

STATEWIDE COMMON POLICY REQUEST NOVEMBER 1, 2021



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COMMON POLICIES OVERVIEW

Common policies represent a standard method of determining the budget need, by department, for services that are centrally provided by the Department of Personnel & Administration (DPA), Department of Law, and the Governor's Office of Information Technology. Funding requests for these services are developed using a common methodology for each department. This ensures that the same assumptions are used while developing budget requests for specific line item appropriations within individual departments.

This packet discusses common policies for services provided by DPA, separated into two general categories: 1) total compensation (or personal services) common policies, and 2) operating common policies.

For FY 2022-23, the Department of Personnel & Administration has prepared this document to summarize the statewide common policy request and calculation methodology in order to provide a clear set of common policy descriptions to use throughout the budget process.

Note: The information contained in this document pertains primarily to the Executive Branch agencies under the purview of the Governor's Office. Total compensation information presented for non-executive agencies, including elected officials, contains only estimates of future need.

TOTAL COMPENSATION COMMON POLICIES

Total compensation refers to employee salary and benefit costs, specific to the employees in each department. Total compensation common policies are funded through a group of centrally appropriated line items, generally found in a department's Executive Director's Office long bill group. Appropriations from these line items are distributed among a department's divisions based on the need in each division. The annual budget request for total compensation is primarily driven by employee salaries, benefit elections, and requested policy changes. The centrally appropriated line items that make up the total compensation common policies include: Salary Survey, Merit Pay, Shift Differential, Amortization Equalization Disbursement, Supplemental Amortization Equalization Disbursement, Short-term Disability and Health, Life, and Dental. Starting in FY 2022-23, a new appropriated line item is included for the employer contributions related to the Paid Family and Medical Leave Insurance Program created from Proposition 118.

TOTAL COMPENSATION CALCULATION DETAILS

The request amounts for total compensation common policies are calculated each year using a snapshot of July's payroll. The July payroll is used since it reflects all total compensation changes that are implemented at the beginning of each fiscal year – this ensures that the Department is using up-to-date information for the total compensation request. Each department receives snapshot data including salary and benefit data for each employee that received a paycheck in July. Next, agencies are allowed to request revisions to the snapshot data to account for positions that are added through decision items and special bills that are not yet filled, positions that are seasonal, positions that are being eliminated and positions that are not appropriated. This process helps to determine an accurate position count and associated salary cost for each position. The final

adjusted data is used to determine the base, or continuation, salary amount for each department for the request year.

Once the data revision process is complete, agencies are asked to provide fund source information for each employee. Employee salaries are paid through a combination of General Fund, Cash Funds, Reappropriated Funds, and Federal Funds. Once the fund source data is finalized, the Department of Personnel & Administration aggregates the data to determine the total need for the request year by fund source for each total compensation common policy line item, in each department.

The following sections provide a detailed explanation for each total compensation common policy line item, and the corresponding request for FY 2022-23, by department.

SALARY SURVEY

The Salary Survey request represents adjustments to employee base salaries for a few reasons: system maintenance studies, occupational group adjustments, a Salary Survey pay-rate adjustment and finally an adjustment to move an employee's salary to the range minimum if it falls below the requested range minimum for his or her job classification.

Salary Range Adjustment

One component of the Annual Compensation report is a recommendation for salary range adjustments. These adjustments allow the State to keep pace with projected market increases and maintain a prevailing total compensation structure. **For FY 2022-23, the Executive Branch requested a 2% salary range structure increase.**

Statewide Pay-Rate Adjustment

Another component of the Annual Compensation report is a recommendation for a Salary Survey pay-rate adjustment. This is generally requested as a standard percent, or across-the board increase, for all state employees. Base (ongoing) or non-base (one-time) adjustments are awarded when funding is provided for this purpose. **For FY 2022-23, the Executive Branch has requested a 3% adjustment to statewide pay-rates.**

System Maintenance Study

System maintenance studies represent a detailed comparison of state salaries to market salaries for a specific role. These studies are conducted to ensure that 1) job classes are grouped and paid appropriately; 2) to determine whether a class structure is current and adequate; 3) to ensure salary grades and relationships are appropriate; and 4) to determine whether specific classes should be revised, abolished or created. **For FY 2022-23, no system maintenance studies were conducted.**

Colorado State Patrol Trooper Evaluation

Pursuant to C.R.S. 24-50-104, the Colorado State Patrol Trooper classes are evaluated annually to ensure that the average salary of each class is equal to 99 percent of the actual average salary of the top three law enforcement agencies within the state that have both more than 100

commissioned officers and the highest actual average. **The FY 2022-23 total compensation request for all trooper classifications includes a 3% adjustment to trooper pay-rates, consistent with the statewide compensation request.**

Minimum Wage Adjustment

The FY 2022-23 request for salary survey includes a proposed minimum wage of \$15.00 effective July 1, 2022, which is consistent with the Colorado WINS partnership agreement.

FY 2022-23 SALARY SURVEY DEPARTMENT FUNDING REQUESTS

SUMMARY FOR SALARY SURVEY							
Department	FY 2021-22 Appropriation	FY 2022-23 Total Request	FY 2021-22 Total Base Adj	GF	CF	RF	FF
Agriculture	\$ 100,193	\$ 626,749	\$ 626,749	\$ 211,167	\$ 415,582	\$ -	\$ -
Corrections	\$ 12,350,919	\$ 12,322,248	\$ 12,322,248	\$ 12,016,673	\$ 305,575	\$ -	\$ -
Education	\$ 1,570,896	\$ 1,563,472	\$ 1,563,472	\$ 556,834	\$ 191,645	\$ 180,315	\$ 634,678
Governor's Office	\$ 3,373,514	\$ 3,604,085	\$ 3,604,085	\$ 421,012	\$ 147,147	\$ 2,975,366	\$ 60,560
HCPF	\$ 1,273,930	\$ 1,739,584	\$ 1,739,584	\$ 701,453	\$ 117,370	\$ 32,730	\$ 888,031
Higher Education	\$ 418,130	\$ 567,669	\$ 567,669	\$ 148,115	\$ 226,814	\$ 115,193	\$ 77,547
Human Services	\$ 10,160,374	\$ 12,651,592	\$ 12,651,592	\$ 8,061,115	\$ 559,338	\$ 1,520,060	\$ 2,511,079
Judicial *	\$ 11,551,816	\$ 12,331,207	\$ 12,331,207	\$ 12,086,723	\$ 232,295	\$ 12,190	\$ -
Labor and Employment	\$ 2,771,288	\$ 4,456,591	\$ 4,456,591	\$ 464,230	\$ 2,254,663	\$ 23,897	\$ 1,713,801
Law	\$ 2,089,310	\$ 1,832,424	\$ 1,832,424	\$ 382,764	\$ 262,331	\$ 1,145,131	\$ 42,198
Legislature *	\$ 1,046,774	\$ 1,104,583	\$ 1,104,583	\$ 1,104,583	\$ -	\$ -	\$ -
Local Affairs	\$ 481,308	\$ 573,826	\$ 573,826	\$ 164,247	\$ 127,349	\$ 163,181	\$ 119,049
Military Affairs	\$ 368,056	\$ 413,382	\$ 413,382	\$ 168,584	\$ 5,306	\$ -	\$ 239,492
Natural Resources	\$ 4,108,736	\$ 5,006,060	\$ 5,006,060	\$ 659,952	\$ 4,106,365	\$ 140,213	\$ 99,530
Personnel and Administration	\$ 909,030	\$ 912,404	\$ 912,404	\$ 382,286	\$ 30,794	\$ 499,324	\$ -
Public Health	\$ 3,951,117	\$ 5,015,751	\$ 5,015,751	\$ 934,199	\$ 1,495,223	\$ 405,599	\$ 2,180,730
Public Safety	\$ 5,114,520	\$ 5,160,772	\$ 5,160,772	\$ 1,462,790	\$ 3,249,084	\$ 323,068	\$ 125,830
Regulatory Agencies	\$ 1,388,353	\$ 1,553,423	\$ 1,553,423	\$ 46,237	\$ 1,404,553	\$ 90,682	\$ 11,951
Revenue	\$ 3,213,596	\$ 3,541,579	\$ 3,541,579	\$ 1,571,176	\$ 1,939,792	\$ 923	\$ 29,688
State	\$ 378,464	\$ 392,180	\$ 392,180	\$ -	\$ 392,180	\$ -	\$ -
Transportation	\$ 407,894	\$ 425,223	\$ 425,223	\$ -	\$ 425,223	\$ -	\$ -
Treasury	\$ 74,044	\$ 90,193	\$ 90,193	\$ 58,150	\$ 32,043	\$ -	\$ -
TOTAL	\$ 67,102,262	\$ 75,884,998	\$ 75,884,998	\$ 41,602,290	\$ 17,920,672	\$ 7,627,872	\$ 8,734,164

MERIT PAY

The Total Compensation Report includes recommendations for Merit Pay for the State Classified System as required under Section 24-50-104 (1) (c), C.R.S. The Merit Pay appropriation provides funding for increases in pay (both base-building and one-time in nature) depending on a State employee's individual performance and placement within his or her pay range. **For FY 2022-23, the Executive Branch has not requested Merit Pay.**

SHIFT DIFFERENTIAL

The Shift Differential line item funds compensation adjustments for employees who work outside of normal work hours. These are second and third shift workers whose scheduled work hours fall outside of the Monday through Friday, 8:00 am to 5:00 pm work schedule. Offering Shift Differential is a standard practice in the private sector.

In recent years, the Executive Branch followed a policy of requesting Shift Differential at 100 percent of actual expenditures in the most recent fiscal year. This allows agencies to maintain

operations at the current level. The FY 2022-23 request continues the policy of funding 100 percent of prior year actual expenditures. The following table reflects the Shift Differential request by department for FY 2022-23.

FY 2022-23 SHIFT DIFFERENTIAL DEPARTMENT FUNDING REQUESTS

SUMMARY FOR SHIFT DIFFERENTIAL							
Department	FY 2021-22 Appropriation	FY 2022-23 Total Request	FY 2021-22 Total Base Adj	GF	CF	RF	FF
Agriculture	\$ -	\$ 5,744	\$ 5,744	\$ 54	\$ 5,690	\$ -	\$ -
Corrections	\$ 10,251,533	\$ 8,987,574	\$ (1,263,959)	\$ (1,269,709)	\$ 5,750	\$ -	\$ -
Education	\$ 86,754	\$ 131,998	\$ 45,244	\$ 45,244	\$ -	\$ -	\$ -
Governor's Office	\$ 85,592	\$ 88,758	\$ 3,166	\$ -	\$ -	\$ 3,166	\$ -
HCPF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Higher Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Human Services	\$ 8,698,621	\$ 8,073,369	\$ (625,252)	\$ (299,808)	\$ 72,774	\$ (268,390)	\$ (129,828)
Judicial *	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor and Employment	\$ 15,066	\$ 17,002	\$ 1,936	\$ -	\$ -	\$ -	\$ 1,936
Law	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legislature *	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Affairs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Military Affairs	\$ 31,625	\$ 34,355	\$ 2,730	\$ -	\$ -	\$ -	\$ 2,730
Natural Resources	\$ 48,117	\$ 54,742	\$ 6,625	\$ -	\$ 6,625	\$ -	\$ -
Personnel and Administration	\$ 48,157	\$ 44,297	\$ (3,860)	\$ -	\$ -	\$ (3,860)	\$ -
Public Health	\$ 7	\$ 12,621	\$ 12,614	\$ 224	\$ 3,042	\$ -	\$ 9,348
Public Safety	\$ 542,784	\$ 557,049	\$ 14,265	\$ (575)	\$ 2,062	\$ 12,778	\$ -
Regulatory Agencies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue	\$ 102,026	\$ 99,139	\$ (2,887)	\$ -	\$ (2,887)	\$ -	\$ -
State	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transportation	\$ 22,118	\$ 12,024	\$ (10,094)	\$ -	\$ (10,094)	\$ -	\$ -
Treasury	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 19,932,400	\$ 18,118,672	\$ (1,813,728)	\$ (1,524,570)	\$ 82,962	\$ (256,306)	\$ (115,814)

*Non-Executive branch agencies are not required to submit budget proposals to the Governor's Office; agencies that did not submit budget proposals have been included and the estimated need and fund splits are based on the FY 2021-22 Long Bill.

Note: The table above only includes the base request for FY 2022-23. Any additional changes due to change requests from this or other departments are not reflected in the numbers above.

SHIFT DIFFERENTIAL CALCULATION DETAIL – REVISED BASE SALARY

In a year which salary increases are funded, the Salary Survey and Merit Pay adjustments are determined at the individual employee level then aggregated to the department level. The adjustment for Shift Differential is added next in order to calculate the department’s revised base salary amount for the request year. The table below illustrates this calculation:

Shift Differential Calculation Detail - Revised Base Salary	
Department Base Salary	\$500,000
+ Base Building Across-The-Board (ATB) Salary Survey (\$500,000 * 1%)	\$5,000
= New Salary	\$505,000
+ Base Building Merit Pay (\$505,000 * 1%)	\$5,050
= Total Base Salary FY 2022-23	\$510,050
+ Shift Differential Actual FY 2020-21	\$100,000
= Department Revised Base Salary for FY 2022-23	\$610,050

After the revised base salary is calculated, the Amortization Equalization Disbursement, Supplemental Amortization Equalization Disbursement, and Short-term Disability request amounts are calculated based on a percentage of the FY 2022-23 revised base salary.

AMORTIZATION EQUALIZATION DISBURSEMENT (AED)

Pursuant to S.B. 04-257, the State contributes additional funds to assist in the amortization of the Public Employees' Retirement Association's (PERA) unfunded liability. During the 2005 legislative session, the General Assembly created a separate line item to provide funding each calendar year, until contributions reach the maximum rate of 5.0 percent in calendar year 2017. The table below shows the contribution rates by calendar year for both Amortization Equalization Disbursement (AED) and Supplemental Amortization Equalization Disbursement (SAED, described in the next section).

Calendar Year	State PERA Contribution	AED Contribution	SAED Contribution	DC Supplement	Total State Contribution
2010	10.15%	2.20%	1.50%		13.85%
2011	10.15%	2.60%	2.00%		14.75%
2012	10.15%	3.00%	2.50%		15.65%
2013	10.15%	3.40%	3.00%		16.55%
2014	10.15%	3.80%	3.50%		17.45%
2015	10.15%	4.20%	4.00%		18.35%
2016	10.15%	4.60%	4.50%		19.25%
2017	10.15%	5.00%	5.00%		20.15%
2018	10.15%	5.00%	5.00%		20.15%
2019	10.15%	5.00%	5.00%		20.15%
Jan 2020	10.40%	5.00%	5.00%		20.40%
Jul 2020	10.90%	5.00%	5.00%		20.90%
Jan 2021	10.90%	5.00%	5.00%	0.05%	20.95%
Jul 2021	10.90%	5.00%	5.00%	0.05%	20.95%
Jan 2022	10.90%	5.00%	5.00%	0.05%	20.95%
Jul 2022	11.40%	5.00%	5.00%	0.10%	21.50%

AED CALCULATION DETAIL

The AED amount required for each department is a product of the department's revised base salary and the percent contribution as determined by statute. For budgeting purposes, six months of the yearly contributions percentages set in statute are converted to a blended rate for the fiscal year. For FY 2022-23, the blended rate is 5.0 percent of revised base salaries. The AED rate for the Judicial department is equal to the 2010 calendar year rate until December 31, 2018, pursuant to C.R.S. 24-51-411 (4). Under House Bill 17-1265, beginning January 1, 2019, the Judicial AED rate increased to 3.4 percent and shall increase by four-tenths of one percent at the start of each

calendar year through 2023. For FY 2022-23, the blended rate for Judicial is 4.6 percent. The AED calculation is described below:

Calculation Detail - AED	
Department Revised Base Salary	\$610,000
AED @ 5%	\$610,000 * 5%
= Requested AED Appropriation	\$30,500

FY 2022-23 AED DEPARTMENT FUNDING REQUESTS

SUMMARY FOR AED							
Department	FY 2021-22 Appropriation	FY 2022-23 Total Request	FY 2021-22 Total Base Adj	GF	CF	RF	FF
Agriculture	\$ 918,971	\$ 951,652	\$ 32,681	\$ 25,406	\$ 7,275	\$ -	\$ -
Corrections	\$ 19,329,894	\$ 19,135,506	\$ (194,388)	\$ (172,429)	\$ (21,959)	\$ -	\$ -
Education	\$ 2,404,134	\$ 2,356,489	\$ (47,645)	\$ (71,489)	\$ (82,111)	\$ 91,976	\$ 13,979
Governor's Office	\$ 5,149,871	\$ 5,452,257	\$ 302,386	\$ 99,108	\$ 88,197	\$ 100,599	\$ 14,482
HCPF	\$ 2,360,586	\$ 2,646,244	\$ 285,658	\$ 142,698	\$ 1,189	\$ (3,132)	\$ 144,903
Higher Education	\$ 594,363	\$ 702,217	\$ 107,854	\$ 97,988	\$ (35,446)	\$ (11,303)	\$ 56,615
Human Services	\$ 15,767,140	\$ 16,498,628	\$ 731,488	\$ 669,288	\$ 143,080	\$ (132,338)	\$ 51,458
Judicial *	\$ 17,744,419	\$ 18,514,833	\$ 770,414	\$ 771,019	\$ (224)	\$ (381)	\$ -
Labor and Employment	\$ 4,047,872	\$ 4,788,588	\$ 740,716	\$ 6,278	\$ 405,232	\$ (109)	\$ 329,315
Law	\$ 2,476,156	\$ 2,745,025	\$ 268,869	\$ 44,477	\$ 4,808	\$ 224,269	\$ (4,685)
Legislature *	\$ 1,599,433	\$ 1,680,284	\$ 80,851	\$ 80,851	\$ -	\$ -	\$ -
Local Affairs	\$ 735,418	\$ 872,902	\$ 137,484	\$ 34,620	\$ 99,278	\$ (22,717)	\$ 26,303
Military Affairs	\$ 563,024	\$ 607,333	\$ 44,309	\$ 21,214	\$ 1,545	\$ -	\$ 21,550
Natural Resources	\$ 6,274,184	\$ 6,480,775	\$ 206,591	\$ 15,313	\$ 190,895	\$ 9,817	\$ (9,434)
Personnel and Administration	\$ 1,391,105	\$ 1,387,094	\$ (4,011)	\$ 993	\$ (8,465)	\$ 3,461	\$ -
Public Health	\$ 6,034,806	\$ 7,441,964	\$ 1,407,158	\$ 416,367	\$ 74,067	\$ 25,747	\$ 890,977
Public Safety	\$ 7,828,539	\$ 7,754,689	\$ (73,850)	\$ 277,132	\$ (199,539)	\$ (196,852)	\$ 45,409
Regulatory Agencies	\$ 2,121,329	\$ 2,363,055	\$ 241,726	\$ (4,431)	\$ 302,950	\$ 4,437	\$ (61,230)
Revenue	\$ 4,819,110	\$ 5,173,697	\$ 354,587	\$ 347,610	\$ (4,428)	\$ (928)	\$ 12,333
State	\$ 578,281	\$ 596,581	\$ 18,300	\$ -	\$ 18,300	\$ -	\$ -
Transportation	\$ 624,233	\$ 647,253	\$ 23,020	\$ -	\$ 23,020	\$ -	\$ -
Treasury	\$ 124,737	\$ 137,201	\$ 12,464	\$ 11,045	\$ 1,419	\$ -	\$ -
TOTAL	\$ 103,487,605	\$ 108,934,267	\$ 5,446,662	\$ 2,813,058	\$ 1,009,083	\$ 92,546	\$ 1,531,975

*Non-Executive branch agencies are not required to submit budget proposals to the Governor's Office; agencies that did not submit budget proposals have been included and the estimated need and fund splits are based on the FY 2021-22 Long Bill.

Note: The table above only includes the base request for FY 2022-23. Any additional changes due to change requests from this or other departments are not reflected in the numbers above.

SUPPLEMENTAL AMORTIZATION EQUALIZATION DISBURSEMENT (SAED)

Similar to the Amortization Equalization Disbursement line item, the Supplemental Amortization Equalization Disbursement (SAED) line item increases contributions to the PERA Trust Fund to amortize the unfunded liability in the Trust Fund. During the 2006 legislative session the General Assembly passed S.B. 06-235, which added Supplemental AED payments. Pursuant to statute, the funding for SAED comes from monies which would have otherwise gone to State employees as salary increases.

SAED CALCULATION DETAIL

The SAED amount required for each department is a product of their revised base salary and the percent contribution as determined by statute. For budgeting purposes, six months of the yearly percentages set in statute are converted to a blended rate for the fiscal year. For FY 2022-23, the blended percentage contribution is 5.0 percent of revised base salaries. The SAED rate for the Judicial department is equal to the 2010 calendar year rate until December 31, 2018, pursuant to C.R.S. 24-51-411 (7). Under House Bill 17-1265, beginning January 1, 2019, the Judicial SAED rate increases to 3.4 percent and shall increase by four-tenths of one percent at the start of each calendar year through 2023. For FY 2022-23, the blended rate for Judicial is 4.6 percent. The SAED calculation is described below:

Calculation Detail - SAED	
Department Revised Base Salary	\$610,000
SAED @ 5%	\$610,000 * 5%
= Requested SAED Appropriation	\$30,500

FY 2022-23 SAED DEPARTMENT FUNDING REQUESTS

SUMMARY FOR SAED								
Department	FY 2021-22 Appropriation	FY 2022-23 Total Request	FY 2021-22 Total Base Adj	GF	CF	RF	FF	
Agriculture	\$ 918,971	\$ 951,652	\$ 32,681	\$ 25,406	\$ 7,275	\$ -	\$ -	
Corrections	\$ 19,329,894	\$ 19,135,506	\$ (194,388)	\$ (172,429)	\$ (21,959)	\$ -	\$ -	
Education	\$ 2,404,134	\$ 2,356,489	\$ (47,645)	\$ (71,489)	\$ (82,111)	\$ 91,976	\$ 13,979	
Governor's Office	\$ 5,149,871	\$ 5,452,257	\$ 302,386	\$ 99,108	\$ 88,197	\$ 100,599	\$ 14,482	
HCPF	\$ 2,360,586	\$ 2,646,244	\$ 285,658	\$ 142,698	\$ 1,189	\$ (3,132)	\$ 144,903	
Higher Education	\$ 594,363	\$ 702,217	\$ 107,854	\$ 97,988	\$ (35,446)	\$ (11,303)	\$ 56,615	
Human Services	\$ 15,767,140	\$ 16,498,628	\$ 731,488	\$ 669,288	\$ 143,080	\$ (132,338)	\$ 51,458	
Judicial *	\$ 17,744,419	\$ 18,514,833	\$ 770,414	\$ 771,019	\$ (224)	\$ (381)	\$ -	
Labor and Employment	\$ 4,047,872	\$ 4,788,588	\$ 740,716	\$ 6,278	\$ 405,232	\$ (109)	\$ 329,315	
Law	\$ 2,476,156	\$ 2,745,025	\$ 268,869	\$ 44,477	\$ 4,808	\$ 224,269	\$ (4,685)	
Legislature *	\$ 1,599,433	\$ 1,680,284	\$ 80,851	\$ 80,851	\$ -	\$ -	\$ -	
Local Affairs	\$ 735,418	\$ 872,902	\$ 137,484	\$ 34,620	\$ 99,278	\$ (22,717)	\$ 26,303	
Military Affairs	\$ 563,024	\$ 607,333	\$ 44,309	\$ 21,214	\$ 1,545	\$ -	\$ 21,550	
Natural Resources	\$ 6,274,184	\$ 6,480,775	\$ 206,591	\$ 15,313	\$ 190,895	\$ 9,817	\$ (9,434)	
Personnel and Administration	\$ 1,391,105	\$ 1,387,094	\$ (4,011)	\$ 993	\$ (8,465)	\$ 3,461	\$ -	
Public Health	\$ 6,034,806	\$ 7,441,964	\$ 1,407,158	\$ 416,367	\$ 74,067	\$ 25,747	\$ 890,977	
Public Safety	\$ 7,828,539	\$ 7,754,689	\$ (73,850)	\$ 277,132	\$ (199,539)	\$ (196,852)	\$ 45,409	
Regulatory Agencies	\$ 2,121,329	\$ 2,363,055	\$ 241,726	\$ (4,431)	\$ 302,950	\$ 4,437	\$ (61,230)	
Revenue	\$ 4,819,110	\$ 5,173,697	\$ 354,587	\$ 347,610	\$ (4,428)	\$ (928)	\$ 12,333	
State	\$ 578,281	\$ 596,581	\$ 18,300	\$ -	\$ 18,300	\$ -	\$ -	
Transportation	\$ 624,233	\$ 647,253	\$ 23,020	\$ -	\$ 23,020	\$ -	\$ -	
Treasury	\$ 124,737	\$ 137,201	\$ 12,464	\$ 11,045	\$ 1,419	\$ -	\$ -	
TOTAL	\$ 103,487,605	\$ 108,934,267	\$ 5,446,662	\$ 2,813,058	\$ 1,009,083	\$ 92,546	\$ 1,531,975	

*Non-Executive branch agencies are not required to submit budget proposals to the Governor's Office; agencies that did not submit budget proposals have been included and the estimated need and fund splits are based on the FY 2021-22 Long Bill.

Note: The table above only includes the base request for FY 2022-23. Any additional changes due to change requests from this or other departments are not reflected in the numbers above.

SHORT-TERM DISABILITY (STD)

The Short-term Disability appropriation is used to provide partial payment of an employee’s salary if an individual becomes disabled and cannot perform his or her work duties. All employees qualify for this employer-paid, payroll-based insurance benefit. This benefit is calculated on an annual basis. For FY 2022-23, the Executive Branch requests short-term disability funding at 0.16 percent of revised base salaries.

STD CALCULATION DETAIL

The amount required for each department is a product of the department’s revised base salary and 0.16 percent requested by the Executive Branch as shown in the table below.

Calculation Detail - STD	
Department Revised Base Salary	\$610,050
STD @ 0.16%	\$610,000 * 0.16%
= Requested STD Appropriation	\$976

FY 2022-23 STD DEPARTMENT FUNDING REQUESTS

SUMMARY FOR Short-Term Disability								
Department	FY 2021-22 Appropriation	FY 2022-23 Total Request	FY 2021-22 Total Base Adj	GF	CF	RF	FF	
Agriculture	\$ 27,806	\$ 29,132	\$ 1,326	\$ 882	\$ 444	\$ -	\$ -	
Corrections	\$ 603,955	\$ 599,581	\$ (4,374)	\$ (3,662)	\$ (712)	\$ -	\$ -	
Education	\$ 76,642	\$ 74,570	\$ (2,072)	\$ (2,532)	\$ (2,678)	\$ 2,883	\$ 255	
Governor's Office	\$ 164,505	\$ 171,254	\$ 6,749	\$ 2,235	\$ 2,456	\$ 1,746	\$ 312	
HCPF	\$ 102,458	\$ 84,676	\$ (17,782)	\$ (16,659)	\$ (4,050)	\$ (1,707)	\$ 4,634	
Higher Education	\$ 18,378	\$ 21,306	\$ 2,928	\$ 2,870	\$ (1,264)	\$ (415)	\$ 1,737	
Human Services	\$ 488,186	\$ 512,902	\$ 24,716	\$ 22,771	\$ 4,442	\$ (3,583)	\$ 1,086	
Judicial *	\$ 566,362	\$ 594,201	\$ 27,839	\$ 27,799	\$ 51	\$ (11)	\$ -	
Labor and Employment	\$ 128,503	\$ 151,717	\$ 23,214	\$ (132)	\$ 12,111	\$ 8	\$ 11,227	
Law	\$ 79,236	\$ 87,841	\$ 8,605	\$ 1,424	\$ 154	\$ 7,177	\$ (150)	
Legislature *	\$ 44,045	\$ 46,008	\$ 1,963	\$ 1,963	\$ -	\$ -	\$ -	
Local Affairs	\$ 22,573	\$ 26,068	\$ 3,495	\$ 856	\$ 2,886	\$ (904)	\$ 657	
Military Affairs	\$ 17,802	\$ 18,528	\$ 726	\$ 397	\$ 40	\$ -	\$ 289	
Natural Resources	\$ 179,334	\$ 184,943	\$ 5,609	\$ 579	\$ 5,137	\$ 263	\$ (370)	
Personnel and Administration	\$ 44,196	\$ 44,102	\$ (94)	\$ 44	\$ (268)	\$ 130	\$ -	
Public Health	\$ 183,353	\$ 227,615	\$ 44,262	\$ 12,794	\$ 2,730	\$ 924	\$ 27,814	
Public Safety	\$ 246,642	\$ 242,938	\$ (3,704)	\$ 8,613	\$ (7,493)	\$ (6,243)	\$ 1,419	
Regulatory Agencies	\$ 67,250	\$ 75,519	\$ 8,269	\$ (123)	\$ 10,152	\$ 176	\$ (1,936)	
Revenue	\$ 271,295	\$ 164,289	\$ (107,006)	\$ 844	\$ (660)	\$ (30)	\$ (107,160)	
State	\$ 18,277	\$ 19,091	\$ 814	\$ -	\$ 814	\$ -	\$ -	
Transportation	\$ 19,940	\$ 20,695	\$ 755	\$ -	\$ 755	\$ -	\$ -	
Treasury	\$ 3,995	\$ 4,391	\$ 396	\$ 350	\$ 46	\$ -	\$ -	
TOTAL	\$ 3,374,733	\$ 3,401,367	\$ 26,634	\$ 61,313	\$ 25,093	\$ 414	\$ (60,186)	

*Non-Executive branch agencies are not required to submit budget proposals to the Governor's Office; agencies that did not submit budget proposals have been included and the estimated need and fund splits are based on the FY 2021-22 Long Bill.

Note: The Short-Term Disability table above only includes the base request for FY 2022-23. Any additional changes due to change requests from this or other departments are not reflected in the numbers within this table.

HEALTH, LIFE, AND DENTAL (HLD)

Each department's Health, Life, and Dental (HLD) appropriation is designed to cover the State's premium contribution for each employee's HLD insurance election. The State offers four categories of coverage for medical and dental insurance: Employee Only, Employee plus Children, Employee plus Spouse, and Family.

The Department of Personnel & Administration contracts with a benefits actuary to provide an estimate of how insurance benefits should be funded in the subsequent budget year. The actuary analyzes the previous fiscal year's statewide and industry trends in healthcare costs to make a recommendation. This information is not available until late autumn of each year, so if necessary, the Department may submit a FY 2022-23 budget amendment with revised figures in January 2022. The request amounts shown for HLD should be considered a placeholder for the future budget amendment.

For the FY 2022-23 total compensation request, the estimated health contribution rates represent the total combined potential premium increase. The health premiums are projected to increase by five percent while the dental premiums are projected to remain at the FY 2021-22 rates. The life insurance rate is projected to increase by three percent. The following table shows the placeholder amounts that are included in the November 1 request for FY 2022-23 for Health, Life and Dental.

FY 2022-23 Health, Life, and Dental State Contributions by Tier and Plan					
Plan	Tier	Tier Description	Health	Dental	Life
Cigna HDHP	1	Employee	\$707.10	\$32.34	\$8.49
	2	Employee + Spouse	\$1,259.18	\$53.46	\$8.49
	3	Employee + Child(ren)	\$1,239.00	\$57.78	\$8.49
	4	Family	\$1,731.32	\$78.00	\$8.49
Cigna Co-Pay Basic	1	Employee	\$701.28	\$32.34	\$8.49
	2	Employee + Spouse	\$1,293.40	\$53.46	\$8.49
	3	Employee + Child(ren)	\$1,285.38	\$57.78	\$8.49
	4	Family	\$1,831.44	\$78.00	\$8.49
Cigna Co-Pay Plus	1	Employee	\$669.54	\$32.34	\$8.49
	2	Employee + Spouse	\$1,238.66	\$53.46	\$8.49
	3	Employee + Child(ren)	\$1,236.16	\$57.78	\$8.49
	4	Family	\$1,723.62	\$78.00	\$8.49
Kaiser Permanente HDHP	1	Employee	\$614.82	\$32.34	\$8.49
	2	Employee + Spouse	\$1,108.48	\$53.46	\$8.49
	3	Employee + Child(ren)	\$1,106.28	\$57.78	\$8.49
	4	Family	\$1,584.68	\$78.00	\$8.49
Kaiser Permanente Co-Pay Basic	1	Employee	\$637.32	\$32.34	\$8.49
	2	Employee + Spouse	\$1,217.30	\$53.46	\$8.49
	3	Employee + Child(ren)	\$1,198.90	\$57.78	\$8.49
	4	Family	\$1,695.38	\$78.00	\$8.49
Kaiser Permanente Co-Pay Plus	1	Employee	\$654.00	\$32.34	\$8.49
	2	Employee + Spouse	\$1,219.28	\$53.46	\$8.49
	3	Employee + Child(ren)	\$1,216.44	\$57.78	\$8.49
	4	Family	\$1,698.22	\$78.00	\$8.49

HLD CALCULATION DETAIL

The budget request is based on employee health and dental elections by tier and by plan as of July 2021. The example below shows an employee enrolled in Cigna's High Deductible Health Plan tier one for health benefits and the basic dental tier one benefits. All employees receive the state paid life insurance benefit. To determine the request amounts, this calculation is completed and annualized for every benefit-eligible employee in each department.

Calculation Detail - HLD	
Tier 1 Health (Cigna HDHP)	\$707.10
+ Tier 1 Dental (Basic)	\$32.34
+ Life	\$8.49
= Monthly State Contribution Request (one employee)	\$747.93

FY 2022-23 HLD DEPARTMENT FUNDING REQUESTS

SUMMARY FOR Short-Term Disability							
Department	FY 2021-22 Appropriation	FY 2022-23 Total Request	FY 2021-22 Total Base Adj	GF	CF	RF	FF
Agriculture	\$ 3,286,160	\$ 3,389,117	\$ 102,957	\$ 100,993	\$ 1,964	\$ -	\$ -
Corrections	\$ 67,562,540	\$ 69,388,411	\$ 1,825,871	\$ 1,854,579	\$ (28,708)	\$ -	\$ -
Education	\$ 6,994,268	\$ 7,049,729	\$ 55,461	\$ (293,673)	\$ (103,987)	\$ 273,546	\$ 179,575
Governor's Office	\$ 13,532,198	\$ 13,747,031	\$ 214,833	\$ 152,404	\$ 103,461	\$ (55,802)	\$ 14,769
HCPF	\$ 6,863,806	\$ 8,118,739	\$ 1,254,933	\$ 696,592	\$ 22,318	\$ (1,071)	\$ 537,093
Higher Education	\$ 1,841,211	\$ 2,312,564	\$ 471,353	\$ 250,882	\$ 121,131	\$ (137,482)	\$ 236,822
Human Services	\$ 55,229,907	\$ 58,232,026	\$ 3,002,119	\$ 2,391,267	\$ 404,188	\$ (492,722)	\$ 699,386
Judicial *	\$ 52,162,566	\$ 55,783,133	\$ 3,620,567	\$ 3,561,172	\$ 51,319	\$ 8,076	\$ -
Labor and Employment	\$ 13,642,224	\$ 17,279,796	\$ 3,637,572	\$ 42,993	\$ 2,284,520	\$ 4,523	\$ 1,305,536
Law	\$ 6,008,122	\$ 6,536,404	\$ 528,282	\$ 15,364	\$ 46,629	\$ 446,802	\$ 19,486
Legislature *	\$ 3,146,466	\$ 3,869,313	\$ 722,848	\$ 722,848	\$ -	\$ -	\$ -
Local Affairs	\$ 2,106,270	\$ 2,355,869	\$ 249,599	\$ 38,716	\$ 240,107	\$ (75,929)	\$ 46,705
Military Affairs	\$ 1,553,068	\$ 1,764,010	\$ 210,942	\$ 80,383	\$ (9,858)	\$ -	\$ 140,417
Natural Resources	\$ 18,769,338	\$ 19,179,665	\$ 410,327	\$ (421,021)	\$ 513,312	\$ 327,373	\$ (9,336)
Personnel and Administration	\$ 4,448,038	\$ 4,426,538	\$ (21,500)	\$ (77,881)	\$ 18,844	\$ 37,537	\$ -
Public Health	\$ 16,173,999	\$ 21,067,216	\$ 4,893,217	\$ 2,499,263	\$ 424,023	\$ 52,265	\$ 1,917,665
Public Safety	\$ 23,052,743	\$ 23,537,101	\$ 484,358	\$ 1,441,361	\$ (404,836)	\$ (721,111)	\$ 168,944
Regulatory Agencies	\$ 6,016,598	\$ 7,168,165	\$ 1,151,567	\$ (16,992)	\$ 1,300,383	\$ 29,359	\$ (161,184)
Revenue	\$ 16,992,741	\$ 19,346,127	\$ 2,353,386	\$ 2,016,661	\$ 287,588	\$ (3,911)	\$ 53,048
State	\$ 1,599,943	\$ 1,739,610	\$ 139,667	\$ -	\$ 139,667	\$ -	\$ -
Transportation	\$ 1,681,017	\$ 1,988,227	\$ 307,210	\$ -	\$ 307,210	\$ -	\$ -
Treasury	\$ 341,626	\$ 375,886	\$ 34,260	\$ 39,705	\$ (5,445)	\$ -	\$ -
TOTAL	\$ 323,004,849	\$ 348,654,676	\$ 25,649,827	\$ 15,095,616	\$ 5,713,830	\$ (308,548)	\$ 5,148,928

*Non-Executive branch agencies are not required to submit budget proposals to the Governor's Office; agencies that did not submit budget proposals have been included and the estimated need and fund splits are based on the FY 2021-22 Long Bill.

Note: The table above only includes the base request for FY 2022-23. Any additional changes due to change requests from this or other departments are not reflected in the numbers above.

PAID FAMILY MEDICAL LEAVE INITIATIVE (PFML)

Colorado Proposition 118, Paid Family Medical Leave Initiative, was approved in November 2020 by a vote of the people. This created a paid family and medical leave insurance program for all Colorado employees administered by the Colorado Department of Labor and Employment. This requires employers and employees in Colorado to pay a payroll premium (.90 percent with a minimum of half paid by the employer) to finance paid family and medical leave insurance benefits beginning January 1, 2023 to finance up to 12 weeks of paid family medical leave to eligible employees beginning January 1, 2024.

For the FY 2022-23 total compensation request, the PFML initiative request was calculated using an assumption of six months of premiums at the minimum employer contribution of half of .90 percent, or .45 percent.

**FY 2022-23 PAID FAMILY MEDICAL LEAVE INSURANCE PROGRAM
DEPARTMENT FUNDING REQUESTS**

SUMMARY FOR PAID FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM							
Department	FY 2021-22 Appropriation	FY 2022-23 Total Request	FY 2021-22 Total Base Adj	GF	CF	RF	FF
Agriculture	\$ -	\$ 42,824	\$ 42,824	\$ 14,457	\$ 28,367	\$ -	\$ -
Corrections	\$ -	\$ 861,098	\$ 861,098	\$ 840,117	\$ 20,981	\$ -	\$ -
Education	\$ -	\$ 106,042	\$ 106,042	\$ 37,264	\$ 13,122	\$ 12,340	\$ 43,316
Governor's Office	\$ -	\$ 245,352	\$ 245,352	\$ 27,282	\$ 10,073	\$ 203,852	\$ 4,146
HCPF	\$ -	\$ 119,081	\$ 119,081	\$ 48,017	\$ 8,034	\$ 2,240	\$ 60,789
Higher Education	\$ -	\$ 31,600	\$ 31,600	\$ 5,208	\$ 15,526	\$ 5,557	\$ 5,308
Human Services	\$ -	\$ 742,438	\$ 742,438	\$ 498,132	\$ 31,921	\$ 97,122	\$ 115,264
Judicial *	\$ -	\$ 194,462	\$ 194,462	\$ 192,672	\$ 960	\$ 830	\$ -
Labor and Employment	\$ -	\$ 215,486	\$ 215,486	\$ 12,492	\$ 84,188	\$ 1,636	\$ 117,170
Law	\$ -	\$ 123,526	\$ 123,526	\$ 26,236	\$ 17,793	\$ 76,608	\$ 2,889
Legislature *	\$ -	\$ 75,613	\$ 75,613	\$ 75,613	\$ -	\$ -	\$ -
Local Affairs	\$ -	\$ 39,281	\$ 39,281	\$ 11,243	\$ 8,718	\$ 11,170	\$ 8,149
Military Affairs	\$ -	\$ 27,330	\$ 27,330	\$ 11,199	\$ 363	\$ -	\$ 15,767
Natural Resources	\$ -	\$ 291,635	\$ 291,635	\$ 45,180	\$ 230,041	\$ 9,599	\$ 6,815
Personnel and Administration	\$ -	\$ 62,419	\$ 62,419	\$ 26,171	\$ 2,107	\$ 34,141	\$ -
Public Health	\$ -	\$ 334,888	\$ 334,888	\$ 56,856	\$ 100,970	\$ 27,765	\$ 149,298
Public Safety	\$ -	\$ 348,961	\$ 348,961	\$ 98,843	\$ 219,685	\$ 21,932	\$ 8,501
Regulatory Agencies	\$ -	\$ 106,337	\$ 106,337	\$ 3,165	\$ 96,147	\$ 6,208	\$ 818
Revenue	\$ -	\$ 232,816	\$ 232,816	\$ 105,511	\$ 125,210	\$ 63	\$ 2,033
State	\$ -	\$ 26,846	\$ 26,846	\$ -	\$ 26,846	\$ -	\$ -
Transportation	\$ -	\$ 29,126	\$ 29,126	\$ -	\$ 29,126	\$ -	\$ -
Treasury	\$ -	\$ 6,174	\$ 6,174	\$ 3,981	\$ 2,193	\$ -	\$ -
TOTAL	\$ -	\$ 4,263,337	\$ 4,263,337	\$ 2,139,639	\$ 1,072,372	\$ 511,063	\$ 540,263

OPERATING COMMON POLICIES

Operating common policies refer to an array of statewide services provided by the Department of Personnel & Administration (DPA). Services include: Administrative Law Judge Services, Workers' Compensation, Payment to Risk Management and Property Funds, Capitol Complex Leased Space, and CORE Operations. Departments request appropriations to pay DPA for services through these operating common policy line items, often centrally appropriated in the Executive Director's Office long bill group. DPA's appropriation reflects corresponding Reappropriated Funds spending authority in order to spend the moneys received from billing other agencies for services. The requested amounts for operating common policies are calculated by the Department of Personnel & Administration, and based on the total estimated program need for FY 2022-23.

Beginning in FY 2019-20, the PERA Direct Distribution is included as an operating common policy within DPA, but this common policy does not function like other operating common policies in that DPA does not incur any overhead costs or collect revenue from State departments. The PERA common policy is merely a mechanism for the State to access fund sources other than General Fund in order to pay its proportional share of the \$225 million annual payment from the State Treasurer to PERA beginning July 1, 2019 and every fiscal year thereafter until the unfunded liability has been addressed pursuant to SB 18-200.

The requested amounts for the following operating common policy line items appear in departments' individual budget submissions.

ADMINISTRATIVE LAW JUDGE SERVICES

The Colorado Office of Administrative Courts (OAC) was statutorily created in 1976 to provide an easily accessible, independent and cost-effective administrative law adjudication system in Colorado. The Office is one of 24 central panels of independent Administrative Law Judges (ALJ) in the United States, and provides administrative law hearings to over 50 State agencies, counties and other entities out of its three offices (Denver, Colorado Springs and Grand Junction).

The OAC conducts all workers' compensation merit hearings for the entire State; all public benefits cases (food stamps, Colorado Works/TANF, Medicaid, etc.); all professional licensing board work involving the denial, revocation, suspension or other discipline of holders of a professional license (such as doctors, nurses, architects, real estate brokers, engineers, etc.); teacher dismissal cases, and all Secretary of State cases where a citizen has filed a complaint under the Fair Campaign Practices Act. In addition, the Office conducts mediations and settlement conferences.

FY 2022-23 ADMINISTRATIVE LAW JUDGE ESTIMATED COSTS

For FY 2022-23, the Administrative Law Judge Services request includes a base adjustment to the ALJ line item for each department based on updated program expenditures anticipated for FY 2022-23.

The descriptions and table below provide the amount and rationale behind each of the request components and outlines any departure from the previously requested amounts or methodologies. The Department submits an adjustment for this common policy annually, based on actual use of ALJ services in the most recently completed fiscal year.

FY 2022-23 Administrative Law Judge Request		
Description	FY 2021-22	FY 2022-23
Personal Services	\$4,137,018	\$4,250,369
Total Compensation Common Policies	\$1,013,106	\$1,130,862
Operating and OIT Common Policies	\$1,206,921	\$1,307,364
Operating Expenses	\$172,233	\$172,233
Indirect Costs	\$270,464	\$270,464
Fund Balance Adjustment	(\$886,292)	(\$406,293)
Total	\$5,913,450	\$6,724,999

- **Personal Services:** The amount requested for Personal Services accounts for the base building impact of Salary Survey and Merit Pay, if any.
- **Total Compensation Common Policies:** This includes funding for the ALJ program staff for the following: Health, Life, and Dental, Short-term Disability, AED, SAED, Salary Survey, Merit Pay, Increased Employer PERA Contribution, and PERA Direct Distribution.
- **Operating and OIT Common Policies:** This includes the program's need for the following centrally appropriated line items: Workers' Compensation, Legal Services, Payment to Risk Management and Property Funds, Leased Space, Capitol Complex Leased Space, Payments to OIT, and CORE Operations.

- **Operating Expenses:** A continuation level of funding has been requested for operating expenses.
- **Indirect Costs:** This represents the program’s share of indirect costs for FY 2022-23.
- **Fund Balance Adjustment:** The fund balance adjustment is the mechanism by which the Department adjusts rates up or down to address any over/under collection from previous fiscal years. For the ALJ fund balance adjustment, eight and a quarter percent of base expenditures is requested as a reserve. The table below shows the calculation of the fund balance adjustment:

FY 2022-23 Administrative Law Judge Fund Balance Projection	
Description	Amount
Final Fund Balance - FY21	\$ 1,530,339
Projected FY22 Revenue	\$ 5,913,450
Projected FY22 Expense	\$ 6,650,318
Final Fund Balance - FY22 Proj.	\$ 793,471
FY23 - Personal Services	\$ 4,250,369
FY23 - Operating	\$ 172,233
FY23 - Indirect Costs	\$ 270,464
FY23 - Total Expenditure Base	\$ 4,693,066
Targeted Fund Bal - 8.25% of Exp Base	\$ 387,178
Addition / (Reduction) Required to Reach Target	\$ (406,293)

ADMINISTRATIVE LAW JUDGE COST ALLOCATION TO DEPARTMENTS

The Administrative Law Judge Services allocations are based on utilization in the most recent fiscal year. This allocation methodology uses the sum of all personal services and operating expenditures projected for program operation (see FY 2022-23 Administrative Law Judge Request table) and allocates the cost proportionally by department, according to the prior fiscal year's actual ALJ Services usage.

FY 2022-23 Administrative Law Judge Service Allocation for State Agencies				
Department	FY 2020-21 Utilization Percentage	FY 2022-23 Request	FY 2021-22 Appropriation	FY 2021-22 Incremental Need
Department of Agriculture	0.28%	18,863.00	\$14,130	4,733.00
Department of Corrections	0.00%	-	\$0	-
Department of Education	2.02%	136,050.00	\$146,388	(10,338.00)
Office of the Governor	0.00%	-	\$0	-
Department of Health Care Policy & Finance	12.81%	861,396.00	\$807,180	54,216.00
Department of Higher Education	0.00%	311.00	\$0	311.00
Department of Human Services	15.74%	1,058,268.00	\$856,423	201,845.00
Judicial	0.00%	-	\$0	-
Department of Labor and Employment	59.46%	3,998,711.00	\$3,618,903	379,808.00
Department of Law	0.01%	1,009.00	\$197	812.00
Legislature	0.00%	-	\$0	-
Department of Local Affairs	0.00%	-	\$810	(810.00)
Department of Military Affairs	0.00%	-	\$0	-
Department of Natural Resources	0.00%	-	\$0	-
Department of Personnel and Administration	0.17%	11,541.00	\$3,385	8,156.00
Department of Public Health & Environment	0.65%	43,553.00	\$12,780	30,773.00
Department of Public Safety	0.05%	3,125.00	\$0	3,125.00
Department of Regulatory Agencies	7.65%	514,330.00	\$408,797	105,533.00
Department of Revenue	0.00%	311.00	\$12,770	(12,459.00)
Department of State	1.04%	69,650.00	\$16,040	53,610.00
Department of Transportation	0.12%	7,881.00	\$15,646	(7,765.00)
Department of Treasury	0.00%	-	\$0	-
TOTAL	100.00%	6,724,999.00	\$5,913,449	811,550.00

FY 2022-23 ADMINISTRATIVE LAW JUDGE DEPARTMENT FUNDING REQUESTS

SUMMARY FOR ADMINISTRATIVE LAW JUDGE						
Summary of FY 2022-23 Request for Administrative Law Judge						
Department	FY 2022-23 Request	FY 2022-23 Total Base Adj	GF	CF	RF	FF
Agriculture	\$18,863	\$4,733	\$0	\$4,733	\$0	\$0
Corrections	\$0	\$0	\$0	\$0	\$0	\$0
Education	\$136,050	(\$10,338)	\$0	(\$8,554)	(\$1,784)	\$0
Governor	\$0	\$0	\$0	\$0	\$0	\$0
Health Care Policy and Financing	\$861,396	\$54,216	\$20,230	\$5,986	\$1,344	\$26,656
Higher Education	\$311	\$311	\$0	\$0	\$0	\$0
Human Services	\$1,058,268	\$201,845	\$71,520	\$0	\$130,325	\$0
Judicial	\$0	\$0	\$0	\$0	\$0	\$0
Labor and Employment	\$3,998,711	\$379,808	\$1,047	\$375,952	\$0	\$2,809
Law	\$1,009	\$812	\$0	\$812	\$0	\$0
Legislative	\$0	\$0	\$0	\$0	\$0	\$0
Local Affairs	\$0	(\$810)	\$0	(\$810)	\$0	\$0
Military and Veteran Affairs	\$0	\$0	\$0	\$0	\$0	\$0
Natural Resources	\$0	\$0	\$0	\$0	\$0	\$0
Personnel and Administration	\$11,541	\$8,156	\$5,655	\$2,501	\$0	\$0
Public Health and Environment	\$43,553	\$30,773	\$3,140	\$0	\$27,633	\$0
Public Safety	\$3,125	\$3,125	\$0	\$0	\$0	\$0
Regulatory Agencies	\$514,330	\$105,533	\$4,768	\$100,765	\$0	\$0
Revenue	\$311	(\$12,459)	\$0	(\$12,459)	\$0	\$0
State	\$69,650	\$53,610	\$0	\$53,610	\$0	\$0
Transportation	\$7,881	(\$7,765)	\$0	(\$7,765)	\$0	\$0
Treasury	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$6,724,999	\$811,550	\$106,360	\$514,771	\$157,518	\$29,465

Note: The table above only includes the base request for FY 2022-23. Any additional changes due to change requests from this or other departments are not reflected in the numbers above. Fund Splits in this table have not been updated to reflect PB entries input by individual Departments at the end of the budgeting process, in supporting documents. Fund Splits have been estimated based on the FY 2021-22 Long Bill.

WORKERS' COMPENSATION

This line item provides funding for payments made to the Department of Personnel & Administration (DPA) to support the State's Workers' Compensation program. This is part of the State's self-funded property, liability, and workers' compensation insurance programs managed by DPA's Risk Management Unit.

FY 2022-23 WORKERS' COMPENSATION ESTIMATED COSTS

Calculation Methodology

Each year, the Department contracts with an actuary to estimate two primary components of the overall workers' compensation allocations for each department. First, the actuary estimates the total current liability the State is facing based on a three-year analysis of actual losses and/or claims by each department. Next, the actuary estimates the allocation for each department as a percent of the total.

Once the Department obtains the estimates from the actuary, calculations to determine the allocable cost pool begin. The allocable pool is determined by adding estimated overhead costs, program and policy costs, and a fund balance adjustment. Finally, the actuary's allocations are applied to the allocable pool.

Overhead Costs

The following table shows the development of the overhead costs for the Risk Management Unit, which includes the workers' compensation, property, and liability programs. The Department allocates the overhead costs to each program proportionally, based on the total estimated personal services expenditures for each program. The descriptions below provide additional information on the components of the request.

Calculation of Program Overhead for FY 2022-23					
Description	FY 2021-22 Appropriation	FY 2022-23 Request	Liability	Property	Workers' Comp
Overhead Allocation %		100.0%	43.0%	7.0%	50.0%
Personal Services	\$830,118	\$845,953	\$363,759	\$59,217	\$422,977
Total Compensation Common Policies	\$183,933	\$202,021	\$86,868	\$14,142	\$101,011
Operating and OIT Common Policies	\$293,926	\$305,112	\$127,455	\$25,417	\$152,240
Operating Expenses	\$62,318	\$63,668	\$27,377	\$4,457	\$31,834
Indirect Costs	\$221,231	\$221,231	\$95,129	\$15,486	\$110,616
Total Program Overhead	\$1,591,526	\$1,637,985	\$700,588	\$118,719	\$818,678

- **Personal Services:** The amount requested for Personal Services accounts for the base building impact of Salary Survey and Merit Pay, if any.
- **Total Compensation Common Policies:** This includes funding for the Workers' Compensation program staff for the following: Health, Life, and Dental, Short-term Disability, AED, SAED, Salary Survey, and Merit Pay.
- **Operating and OIT Common Policies:** This includes the program's need for the following centrally appropriated line items: Workers' Compensation, Payment to Risk Management and Property Funds, Leased Space, Capitol Complex Leased Space, Payments to OIT, CORE Operations, and PERA Direct Distribution.

- **Operating Expenses:** The Department requests a continuation level of funding for operating expenses, plus the increase in appropriation due to SB 21-088 for the Child Sexual Abuse Accountability Act.
- **Indirect Costs:** This represents the program’s share of indirect costs for FY 2022-23.

Program and Policy Costs

The following table details the Workers’ Compensation program and policy costs for FY 2022-23, including the overhead expenses as determined above in the Calculation of Program Overhead for FY 2022-23 table.

Workers' Compensation Program and Policy Costs		
Description	FY 2021-22 Appropriation	FY 2022-23 Request
(C) Risk Management Services		
Program Overhead Expenses	\$856,802	\$818,678
Actuarial and Broker Services	\$44,453	\$44,453
RMIS Service Fees	\$64,433	\$64,433
Total Risk Management Program Administration	\$965,688	\$927,564
(4) Workers' Compensation		
Workers' Compensation Claims	\$31,100,830	\$30,750,125
TPA Fees	\$1,800,000	\$1,800,000
Loss Control Incentives	\$50,000	\$50,000
Workers' Compensation TPA Fees and Loss Control	\$1,850,000	\$1,850,000
Excess Policy	\$570,523	\$621,006
CDLE Permit	\$2,000	\$2,000
CDLE Surcharge	\$282,754	\$341,376
Total Workers' Compensation Excess Policy	\$855,277	\$964,382
Workers' Compensation Legal Services	\$1,636,886	\$1,448,959
DHS Prior Year Claim Payouts	\$65,000	\$65,000
Adjustment to Target Fund Balance	(\$7,797,143)	(\$13,477,366)
Total Workers' Compensation Allocations	\$28,676,538	\$22,528,664

The following text provides a brief description of each component and any considerable changes to the amount or methodology from prior submissions.

- **Total Risk Management Program Administration:** This includes the Workers’ Compensation portion of program overhead, Broker Fees incurred by the State for an independent broker to source the various excess policies required by the State, and Risk Management Information System (RMIS) Service Fees represent the costs incurred by the State for its tracking system.
- **Workers’ Compensation Claims:** This amount is actuarially determined for each fiscal year according to prior years’ loss experiences, including severity and frequency.
- **Workers’ Compensation TPA Fees and Loss Control:** This includes third-party administrator (TPA) fees incurred for having a third-party administer workers’ compensation claims filed against the State. Loss Control Incentives represents funding to implement and

maintain various loss control programs throughout State agencies. Information about these programs can be accessed on DPA’s website (<https://www.colorado.gov/pacific/dhr/safety-loss-control>).

- **Workers’ Compensation Excess Policy:** The excess workers’ compensation policy limits the amount of the State’s financial exposure in any one workers’ compensation occurrence to \$10 million and provides coverage for the next \$50 million. The Department of Labor & Employment Permit Fee pays an annual self-insured workers’ compensation permit, required by CDLE. The CDLE Surcharge is a self-insured employer fee, used to fund the subsequent injury fund. The surcharge is based on payroll and the types of jobs performed by State employees.
- **Workers’ Compensation Legal Services:** This cost represents the amount of money the Department anticipates spending to have legal representation for workers’ compensation claims, as well as expenses for expert opinions regarding workers’ compensation. For FY 2022-23 this amount is also estimated by DPA’s actuary.
- **Adjustment to Targeted Fund Balance:** The following table shows the calculation of the target fund balance adjustment. The Department uses the year end fund balance for the most recent fiscal year, then adds anticipated revenues and subtracts anticipated expenditures for the current fiscal year and request year to calculate the fund balance adjustment. For FY 2022-23, the Department requests a reserve balance of five percent of the total projected expenditures from the Workers’ Compensation Fund, plus ten percent of the prospective claims payouts.

Workers' Compensation Fund Balance Adjustment	
FY 2020-21 End-of-Year Fund Balance	\$16,441,755
FY 2021-22 Expenditure Estimate	(\$28,676,538)
FY 2021-22 Agency Billings (Revenue)	\$30,593,963
FY 2021-22 Estimated End-of-Year Fund Balance	\$18,359,180
Targeted Fund Balance %'s	5% / 10%
TARGET FUND BALANCE FY 2022-23	\$4,881,814
Increase / (Decrease) to Common Policy Request	(\$13,477,366)

WORKERS’ COMPENSATION COST ALLOCATION TO DEPARTMENTS

The allocations to State agencies for workers’ compensation are determined by the Department’s actuary. The actuary performs an analysis of loss history and forecasted trends to determine the appropriation allocations of the total risk pool. The Department of Human Services request includes a prior year claim amount each fiscal year in addition to the amount from the actuarial study to cover institutions not originally covered by Pinnacol Assurance. The following tables show the allocated percentages as well as the total amount allocated to each department or institution for FY 2022-23.

FY 2022-23 Workers' Compensation Allocations for All State Agencies		
Agency	% Allocation	\$ Base Allocation
Agriculture	0.560%	\$126,161
Corrections	22.120%	\$4,983,340
Education	0.750%	\$168,965
Governor's Office	0.580%	\$130,666
Health Care Policy & Finance	0.620%	\$139,678
Higher Education	6.850%	\$1,543,213
Human Services	29.980%	\$6,689,094
Prior Year Claims		\$65,000
<i>Human Service Subtotal</i>		\$6,754,094
Judicial	3.990%	\$898,894
Labor & Employment	1.870%	\$421,286
Law	0.610%	\$137,425
Legislature	0.200%	\$45,057
Local Affairs	0.330%	\$74,345
Military Affairs	0.370%	\$83,356
Natural Resources	4.250%	\$957,468
Personnel	0.920%	\$207,264
Public Health	1.210%	\$272,597
Public Safety	6.070%	\$1,367,490
Regulatory Agencies	0.690%	\$155,448
Revenue	1.550%	\$349,194
Secretary of State	0.240%	\$54,069
Transportation	16.220%	\$3,654,149
Treasury	0.020%	\$4,505
Allocation Totals	100.0%	\$22,528,664

FY 2022-23 Workers' Compensation Allocations for Higher Education		
Agency	% Allocation	\$ Base Allocation
Arapahoe Community College	4.040%	\$62,346
Auraria Higher Education Center	10.130%	\$156,327
College Invest	0.680%	\$10,494
Colorado Commission on Higher Education	0.900%	\$13,889
Colorado State University - Pueblo	6.370%	\$98,303
Community College of Aurora	2.960%	\$45,679
Community College System	3.770%	\$58,179
CSU - Global	1.870%	\$28,858
Denver Community College	5.480%	\$84,568
Front Range Community College	10.390%	\$160,340
History Colorado	1.410%	\$21,759
Lamar Community College	0.740%	\$11,420
Metropolitan State University of Denver	11.880%	\$183,334
Morgan Community College	1.270%	\$19,599
Northeastern Junior College	2.300%	\$35,494
Northwestern Community College	2.650%	\$40,895
Otero Junior College	3.520%	\$54,321
Pikes Peak Community College	10.840%	\$167,284
Private Occupational	0.030%	\$463
Pueblo Community College	6.630%	\$102,315
Red Rocks Community College	8.770%	\$135,340
Trinidad State Junior College	3.370%	\$52,006
Allocation Totals	100.00%	\$1,543,213

FY 2022-23 WORKERS' COMPENSATION DEPARTMENT FUNDING REQUESTS

FY 2022-23 Summary for Workers' Compensation							
Department	FY 2021-22 Appropriation	FY 2022-23 Request	Base Adj.	GF	CF	RF	FF
Agriculture	\$163,456	\$126,161	(\$37,295)	(\$7,376)	(\$29,919)	\$0	\$0
Corrections	\$5,781,190	\$4,983,340	(\$797,850)	(\$772,638)	(\$25,212)	\$0	\$0
Education	\$258,089	\$168,965	(\$89,124)	(\$42,820)	(\$11,630)	(\$3,012)	(\$31,662)
Governor's Office	\$209,339	\$130,666	(\$78,673)	(\$6,966)	\$0	(\$71,707)	\$0
Health Care Policy & Finance	\$160,589	\$139,678	(\$20,911)	(\$7,803)	(\$2,309)	(\$518)	(\$10,281)
Higher Education	\$2,440,373	\$1,543,213	(\$897,160)	\$0	(\$568,771)	(\$328,389)	\$0
Human Services	\$8,081,048	\$6,754,094	(\$1,326,954)	(\$746,241)	\$0	(\$580,713)	\$0
Judicial	\$1,365,003	\$898,894	(\$466,109)	(\$466,109)	\$0	\$0	\$0
Labor & Employment	\$464,560	\$421,286	(\$43,274)	(\$3,807)	(\$17,591)	(\$496)	(\$21,380)
Law	\$186,397	\$137,425	(\$48,972)	(\$11,540)	(\$7,940)	(\$28,086)	(\$1,406)
Legislature *	\$43,015	\$45,057	\$2,042	\$2,042	\$0	\$0	\$0
Local Affairs	\$108,971	\$74,345	(\$34,626)	(\$12,249)	(\$7,065)	(\$15,312)	\$0
Military Affairs	\$94,633	\$83,356	(\$11,277)	(\$5,413)	\$0	\$0	(\$5,864)
Natural Resources	\$1,210,150	\$957,468	(\$252,682)	(\$36,585)	(\$214,646)	(\$768)	(\$683)
Personnel	\$252,354	\$207,264	(\$45,090)	(\$14,215)	(\$1,334)	(\$29,541)	\$0
Public Health	\$375,663	\$272,597	(\$103,066)	(\$724)	\$0	(\$102,342)	\$0
Public Safety	\$2,044,637	\$1,367,490	(\$677,147)	\$0	\$0	(\$677,147)	\$0
Regulatory Agencies	\$186,397	\$155,448	(\$30,949)	(\$1,017)	(\$28,449)	(\$1,078)	(\$405)
Revenue	\$544,854	\$349,194	(\$195,660)	(\$74,622)	(\$121,038)	\$0	\$0
Secretary of State *	\$51,618	\$54,069	\$2,451	\$0	\$2,451	\$0	\$0
Transportation	\$4,651,335	\$3,654,149	(\$997,186)	\$0	(\$997,186)	\$0	\$0
Treasury *	\$2,868	\$4,505	\$1,637	\$1,637	\$0	\$0	\$0
TOTAL	\$28,676,539	\$22,528,664	(\$6,147,875)	(\$2,206,446)	(\$2,030,639)	(\$1,839,109)	(\$71,681)

Note: Fund Splits in this table have not been updated to reflect PB entries input by individual Departments at the end of the budgeting process. Fund Splits have been estimated based on the FY 2021-22 Long Bill. The table above only includes the base request for FY 2022-23. Any additional changes due to change requests from this or other departments are not reflected in the numbers above.

*Non-Executive branch agencies are not required to submit budget proposals to the Governor's Office. The amounts included in this table represent the estimated need and fund splits were estimated based on the FY 2021-22 Long Bill.

**Includes non-appropriated institutions of Higher Education. Fund splits are estimates only.

PAYMENTS TO RISK MANAGEMENT AND PROPERTY FUNDS

The Risk Management Unit is located within the Department of Personnel & Administration's Division of Human Resources. It manages the State's self-funded property, liability, and workers'

compensation insurance programs. The State's Payment to Risk Management and Property Funds common policy consists of two programs: the Liability Program and the Property Program.

The Liability Program manages claims and lawsuits filed against the State for negligence in occurrences such as automobile accidents, employment discrimination, and road maintenance. During a typical year, approximately 1,800 liability claims are filed against the State, most of which are dismissed due to the Colorado Governmental Immunity Act (CGIA). The majority of expenditures from the Liability Premiums line item are related to federal law, where the focus is on civil rights and employment discrimination. For individual departments, the liability portion of department-wide expenditures is caught in the Payment to Risk Management and Property Funds line item, which also includes the Property Premiums described below.

The Property Program manages the State's incurred costs for self-insured property exposures (e.g., floods, wind, fires, and theft). The Risk Management Unit administers large policy deductibles, and pursuant to statute, State agencies and institutions of higher education pay the first \$5,000 per claim. Policy premiums are allocated to State agencies and institutions of higher education based on pro-rata building and content values.

By industry standards, the State of Colorado is considered self-insured as it covers the liability for losses in these areas at least up to \$1,000,000. The excess policies carried by the State protect it from extreme cases where a particular loss could jeopardize the overall solvency of the risk management funds.

FY 2022-23 ESTIMATED COSTS – LIABILITY

Calculation Methodology

The Department contracts with an actuary to estimate two primary components of the liability allocations for each department. First, the actuary estimates the total current liability the State is facing based upon a multi-year analysis of actual losses and/or claims by each department. Second, using the same loss/claim data, the actuary estimates the allocation for each department as a percentage of the total liability.

Once the Department has the actuary's estimates, calculations to determine the allocable cost pool begin. The allocable pool is determined by adding estimated overhead costs, program and policy costs, and a fund balance adjustment. Finally, the actuary's allocations are applied to the allocable pool.

Overhead Costs

The following table shows the development of the overhead costs for the Risk Management Unit, which includes the workers’ compensation, property, and liability programs. The Department allocates the overhead costs to each program proportionally, based on the total estimated personal services expenditures for each program. Please refer to the Workers’ Compensation Calculation of Program Overhead section for a description of each component included in the table.

Calculation of Program Overhead for FY 2022-23					
Description	FY 2021-22 Appropriation	FY 2022-23 Request	Liability	Property	Workers' Comp
Overhead Allocation %		100.0%	43.0%	7.0%	50.0%
Personal Services	\$830,118	\$845,953	\$363,759	\$59,217	\$422,977
Total Compensation Common Policies	\$183,933	\$202,021	\$86,868	\$14,142	\$101,011
Operating and OIT Common Policies	\$293,926	\$305,112	\$127,455	\$25,417	\$152,240
Operating Expenses	\$62,318	\$63,668	\$27,377	\$4,457	\$31,834
Indirect Costs	\$221,231	\$221,231	\$95,129	\$15,486	\$110,616
Total Program Overhead	\$1,591,526	\$1,637,985	\$700,588	\$118,719	\$818,678

Program and Policy Costs

The following table details Liability Program and Policy Costs for the FY 2022-23, including the overhead expenses as determined above, in the Calculation of Program Overhead for FY 2022-23 table.

FY 2022-23 Liability Program and Policy Costs		
Description	FY 2021-22 Appropriation	FY 2022-23 Request
(C) Risk Management Services		
Program Overhead Expenses	\$618,230	\$700,588
Total Actuarial and Broker Services	\$48,567	\$48,567
Risk Management Information System	\$64,434	\$64,434
Total Risk Management Program Administration	\$731,231	\$813,589
2) Liability		
<i>Liability Claims</i>	\$5,595,767	\$8,005,651
<i>Liability Excess Policy</i>	\$1,084,373	\$2,634,853
<i>Liability Legal Services</i>	\$4,060,172	\$5,264,446
Total Liability	\$11,471,543	\$16,718,539
C-SEAP Funding	\$1,688,297	\$1,837,900
Adjustment to Targeted Fund Balance	\$1,211,712	\$6,736,718
Total Liability Allocations	\$14,371,552	\$25,293,157

The following text provides a brief description of each component and any considerable changes to the amount or methodology from prior submissions.

- **Total Risk Management Program Administration:** This includes program overhead, Broker Fees incurred by the State for an independent broker to source the various excess policies required by the State, and RMIS Service Fees represent the costs incurred by the State for its tracking system.

- **Liability Claims:** This value is actuarially determined for the Department on an annual basis. The State’s actuary takes into account previous loss experience and a number of other historical and forecasted trends to develop this figure.
- **Liability Excess Policy:** This policy exists to protect the State from any auto-related liability incurred outside of the State or claims brought in federal court. Inside the State, the State’s liability is limited by the Colorado Governmental Immunity Act to \$350,000 per person or \$990,000 per occurrence pursuant to § 24-10-114 (1) (a), C.R.S. Additionally, effective in FY 2018-19, this line includes a cybersecurity liability insurance policy, which provides cybersecurity liability coverage to all state agencies that are also covered by the Office of Information Technology (OIT). The cost represented in the table is the value the Department anticipates paying for this coverage in FY 2022-23.
- **Liability Legal Services:** The legal expenses line is estimated by the Department’s actuary and presented in its report to the State each year. This appropriation is necessary to defend the State against liability lawsuits in which it is named as the defendant.
- **C-SEAP Funding:** Beginning in FY 2013-14, the funding for the Colorado State Employee Assistance Program was transitioned from the Workers’ Compensation allocations to the Liability allocations. A detailed calculation for C-SEAP funding is provided below.

Calculation of FY 2022-23 CSEAP Funding Request		
Description	FY 2021-22 Appropriation	FY 2022-23 Request
Personal Services	\$908,645	\$927,738
Total Compensation Common Policies	\$282,436	\$297,058
Operating Expenses	\$58,093	\$70,643
Operating Common Policies	\$350,291	\$335,606
Indirect Costs	\$88,832	\$206,855
Total	\$1,688,297	\$1,837,900

- **Adjustment to Targeted Fund Balance:** The following table shows the calculation of the target fund balance adjustment. The Department uses the year end fund balance for the most recent fiscal year, then adds anticipated revenues and subtracts anticipated expenditures for the current fiscal year and request year to calculate the fund balance adjustment. For FY 2022-23, the Department requests a reserve balance of five percent of the total projected expenditures from the Liability Fund, plus ten percent of the prospective claims payouts.

FY 2022-23 Liability Fund Balance Adjustment	
FY 2020-21 End-of-Year Fund Balance	-
FY 2021-22 Expenditure Estimate	(\$19,379,883)
FY 2021-22 Agency Billings	\$14,371,552
FY 2021-22 Estimated End-of-Year Fund Balance	(5,008,331)
Targeted Fund Balance %'s	5%/10%
TARGET FUND BALANCE	\$1,728,387
Increase / (Decrease) to Common Policy Request	\$6,736,718.44

FY 2022-23 ESTIMATED COSTS – PROPERTY

Calculation Methodology

The Department surveys state agencies annually to determine the total value of the State’s buildings and building contents. Allocations are assigned proportionally, based on a department’s or institution’s percentage of assets or holdings relative to the State’s total asset pool.

Once the Department has determined the property allocations, calculations to determine the allocable cost pool begin. The allocable pool is determined by adding estimated overhead costs, program and policy costs, and a fund balance adjustment. Finally, the property allocations are applied to the allocable pool.

Overhead Costs

The following table shows the development of the overhead costs for the Risk Management Unit, which includes the workers’ compensation, property, and liability programs. The Department allocates the overhead costs to each program proportionally, based on the total estimated personal services expenditures for each program. Please refer to the Workers’ Compensation Calculation of Program Overhead section for a description of each component included in the table.

Calculation of Program Overhead for FY 2022-23					
Description	FY 2021-22 Appropriation	FY 2022-23 Request	Liability	Property	Workers' Comp
Overhead Allocation %		100.0%	43.0%	7.0%	50.0%
Personal Services	\$830,118	\$845,953	\$363,759	\$59,217	\$422,977
Total Compensation Common Policies	\$183,933	\$202,021	\$86,868	\$14,142	\$101,011
Operating and OIT Common Policies	\$293,926	\$305,112	\$127,455	\$25,417	\$152,240
Operating Expenses	\$62,318	\$63,668	\$27,377	\$4,457	\$31,834
Indirect Costs	\$221,231	\$221,231	\$95,129	\$15,486	\$110,616
Total Program Overhead	\$1,591,526	\$1,637,985	\$700,588	\$118,719	\$818,678

Program and Policy Costs

The following table details the total FY 2022-23 costs for the Property Program, including the overhead expenses as determined above, in the Calculation of Program Overhead for FY 2022-23 table.

FY 2022-23 Property Program and Policy Costs		
Description	FY 2021-22 Appropriation	FY 2022-23 Request
(C) Risk Management Services		
Program Overhead Expenses	\$116,494	\$118,719
Actuarial and Broker Services	\$254,480	\$254,480
RMIS Service Fees	\$64,433	\$64,433
Total Risk Management Program Administration	\$435,407	\$437,632
(3) Property		
Property & Boiler Policies	\$8,753,623	\$9,875,729
Auto Physical Damage	\$112,235	\$117,845
Terrorism Premium	\$141,110	\$92,700
Flood Zone A Premiums	\$500,000	\$500,000
Crime Policy	\$252,185	\$263,585
Property Policies	<u>\$9,759,153</u>	<u>\$10,849,859</u>
Policy Deductibles and Payouts	<u>\$8,464,476</u>	<u>\$7,502,820</u>
Adjustment to Targeted Fund Balance	<u>(\$1,106,635)</u>	<u>(\$6,340,250)</u>
Total Property Allocations	\$17,552,402	\$12,450,061

The following text provides a brief description of each component and any considerable changes to the amount or methodology from prior submissions.

- **Total Risk Management Program Administration:** This includes program overhead, Broker Fees incurred by the State for an independent broker to source the various excess policies required by the State, and RMIS Service Fees represent the costs incurred by the State for its tracking system.
- **Property Policies:** Property & Boiler policies cover the State’s approximately \$9 billion in buildings, assets, and real property from loss with a \$1,000,000 self-insured retention. The terrorism premium funds a terrorism policy to secure the same type of coverage as offered under the Property & Boiler policies for losses caused by acts of terrorism. Flood Zone A Premiums represent the additional cost to the State for having insurance coverage for those properties within a flood zone. The crime policy allows the State to protect itself from employee acts of dishonesty including employee theft of money or property (physical or intellectual). For FY 2022-23, the Property & Boiler Policies contract amount was increased due to a contract renewal and bid process.
- **Policy Deductibles and Payouts:** As of FY 2020-21, the Property program pays a self-insured retention rather than a deductible, as the State now provides all adjusting services in-house. This line provides the estimated payout for residuals, required by the policies

above. With the exception of incidents of losses over \$1,000,000, the State is self-funded for the majority of claims filed under the property policy. For FY 2022-23, the Policy Deductibles and Payouts estimated cost decreased based on the FY 2019-20 actual payouts experienced.

- **Adjustment to Targeted Fund Balance:** The following table shows the calculation of the target fund balance adjustment. The Department uses the year end fund balance for the most recent fiscal year, then adds anticipated revenues and subtracts anticipated expenditures for the current fiscal year and request year to calculate the fund balance adjustment. For FY 2022-23, the Department requests a reserve balance of five percent of the total projected expenditures from the Property Fund, plus ten percent of the prospective claims payouts.

FY 2022-23 Property Fund Balance Adjustment	
FY 2020-21 End-of-Year Fund Balance	8,030,046
FY 2021-22 Expenditure Estimate	(\$17,552,402)
FY 2021-22 Agency Billings	\$17,552,402
FY 2022-23 Estimated End-of-Year Fund Balance	8,030,046
Targeted Fund Balance %'s	5%/10%
TARGET FUND BALANCE	\$1,689,798
Increase / (Decrease) to Common Policy Request	(\$6,340,249)

COST ALLOCATION TO DEPARTMENTS – LIABILITY AND PROPERTY

The following tables show the allocated percentages as well as the total amount allocated to each department or institution for FY 2022-23. The property and liability allocations are appropriated in a single line item; therefore, the Department has also provided a table to show the incremental calculation in total, and also a series of tables with the fund splits.

FY 2022-23 Liability Allocations for State Agencies		
Agency	% Allocation	\$ Base Allocation
Agriculture	1.270%	\$321,312
Corrections	13.189%	\$3,335,918
Education	3.487%	\$881,848
Governor's Office	10.546%	\$2,667,516
Health Care Policy & Finance	1.505%	\$380,553
Higher Education	10.657%	\$2,695,373
Human Services	8.178%	\$2,068,382
Judicial	8.318%	\$2,103,835
Labor & Employment	1.208%	\$305,643
Law	1.560%	\$394,623
Legislature	0.749%	\$189,321
Local Affairs	0.423%	\$106,938
Military Affairs	0.362%	\$91,565
Natural Resources	2.916%	\$737,646
Personnel	1.802%	\$455,878
Public Health	4.022%	\$1,017,399
Public Safety	5.108%	\$1,291,973
Regulatory Agencies	1.394%	\$352,463
Revenue	2.827%	\$715,020
Secretary of State	0.998%	\$252,356
Transportation	19.392%	\$4,904,761
Treasury	0.090%	\$22,834
Allocation Totals	100.00%	\$25,293,157

FY 2022-23 Liability Allocations for Higher Education		
Agency	% Allocation	\$ Base Allocation
Arapahoe Community College	2.481%	\$66,861
Auraria Higher Education Center	2.339%	\$63,037
College Invest	0.553%	\$14,904
Colorado Commission on Higher Education	1.456%	\$39,234
Colorado State University - Pueblo	12.604%	\$339,732
Community College of Aurora	1.695%	\$45,679
Community College System	8.108%	\$218,548
CSU - Global	1.771%	\$47,747
Denver Community College	5.229%	\$140,947
Front Range Community College	4.580%	\$123,442
History Colorado	1.575%	\$42,447
Lamar Community College	0.694%	\$18,712
Metropolitan State University of Denver	30.951%	\$834,243
Morgan Community College	1.004%	\$27,072
Northeastern Junior College	1.217%	\$32,793
Northwestern Community College	1.335%	\$35,995
Otero Junior College	1.323%	\$35,671
Pikes Peak Community College	10.812%	\$291,436
Private Occupational	0.030%	\$807
Pueblo Community College	3.383%	\$91,185
Red Rocks Community College	2.663%	\$71,784
Trinidad State Junior College	4.196%	\$113,097
Allocation Totals	100.00%	\$2,695,373

FY 2022-23 Property Allocations for State Agencies			
Agency	Building & Contents Value	% Allocation	\$ Allocation
Agriculture	\$90,704,588	0.84%	\$104,077
Corrections	\$1,899,342,221	17.50%	\$2,179,354
Education	\$99,664,035	0.92%	\$114,357
Governor's Office	\$94,652,648	0.87%	\$108,607
Health Care Policy & Finance	\$4,151,981	0.04%	\$4,764
Higher Education	\$3,306,733,879	30.48%	\$3,794,232
Human Services	\$1,006,680,546	9.28%	\$1,155,091
Judicial	\$188,414,486	1.74%	\$216,192
Labor & Employment	\$42,760,715	0.39%	\$49,065
Law	\$6,586,629	0.06%	\$7,558
Legislature	\$5,740,069	0.05%	\$6,586
Local Affairs	\$13,528,673	0.12%	\$15,523
Military Affairs	\$223,635,003	2.06%	\$256,605
Natural Resources	\$696,951,269	6.42%	\$799,700
Personnel	\$711,960,280	6.56%	\$816,922
Public Health	\$113,325,159	1.04%	\$130,032
Public Safety	\$209,099,376	1.93%	\$239,926
Regulatory Agencies	\$25,044,721	0.23%	\$28,737
Revenue	\$31,934,009	0.29%	\$36,642
Secretary of State	\$9,501,928	0.09%	\$10,903
Transportation	\$2,069,819,746	19.08%	\$2,374,965
Treasury	\$195,172	0.00%	\$223
Allocation Totals	\$10,850,427,133	100.00%	\$12,450,061

FY 2022-23 Estimated Property Allocations for Higher Education			
Agency	Building & Contents Value	% Allocation	S Base Allocation
Arapahoe Community College	\$189,604,985	5.734%	\$217,558
Auraria Higher Education Center	\$718,693,980	21.734%	\$824,648
College Access Network/College Assist	\$32,067	0.001%	\$37
College Invest	\$770,064	0.023%	\$884
Colorado Commission on Higher Education	\$199,933,842	6.046%	\$229,409
Colorado State University - Pueblo	\$396,261,638	11.983%	\$454,681
Community College of Aurora	\$44,922,175	1.359%	\$51,545
Denver Community College	\$38,098,912	1.152%	\$43,716
Front Range Community College	\$288,829,733	8.735%	\$331,411
Lamar Community College	\$67,720,429	2.048%	\$77,704
Metropolitan State University of Denver	\$115,273,849	3.486%	\$132,268
Morgan Community College	\$57,631,755	1.743%	\$66,128
Northeastern Junior College	\$149,153,159	4.511%	\$171,142
Northwestern Community College	\$86,752,652	2.624%	\$99,542
Occupational Ed. Division	\$183,049,328	5.536%	\$210,036
Otero Junior College	\$76,344,380	2.309%	\$87,600
Pikes Peak Community College	\$220,324,248	6.663%	\$252,806
Pueblo Community College	\$162,140,868	4.903%	\$186,044
Red Rocks Community College	\$194,939,078	5.895%	\$223,678
Trinidad State Junior College	\$116,256,738	3.516%	\$133,395
Allocation Totals	\$3,306,733,879	100.00%	\$3,794,232

Combined Allocation for Payment to Risk Management and Property Funds

FY 2022-23 Allocations by Department: Payments to Risk Management and Property Fund					
Department/Agency	FY 2022-23 Liability Base Need	FY 2022-23 Property Base Need	FY 2022-23 Total Liability + Property Base Need	FY 2021-22 Long Bill	FY 2022-23 Incremental Adjustment
Agriculture	\$321,312	\$104,077	\$425,389	\$329,363	\$96,026
Corrections	\$3,335,918	\$2,179,354	\$5,515,272	\$4,297,495	\$1,217,777
Education	\$881,848	\$114,357	\$996,205	\$730,631	\$265,574
Governor's Office	\$2,667,516	\$108,607	\$2,776,123	\$1,982,112	\$794,011
Health Care Policy & Finance	\$380,553	\$4,764	\$385,317	\$173,686	\$211,631
Higher Education	\$2,695,373	\$3,794,232	\$6,489,605	\$7,274,526	-\$784,921
Human Services	\$2,068,382	\$1,155,091	\$3,223,473	\$3,062,183	\$161,290
Judicial	\$2,103,835	\$216,192	\$2,320,027	\$1,439,403	\$880,624
Labor & Employment	\$305,643	\$49,065	\$354,708	\$235,477	\$119,231
Law	\$394,623	\$7,558	\$402,181	\$203,812	\$198,369
Legislature	\$189,321	\$6,586	\$195,907	\$94,702	\$101,205
Local Affairs	\$106,938	\$15,523	\$122,461	\$81,766	\$40,695
Military Affairs	\$91,565	\$256,605	\$348,170	\$310,841	\$37,329
Natural Resources	\$737,646	\$799,700	\$1,537,346	\$1,551,672	-\$14,326
Personnel	\$455,878	\$816,922	\$1,272,800	\$1,425,551	-\$152,751
Public Health	\$1,017,399	\$130,032	\$1,147,431	\$839,252	\$308,179
Public Safety	\$1,291,973	\$239,926	\$1,531,899	\$1,013,197	\$518,702
Regulatory Agencies	\$352,463	\$28,737	\$381,200	\$226,294	\$154,906
Revenue	\$715,020	\$36,642	\$751,662	\$425,411	\$326,251
Secretary of State	\$252,356	\$10,903	\$263,259	\$159,124	\$104,135
Transportation	\$4,904,761	\$2,374,965	\$7,279,726	\$6,055,695	\$1,224,031
Treasury	\$22,834	\$223	\$23,057	\$11,892	\$11,165
Totals	\$25,293,157	\$12,450,061	\$37,743,218	\$31,924,085	\$5,819,133

FY 2022-23 RISK MANAGEMENT DEPARTMENT FUNDING REQUESTS

FY 2022-23 Summary for Payments to Risk Management							
Department/Agency	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Total Base Adjustment	GF	CF	RF	FF
Agriculture	\$329,363	\$425,389	\$96,026	\$58,221	\$37,805	\$0	\$0
Corrections	\$4,297,495	\$5,515,272	\$1,217,777	\$1,169,671	\$48,106	\$0	\$0
Education	\$730,631	\$996,205	\$265,574	\$265,574	\$0	\$0	\$0
Governor's Office	\$1,982,112	\$2,776,123	\$794,011	\$212,030	\$0	\$581,981	\$0
Health Care Policy & Finance	\$173,686	\$385,317	\$211,631	\$78,968	\$23,365	\$5,247	\$104,051
Higher Education	\$7,274,526	\$6,489,605	-\$784,921	\$0	-\$746,561	-\$38,360	\$0
Human Services	\$3,062,183	\$3,223,473	\$161,290	\$113,427	\$0	\$47,863	\$0
Judicial	\$1,439,403	\$2,320,027	\$880,624	\$880,624	\$0	\$0	\$0
Labor & Employment	\$235,477	\$354,708	\$119,231	\$10,489	\$48,467	\$1,368	\$58,907
Law	\$203,812	\$402,181	\$198,369	\$46,745	\$32,162	\$113,766	\$5,696
Legislature	\$94,702	\$195,907	\$101,205	\$101,205	\$0	\$0	\$0
Local Affairs	\$81,766	\$122,461	\$40,695	\$14,396	\$8,434	\$17,865	\$0
Military Affairs	\$310,841	\$348,170	\$37,329	\$37,329	\$0	\$0	\$0
Natural Resources	\$1,551,672	\$1,537,346	-\$14,326	-\$927	-\$13,168	-\$134	-\$97
Personnel	\$1,425,551	\$1,272,800	-\$152,751	-\$48,156	-\$4,518	-\$100,077	\$0
Public Health	\$839,252	\$1,147,431	\$308,179	\$39,735	\$0	\$268,444	\$0
Public Safety	\$1,013,197	\$1,531,899	\$518,702	\$18,522	\$0	\$500,180	\$0
Regulatory Agencies	\$226,294	\$381,200	\$154,906	\$5,213	\$142,085	\$5,269	\$2,339
Revenue	\$425,411	\$751,662	\$326,251	\$124,427	\$201,824	\$0	\$0
Secretary of State	\$159,124	\$263,259	\$104,135	\$0	\$104,135	\$0	\$0
Transportation	\$6,055,695	\$7,279,726	\$1,224,031	\$0	\$1,224,031	\$0	\$0
Treasury	\$11,892	\$23,057	\$11,165	\$11,165	\$0	\$0	\$0
Totals	\$31,924,085	\$37,743,218	\$5,819,133	\$3,138,658	\$1,106,167	\$1,403,412	\$170,896

Note: Fund Splits in this table have not been updated to reflect PB entries input by individual Departments at the end of the budgeting process. Fund Splits have been estimated based on the FY 2021-22 Long Bill. The table above only includes the base request for FY 2022-23. Any additional changes due to change requests from this or other departments are not reflected in the numbers above.

*Non-Executive branch agencies are not required to submit budget proposals to the Governor's Office. The amounts included in this table represent the estimated need and fund splits were estimated based on the FY 2021-22 Long Bill.

**Includes non-appropriated institutions of Higher Education. Fund splits are estimates only.

CAPITOL COMPLEX LEASED SPACE

The Capitol Complex facilities encompass approximately 1.3 million square feet. Facilities management includes housekeeping, grounds maintenance, and property management functions for the Capitol Complex adjacent to the State Capitol Building, 1881 Pierce Street, the Kipling Campus, and North Campus, as well as other facilities in Grand Junction and Camp George West.

This line item provides funding for payments to the Department of Personnel & Administration to manage the Capitol Complex. Agencies are allocated a portion of the total management cost realized by the Department of Personnel & Administration based on occupied square feet per campus.

FY 2022-23 ESTIMATED COSTS

The Department of Personnel & Administration is required by statute to recover only the costs associated with operating and maintaining the buildings within the Capitol Complex. Therefore, the Department is generally not allowed to under or over-recover funding from the agencies occupying Capitol Complex space.

FY 2022-23 Capitol Complex Leased Space Base Adjustment		
Description	FY 2021-22 Appropriation	FY 2022-23 Request
Personal Services	\$3,574,314	\$3,685,039
Total Compensation Common Policies	\$1,132,592	\$1,242,489
Operating Expenses	\$2,705,456	\$2,783,370
DCA Admin Allocation	\$415,081	\$401,242
Capitol Complex Repairs	\$56,520	\$56,520
Operating and OIT Common Policies	\$1,580,893	\$1,759,072
Depreciation Estimate	\$290,000	\$290,000
Energy Performance Depreciation	\$2,140,000	\$2,140,000
Utilities	\$3,370,656	\$3,398,380
Capitol Complex Security	\$539,977	\$556,176
Indirect Costs	\$1,177,859	\$1,213,195
Sprint Leased Tower Space	(\$47,618)	(\$47,618)
Total Base Costs	\$16,935,730	\$17,477,865
Fund Balance Adjustment	(\$453,384)	(\$1,544,066)
Total Allocable Cost	\$16,482,346	\$15,933,799
Allocated Square Feet	1,273,241	1,272,241
Estimated Cost Per Square Foot	\$12.95	\$12.52

Capitol Complex Leased Space (CCLS) allocations are determined by aggregating the costs associated with maintaining the program to an allocable pool, then splitting the allocable pool among all user agencies. These costs are aggregated for each of the three primary campuses: Camp George West, Grand Junction, and Denver. Once the total costs are determined, the Department calculates the effective rate per square foot by dividing the total cost of the allocable pool by the total number of square feet in the complex. Next, the Department distributes the

total cost among each department based on the square feet each department occupies at each campus. The following table provides the total estimated costs for the Capitol Complex Lease Space request.

The following text provides a brief description of each component and any considerable changes to the amount or methodology from prior submissions.

- **Personal Services:** The amount requested for Personal Services accounts for the base building impact of Salary Survey and Merit Pay.
- **Total Compensation Common Policies:** This includes funding for the CCLS program staff for the following: Health, Life, and Dental, Short-term Disability, AED, SAED, Salary Survey, Merit Pay, Increased Employer PERA Contribution, and PERA Direct Distribution.
- **DCA Admin Allocation:** This includes CCLS share of Division of Capital Assets Administration's Personal Services, Operating Expense, and Indirect Cost Assessment.
- **Operating Expenses:** The Department requests a continuation level of funding for operating expenses, plus the estimated increase for R-07 CCLS Service Contract Increase and State Capitol Fire System Testing.
- **Capitol Complex Repairs:** A continuation level of funding for Capitol Complex Repairs is included for FY 2022-23. The General Assembly appropriates funding to this line item to account for some of the HVAC repairs that must take place for the Capitol Complex to operate effectively.
- **Operating and OIT Common Policies:** This includes the program's need for the following centrally appropriated line items: Workers' Compensation, Legal Services, Administrative Law Judge Services, Payment to Risk Management and Property Funds, Leased Space, Capitol Complex Leased Space, Payments to OIT, PERA Direct Distribution and CORE Operations.
- **Depreciation Estimate:** This cost accounts for the depreciation of equipment as estimated by the Department's accounting group. Including depreciation in the cost pool allows the State to recover funding outlays for capital expenses in the program. Per federal government requirements, the inclusion of depreciation is the only acceptable methodology for recovering these types of expenses.
- **Energy Performance Depreciation:** The Energy Performance Depreciation line item has increased from year-to-year based on the inclusion of the depreciation associated with Phase 4 of the Department's energy performance contracts. Essentially, the Department finances improvements to the State's buildings by signing agreements with vendors to perform capital improvements to energy consuming systems to save money in excess of the cost of the contract through lower utility bills. Due to federal rules published by the Office of Management and Budget, the State is not allowed to recover the full cost of the financing over the term of the financing period if it is less than the useful life of the improvement. Per federal government requirements, the inclusion of depreciation is the only acceptable methodology for recovering these types of expenses.
- **Utilities:** See the Utilities Methodology section below. In addition to the utilities amount, this represents the cost of the Performance Contract interest payments.
- **Capitol Complex Security:** This cost is for the Colorado State Patrol to provide security within the Capitol Complex, primarily the State Capitol. A continuation level of funding has been requested, though the allocation should be updated once any updates to this figure are known.

- **Indirect Costs:** This represents the program’s share of indirect costs for FY 2022-23.
- **Sprint Leased Tower Space:** The Department of Personnel & Administration leases land to Sprint for a cell tower at Camp George West. This funding offsets expenses at Camp George West.
- **Fund Balance Adjustment:** The CCLS request includes a targeted fund balance adjustment as a part of the common policy request. For this year, the Department requests an 8.25 percent fund balance target.

Estimate of Fund Balance Adjustment for FY 2022-23	
Description	Amount
FY 2020-21 End-of-Year Cash Balance	\$4,853,123
Estimated FY 2021-22 Expenditures	\$16,749,479
Estimated FY 2021-22 Revenues	\$16,482,346
Estimated FY 2021-22 End-of-Year Balance	\$4,585,990
Approved Capital Asset Set Aside Balance	\$1,600,000
Net Available Operating Fund Balance	\$2,985,990
FY 2022-23 Estimated Base Expenditures	\$17,477,865
Targeted Operating Fund Balance (8.25%)	\$1,441,924
Total Target Reserve	\$3,041,924
Addition/(Reduction) Required to Reach Target	(\$1,544,066)

UTILITIES METHODOLOGY

For FY 2022-23, the Department of Personnel & Administration has continued the established utilities methodology for the common policy submission, with the exception of the elimination of Camp George West utilities. Agencies occupying Camp George West are now charged directly for utilities use, except for water & sewer. The utilities request for the Capitol Complex program was constructed, by campus, using the following methodology:

1. Determine the total usage by utility type.
2. Determine the total billing by utility type.
3. Determine the full-year’s effective rate for each utility by campus.
4. Apply the estimated growth factor.
5. Take the product of the rate determined in step #4 and the total actual usage determined in #1 – this is the total utility need for the utility type for each campus.

The following tables detail this calculation:

FY 2022-23 Utilities Build for Capitol Complex Leased Space					
	Utility Type				
	Electric	Gas	Steam	Water & Sewer	Total Utilities Need
Denver					
FY 2020-21 Total Usage	18,968,209	103,500	16,744	36,664,000	
FY 2020-21 Total Billing	\$1,689,748	\$88,047	\$721,577	\$246,052	
FY 2020-21 Average Billing Rate	0.08910	0.8507	43.0946	0.0067	
Estimated Rate Increase FY 2020-21 to FY 2022-23	5%	5%	15%	4%	
Projected Rate	0.0936	0.8932	49.5588	0.0070	
FY 2022-23 Estimated Need by Utility	\$1,775,424	\$92,446	\$829,813	\$256,648	\$2,954,331
	Electric	Gas	Steam	Water & Sewer	Total Utilities Need
Grand Junction					
FY 2020-21 Total Usage	621,054	8,370		685,000	
FY 2020-21 Total Billing	\$59,886	\$4,829		\$5,944	
FY 2020-21 Average Billing Rate	0.0964	0.5769		0.0087	
Estimated Rate Increase FY 2020-21 to FY 2022-23	5%	5%		3%	
Projected Rate	0.1012	0.6057		0.0090	
FY 2022-23 Estimated Need by Utility	\$62,851	\$5,070		\$8,098	\$76,019
	Electric	Gas	Steam	Water & Sewer	Total Utilities Need
Camp George West					
FY 2020-21 Total Usage				8,138,000	
FY 2020-21 Total Billing				\$80,154	
FY 2020-21 Average Billing Rate				0.0098	
Estimated Rate Increase FY 2020-21 to FY 2022-23				3%	
Projected Rate				0.0101	
FY 2022-23 Estimated Need by Utility				\$82,194	\$82,194

In addition to utilities costs, the utilities line item is used to pay interest and principal payments for performance contracts. The performance contract detail is outlined below:

FY 2022-23 Utilities Line Item Build		
Description	FY 2021-22 Appropriation	FY 2022-23 Request
Allocated Utilities	\$2,943,441	\$3,112,544
Performance Contract Interest Payment	\$415,216	\$285,837
Subtotal Allocated Amount	\$3,358,657	\$3,398,381
Performance Contract Principal Payment	\$1,562,238	\$1,841,594
True-Up Steam Rebates	\$371,595	\$380,885
Total Request Utilities Line Item Request	\$5,292,490	\$5,620,860

CAPITOL COMPLEX LEASED SPACE COST ALLOCATION TO DEPARTMENTS

The following tables show the total square foot per agency, square foot campus rates, and request amounts for each department or institution for FY 2022-23.

Square Foot Allocation Per Location by Agency						
Agency	Denver	Pierce	North Campus	Grand Junction	Camp George West	Total
Corrections	0	0	0	0	46,696	46,696
Correctional Industries	0	0	0	0	18,672	18,672
Education	46,890	0	0	0	0	46,890
Governor, Lt Governor, OSPB	19,780	0	0	0	0	19,780
OIT	13,853	0	0	1,346	0	15,199
Health Care Policy and Financing	33,264	0	0	0	0	33,264
Human Services	89,429	0	0	0	0	89,429
Labor & Employment	0	0	5,381	2,850	0	8,231
Legislative	142,740	0	0	0	0	142,740
Local Affairs	38,107	0	0	3,783	0	41,890
Military and Veterans Affairs	0	0	0	0	55,865	55,865
Natural Resources	56,869	0	0	0	0	56,869
Personnel	216,845	0	82,034	2,853	0	301,732
Public Health and Environment	0	0	0	4,477	0	4,477
Public Safety	93,326	0	0	0	182,536	275,862
Regulatory Agencies	0	0	0	0	0	0
Revenue	0	89,031	2,119	5,919	0	97,069
Transportation	0	0	0	13,917	308	14,225
Treasury	3,351	0	0	0	0	3,351
Total	754,454	89,031	89,534	35,145	304,077	1,272,241

FY 2022-23 Estimated Cost per Square Foot					
Description	Denver	Pierce	North Campus	Grand Junction	Camp George West
Cost per Square Foot	\$18.91	\$9.16	\$2.97	\$8.91	\$0.91

FY 2022-23 Total Estimated Need by Agency						
Agency	Denver	Pierce	North Campus	Grand Junction	Camp George West	Total
Corrections	\$0	\$0	\$0	\$0	\$42,302	\$42,302
Correctional Industries	\$0	\$0	\$0	\$0	\$16,915	\$16,915
Education	\$886,486	\$0	\$0	\$0	\$0	\$886,486
Governor, Lt Governor, OSPB	\$373,954	\$0	\$0	\$0	\$0	\$373,954
OIT	\$261,900	\$0	\$0	\$11,997	\$0	\$273,897
Health Care Policy and Financing	\$628,878	\$0	\$0	\$0	\$0	\$628,878
Human Services	\$1,690,715	\$0	\$0	\$0	\$0	\$1,690,715
Labor & Employment	\$0	\$0	\$15,998	\$25,402	\$0	\$41,400
Legislature	\$2,698,595	\$0	\$0	\$0	\$0	\$2,698,595
Local Affairs	\$720,438	\$0	\$0	\$33,717	\$0	\$754,155
Military and Veterans Affairs	\$0	\$0	\$0	\$0	\$50,608	\$50,608
Natural Resources	\$1,075,146	\$0	\$0	\$0	\$0	\$1,075,146
Personnel	\$4,099,600	\$0	\$243,893	\$25,428	\$0	\$4,368,921
Public Health and Environment	\$0	\$0	\$0	\$39,903	\$0	\$39,903
Public Safety	\$1,764,390	\$0	\$0	\$0	\$165,358	\$1,929,748
Regulatory Agencies	\$0	\$0	\$0	\$0	\$0	\$0
Revenue	\$0	\$815,450	\$6,300	\$52,755	\$0	\$874,505
Transportation	\$0	\$0	\$0	\$124,040	\$279	\$124,319
Treasury	\$63,352	\$0	\$0	\$0	\$0	\$63,352
Total	\$14,263,454	\$815,450	\$266,191	\$313,242	\$275,462	\$15,933,799

Legislature Detail	
Capitol Complex Leased Space Allocation	\$2,698,595
Parking at 1525 Sherman	\$28,800
Conference Center Rental	\$5,200
Total	\$2,732,595

FY 2022-23 CCLS DEPARTMENT FUNDING REQUESTS

Summary For Capital Complex Lease Space							
Department	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Total Base Adj	GF	CF	RF	FF
Agriculture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Corrections	\$ 59,492	\$ 59,217	\$ (275)	\$ (196)	\$ (79)	\$ -	\$ -
Education	\$ 917,789	\$ 886,487	\$ (31,302)	\$ (12,435)	\$ (3,750)	\$ (3,044)	\$ (12,073)
Governor	\$ 670,624	\$ 647,851	\$ (22,773)	\$ (6,574)	\$ -	\$ (16,199)	\$ -
Health Care Policy and Financing	\$ 651,086	\$ 628,878	\$ (22,208)	\$ (8,287)	\$ (2,452)	\$ (551)	\$ (10,918)
Higher Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Human Services	\$ 1,750,416	\$ 1,690,716	\$ (59,700)	\$ (21,568)	\$ -	\$ (38,132)	\$ -
Judicial	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor and Employment	\$ 42,555	\$ 41,400	\$ (1,155)	\$ (101)	\$ (470)	\$ (13)	\$ (571)
Law	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legislative	\$ 2,793,884	\$ 2,698,595	\$ (95,289)	\$ (95,289)	\$ -	\$ -	\$ -
Local Affairs	\$ 780,494	\$ 754,150	\$ (26,344)	\$ (8,351)	\$ (4,060)	\$ (7,588)	\$ (6,345)
Military and Veteran Affairs	\$ 50,843	\$ 50,608	\$ (235)	\$ (235)	\$ -	\$ -	\$ -
Natural Resources	\$ 1,551,708	\$ 1,075,147	\$ (476,561)	\$ (89,553)	\$ (242,063)	\$ (92,967)	\$ (51,979)
Personnel and Administration	\$ 4,083,047	\$ 4,368,921	\$ 285,874	\$ 163,976	\$ 1,865	\$ 120,033	\$ -
Public Health and Environment	\$ 40,967	\$ 39,903	\$ (1,064)	\$ (80)	\$ -	\$ (984)	\$ -
Public Safety	\$ 1,981,538	\$ 1,929,749	\$ (51,789)	\$ (20,967)	\$ (13,810)	\$ (17,012)	\$ -
Regulatory Agencies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue	\$ 902,495	\$ 874,505	\$ (27,990)	\$ (10,432)	\$ (17,558)	\$ -	\$ -
State	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transportation	\$ 139,820	\$ 124,319	\$ (15,501)	\$ -	\$ (10,213)	\$ (45)	\$ (5,243)
Treasury	\$ 65,590	\$ 63,353	\$ (2,237)	\$ (2,237)	\$ -	\$ -	\$ -
TOTAL	\$ 16,482,348	\$ 15,933,799	\$ (548,549)	\$ (112,329)	\$ (292,590)	\$ (56,502)	\$ (87,129)

Note: The table above only includes the base request for FY 2022-23. Any additional changes due to change requests from this or other departments are not reflected in the numbers above.

* Non-Executive branch agencies are not required to submit budget proposals to the Governor's Office. Fund Splits in this table have not been updated to reflect PB entries input by individual Departments at the end of the budgeting process, in supporting documents Fund Splits have been estimated based on the FY 2021-22 Long Bill.

COLORADO OPERATIONS AND RESOURCE ENGINE (CORE)

In 2011, the State Auditor published a risk assessment regarding the sustainability of operations under the State’s accounting system called Colorado Financial Reporting System (COFRS). The report concluded that “COFRS is at significant risk of partial or complete failure and can no longer be supported by outside vendors or maintained by existing resources within the State.” Responding to the concerning findings of the risk assessment, the General Assembly provided the Governor’s Office of Information Technology (OIT) an appropriation in FY 2012-13, funded through common policy allocations, to begin the modernization of COFRS.

The replacement system for COFRS now operates as the Colorado Operations Resource Engine (CORE). During FY 2015-16, there were over 4,000 CORE users that produced over five million documents or records across budget, accounting and procurement. Starting in FY 2015-16 the administrative responsibility for CORE was transferred from OIT to DPA. Along with this transfer, DPA now has oversight of the common policy used to bill agencies for use of the system.

FY 2022-23 CORE ESTIMATED COSTS

For FY 2022-23, the request includes a base adjustment to the CORE Operations line item for each department based on updated program expenditures anticipated for FY 2022-23. The descriptions and table below provide the amount and rationale behind each of the request components and outline any departure from the previously requested amounts or methodologies. The Department submits an adjustment for this common policy annually, based on final document count in the most recent complete fiscal year.

FY 2022-23 CORE Operations Base Adjustment		
Description	FY 2021-22 Appropriation	FY 2022-23 Request
Personal Services	\$1,993,123	\$2,051,005
Total Compensation Common Policies	\$476,910	\$509,666
Operating Expenses	\$59,590	\$59,590
Operating and OIT Common Policies	\$793,736	\$864,458
Payment for CORE and Support Modules	\$6,671,656	\$6,671,656
Depreciation	\$4,799,040	\$4,799,040
Fund Balance Adjustments	(\$5,848,854)	(\$3,951,825)
Total	\$8,945,201	\$11,003,590

- **Personal Services:** The amount requested for Personal Services accounts for the base building impact of Salary Survey and Merit Pay, if any.
- **Total Compensations Common Policies:** This includes funding for the CORE Operations program staff for the following: Health, Life, and Dental, Short-term Disability, AED, SAED, Salary Survey, Merit Pay, Increased Employer PERA Contribution, and PERA Direct Distribution.
- **Operating and OIT Common Policies:** This includes the program’s need for the following centrally appropriated line items: Workers’ Compensation, Legal Services, Payment to Risk

Management and Property Funds, Leased Space, Capitol Complex Leased Space, Payments to OIT, and CORE.

- **Operating Expenses:** A continuation level of funding has been requested for operating expenses.
- **Payments for CORE and Support Modules:** This line item allows DPA to submit payments to the CORE vendor for Managed Services and Labor Data Collection (LDC).
- **CORE Depreciation Expense:** Calculating the depreciable value of the CORE system is necessary in order to properly bill cash and federal sources of revenue for their proportional share of the implementation and ongoing costs of the system. Depreciation is calculated based on a 10-year straight-line schedule, with the total value of the CORE asset set at \$46,447,361. The depreciation is anticipated to remain stable for the depreciable term of the asset.
- **Fund Balance Adjustment:** The fund balance adjustment is the mechanism which the Department adjusts rates up or down to utilize any over/under collections from the previous fiscal year. CORE operations have two funds to utilize for this purpose, the adjustment in the table above shows the net impact of both of these funds.

The Supplier Database Cash Fund receives revenues from rebates on statewide price agreements. Prior to CORE implementation, this fund supported Contract and Procurement functions. The CORE Operations common policy allocations have been subsidized each fiscal year with funds from the Supplier Database Cash Fund. The FY 2022-23 request includes a subsidization of \$2,223,408 from the Supplier Database Cash Fund to offset the CORE Operations common policy allocation. The Department has requested to retain a reserve of 16.5 percent of the estimated FY 2021-22 year-end fund balance.

FY 2022-23 Supplier Database Fund 2810 Fund Balance	
Description	Amount
Final Fund Balance - FY 2020-21 Projected	\$5,441,075
Projected FY 2021-22 Revenue	\$1,320,146
Projected FY 2021-22 Expense	\$4,098,456
Final Fund Balance - FY 2021-22 Projected	\$2,662,765
Fund Balance Reserve - 16.5% of Fund Balance	\$439,356
Addition/(reduction) to Allocations	(\$2,223,408)

The Statewide Financial Information Technology Systems Cash Fund was created to allow DPA to collect and expend revenues for the CORE common policy. In order to retain a fund balance reserve of 8.25 percent of Personal Service and Operating Expenses, a reduction of \$1,728,417 has been requested for FY 2022-23.

FY 2022-23 Statewide Financial IT System 6140 Fund Balance Projection	
Description	Amount
Final Fund Balance - FY 2020-21 Projected	\$2,116,026
Projected FY 2021-22 Revenue	\$13,522,881
Projected FY 2021-22 Expense	\$13,736,366
Final Fund Balance - FY 2021-22 Projected	\$1,902,541
Fund Balance Reserve - 8.25% PS/OE	\$174,124
Addition/(reduction) to Allocations	(\$1,728,417)

CORE COST ALLOCATION TO DEPARTMENTS

CORE Operations allocations to departments are based on the final document count from the most recent fiscal year. The requested allocation uses the total of all personal services and operating expenditures projected for the program operations and allocates the cost proportionally by department, according to the prior fiscal year's final and historical final document count in CORE. The following table shows the requested allocation by agency:

FY 2022-23 CORE Incremental Need by Department					
Agency	FY 2021-22 Appropriation	% CORE Documents	FY 2022-23 Estimated Allocation	Incremental Need over/(under)	% Change
Agriculture	\$129,458	1.40%	\$154,192	\$24,734	19.11%
Corrections	\$362,053	4.00%	\$440,286	\$78,233	21.61%
Education	\$240,722	2.20%	\$242,246	\$1,524	0.63%
Governor	\$376,623	4.03%	\$443,737	\$67,114	17.82%
Health Care Policy and Financing	\$112,780	1.52%	\$166,817	\$54,037	47.91%
Higher Education	\$237,213	2.30%	\$252,948	\$15,735	6.63%
Human Services	\$1,128,619	11.62%	\$1,278,506	\$149,887	13.28%
Judicial	\$1,595,667	16.93%	\$1,862,574	\$266,907	16.73%
Labor and Employment	\$400,815	3.86%	\$424,768	\$23,953	5.98%
Law	\$44,664	0.44%	\$48,571	\$3,907	8.75%
Legislature	\$36,863	0.33%	\$36,813	(\$50)	-0.14%
Local Affairs	\$436,027	5.54%	\$609,738	\$173,711	39.84%
Military and Veteran Affairs	\$65,093	0.68%	\$74,715	\$9,622	14.78%
Natural Resources	\$541,043	5.60%	\$616,524	\$75,481	13.95%
Personnel	\$288,091	2.73%	\$300,734	\$12,643	4.39%
Public Health and Environment	\$858,916	9.70%	\$1,067,616	\$208,700	24.30%
Public Safety	\$333,193	3.74%	\$411,644	\$78,451	23.55%
Regulatory Agencies	\$302,496	3.28%	\$360,575	\$58,079	19.20%
Revenue	\$987,111	15.07%	\$1,658,640	\$671,529	68.03%
State	\$19,539	0.21%	\$22,754	\$3,215	16.45%
Transportation	\$133,036	1.40%	\$154,469	\$21,433	16.11%
Treasury	\$315,383	3.41%	\$374,723	\$59,340	18.82%
Total	\$8,945,405	100.00%	\$11,003,590	\$2,058,185	23.01%

FY 2022-23 CORE DEPARTMENT FUNDING REQUESTS

Summary for CORE Operations							
Department	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Base Adj.	GF	CF	RF	FF
Agriculture	\$129,458	\$154,192	\$24,734	\$3,338	\$18,156	\$3,240	\$0
Corrections	\$362,053	\$440,286	\$78,233	\$68,433	\$4,734	\$5,066	\$0
Education	\$240,722	\$242,246	\$1,524	\$762	\$590	\$172	\$0
Governor's Office	\$376,623	\$443,737	\$67,114	\$0	\$2,683	\$61,815	\$2,616
Health Care Policy & Finance	\$112,780	\$166,817	\$54,037	\$20,163	\$5,966	\$1,340	\$26,568
Higher Education	\$237,213	\$252,948	\$15,735	\$0	\$6,113	\$9,622	\$0
Human Services	\$1,128,619	\$1,278,506	\$149,887	\$82,374	\$0	\$67,513	\$0
Judicial	\$1,595,667	\$1,862,574	\$266,907	\$266,907	\$0	\$0	\$0
Labor & Employment	\$400,815	\$424,768	\$23,953	\$2,107	\$9,737	\$275	\$11,834
Law	\$44,664	\$48,571	\$3,907	\$921	\$633	\$2,241	\$112
Legislature	\$36,863	\$36,813	(\$50)	(\$50)	\$0	\$0	\$0
Local Affairs	\$436,027	\$609,738	\$173,711	\$47,942	\$27,545	\$60,033	\$38,191
Military Affairs	\$65,093	\$74,715	\$9,622	\$9,622	\$0	\$0	\$0
Natural Resources	\$541,043	\$616,524	\$75,481	\$5,287	\$66,090	\$1,740	\$2,364
Personnel	\$288,091	\$300,734	\$12,643	\$3,986	\$374	\$8,283	\$0
Public Health	\$858,916	\$1,067,616	\$208,700	\$22,245	\$0	\$186,455	\$0
Public Safety	\$333,193	\$411,644	\$78,451	\$0	\$0	\$78,451	\$0
Regulatory Agencies	\$302,496	\$360,575	\$58,079	\$2,250	\$52,128	\$2,991	\$710
Revenue	\$987,111	\$1,658,640	\$671,529	\$256,110	\$415,419	\$0	\$0
Secretary of State	\$19,539	\$22,754	\$3,215	\$0	\$3,215	\$0	\$0
Transportation	\$133,036	\$154,469	\$21,433	\$0	\$21,433	\$0	\$0
Treasury	\$315,383	\$374,723	\$59,340	\$26,703	\$32,637	\$0	\$0
TOTAL	\$8,945,405	\$11,003,590	\$2,058,185	\$819,100	\$667,453	\$489,237	\$82,395

Note: The table above only includes the base request for FY 2022-23. Any additional changes due to change requests from this or other departments are not reflected in the numbers above. Non-Executive branch agencies are not required to submit budget proposals to the Governor's Office. Fund Splits in this table have not been updated to reflect PB entries input by individual Departments at the end of the budgeting process. Fund Splits have been estimated based on the FY 2021-22 Long Bill.

VEHICLE LEASE PAYMENTS

This line item includes the costs agencies experience from vehicle lease-purchase loan payments, plus a management fee collected by DPA. These costs represent fixed costs for State vehicles. Depending on the length of the lease-purchase agreement and the replacement policy for State fleet vehicles, departments' Vehicle Lease Payments appropriations are adjusted annually. If warranted, these incremental base adjustments are addressed through a decision item prepared by DPA.

The Vehicle Lease Payments line item does not include the variable costs for State fleet vehicles, which are also set by DPA. Variable costs include the cost of maintenance, fuel, and auto insurance for department operated vehicles. These costs are funded within an individual department's operating and/or program line items. Since these costs are appropriated within individual departments, changes in funding needs for the variable costs will be addressed on a case-by-case basis unless a change is substantial enough to warrant a statewide request. If a statewide request is deemed appropriate, DPA will author the request with the corresponding input from affected agencies. For the November 1 Budget Submission for FY 2021-22 no request for variable vehicle costs has been submitted.

For FY 2022-23, the Department has submitted a funding request, R-09 Annual Fleet Vehicle Request, to replace 619 fleet vehicles (278 which are designated as potential alternative fuel vehicles). This will require an increase of \$535,095 in appropriated funds for all state agencies' Vehicle Lease Payment appropriations, and an increase of \$839,357 for the Department's Vehicle Replacement Lease/Purchase line item for FY 2022-23.

Replacement Analysis For FY 2022-23				
Dept	Division	Long Bill Vehicle Lease Payment Appropriation for FY 21-22	Total Need After Requested Replacements	Decision Item Figures for Agencies' Schedule 13
Long Bill Appropriated Agencies				
CDPS	EDO	662,032	975,141	313,109
CDPS	Colorado State Patrol	9,181,218	9,475,817	294,599
CDPS	CBI	359,239	318,770	(40,469)
CDPS	CDPS Total	10,202,489	10,769,728	567,239
CDA	Agriculture	415,955	367,765	(48,190)
CDHS	Department of Human Services	1,152,215	1,204,543	52,328
CDLE	Labor and Employment	191,751	209,850	18,099
DOC	Department of Corrections	3,468,680	3,622,464	153,784
DOE	Department of Education	37,040	36,302	(738)
DOL	Attorney General	78,456	88,783	10,327
DOLA	Local Affairs	113,942	115,843	1,901
DOMA	Military Affairs	71,007	81,399	10,392
DONR	Natural Resources	4,847,036	4,947,187	100,151
DOR	Department of Revenue	838,511	668,025	(170,486)
DORA	Regulatory Agencies	279,899	276,795	(3,104)
DOS	Secretary of State	12,443	10,144	(2,299)
DPA	Dept of Personnel	284,389	208,201	(76,188)
DPHE	Department of Health	386,751	331,447	(55,304)
GOV	Economic Development	16,877	18,221	1,344
GOV	CEO	13,182	(492)	(13,674)
GOV	OIT	125,033	137,066	12,033
JUD	Public Defender	139,454	111,197	(28,257)
JUD	Courts	124,412	130,149	5,737
Total Long Bill Appropriated Agencies		22,799,522	23,334,617	535,095
Non Long Bill Appropriated Agencies				
CDOT	Department of Transportation	2,729,759	2,829,971	100,212
DOHE	Higher Education Total	1,347,855	1,167,446	(180,409)
Total Non Appropriated Agencies		4,077,614	3,997,417	(80,197)
Statewide Total		26,877,136	27,332,034	454,898

PERA DIRECT DISTRIBUTION

SB 18-200 became law in FY 2018-19, and beginning in FY 2019-20, a new common policy was created for the PERA Direct Distribution. On July 1st of each fiscal year beginning in FY 2019-20, the \$225 million direct distribution from the State Treasurer to the Colorado Public Employees' Retirement Association (PERA) can include fund sources other than General Fund, and this common policy has been developed so the State can access these Cash, Reappropriated and Federal Fund sources. Unlike other common policies within DPA, these allocations will not be paid to a fund within DPA, rather, they will be transferred internally to the State Treasury in order for the transfer to occur on the first day of each fiscal year. For this reason, there are no overhead costs associated with this common policy and no fund has been created for this common policy.

The estimated costs for the PERA Direct Distribution are shown below and are based on actual payroll expenses from FY 2020-21 and compared to the covered payroll values from the most recently published PERA Comprehensive Annual Financial Report published in June 2021. The table below illustrates the calculation for the amount that is requested to be allocated across all departments.

PERA Direct Distribution Calculation - Payroll Basis	
	2020 Covered payroll from PERA CAFR (pg 102)
State Division	\$3,089,161,000
School Division	\$5,146,118,000
Local Government Division	\$698,060,000
Judicial Division	\$54,780,000
DPS Division	\$771,347,000
Total	\$9,759,466,000
Total Excluding Local Government Division	\$9,061,406,000
Total Gross Payroll FY21 (from HRDW Total Earnings Report):	\$2,341,037,123
Percent of Gross Payroll to Allocate Across State Departments	25.84%
Total Direct Distribution	\$225,000,000
Total to Allocate	\$58,129,321

FY 2022-23 PERA DIRECT DISTRIBUTION DEPARTMENT FUNDING REQUESTS

FY 2022-23 PERA Direct Distribution Common Policy Allocations by Department				
Cabinet	Department	Gross Salary FY21	%	Direct Distribution Allocations for FY23
A	Personnel & Administration	\$ 25,401,229	1.09%	\$ 630,727
B	Agriculture	\$ 18,727,180	0.80%	\$ 465,007
C	Corrections	\$ 432,379,071	18.47%	\$ 10,736,225
D	Education	\$ 48,452,422	2.07%	\$ 1,203,101
E	Governor's Office	\$ 100,721,110	4.30%	\$ 2,500,965
F	Public Health	\$ 124,793,287	5.33%	\$ 3,098,690
G	Higher Education	\$ 19,312,343	0.82%	\$ 479,537
H	Transportation	\$ 212,143,491	9.06%	\$ 5,267,647
I	Human Services	\$ 346,499,720	14.80%	\$ 8,603,791
J	Judicial	\$ 348,999,401	14.91%	\$ 8,665,860
K	Labor & Employment	\$ 87,989,927	3.76%	\$ 2,184,841
L	Law	\$ 49,180,394	2.10%	\$ 1,221,178
M	Legislature	\$ 30,018,406	1.28%	\$ 745,375
N	Local Affairs	\$ 14,334,301	0.61%	\$ 355,929
O	Military & Veterans Affairs	\$ 12,313,620	0.53%	\$ 305,754
P	Natural Resources	\$ 120,972,494	5.17%	\$ 3,003,818
R	Public Safety	\$ 157,759,953	6.74%	\$ 3,917,272
S	Regulatory Agencies	\$ 42,939,181	1.83%	\$ 1,066,205
T	Revenue	\$ 89,319,566	3.82%	\$ 2,217,857
U	Health Care Policy & Finance	\$ 45,120,255	1.93%	\$ 1,120,362
V	Secretary of State	\$ 11,380,855	0.49%	\$ 282,593
W	Treasury	\$ 2,278,915	0.10%	\$ 56,587
Total		\$ 2,341,037,123	100.00%	\$ 58,129,321

Summary for PERA Direct Distribution Common Policy							
Department	FY 2021-22 Appropriation	FY 2022-23 Total Request	FY 2021-22 Total Base Adj	GF	CF	RF	FF
Agriculture	\$ 490,167	\$ 465,007	\$ (25,160)	\$ (826)	\$ (24,334)	\$ -	\$ -
Corrections	\$ 10,222,043	\$ 10,736,225	\$ 514,182	\$ 510,593	\$ 3,589	\$ -	\$ -
Education	\$ 1,258,290	\$ 1,203,101	\$ (55,189)	\$ (24,807)	\$ (46,717)	\$ 16,335	\$ -
Governor's Office	\$ 2,480,812	\$ 2,500,965	\$ 20,153	\$ 18,035	\$ 30,452	\$ (28,334)	\$ -
HCPF	\$ 1,077,009	\$ 1,120,362	\$ 43,353	\$ 50,227	\$ (7,820)	\$ (3,810)	\$ 4,756
Higher Education	\$ 494,902	\$ 479,537	\$ (15,365)	\$ 49,253	\$ (62,770)	\$ (33,071)	\$ 31,222
Human Services	\$ 8,630,333	\$ 8,603,791	\$ (26,542)	\$ (17,110)	\$ -	\$ (9,432)	\$ -
Judicial *	\$ 9,016,683	\$ 8,665,860	\$ (350,823)	\$ (257,763)	\$ (93,060)	\$ -	\$ -
Labor and Employment	\$ 1,993,898	\$ 2,184,841	\$ 190,943	\$ (7,087)	\$ 133,431	\$ (1,486)	\$ 66,085
Law	\$ 1,214,732	\$ 1,221,178	\$ 6,446	\$ (10,058)	\$ (15,712)	\$ 32,216	\$ -
Legislature *	\$ 747,558	\$ 745,375	\$ (2,183)	\$ (2,183)	\$ -	\$ -	\$ -
Local Affairs	\$ 345,152	\$ 355,929	\$ 10,777	\$ 863	\$ 34,666	\$ (25,946)	\$ 1,194
Military Affairs	\$ 282,078	\$ 305,754	\$ 23,676	\$ 23,402	\$ 274	\$ -	\$ -
Natural Resources	\$ 3,098,784	\$ 3,003,818	\$ (94,966)	\$ (32,217)	\$ (61,114)	\$ (1,635)	\$ -
Personnel and Administration	\$ 650,471	\$ 630,727	\$ (19,744)	\$ (7,024)	\$ (4,561)	\$ (8,159)	\$ -
Public Health	\$ 2,834,045	\$ 3,098,690	\$ 264,645	\$ (1,061,205)	\$ (16,440)	\$ (39,148)	\$ 1,381,438
Public Safety	\$ 4,037,847	\$ 3,917,272	\$ (120,575)	\$ 146,695	\$ (155,847)	\$ (111,423)	\$ -
Regulatory Agencies	\$ 1,041,362	\$ 1,066,205	\$ 24,843	\$ (4,968)	\$ 63,888	\$ (3,299)	\$ (30,779)
Revenue	\$ 2,256,397	\$ 2,217,857	\$ (38,540)	\$ 105,141	\$ (127,554)	\$ (506)	\$ (15,621)
State	\$ 255,791	\$ 282,593	\$ 26,802	\$ -	\$ 26,802	\$ -	\$ -
Transportation	\$ 5,419,752	\$ 5,267,647	\$ (152,105)	\$ -	\$ (152,105)	\$ -	\$ -
Treasury	\$ 55,339	\$ 56,587	\$ 1,248	\$ 2,433	\$ (1,185)	\$ -	\$ -
TOTAL	\$ 57,903,445	\$ 58,129,321	\$ 225,876	\$ (518,606)	\$ (476,116)	\$ (217,698)	\$ 1,438,295

Note: The table above only includes the base request for FY 2022-23, and the FY 2021-22 appropriations are based on SB21-205. Fund Splits in this table have been estimated based on AED/SAED appropriations in the total compensation templates for FY 2022-23. The fund splits in the table have not been updated to reflect PB entries input by individual Departments at the end of the budgeting process.

DOCUMENT SOLUTIONS GROUP

The Department of Personnel & Administration’s Integrated Documents Solutions (IDS) includes a subdivision located in Pueblo that serves the scanning and document-related needs of State agencies. This group, the Document Solution Group (DSG), has until FY 2019-20 employed an expense pooling methodology in setting the rates for all services it offers. DSG has two major customers, the Department of Revenue (DOR) and Secretary of State (SOS), in addition to several smaller customers with one-time or short term business needs. In an effort to provide more stability in the rates for its two largest customers, the Department has compiled and created a common policy for those two customers.

FY 2022-23 Document Solution Group Request		
Description	FY 2021-22 Appropriation	FY 2022-23 Request
Personal Services	\$3,165,008	\$3,229,196
DCS Admin Allocation	\$325,485	\$334,016
Operating and OIT Common Policies	\$1,117,071	\$1,164,823
Operating Expenses	\$910,187	\$926,389
Indirect Costs	\$148,659	\$176,984
Cost Related to Other Customers	(\$725,731)	(\$953,899)
North Campus Only Expenses	\$7,550	\$7,550
Fund Balance Adjustment	\$287,102	\$295,451
Total	\$5,235,331	\$5,180,510

FY 2021-22 ESTIMATED COSTS

- **Personal Services:** The amount requested for Personal Services accounts for the base building impact of Salary Survey and Merit Pay, if any.
- **DCS Admin Allocation:** This includes DSG share of Division of Central Services Administration’s Personal Services, Operating Expense, and Indirect Cost Assessment.
- **Operating and OIT Common Policies:** This includes the program’s need for the following centrally appropriated line items: Workers’ Compensation, Payment to Risk Management and Property Funds, Leased Space, Capitol Complex Leased Space, Payments to OIT, and CORE Operations.
- **Operating Expenses:** The Department requests a continuation level of funding for operating expenses.
- **Indirect Costs:** This represents the program’s share of indirect costs for FY 2022-23.
- **Cost Related to Other Customers:** Removing any expenses from the Cool Pool that do not relate to DOR or SOS.
- **North Campus Only Expenses:** Adding in the North Campus expenses into the Cost Pool for expenses associated with SOS only.
- **Fund Balance Adjustment:** A portion of the standard IDS fund balance adjustment will be applied to the overall cost pool for the DSG common policy. This ensures that the fund in its

entirety will be moving toward the overall target on an annual basis, whether through an increase or decrease to the overall fund. The overall fund balance adjustment for IDS will be determined annually, and the portion that falls under DSG will be included as an increase or decrease in the common policy cost pool. The remaining adjustments to the IDS fund balance are applied through the rates which are set annually.

DOCUMENT SOLUTION GROUP ALLOCATION METHODOLOGY

Department	Historical Billing Average (4 Yrs)	Percent of Total Historical Billings	FY 2022-23 Request
Department of Revenue	\$3,810,445	87.18%	\$ 9,379,108
Secretary of State	\$560,418	12.82%	\$ 670,811
Total	\$4,370,863	100.00%	\$10,049,919

As is the standard approach for all other DPA common policies, the common policy cost pool for DSG includes operating expenses, personal services expenses, and overhead allocations. Personal services expenses include salaries aged to include projected total compensation adjustments, projected overtime and temporary labor needs based on projected volumes, and standard POTS related expenditures. Overhead allocations include the program’s share of statewide common policies billed to the Department, such as Legal Services, Leased Space, Payments to Risk Management, Workers’ Compensation, Administrative Law Judge Services, CORE Operations, Vehicle Lease Payments, PERA Direct Distribution, and Payments to OIT. Operating expenses include all standard operating costs associated with providing services. Additionally, personal services contract costs necessary to support the specific equipment required by DOR are included in the cost pool. Finally, the cost pool will be reduced by the four year average of the revenue derived by customers other than SOS and DOR.

FY 2022-23 DOCUMENT SOLUTION GROUP FUNDING REQUESTS

Department	FY 2022-23 Document Solution Group Funding Request						
	FY 2021-22 Appropriation	FY 2022-23 Request	FY 2022-23 Total Base Adj	GF	CF	RF	FF
Department of Revenue	\$ 4,624,048	\$ 9,379,108	\$ 4,755,060	\$ 4,755,060	\$ -	\$ -	\$ -
Secretary of State	\$ 611,283	\$ 670,811	\$ 59,528	\$ -	\$ 59,528	\$ -	\$ -
Total	\$ 5,235,331	\$ 10,049,919	\$ 4,814,588	\$ 4,755,060	\$ 59,528	\$ -	\$ -