

Colorado Office of Economic Development & International Trade Q4 FY2018 Performance Evaluation (June 2018)

Strategic Policy Initiatives

The Colorado Office of Economic Development and International Trade has 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. The updates reflect data through June 30, 2018.

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 start up 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.

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

The key strategies to achieve this SPI are as follows:

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- 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	FY16 Actual	FY17 Actual	Q1 YTD FY18	Q2 YTD FY18	Q3 YTD FY18	Q4 YTD FY18	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	15,340	48,000
Drive/Contribute to the creation of 694 rural business starts by June 2018	-	888	210	330	762	777	694	2,700

- **Selected recipients of Blueprint 2.0 Initiatives for 2018:**
 - Certified Small Business Community – Logan County, Chaffee County, San Juan County, and the West End of Montrose
 - Coworking 101 – Basalt and Olathe
 - CRAFT Studio 201 – Greeley and Delta
 - Creativity Lab – Sterling and La Junta
 - Grow Your Outdoor Recreation Industry – Clear Creek County, Fairplay, Rangely, and Pagosa Springs
 - Brand Building for Communities – Hayden, Basalt and Rio Blanco County
 - Film and Major Production – Steamboat Springs and Salida
 - Launch a Sector Partnership – Moffat County
- **Organized meetings in the Vail Valley and Roaring Fork Valley to present an overview of economic and demographic trends and to focus on topics like wages and regional demographics impacting the respective regions. Plans to continue presentations in other rural communities.**
- **Hosted Opportunity Zone Conference to educate interested parties (including investors and local economic developers) on the new federal tax incentive. The purpose of this new economic development strategy is to encourage long-term investments in low income areas. A majority of the areas selected as Opportunity Zones are located in rural areas.**

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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	FY16 Actual	FY17 Actual	Q1 YTD FY18	Q2 YTD FY18	Q3 YTD FY18	Q4 YTD FY18	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	2,949	9,000
Drive/Contribute to the creation of 57 business starts in communities where severe economic disruptions occurred	-	-	13	51	115	113	57	180

- 4R Counties selected for next round of Blueprint 2.0 Initiatives: Delta (CRAFT Studio 201), Rio Blanco (Brand Building), Moffat (Launch a Sector Partnership), Clear Creek (Grow Your Outdoor Rec Industry)

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	FY16 Actual	FY17 Actual	Q1 YTD FY18	Q2 YTD FY18	Q3 YTD FY18	Q4 YTD FY18	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	22,100	53,000
Drive/Contribute to the creation of 263 advanced industry business starts by June 2018.	-	333	77	131	231	290	263	980

- Issued around \$110k in AI tax credits with \$600k applied for in CY2018.
- AI Export Accelerator was renewed at \$175,000 for FY 2019-FY2024. No carry forward funds will be available from previous fiscal years.
- Recruitment for the next Tech Venture Accelerator (TVX) in Boulder, leveraging City of Boulder support. Up to 12 innovative science & engineering ventures will be invited to participate.
- Collaborated with CU Boulder and Colorado Space Business Roundtable to host an Aerospace Investment Forum in Boulder; well attended by business, investors, and industry associations.

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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	FY16 Actual	FY17 Actual	Q1 YTD FY18	Q2 YTD FY18	Q3 YTD FY18	Q4 YTD FY18	1-Year Goal	3-Year Goal
Migrate greater than 50% of vendor transactions into Salesforce by June 2018	-	-	40%	100%	100%	100%	>50%	100%

- 100% of external vendor payments and 100% of POs/contract requests and amendments are now processed in Salesforce. The new process has aided in a significant 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	FY16 Actual	FY17 Actual	Q1 YTD FY18	Q2 YTD FY18	Q3 YTD FY18	Q4 YTD FY18	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%	100%	100%

- In Q4, 64% of new vendors were setup with EFT and 51% YTD. The accounting team will carry this goal forward into FY19 and develop new strategies to further encourage vendors to enroll in EFT.