



Colorado Statewide Internet Portal Authority
Annual Legislative Report
November 1, 2024

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Introduction

The Statewide Internet Portal Authority (SIPA) is pleased to provide this Annual Legislative Report covering the period July 1, 2023 to June 30, 2024.

C.R.S. § 24-37.7-113.5 requires SIPA to submit an annual report to the Joint Technology Committee, the Joint Budget Committee, the members of the Business, Labor, and Technology Committee of the Senate, and the Business Affairs and Labor Committee of the House of Representatives that includes:

- (a) a complete and detailed operating and financial statement each fiscal year;
- (b) the total amount of charges or fees imposed by each state agency for accessing electronic information, products, and services through the statewide internet portal;
- (c) the total amount of receipts and revenue derived by SIPA from the transactions in (b); and
- (d) recommendations regarding additional legislation or other action that might be necessary to carry out the purposes of SIPA.

SIPA was created in 2004 by the Colorado General Assembly with a mandate to “develop **the officially recognized statewide internet portal** that provides one-stop access to electronic information, products, and services in order to give members of the public, state agencies, and local governments an alternative way to transact business with the state”. **C.R.S. § 24-37.7-105(1)(a)**.

SIPA is governed by a 15-member Board of Directors composed of elected officials, state legislators, government stakeholders, and private residents.

SIPA helps connect Colorado residents with state agencies and local governments through the use of its products and services. SIPA oversees the **Colorado.gov portal**, which is a comprehensive delivery channel for Colorado Digital Government Services. SIPA’s services allow Coloradans to complete tasks such as paying taxes, starting a business, applying for a building permit, or registering for a conference.

Governments can create and maintain a web presence on Colorado.gov, accept electronic payments without the need to procure a PCI-compliant system of their own, deploy mobile responsive applications, and much more – using solutions provided through SIPA. SIPA works with state agencies, municipalities, counties, special districts, public institutions of higher education, and public K-12 schools through Eligible Governmental Entity agreements. SIPA continuously searches for innovative ways to provide new services while improving the services it offers.

Statutory Mission

SIPA works to improve the quality of life in Colorado by connecting the public to efficient services through technology, enabling governments to focus on their core missions. SIPA's statutory responsibility is to negotiate the Statewide Portal Integrator contract on behalf of state and local governments. SIPA contracted with a Portal Integrator (Tyler Colorado, formerly known as Colorado Interactive) for the development, support, maintenance, and enhancement of the systems utilized for the official state portal, Colorado.gov. SIPA also contracts with other supplier partners that provide electronic information, products, and services that align with SIPA's statutory mission. SIPA serves government entities throughout Colorado.

SIPA mission and scope of authority is set by its governing statute **C.R.S. § 24-37.7-105**.

What is SIPA's Statutory mission?

- Develop the officially recognized statewide internet portal that provides one-stop access to electronic information, products, and services to give members of the public, state agencies, and local governments an alternative way to transact business with the state.
- Explore ways and means of expanding the amount and kind of electronic information, products, and services provided, increasing the utility of the electronic information, products, and services provided and the form in which it is provided, and, where appropriate, implementing such expansion or increase.
- Explore technological means of improving access for members of the public, state agencies, and local governments to electronic information, products, and services, and, where appropriate, implement such technological improvements.
- Explore options for expanding the statewide internet portal and its services to members of the public, state agencies, and local governments by providing add-on services such as access to other information, products, services, and databases or by providing electronic mail and calendaring to subscribers.

Source: **C.R.S. § 24-37.7-105 (1)**, (excerpts)

Board Of Directors

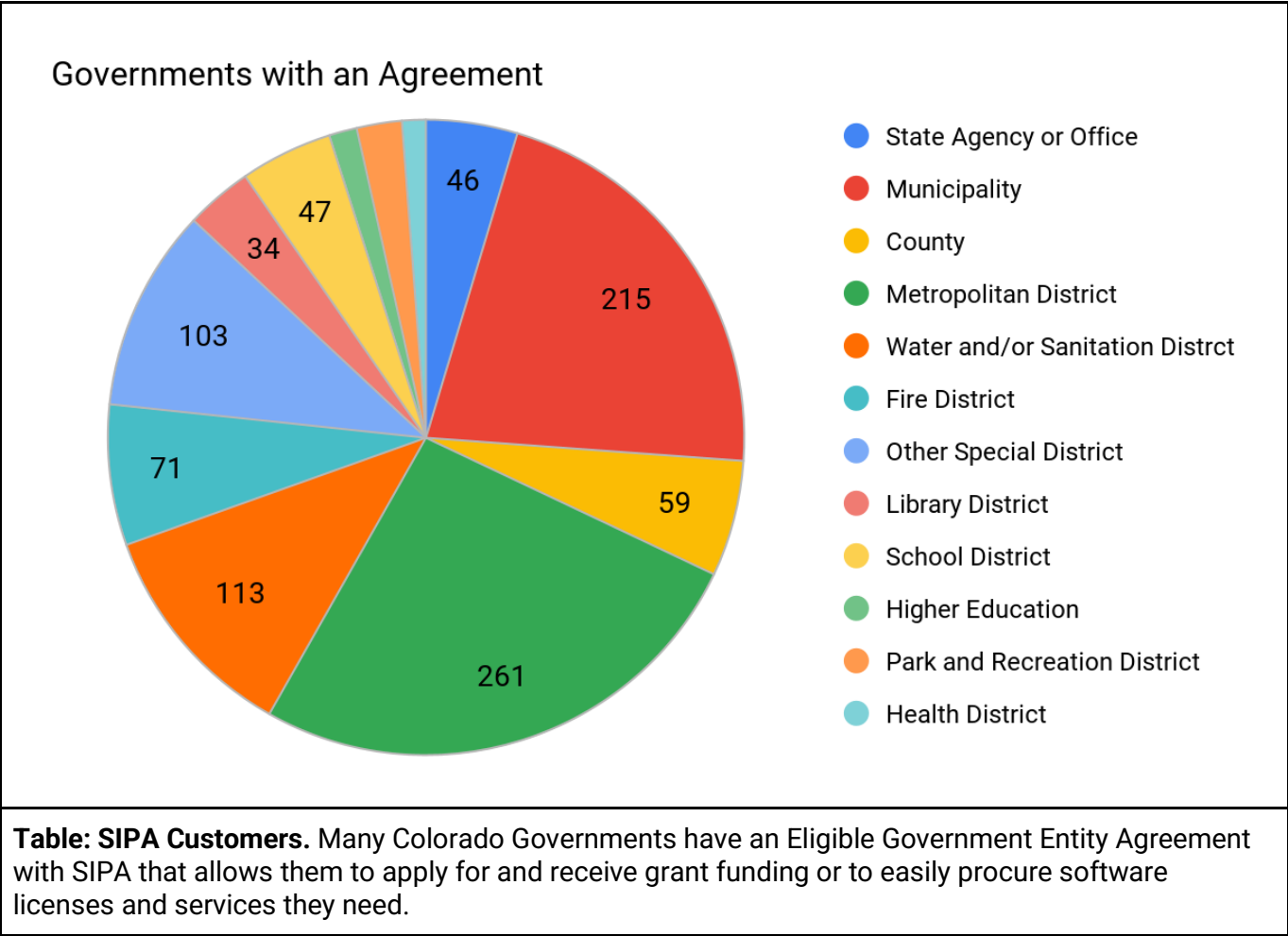
SIPA is governed by a 15-member Board of Directors (**Appendix 1**) which includes the following members: the Secretary of State; one representative from the Office of the Governor and three Executive Directors of principal departments of the State, all appointed by the Governor; three members from the private sector and one member who represents local government, all appointed by the Governor with consent of the Senate; two Senators (as selected by the Majority and Minority leadership); two Representatives (as selected by the Majority and Minority leadership); one member of the Judicial Department of the State appointed by the Chief Justice of the Colorado Supreme Court; and the State Chief Information Officer of the Governor's Office of Information Technology.

Current Board Officers

- Chair, Tony Gherardini, Executive Director, Colorado Department of Personnel & Administration
- Vice-Chair, Ernesto Chavez, Chief Technology Officer, City of Lafayette
- Treasurer, Hannah Parsons, Private Sector Member of the Board
- Secretary, Danielle Morrill, Private Sector Member of the Board

Governments Served

SIPA is a body corporate and political subdivision of the state that was created to serve other governmental entities throughout Colorado. SIPA's statute defines its pool of potential customers as all state agencies and local governments¹ within Colorado and Colorado's public institutions of higher education. As of June 30, 2024, SIPA had established eligible government entity agreements with 998 of these eligible customers including 46 state agencies and offices, 59 counties, 71 fire districts, 215 municipalities, 261 metropolitan districts, 113 water and/or sanitation districts, and 47 school districts. In many cases, governments will sign an eligible government entity agreement as part of their SIPA grant application process.



One of SIPA's goals is to ensure that all Coloradans interacting with their governments online have the same customer experience, whether they dwell in a large urban center or a small town.

¹ <https://dola.colorado.gov/lgis/lgType.jsf>

Services And Programs

SIPA has developed a portfolio of digital government products, services, and service providers that it offers to Colorado governments (<https://sipa.colorado.gov/services>). SIPA negotiates rates and services and enters into master service agreements with those suppliers that offer electronic information, products, services, and prices that are desired by its government customers and align with SIPA's mission to connect residents to the governments that serve them.

SIPA's statute **C.R.S. § 24-37.7-104 (1)(q)** authorizes all state agencies and local governments to easily procure services from SIPA. SIPA provides a unique advantage by reviewing and contracting with technology suppliers to mitigate risk for Colorado governments. SIPA negotiates contract terms that are favorable to governments. Governments only need to sign an eligible government entity agreement which identifies them as a government in Colorado to receive access to SIPA services. SIPA's services include:

Colorado.gov Digital Government Services offered in partnership with its Portal Integrator

- **Websites** - website hosting for 500 governments and departments on Colorado.gov
- **Electronic Payment Processing** - 1,143 government payment applications provide a convenient and efficient way for residents to pay for the government services they receive
- **Standard Application Development** - 330 form based applications have been developed which provide critical services to the residents of Colorado

Other Supplier Partnerships

- **Cloud-Based Software Solutions** - SIPA has partnerships with suppliers to provide software tools and platforms that help governments connect with residents.
- **Professional Services** - SIPA has partnerships with suppliers who improve the resident experience by providing services that help governments with accessibility compliance, custom application development, software implementation and customization, business process improvement, artificial intelligence implementation, data management, user experience improvement, and cyber-security.

Grant Programs

- **SIPA GovGrants** - SIPA created a new grant program to support larger innovative government technology projects at all levels of government across the state of Colorado. Grant awards will start at \$25,000.
- **Discretionary Grant Program** - SIPA created a discretionary grant program in FY 2023-2024 to support accessibility compliance by helping governments make new and existing PDFs compliant. More than 300 Colorado governments have used this program.
- **Micro-Grants** - SIPA annually awards numerous micro-grants, less than \$10,000 per grant, to help governments put more resident-facing services online. Since 2010, SIPA has awarded 399 grants totaling \$1.9 million.

Over 659 Colorado governments have received a service or grant from SIPA.

Digital Government Services – Conducted in Partnership with Tyler Colorado

As required by SIPA's statute, § 24-37.7-104 (2), SIPA released a competitive solicitation on April 8, 2022, to procure a Portal Integrator partner for Digital Government Services. In December 2022, SIPA entered into a five-year contract with Tyler Colorado. After a 6-month transition period, SIPA moved to a consumption-based contract model with Tyler Colorado where SIPA has:

- An online service catalog with pre-negotiated pricing and implementation timelines
- A modernized Request for Solution process to drive project intake, estimation, and prioritization
- Governance and oversight of the business model, investment strategy, and service delivery strategy
- Visibility into key Digital Government Service (DGS) program metrics
- Monthly vulnerability scans and reports on all applications, websites, payment services, and the underlying infrastructure
- Quarterly accessibility scans and remediation plans across websites, custom and standard applications
- Improved performance management methodology and service level agreements

This new contract structure allows SIPA to have more control, predictability, and visibility into all digital government services under the contract. Both Tyler Colorado and SIPA have changed processes and procedures to achieve these improvements in transparency and service delivery. SIPA updated its eligible government entity (EGE) agreement to include new PCI compliance requirements for governments using payment services under the new contract. To date, 594 governments have been moved to SIPA's new EGE agreement including 190 of the 227 governments (84%) using payment processing. This transition will continue until all governments using SIPA services are on the new EGE agreement template.

The services provided in partnership with Tyler Colorado include website hosting and development, standard application development, and payment processing. More than 497 state agencies and local governments take advantage of at least one Tyler Colorado service.

Websites

Colorado.gov websites might be SIPA's single best-known service. SIPA provides website creation and hosting on Colorado.gov to eligible government entities. There are approximately 500 Colorado government websites in production today.

The costs of website platform development, accessibility compliance, security updates, and hosting are currently absorbed by SIPA. Tyler Colorado ensures that the Colorado.gov portal and the websites hosted on it, are responsive (i.e., available on any device including mobile devices), and comply with the state of Colorado Information Security Policies.² The website platform is routinely updated to help governments comply with state and federal rules related to accessibility.³ The Colorado.gov website platform and web page templates are designed to make it easy for individual website administrators and content managers from state and local governments to follow accessibility rules. SIPA cannot prevent individual

² <https://oit.colorado.gov/standards-policies-guides/technical-standards-policies>

³ <https://oit.colorado.gov/accessibility>

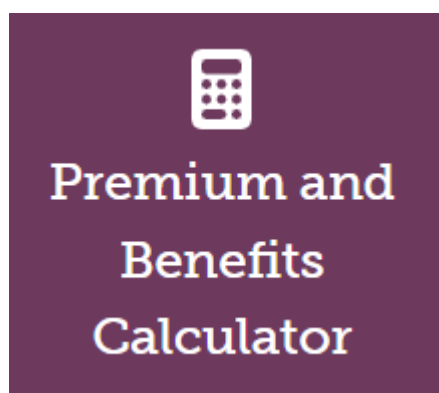
governments from posting potentially non-compliant content. Additionally, governments can procure accessibility compliance support from service providers in SIPA's technology portfolio.

Custom and Standard Application Development

SIPA and Tyler Colorado help governments develop and implement applications that provide improved services to Colorado residents. State and local governments have partnered with SIPA to develop 26 custom applications. These custom applications include the Sex Offender Registry, [MyBizColorado](#), and Colorado Cold Case.

Tyler Colorado has deployed more than 330 standard web applications for state agencies and local governments, many that take payments, using their application development platform Engagement Builder.⁴ Engagement Builder (powered by AccessGov) enables government agencies to modernize outdated processes and transform the user experience. The robust, user-friendly drag-and-drop modules allow government entity staff to create end-to-end solutions without tying up IT resources. Ideal for launching new applications and services or integrating with legacy applications through a secure API, Engagement Builder offers intuitive features developed to streamline data collection and management processes while improving resident engagement. Engagement Builder allows governments to easily create and modify their custom form-based resident-facing applications.

Colorado State Agencies have used Engagement Builder to build diverse applications such as:



- Facilitating Colorado Open Records Act (CORA) requests for the Department of Local Affairs.⁵
- Calculating Family and Medical Leave Insurance Program (FAMLI) Premium and Benefits for the Colorado Department of Labor and Employment.⁶ More than 8,000 people use the calculator each month.
- Colorado Temporary Rental Assistance Grant Program for the Department of Local Affairs to provide temporary rental assistance⁷ for Coloradans who have fallen behind on their rent, meet income limits and other qualifying factors, and are at risk of eviction or displacement.

Electronic Payment Processing

SIPA's partnership with Tyler Colorado provides a convenient and efficient way for members of the public to pay for government services they receive online or over-the-counter by credit card or e-check. Tyler Colorado is a PCI (Payment Card Industry) Data Security Standards (DSS) Level 1 supplier. Tyler Colorado manages 1,143 independent payment applications for 227 Colorado governments. While electronic

⁴ <https://www.tylertech.com/products/engagement-builder>

⁵ <https://co.accessgov.com/dola/Forms/Page/dola/cora/1>

⁶ <https://famli.colorado.gov/individuals-and-families/how-famli-works/premium-and-benefits-calculator>

⁷ <https://cdola.colorado.gov/temporary-rental-assistance>

payment processing is often provided as a standalone offering, many governments elect to integrate payment processing into their custom applications. Colorado residents can also exchange cryptocurrency into dollars to make individual income tax payments or pay for motor vehicle related fees on the Colorado.gov portal.^{8,9}

The payment processing provided by SIPA through Tyler Colorado provides many benefits and protections to Colorado governments that choose these solutions. These benefits include:

- Merchant of Record services.
- Management of chargebacks, refunds and exemptions for government partners.
- Encrypted credit card equipment for government partners taking over the counter payments.
- Robust APIs to enable secure connections to other applications.
- Hosting in redundant PCI-DSS Level 1 Data Centers. Level 1 merchants process the most credit card transactions and are subject to the most stringent regulations.
- Required by C.R.S 11-10.5-101, all monies in bank deposit accounts that belong to a public unit or public entity are required to be held in a Public Deposit Protection Act (PDPA) account. Funds collected through Tyler Colorado's payment processing solution flow through a PDPA holding account owned by SIPA.

Customer Service

Tyler Colorado maintains a 24/7 support desk to respond to government customers (e.g. password resets, change of banking information, website support) and residents (e.g. explanation of credit card entries, invoicing, etc.).

Software and Professional Services - SIPA is a one-stop provider

Cloud Based Software Solutions

SIPA has partnerships that allow eligible governments to acquire and customize a variety of software solutions at competitive prices. These services are offered using an on-demand pricing model that allows governments to pay only for what they are using. Professional services to customize cloud-based solutions can also be contracted on behalf of eligible governments if desired. More than 159 state agencies and local governments procure one or more of SIPA's Cloud-Based Software Solutions.

Professional Services

SIPA has a variety of professional service partners who provide professional services for software implementations, business process improvement, electronic health records, and cyber-security. For these professional service contracts, SIPA has negotiated a small margin to offset some of the costs associated with contract management, project management, and invoicing. More than 74 state agencies and local governments procure professional services from one or more SIPA partners.

⁸ <https://tax.colorado.gov/cryptocurrency>

⁹ <https://dmv.colorado.gov/cryptocurrency>

SIPA Grant Programs - Giving Back to Colorado Governments

SIPA had three unique grant programs to support Colorado governments in FY 2023-2024: SIPA GovGrants, Discretionary Grants, and Micro-Grants.

SIPA GovGrants

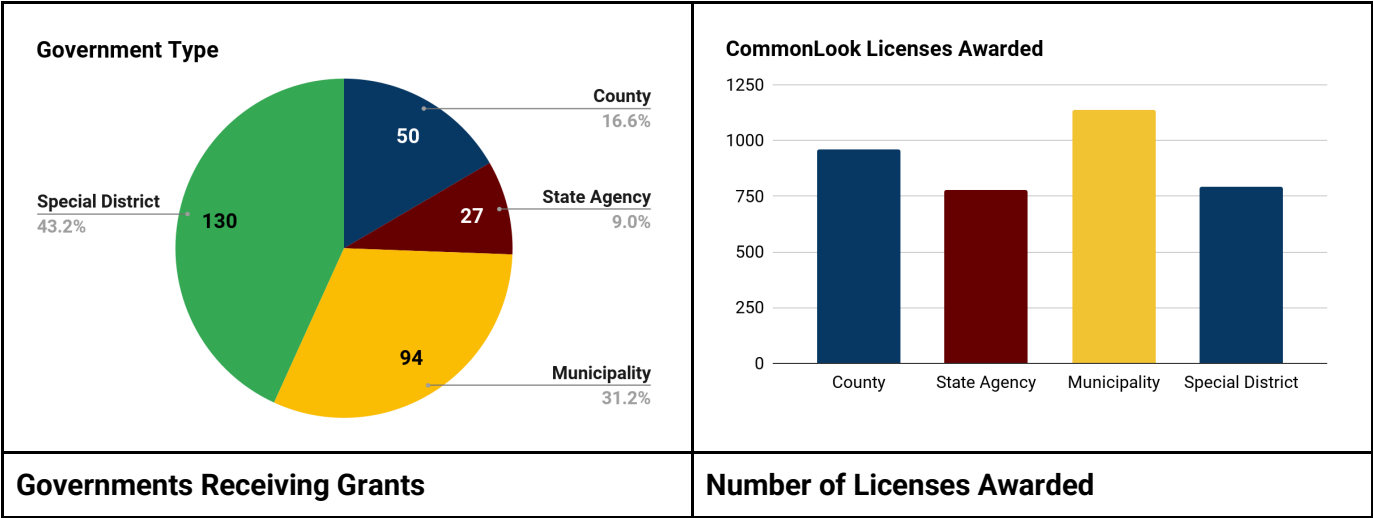


SIPA GovGrants is a new grant program to support larger government technology initiatives at all levels of government across the state of Colorado.¹⁰ Grant awards will start at \$25,000. SIPA accepted applications for GovGrants awards through June 21, 2024. SIPA’s Board approved \$9.6 million in grant awards for FY 2024-2025 in this inaugural cycle.

The GovGrants Program expands and improves upon SIPA’s prior Innovation Fund Program which provided more than \$2 million over 4 years to support 27 innovative state agency projects for initiatives ranging from supporting underserved communities, improving user experience, identity management, and the development of story maps.

Discretionary Grant Program - SIPA Accessibility Grants

SIPA developed a one-time discretionary grant program, the Accessibility Grant program, for FY 2023-2024 to support accessibility compliance by helping governments to obtain software for creating or modifying documents to meet accessibility compliance guidelines as required by Colorado’s House Bill 21-1110.¹¹ In partnership with Allyant, SIPA covered the cost for up to 5,000 one-year licenses for Allyant’s CommonLook PDF and CommonLook Office products that allow users to create accessible documents, and training to implement and utilize the software. HB 21-1110 was passed in 2021 requiring all Colorado governments to meet accessibility guidelines. This program launched March 27, 2024 and has deployed over 3,655 licenses to 303 governments in Colorado. This program will continue until April 30, 2025 or until all licenses are awarded.

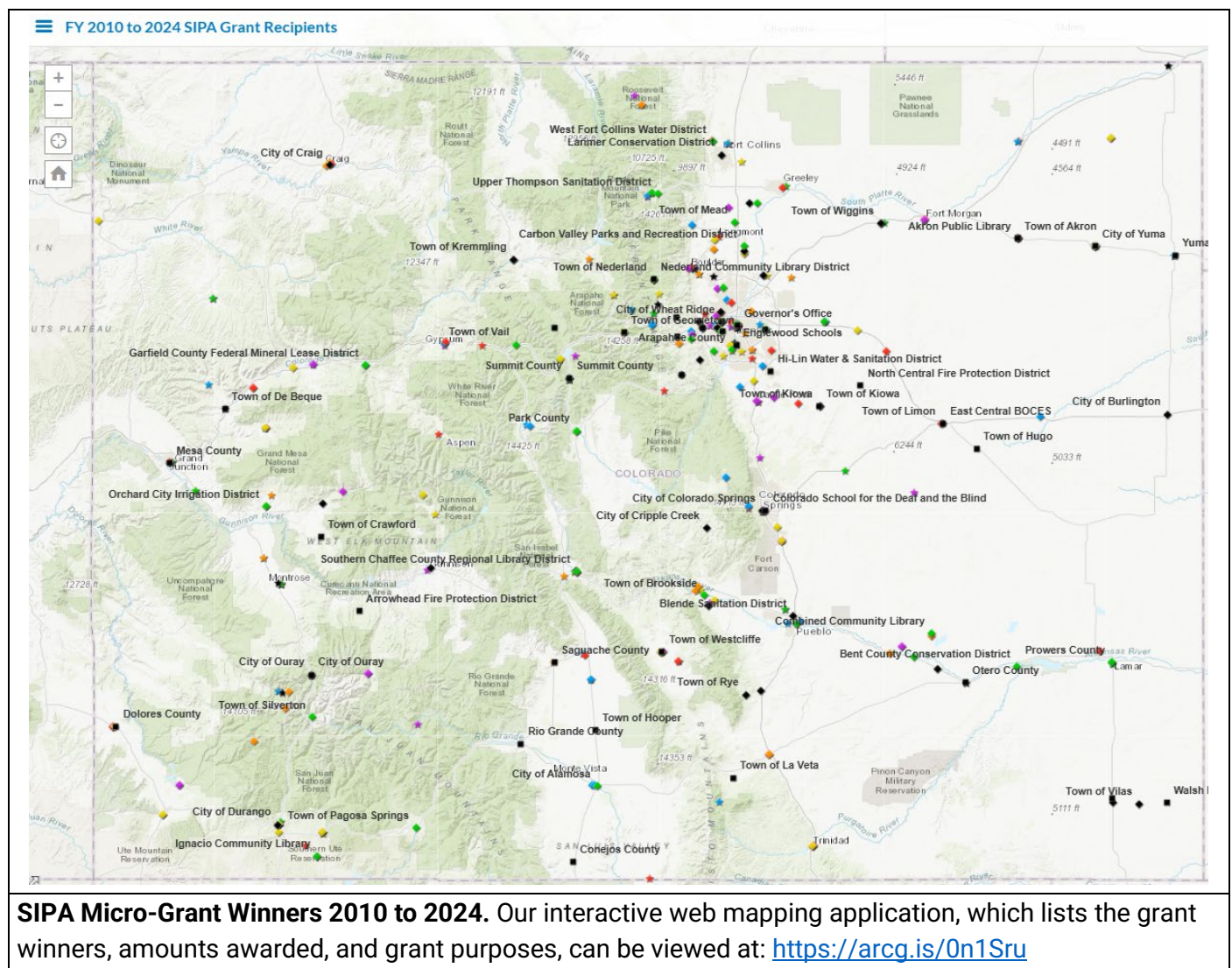


¹⁰ <https://sipa.colorado.gov/govgrants>
¹¹ <https://sipa.colorado.gov/resources/accessibility-grant-program>

SIPA Micro-Grants

SIPA Micro-Grants are small grants of less than \$10,000 each to help governments put more resident-facing services online. The grant program is open to all eligible Colorado governments. Grant winners have used their funds creatively to put more services and information online: digitizing historic resources (maps, newspapers, art collections, video collections) and making them available online, creating low-cost extensible (can be used by other governments) web-portals based on Google Drive to allow residents to more easily self-serve their CORA (Colorado Open Records Act) requests, creating a Colorado Parks and Wildlife mobile fishing application, and creating resident facing online portals for resident engagement.

Each year SIPA awards approximately 30 grants and up to \$200,000 to help governments put more resident-facing services and information online. Since the grant program inception in 2010, SIPA has awarded 399 grants totaling \$1,871,907 across the State of Colorado.¹² Individual grant awards are small, but they have major impacts especially in small rural communities.



¹² <https://sipa.colorado.gov/currentrecipients>

Financial Operations

SIPA is a self-funded entity. Under this model, multiple revenue sources are identified and allowed to fund the enterprise portal initiative. Pursuant to statute (C.R.S. § 24-37.7-107), SIPA must fund its operations from only the following sources:

- Moneys derived from the sale of services, products, or information;
- Website advertising;
- Moneys, goods, or in-kind services donated from public or private sources;
- Moneys loaned to SIPA by any person or entity;
- Moneys derived from the issuance and sale of bonds; or
- Federal moneys granted or allocated to SIPA.

SIPA's primary source of revenue is from selling services, products or information. SIPA does not have plans to issue bonds or apply for federal grants, loans, or advertising revenue.

Financial Risks

SIPA's business model has several financial risks. SIPA's statute C.R.S. § 24-37.7-104(1)(q) states that "All state agencies and local governments are hereby authorized to enter into and do all things necessary to perform any such arrangement or contract with the authority." However, no Colorado government is required to use SIPA's services.

Risks to SIPA's performance include SIPA's ability to diversify sources of operating revenue, SIPA's relationships with key partners such as OIT and the Colorado Department of Revenue, the quality of SIPA's supplier partners, supplier pricing (i.e., license and professional service prices), and whether SIPA is appropriately staffed to deliver its products and services in a timely and high-quality fashion.

If any of the core users of SIPA's payment processing services were to change to a new payment processing supplier, SIPA's self-funded operating model, and financial stability, could be impaired. Similarly, if state agencies began to procure electronic information, products, and services from organizations other than SIPA, SIPA's self-funded operating model, and financial stability, could be impaired.

Operating Model

SIPA is self-funded by revenue earned through its partnership with Tyler Colorado, the sale of licenses, and professional services. The SIPA team and its supplier partners are motivated to ensure that industry-leading solutions are available at competitive prices.

As part of the new portal integrator contract, SIPA negotiated the monthly costs for Tyler Colorado to continue to manage the sales of bulk driver and motor vehicle records for the Department of Revenue. SIPA also entered into a memorandum of understanding and a separate grant agreement with the Department of Revenue. Under the prior contracts, Tyler Colorado returned approximately \$650,000 per year to the Highway Users Trust Fund (HUTF) for providing this service with a percentage of the proceeds also going to SIPA. Under these new agreements:

- Funds are distributed to HUTF and the Department of Revenue in the same amounts and manner by Tyler Colorado
- Tyler Colorado is paid a fixed fee by SIPA for providing the services
- SIPA receives 10% of the bulk records revenue after these other expenses are paid
- The remaining 90% is put in a separate PDPA account at ColoTrust (Net Bulk Records Revenue) that was separately audited beginning in FY 2023-2024
- In FY 2023-2024, a \$1.5 M grant was awarded to the Department of Revenue for DRIVES Operation and Maintenance support.
- The remaining Net Bulk Records Revenue is being allocated to the SIPA GovGrants Program

These new agreements generate revenue that can be allocated back to Colorado governments through SIPA's grant programs for technology innovations that will improve resident services.

Financial Overview

There were several changes to SIPA's financial statements this year. In addition to SIPA's standard operating account, there are two new accounts that are separately audited:

- The PDPA Bank account used for payment processing transactions is considered a **Fiduciary Fund**¹³ under GASB 84 and is now part of SIPA's independent annual financial audit.

In FY 2023-2024, \$3,183,462,840 was processed through the Fiduciary Fund account. Of this, \$3,154,796,723 was collected for and dispersed to Colorado governments. The remaining \$28,666,117 was distributed to other entities such as Tyler Colorado and payment card processors.

- A new **Enterprise Fund** was created for net bulk records revenue that supports the SIPA GovGrants program. This fund is also part of SIPA's independent annual financial audit.

Table: SIPA Enterprise Fund - July 1, 2023 - June 30, 2024

	Category	Amount
Income	Enterprise Fund Revenue	\$17,622,333
Expenses	DOR Grant	\$1,500,000
Net Income	Reserved for SIPA GovGrants	\$16,122,333

Enterprise Fund: Description of line items

- **Enterprise Fund Revenue:** Net bulk records revenue after contractual payments to DOR and HUTF, Tyler Colorado and SIPA.
- **Annual DOR Grant:** Contractual Grant Award to DOR for \$1,500,000 in year one.
- **SIPA GovGrants:** The pool of funds that are restricted for technology grants to Colorado governments.

¹³ <https://gasb.org/page/document?pdf=gasbs84.pdf>

SIPA Operating Account

Table: SIPA Operating Account - Profit and Loss - July 1, 2023 - June 30, 2024

	Categories	Amount
Revenue	Tyler Colorado Contract Fees	\$5,800,030
	Professional Services Revenue	\$20,966,094
	SaaS License Revenue	\$37,644,933
	Sponsorships	\$52,000
	Total Revenue	\$64,463,057
Cost of Services	Professional Services Expense	\$19,792,908
	SaaS License Expense	\$36,535,424
	SIPA Funded Projects	\$297,405
	Total Cost of Services	\$56,625,737
	Operating Revenue	\$7,837,320
Office Operations		
	Personnel, PERA liability, Training	\$1,981,172
	Office Operations - Insurance, Equipment, Lease, Phones, Office Software, Office Supplies, etc.	\$406,057
	Functions – Annual Micro-Grants, Marketing, Meetings & Events, Annual User Conference, Memberships	\$230,191
	Professional fees - Accounting, Audit, Legal, Consulting	\$634,147
	Cost of Operations	\$3,251,567
	Net Ordinary Income	\$4,585,753
	Interest Income	\$1,136,839
Net Income		\$5,722,592

Description Operating Fund Line Items

Income

- **Tyler Colorado Contract Fee:** This line item is used to account for the revenue received from the contract with Tyler Colorado. SIPA receives a fixed monthly fee and other variable fees under the new Portal Integrator contract.
- **Professional Service Revenue:** This line item is used to account for revenue received from governments that require professional services to implement SaaS licenses, accessibility assessments, cybersecurity assessments, custom integrations or applications, and maintenance of in-production applications.
- **SaaS License Revenue:** This line item is used to account for the revenue received from the purchase of software licenses by governments.
- **Sponsorships:** SIPA's supplier partners support SIPA's annual User Conference and contribute financially to the event.

Cost of Goods Sold

- **Professional Service Engagements:** This line item is used to account for expenses associated with professional services needed for implementing SaaS licenses, accessibility and cybersecurity assessments, custom integrations or applications, and maintenance of in production applications. These expenses are covered by the income line item above.
- **SaaS Licenses:** This line item is used for expenses associated with the purchase of software licenses to fulfill orders placed by government entities. These expenses are covered by the income line item above.
- **SIPA-Funded Projects:** This category supports the deployment and hosting of Tyler Colorado services such as colorado.gov websites, payment processing and custom and standard applications. This category also supports projects that benefit the multiple government stakeholders.

Expenses

- **Personnel, Training, PERA liability:** This line item is used to account for the various costs associated with SIPA's employees, including the required reporting from GASB 75 and GASB 68 expenses related to PERA.
- **Office Operations:** This line item accounts for all office operation related expenses such as the lease, including required reporting for GASB 87 and GASB96, insurance, office equipment, software licenses, and office supplies.
- **Functions:** This line item includes all marketing materials, travel, memberships, lunch and learns, other events, participation at government conferences, the annual micro-grant program, SIPA's annual user conference, and other meeting related expenses.
- **Professional fees:** This line item accounts for the SIPA Board's legal counsel, bookkeeping firm, annual independent audit, and consulting.
- **Interest Income:** This line item is used to account for revenue from the Interest earned on SIPA's ColoTrust account where the reserve fund balance is maintained.

Financial Transaction Data

C.R.S. § 24-37.7-113.5 requires SIPA to report the total amount of charges or fees imposed by each state agency for accessing electronic information, products, and services through the statewide internet portal and the total amount of receipts and revenue derived by SIPA from those transactions. These reporting requirements are for the preceding fiscal year, which for this reporting period is FY 2023-2024.

Receipts & Revenues

Tyler Colorado shares revenue, generated by offering portal services, with SIPA through a formula set by contract. For the last eighteen years, SIPA received a base fee plus a percentage of net revenue from portal operations to fund SIPA's own operations. SIPA moved to a consumption-based model with Tyler Colorado on July 1, 2023. Under the new model, service terms and pricing have been pre-negotiated and are built into the contract structure. All revenue generated from portal operations is allocated as follows:

- A base monthly fee paid to SIPA
- SIPA pays Tyler Colorado one-time and recurring monthly payments for development, hosting and maintenance of the services they provide:
 - o Service Desk (24 x 7)
 - o Payment Processing
 - o Custom and Standard Applications
 - o Websites
 - o Growth & Outreach
- Incremental fees are paid to Tyler Colorado based on new the services deployed and hosted
- All excess revenue (or expense) not described above is transferred to (or from) SIPA

Last year, SIPA received \$5.8M from Tyler Colorado. This amount includes profit from payment processing services for state agencies, municipalities, counties, special districts, school districts, and public institutions of higher education. The revenue (unaudited) SIPA received for FY 2023-2024 related to the payment processing transaction services provided to state agencies was approximately \$3.8M.

The residents of Colorado who use these services have many alternatives available and are generally not required to use them; however, they elect to use SIPA and Tyler Colorado's Portal Services because of their convenience and ease of use. In FY 2023-2024, SIPA, through its partnership with Tyler Colorado, processed more than 8.9M transactions for state agencies, which collected approximately \$2.9B for their information, products, and services. More than 67M records were delivered on behalf of the Department of Revenue, generating an additional \$973K for the state. Records requested by other state agencies and approved by the Department of Revenue are provided at no-cost. Approximately 18M records were delivered at no-cost.

Fees charged by State Agencies

For most payment transactions, the fees are simple and posted to SIPA's website.¹⁴ Governments can choose to absorb these fees or pass them down to the end user as a convenience fee for transacting online.

eCheck Transactions:

Transaction Amount + \$1.00

Credit Card Transactions:

Transaction Amount + ((Transaction Amount + \$0.75) x 2.25%) + \$0.75

For some specialized transactions, Tyler Colorado and state agencies have agreed to exceptions to these standard fees. For example, a credit card transaction fee is not charged to residents for motor vehicle-related transactions for less than \$10.00; instead, the credit card transaction fees are absorbed by Tyler Colorado. Judicial fees are \$1.90 per statutory filing and \$0.50 per case history. Gambling intercept has a fee of \$10.00 per intercept. In some cases, Tyler Colorado helps state agencies deliver bulk records electronically to others. These fees range from \$0.003 to \$6 depending on the type of record being looked up and delivered. As noted above, some entities can receive bulk records without incurring a fee.

¹⁴ <https://sipa.colorado.gov/paymentprocessing>

The table, **FY 2023-2024: Fees & Payments Collected by State Agencies (Online & Over the Counter)**, provides information related to the charges imposed by state agencies due to laws, rules, or regulations and includes the list of available state agency services, the number of transactions completed, and the amount of money collected for the state agency. Most transactions reflect a single payment for a single item. Unless shown as a fee exception, the standard fees are 2.25% (of Transaction amount + \$0.75) + \$0.75 per credit card transaction, \$1.00 per eCheck transaction.

Table: FY 2023-2024 Fees & Payments Collected by State Agencies (Online & Over the Counter)

Department or Agency	Fee Exceptions	Transactions	Agency Payment
Department of Agriculture		26,436	\$13,644,008.65
Department of Early Childhood		35,646	\$2,593,111.00
Department of Health Care Policy and Financing		15	\$7,400.99
Department of Higher Education		1,584	\$1,425,450.00
Department of Human Services		110,480	\$1,501,657.90
Department of Labor & Employment		8,489	\$10,950,318.03
Department of Law & Office of Attorney General		344	\$77,216.62
Department of Local Affairs		14,357	\$3,413,286.80
Department of Military and Veteran Affairs		117	\$10,246.00
Department of Natural Resources		9,564	\$47,858,002.21
Department of Personnel & Administration		1,850	\$63,136.87
Department of Public Health & Environment		108,479	\$26,784,164.49
Department of Public Safety		18,208	\$3,649,903.17
Department of Regulatory Agencies (DORA) (Banking, Financial Services, Insurance, Registrations, Public Utilities Commission)		327,099	\$35,698,158.04
<i>DORA Real Estate Licensing</i>		60,535	\$10,841,606.45
<i>DORA Professional Licensing</i>		23,056	\$2,663,705.62
<i>DORA Premium Tax</i>		4,773	\$545,849,355.10
Department of Revenue (DOR)		15,383	\$866,170.00
<i>DOR Driver Services (Over the Counter & Online, State & County Offices)</i>		1,458,672	\$74,031,468.50
<i>DOR Motor Vehicle (Online & Over the Counter)</i>	Credit Card: 2.7% over \$10.00, under is \$0.	3,824,192	\$958,842,338.39
<i>DOR Taxation (Multidirectional Tax & MyBizColorado)</i>		201,790	\$858,967,572.14
<i>Enforcement</i>		49,137	\$19,425,040.55
Department of Transportation		282	\$46,212.00
Colorado Energy Office		1,170	\$171,217.00
Colorado Governor's Office		194	\$5,309.48
Colorado Judicial Branch		96	\$3,792.00
Colorado Judicial Branch - filings	\$1.90/Statutory Filing \$0.50/Case History	2,523,731	\$46,385,540.75

Department or Agency	Fee Exceptions	Transactions	Agency Payment
Colorado Alternate Defense Counsel		103	\$17,662.39
Colorado State University/Colorado State University Pueblo		106,431	\$278,585,386.01
Office of Economic Development and International Trade		220	\$369,361.01
Office of the Colorado State Public Defender		21	\$13,205.00
Colorado Department of Education		1	\$1.00
Multiple Agencies (Gambling Intercept)	\$10.00/intercept	795	\$1,518,866.49
Total State Agencies & Offices		8,933,250	\$2,946,279,870.65

The table below, **FY 2023-2024: Bulk Record Deliveries for the Colorado Department of Revenue**, provides information related to bulk record transactions completed for the Colorado Department of Revenue.

Bulk Record Deliveries (Department of Revenue)	Fee Exceptions	Transactions	Agency Payment
Bulk Motor Vehicle Records - Count includes \$0.00 Transactions	Tyler Colorado: \$0.005 per record; Partner \$0.025 per record	52,572,251	\$869,367.18
Crash Data Records (and Archived) - Count includes \$0.00 Transactions	Tyler Colorado: \$0.075 per record; \$0.025 per archived record; Partner: \$0.005 per record or archived record	428,342	\$4,488.44
Additional Record Delivery - Count includes \$0.00 Transactions	Tyler Colorado: Varies per lookup type: \$0.03 - \$5.00; Partner: \$100,000/year	14,857,399	\$100,000.00
Total Records		67,857,992	\$973,855.62

Fees charged by Local Governments

In addition to processing payments for state agencies, SIPA, through its partnership with Tyler Colorado, processed more than 506K transactions, collecting approximately \$713M for Colorado local governments. The tables below separate the fees collected for counties, municipalities, and special districts. Colorado county governments collected \$82M through about 179K transactions. Municipalities were responsible for 278K transactions and \$619M. Special districts, such as metropolitan districts and water and sanitation districts, were accountable for 48K transactions and \$10.5M. The transaction fees for local governments are the same as for state agencies. Unless shown as a fee exception, the standard fees are 2.25% (of Transaction amount + \$0.75) + \$0.75 per credit card transaction, \$1.00 per eCheck transaction.

Table: FY 2023-2023: Fees & Payments Collected by Counties (Online & Over the Counter)

County	Fee Exceptions	Transactions	Gov. Payment
Adams County		5,845	\$647,363.57
Archuleta County		1,161	\$113,568.80
Boulder County		18,336	\$6,605,759.61
Chaffee County		495	\$197,652.00

County	Fee Exceptions	Transactions	Gov. Payment
Cheyenne County		199	\$143,510.72
Clear Creek County		7,458	\$3,921,387.78
Conejos County		12	\$1,850.00
Delta County		1,559	\$9,712.25
Denver County Courts	\$1.90/Statutory Filing: \$0.50/Case History	59,352	\$2,882,253.80
Dolores County		486	\$333,612.21
Douglas County		2,001	\$275,223.00
Eagle County		3,860	\$60,642.30
El Paso County		12,779	\$255,488.33
Grand County		5,757	\$3,302,097.23
Gunnison County		10,825	\$1,674,215.87
Hinsdale County		98	\$46,505.27
Jefferson County		3,717	\$288,346.08
Kit Carson county		821	\$101,794.67
Lake County		537	\$513,666.70
Larimer County		5,221	\$554,529.17
Las Animas County		195	\$56,305.50
Mineral County		302	\$365,680.05
Moffat County		4,921	\$458,436.57
Montezuma County		631	\$16,511.25
Montrose County		1,695	\$110,909.96
Morgan County		6,036	\$619,632.85
Ouray County		116	\$3,965.25
Phillips County		846	\$101,384.84
Pitkin County		1,832	\$472,711.31
Routt County		676	\$22,631.13
Saguache County		392	\$63,276.28
San Miguel County		253	\$71,766.60
Summit County		18,483	\$57,975,731.94
Teller County		2,506	\$468,401.17
Washington County		202	\$15,603.59
Yuma County		125	\$2,752.38
Total Counties		179,730	\$82,754,880.03

Table: FY 2022-2023: Fees & Payments Collected by Municipalities (Online & Over the Counter)

Municipalities	Transactions	Gov. Payment
City of Aurora	37,282	\$112,763,101.49
City of Colorado Springs	87,108	\$294,759,083.71
City of Creede	61	\$6,270.43
City of Florence	2,844	\$197,091.19
City of Fountain	1,449	\$284,146.00

Municipalities	Transactions	Gov. Payment
City of Fruita	13,175	\$2,328,507.24
City of Glenwood springs	215	\$661,256.83
City of Golden	217	\$11,080.00
City of Grand Junction	226	\$16,921.00
City of Gunnison	5,200	\$2,054,808.18
City of Leadville	438	\$65,879.28
City of Littleton	27,729	\$32,124,174.53
City of Longmont	26,244	\$65,865,178.41
City of Westminster	52	\$9,800.00
City of Yuma	288	\$7,200.00
Town of Arriba	457	\$54,073.61
Town of Blue River	1,352	\$467,139.82
Town of Brookside	233	\$18,080.17
Town of Castle Rock	20,081	\$42,998,967.30
Town of Collbran	370	\$51,417.59
Town of Crawford	360	\$34,882.14
Town of Crestone	120	\$13,604.80
Town of De Beque	1,544	\$397,906.25
Town of Deer Trail	218	\$31,716.87
Town of Del Norte	2,032	\$312,229.55
Town of Dinosaur	413	\$45,267.30
Town of Dove Creek	1,403	\$163,678.34
Town of Eaton	41	\$5,829.75
Town of Empire	94	\$20,559.20
Town of Estes Park	2,489	\$767,320.07
Town of Foxfield	350	\$184,111.18
Town of Genoa	303	\$47,699.52
Town of Georgetown	1,898	\$659,568.13
Town of Granada	334	\$57,116.56
Town of Granby	3,732	\$1,730,765.90
Town of Grand Lake	908	\$152,309.10
Town of Green Mountain Falls	260	\$90,261.76
Town of Haxtun	995	\$192,610.96
Town of Holly	835	\$236,972.29
Town of Hotchkiss	1,149	\$111,033.75
Town of Hudson	91	\$62,814.67
Town of Hugo	2,148	\$436,429.12
Town of Ignacio	2,308	\$498,989.11
Town of Jamestown	139	\$37,756.08
Town of Julesburg	497	\$98,951.28
Town of Keenesburg	2,707	\$520,449.16
Town of Keystone	1	\$1.00
Town of Kiowa	63	\$15,955.96
Town of Lake City	58	\$10,205.82
Town of Larkspur	767	\$81,337.48

Municipalities	Transactions	Gov. Payment
Town of Limon	596	\$92,073.81
Town of Lyons	67	\$2,318.00
Town of Manzanola	10	\$1,093.14
Town of Minturn	166	\$38,565.57
Town of Monument	833	\$108,028.89
Town of Norwood	262	\$35,651.26
Town of Nucla	1,275	\$156,585.10
Town of Olathe	1,263	\$141,750.88
Town of Ordway	1,138	\$136,611.18
Town of Palmer Lake	821	\$126,532.04
Town of Parachute	1,306	\$386,584.05
Town of Ramah	75	\$7,243.41
Town of Rico	387	\$36,356.33
Town of Ridgway	1,786	\$340,393.05
Town of Rye	278	\$43,443.46
Town of Silver Cliff	31	\$20,436.00
Town of Silver Plume	137	\$49,406.81
Town of South Fork	589	\$134,836.27
Town of Swink	287	\$36,379.06
Town of Timnath	1,965	\$7,308,615.09
Town of Vail	10,711	\$48,799,179.19
Town of Walsh	496	\$54,255.86
Town of Westcliffe	91	\$17,959.00
Town of Williamsburg	476	\$44,325.24
Town of Yampa	609	\$103,858.52
Total Municipalities	278,933	\$619,984,991.09

Table: FY 2023-2024: Fees & Payments Collected by Special Districts (Online & Over the Counter)

Special District	Transactions	Gov. Payment
18th Judicial District	645	\$118,885.52
Academy Water and Sanitation District	664	\$164,520.82
Applewood Sanitation District	16	\$6,205.00
Arriba-Flagler Consolidated School District 20	18	\$6,238.55
Aspen Trails Metropolitan District	68	\$44,076.84
Association of Law Enforcement Records Technicians, Supervisors and Managers (ALERT SAM)	53	\$5,300.00
Bear Creek Water and Sanitation District	3,243	\$378,807.25
Bennett Fire Protection District	62	\$281,429.95
Berkeley Water and Sanitation	1,896	\$234,321.71
Berthoud Fire Protection District	19	\$5,050.00
Blende Sanitation District	390	\$34,346.82
Blue Valley Metropolitan District	289	\$81,852.43
Boulder Valley and Longmont Conservation Districts	41	\$7,715.19
Bow Mar Water and Sanitation District	213	\$60,271.15

Special District	Transactions	Gov. Payment
Buffalo Mountain Metropolitan District	211	\$45,884.84
Cascade Metropolitan District No. 1	605	\$88,065.59
Cathedral Pines Metropolitan District	2	\$1,750.00
Central Clear Creek Sanitation District	84	\$29,223.49
Chaparral Pointe Metropolitan District	42	\$12,384.00
Cherry Hills Village Sanitation District	493	\$253,289.71
Chicago Creek Sanitation District	142	\$27,338.70
Clear Creek Valley Water & Sanitation District	1,226	\$253,836.14
Colorado City Metro District	3,627	\$502,876.59
Colorado Coroners Association	235	\$103,811.00
Colorado Counties Inc.	689	\$391,495.00
Colorado Information Sharing Consortium	6	\$16,220.78
Colorado School for the Deaf and Blind	419	\$54,025.45
Dillon Valley District	605	\$1,025,460.78
East Dillon Water District	618	\$90,863.21
East Grand County Fire Protection District #4	95	\$58,235.26
Elizabeth Fire Protection District	245	\$75,943.15
Florissant Water and Sanitation District	325	\$71,010.78
Foothills Fire & Rescue Protection District	71	\$6,049.72
Forest Lakes Metropolitan District	374	\$56,088.50
Front Range Fire Rescue Fire Protection District	156	\$78,284.66
Fruitdale Sanitation District	956	\$91,061.92
Genoa-Hugo School District	7	\$1,210.00
Granby Sanitation District	766	\$248,759.90
Greater Eagle Fire Protection District	51	\$44,190.29
Hidden Valley Water District	380	\$57,200.32
High View Water and Daniels Sanitation District	1,317	\$155,809.07
High View Water District	1,506	\$221,139.70
Hoover Hill Water & Sanitation District	336	\$72,918.19
Idalia School District RJ-3	23	\$1,821.75
Lake County Conservation District	3	\$5.37
Limon Public Schools	144	\$16,420.43
Louviers Water & Sanitation	140	\$54,441.68
Mesa WSD	212	\$23,441.86
Middle Park Water Conservancy District	8	\$4,691.79
Monument Sanitation District	4,125	\$261,514.04
Mountain BOCES	27	\$73,156.00
Mountain View Fire Protection District	842	\$372,160.58
Mountain Vista Metropolitan District	620	\$34,389.61
Nederland Community Library District	84	\$1,827.67
Nederland Fire Protection District	17	\$2,116.50
North Front Range Water Quality Planning Association	1	\$1,338.75
North Lincoln Water & Sanitation District	578	\$45,124.05
Northwest Colorado Council of Governments	694	\$848,540.15
Norwood Sanitation District	112	\$7,159.41

Special District	Transactions	Gov. Payment
Norwood Water Commission	1	\$150.00
Palmer Lake Sanitation District	1,334	\$218,859.03
Park Forest Water District	220	\$33,309.37
Poudre Canyon Fire Protection District	4	\$1,023.37
Pueblo West Metropolitan District	15	\$3,185.00
Ralston Valley Water and Sanitation District	443	\$148,044.78
Ridgewood Water District	350	\$42,307.77
Riverdale Peaks II Metro District	55	\$11,818.66
San Juan Conservation District	41	\$5,849.31
San Juan River Village Metro District	806	\$185,757.42
San Miguel Authority for Regional Transit (SMART)	64	\$2,560.00
Shannon Water and Sanitation District	243	\$18,536.78
South Evergreen Water District	68	\$34,470.00
Spring Valley Sanitation District	254	\$49,166.10
State Employees Leading Colorado	122	\$81,820.00
Strasburg Sanitation and Water District	771	\$95,833.75
Tabernash Meadows Water & Sanitation District	49	\$24,803.00
Timbers Water and Sanitation District	71	\$42,111.26
Upper Thompson Sanitation District	1,564	\$576,789.57
Valley Water District	8,189	\$978,602.48
Ventana Metropolitan District	1,256	\$187,040.70
West Glenwood Springs Sanitation	546	\$354,371.36
Westwood Lakes Water District	531	\$41,137.88
Wildgrass at Rockrimmon Metropolitan District	56	\$11,719.55
Winter Park Ranch Water & Sanitation District	192	\$36,859.14
Total Special Districts	48,081	\$10,497,723.89

Recommended Legislation

As previously noted, **C.R.S. § 24-37.7-113.5** requires that SIPA's annual report includes any recommendations regarding additional legislation that might be necessary to carry out the purposes of SIPA.

No legislation is requested at this time.

Appendix 1: SIPA Board of Directors Roster

	Name	Designee	Agency	Title	Appointed By
1	Mark Baisley	n/a	Colorado State Senate	Senator	Senate Minority Leader
2	Ernesto Chavez	n/a	Local Government Representative		Governor*
3	Maria DeCambra	Jesse Marks	Department of Local Affairs	Executive Director	Governor
4	David Edinger	William Chumley	Office of Information Technology	CIO	Ex officio
5	Mark Ferrandino	n/a	Office of State Planning and Budget	Executive Director	Governor
6	Tony Gherardini	Tobin Follenweider	Department of Personnel & Administration	Executive Director	Governor
7	Jena Griswold	Chris Beall	Department of State	Secretary of State	Ex officio
8	Jason Harris		Judicial Branch		Chief Justice
9	Heidi Humphreys	Meghan Tanis	Department of Revenue	Executive Director	Governor
10	Danielle Morrill	n/a	Private Sector Member		Governor*
11	Hannah Parsons	n/a	Private Sector Member		Governor*
12	Kevin Priola	n/a	Colorado State Senate	Senator	President of the Senate
13	Sam Taussig	n/a	Private Sector Member		Governor*
14	Brianna Titone	n/a	Colorado House of Representatives	Representative	Speaker of the House
15	Ron Weinberg	n/a	Colorado House of Representatives	Representative	House Minority Leader
* Requires Senate Confirmation					