

**Schedule 13
Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11 Base Reduction Item FY 2010-11 Supplemental FY 2009-10 Budget Amendment FY 2010-11

Request Title: Technical Adjustment of Spending Authority for Business Enterprise Program
 Department: Human Services Dept. Approval by: *William J. ...* Date: 10-2-09
 Priority Number: DI-9 OSPB Approval: *John M. ...* Date: 10-8-09

	Fund	1	2	3	4	5	6	7	8	9	10
		Prior-Year Actual FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12
Total of All Line Items	Total	754,460	1,626,779	0	1,626,779	1,626,742	0	1,626,742	0	1,626,742	0
	FTE	0.0	6.0	0.0	6.0	6.0	0.0	6.0	0.0	6.0	0.0
	GF	0	0	0	0	0	0	0	0	0	0
	CF	235,051	683,412	0	683,412	683,404	0	683,404	0	683,404	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	519,409	943,367	0	943,367	943,338	0	943,338	0	943,338	0
	MCF	0	0	0	0	0	0	0	0	0	0
	MGF	0	0	0	0	0	0	0	0	0	0
	NGF	0	0	0	0	0	0	0	0	0	0
(9) Services for People with Disabilities, (D) Division of Vocational Rehabilitation, Business Enterprise Program for People who are Blind	Total	513,292	967,779	0	967,779	967,742	230,000	1,197,742	0	1,197,742	230,000
	FTE	0.0	6.0	0.0	6.0	6.0	0.0	6.0	0.0	6.0	0.0
	GF	0	0	0	0	0	0	0	0	0	0
	CF	109,333	205,422	0	205,422	205,414	48,990	254,404	0	254,404	48,990
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	403,959	762,357	0	762,357	762,328	181,010	943,338	0	943,338	181,010
	MCF	0	0	0	0	0	0	0	0	0	0
	MGF	0	0	0	0	0	0	0	0	0	0
	NGF	0	0	0	0	0	0	0	0	0	0
(9) Services for People with Disabilities, (D) Division of Vocational Rehabilitation, Business Enterprise Program-Program Operated Stands, Repair Costs, and Operator Benefits	Total	241,168	659,000	0	659,000	659,000	(230,000)	429,000	0	429,000	(230,000)
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	0	0	0	0	0	0	0	0	0	0
	CF	125,718	477,990	0	477,990	477,990	(48,990)	429,000	0	429,000	(48,990)
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	115,450	181,010	0	181,010	181,010	(181,010)	0	0	0	(181,010)
	MCF	0	0	0	0	0	0	0	0	0	0
	MGF	0	0	0	0	0	0	0	0	0	0
	NGF	0	0	0	0	0	0	0	0	0	0

**Schedule 13
Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11 Base Reduction Item FY 2010-11 Supplemental FY 2009-10 Budget Amendment FY 2010-11

Request Title: Technical Adjustment of Spending Authority for Business Enterprise Program
Department: Human Services **Dept. Approval by:** **Date:**
Priority Number: DI-9 **OSPB Approval:** **Date:**

		1	2	3	4	5	6	7	8	9	10
	Fund	Prior-Year Actual FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12

Non-Line Item Request: None
Letternote Revised Text: None
Cash or Federal Fund Name and COFRS Fund Number: Business Enterprise Program Cash Fund 504, Section 110 vocational rehabilitation funds
Reappropriated Funds Source, by Department and Line Item Name: N/A
Approval by OIT? Yes: No: N/A:
Schedule 13s from Affected Departments: N/A

CHANGE REQUEST for FY 2010-11 BUDGET REQUEST CYCLE

Department:	Human Services
Priority Number:	DI-9
Change Request Title:	Technical Adjustment of Spending Authority for Business Enterprise Program

SELECT ONE (click on box):

- Decision Item FY 2010-11
- Base Reduction Item FY 2010-11
- Supplemental Request FY 2009-10
- Budget Request Amendment FY 2010-11

SELECT ONE (click on box):

Supplemental or Budget Request Amendment Criterion:

- Not a Supplemental or Budget Request Amendment
- An emergency
- A technical error which has a substantial effect on the operation of the program
- New data resulting in substantial changes in funding needs
- Unforeseen contingency such as a significant workload change

Short Summary of Request:

This request transfers \$230,000 (\$48,990 cash funds, \$181,010 federal funds) in spending authority from the Business Enterprise Program – Program Operated Stands, Repair Costs, and Operator Benefits Long Bill line item to the Business Enterprise Program for People who are Blind Long Bill line item, in order to maximize efficiencies in accounting and reporting requirements for those expenditures eligible for federal financial participation. This request also removes the term “Repair Costs” from the line item name to more accurately describe the line item. Funding for the Business Enterprise Program (BEP) is from cash and federal Vocational Rehabilitation funds. There is no impact to the General Fund.

Background and Appropriation History:

The Business Enterprise Program is appropriated funds under 2 separate line items under Section 9 (D) Division of Vocational Rehabilitation in the Long Bill: Business Enterprise Program for People who are Blind and Business Enterprise Program – Program Operated Stands, Repair Costs, and Operator Benefits.

Certain costs of BEP are eligible to draw down federal vocational rehabilitation funds at a match rate of 78.7%, including management, supervision, site development, purchasing new or replacing old equipment, and equipment repair.

Repair costs, which are eligible for federal match, are currently appropriated together with other expenses that are not eligible for federal match. This creates tracking and reporting complexities that could otherwise be avoided if all matchable expenses are in the same appropriation.

General Description of Request:

The Department is requesting to transfer \$230,000 in spending authority designated for repair costs from the Business Enterprise Program for People who are Blind line item to the Business Enterprise Program – Program Operated Stands, Repair Costs, and Operator Benefits line item in order to streamline the program’s accounting and reporting functions and will separate the expenses eligible for match from those not eligible for match (Program Operated Stands and Operator Benefits).

Federal regulations require that blind operators have access to all financial data relevant to the operation of the program. This request will allow accounting staff to provide more understandable and useful reports to the operators and program staff.

The Department is also requesting removing the term “Repair Costs” from the line item description.

Consequences if Not Funded:

If this request is not approved, inefficiencies for tracking and reporting expenditures will remain.

Calculations for Request:

Summary of Request FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	\$0	\$0	\$0	\$0	\$0	0.0
Business Enterprise Program Line	\$230,000	\$0	\$48,990	\$0	\$181,010	0.0
Business Enterprise Program – Program Operated Stands, Repair Costs , and Operator Benefits line	(\$230,000)	\$0	(\$48,990)	\$0	(\$181,010)	0.0

Summary of Request FY 2011-12	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	\$0	\$0	\$0	\$0	\$0	0.0
Business Enterprise Program Line	\$230,000	\$0	\$48,990	\$0	\$181,010	0.0
Business Enterprise Program – Program Operated Stands, Repair Costs , and Operator Benefits line	(\$230,000)	\$0	(\$48,990)	\$0	(\$181,010)	0.0

Cash Funds Projections:

N/A – this request is for a technical adjustment in spending authority only.

Assumptions for Calculations:

Historically, \$230,000 has been appropriated in the Business Enterprise Program – Program Operated Stands, Repair Costs, and Operator Benefits Long Bill line item for the cost of equipment repairs. The table below reflects expenditures for the past three years. The \$230,000 is an average of the amount of the transfer request.

Fiscal Year	Expenditures		
	Total Funds	Cash Funds	Federal Funds
FY 2006-07	\$188,893	\$40,234	\$148,659
FY 2007-08	\$158,256	\$33,709	\$124,547
FY 2008-09	\$139,920	\$29,803	\$110,117

Based on the table above it appears that transferring spending authority of \$230,000 is in excess of the funds needed for repair costs. However, the \$230,000 total funds is based on the maximum total spending authority needed to ensure all repair costs can be made. Finally, the transfer of these funds will ensure that no federal funds are shown in the Program Operated Stands, Repair Costs and Operator benefits appropriation.

Impact on Other Government Agencies:

None.

Cost Benefit Analysis:

N/A: This is a technical request to adjust spending authority between line items and to change the title of the line item.

Implementation Schedule:

N/A

Statutory and Federal Authority:

Section 26-8-105 C.R.S. (2008) Rehabilitation of persons with disabilities. (3)(d) The state department shall: operate through contract and supervise the operation of vending stands and other small businesses, established pursuant to this article and in accordance with the requirements of the federal government for the receipt of federal funds, to be conducted by individuals with severe disabilities, particularly the blind.

34CFR395.5: When the Secretary determines that an application submitted by a State vocational rehabilitation agency under Sec. 395.2, and the accompanying rules and regulations indicate a plan of program operations which will stimulate and enlarge the economic opportunities for the blind, and which will meet all other requirements of this part, he shall approve the application and shall designate the applying State vocational rehabilitation agency as the State licensing agency.

Performance Measures:

Program	Performance Measure	Outcome	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10
			Actual	Actual	Actual	Estimate	Request
Vocational Rehabilitation	Blind persons have opportunities for self-employment in order to achieve independence and self-sufficiency. Increase the <i>average</i> monthly gross and net income of blind business operators in the Business Enterprise Program.	Program Benchmark	NA	NA	N/A	Establish baseline	Increase over baseline
		Actual	NA	NA	N/A		