businesses in key industry sectors by providing tax incentives, grants, job training programs.

Measure	FY17 Actual	Q1 YTD FY18	Q2 YTD FY18	Q3 YTD FY18	Q4 YTD FY18	FY18 Actual	1-Year Goal	3-Year Goal
Drive/Contribute to the creation of 22,100 advanced industry jobs by June 2018	16,254	5,379	25,739	38,820	43,637	43,637	22,100	53,000
Drive/Contribute to the creation of 263 advanced industry business starts by June 2018.	333	77	131	231	290	290	263	980

- In FY18, OEDIT's Advanced Industries Accelerator Programs:
 - Provided funding for 35 Early Stage companies, 24 Proof of Concept recipients and 4 Infrastructure Grants for a total of \$12,181,260 awarded, with approximately \$2,576,492 granted specifically for infrastructure funding.
 - Generated 56 jobs, retained 89.5 jobs and helped secure \$14,549,637 in follow-on capital to the state. Additionally, 14 new patents have been filed and two new licenses created.
 - Awarded approximately \$176,454 to 25 companies through the Advanced Industry (AI) Export Accelerator program, including 20 export grants recipients and 5 recipients of services through the Global Consultant Network.
 - Generated 15.5 jobs and retained 71 jobs and helped to secure \$2,942,570 in export sales through the AI Export Program.
- OEDIT conducted trade missions to India, Denmark, Finland, and Sweden focused on creating deeper ties with global business leaders and connecting CO companies to global investors.
- Small Manufacturer's AdvantEdge Program, a partnership between SBDC and Manufacturer's Edge, provided on-going consulting and training services to small manufacturing companies. The economic impact of this program to date includes: 63 jobs created (48 were in rural communities), 47 jobs retained (23 were in rural communities), \$1.5 million increase in sales and \$3 million in capital formation.

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SPI 3: Apply technology to enhance existing ERP system and internal control.

Major Program Area – Operations

Process - Develop a mechanism for tracking PO/CT in Salesforce that will measure the time taken from PO/CT Request by Division to execution and automate the procurement process.

Measure	FY17 Actual	Q1 YTD FY18	Q2 YTD FY18	Q3 YTD FY18	Q4 YTD FY18	FY18 Actual	1-Year Goal	3-Year Goal
Migrate greater than 50% of vendor transactions into Salesforce by June 2018	-	40%	100%	100%	100%	100%	>50%	100%

- OEDIT met the goal of migrating 100% of external vendor payments and 100% of POs/contract requests and amendments into Salesforce. The new process has aided in a reduction of violations and approval times.

SPI 4: Improve customer service by minimizing administrative burdens and increasing efficiency and security.

Major Program Area – Operations

Process – Enroll vendors into the EFT system to automate payments and eliminating the possibility of lost, stolen or misdirected checks.

Measure	FY17 Actual	Q1 YTD FY18	Q2 YTD FY18	Q3 YTD FY18	Q4 YTD FY18	FY18 Actual	1-Year Goal	3-Year Goal
Enroll 100% of new vendors into the EFT system by June 2018 (tracking % of monthly payments made via EFT vs. check)	-	55%	41%	45%	51%	48%	100%	100%

- Despite increased efforts to encourage vendors to enroll in the EFT system, OEDIT did not reach the goal of 100% enrollment of new vendors in EFT. The accounting team will carry this goal forward into FY19 and develop new strategies to further encourage vendors to enroll in EFT.