

**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: OPS Consolidated Enterprise Database System - Subscription Services  
 Department: Labor and Employment Dept. Approval by: *[Signature]* Date: 10-15-09  
 Priority Number: DI #2 OSPB Approval: *[Signature]* Date: 10-15-09

	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
<b>Total of All Line Items</b>	<b>Total</b>	1,033,852	481,881	0	481,881	338,922	18,900	357,822	0	357,822	170,100
	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
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	745,123	481,881	0	481,881	338,922	14,175	353,097	0	353,097	127,575
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	288,729	0	0	0	0	4,725	4,725	0	4,725	42,525
<b>(4) Division of Oil and Public Safety, Operating</b>	<b>Total</b>	1,033,852	481,881	0	481,881	338,922	18,900	357,822	0	357,822	170,100
	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
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	745,123	481,881	0	481,881	338,922	14,175	353,097	0	353,097	127,575
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	288,729	0	0	0	0	4,725	4,725	0	4,725	42,525

Non-Line Item Request: None  
 Letternote Revised Text: 4a increase Petroleum Storage Tank Fund pursuant to Section 8-20.5-103(1) by \$7,560; Public Safety Inspection Fund created in Section 8-1-151 by \$189; Boiler Inspection Fund created in Section 9-4-109(4) by \$3,780; Conveyance Safety Fund created in Section 9-5.5-111(2)(b) by \$2,457; and Liquefied Petroleum Gas Inspection Fund created in Section 8-20-206.5(1)(e)(i) by \$189

Cash or Federal Fund Name and COFRS Fund Number: PST Fund 130, Boiler Fund 137, Conveyance Fund 13d, Public Safety Fund 141, LPG Fund 144, LUST Federal Grant

Reappropriated Funds Source, by Department and Line Item Name:

Approval by OIT? Yes:  No:  N/A:   
 Schedule 13s from Affected Departments: N/A

**CHANGE REQUEST for FY 2010-11 BUDGET REQUEST CYCLE**

Department:	Labor and Employment
Priority Number:	DI #2
Change Request Title:	OPS Consolidated Enterprise Database System – Subscription Services

**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 is for funding for monthly subscription and internet access costs associated with and required for the successful implementation of a consolidated database system for the Division of Oil and Public Safety Consolidated Enterprise. The department is requesting \$18,900 for FY 2010-11 and \$170,100 for FY 2011-12 in operating funds. Cash and federal funds from programs using the system will be utilized for this request. No FTE is being requested. The Department has submitted a separate Capital Construction Project Request for FY 10-11 for the acquisition of a database system to consolidate all Division program informational needs into a single database system.

Background and Appropriation History:

The Division of Oil and Public Safety (referred to as the Division herein) was created by statute in 2001 and consists of the Oil Field Inspection Section, the Remediation Section, the State Fund Section (all part of the former Oil Inspection Section), the Boiler Inspection Section, the Liquefied Petroleum Gas Section, Conveyance Section, and Public Safety Section (Explosives, Carnivals and Amusement Parks). The programs within each section ensure the implementation of statutory mandates, codes and standards needed to maintain a safe work and educational environment, and environmental and consumer protection.

The current Divisions enterprise data processing system is comprised of six core applications (four FOCUS modules, Citizenserve, and COSTIS), two Microsoft Access applications (Amusements and LAB Tracking), two legacy applications (UST-Access and LEAKS), and two applications used by the Public Records Center (Documentum and Sardonyx). In addition, each program uses a number of Microsoft Access and Excel applications to meet current reporting needs.

The Division seeks to replace the existing framework of disparate information management systems with a single uniform application that is hosted by an outside vendor. It is anticipated that the Division will experience increased efficiency and productivity by implementing a comprehensive, consolidated data management solution designed to automate all agency processes for all regulated programs. For example, electronic submissions of information will reduce staff data entry burden, reduce agency costs, and improve data accuracy. Also, on-line payment options will bring revenue in the door faster. Instant routing of submission status via e-mail will improve customer communication, and less frustration leads to better compliance. Further, on-line complaint intake initiates investigation and resolution immediately for faster response to complainants. Posting public information on-line will reduce media requests.

As previously mentioned, the Department has submitted a separate Capital Construction Project Request for FY 10-11 for the acquisition of a database system to consolidate all the Divisions program informational needs into a single database system.

General Description of Request:

This request is for funding the monthly subscription services and monthly internet access costs associated with and necessary for the successful implementation of a hosted consolidated database system. The subscription expense is incurred on a monthly basis and is a fixed amount based on the number of licensed users. The monthly subscription service fee is all-inclusive in nature and will include all necessary functions such as; user licensing, system maintenance, data backup, technical support, addition of new features and functionality, and enhancements as required. The contractor hosts the application

remotely and there is no need for in-house technical support of the application. An account manager will be assigned and on call to the Division to handle all support issues on a 24/7 basis. The vendor will conduct data backup runs on a daily basis.

Consequences if Not Funded:

The successful implementation of the hosted consolidated database system is fully dependent on an active and maintained subscription. The subscription enables users to access all aspects of the database functionality. Without funding for the monthly subscription fees, the database would not be functional or accessible for Division staff or external users.

The separate Capital Construction Project Request for the acquisition of the database is predicated on an integrated services subscription format. That separate capital construction budget request does not contain or include sufficient costs to develop, test, and operate the database under a perpetual license format. Further, it was assumed that the application would be hosted off-site by a vendor. Due to the nature of hosted database applications, outside entities such as the Department's Information Management Office staff, would not have rights or privileges to access or modify the database coding or structure.

Calculations for Request:

<b>Summary of Request FY 2010-11</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
Total Request	\$18,900	\$0	\$14,175	\$0	\$4,725	0.0
Monthly Subscription Service	\$18,000	\$0	\$13,500	\$0	\$4,500	
Monthly Internet Service	\$900	\$0	\$675	\$0	\$225	

<b>Summary of Request FY 2011-12</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
Total Request	\$170,100	\$0	\$127,575	\$0	\$42,525	0.0
Monthly Subscription Service	\$162,000	\$0	\$121,500	\$0	\$40,500	
Monthly Internet Service	\$8,100	\$0	\$6,075	\$0	\$2,025	

FY 10-11 Group I Programs

Description	Monthly Cost	# of Users	# of Months	Total Cost
Subscription Service	\$200.00	45	2	\$18,000
Internet Access	\$30.00	15	2	\$900
Total				\$18,900

FY 11-12 Group I Programs

Description	Monthly Cost	# of Users	# of Months	Total Cost
Subscription Service	\$200.00	45	12	\$108,000
Internet Access	\$30.00	15	12	\$5,400
Total				\$113,400

FY 11-12 Group II Programs

Description	Monthly Cost	# of Users	# of Months	Total Cost
Subscription Service	\$200.00	45	6	\$54,000
Internet Access	\$30.00	15	6	\$2,700
Total				\$56,700

FY 12-13 All Programs

Description	Monthly Cost	# of Users	# of Months	Total Cost
Subscription Service	\$200.00	90	12	\$216,000
Internet Access	\$30.00	30	12	\$10,800
Total				\$226,800

Cash Funds Projections:

Cash Fund Name	Cash Fund Number	FY 2008-09 Expenditures	FY 2008-09 End of Year Cash Balance	FY 2009-10 End of Year Cash Balance Estimate	FY 2010-11 End of Year Cash Balance Estimate	FY 2011-12 End of Year Cash Balance Estimate
Petroleum Storage Tank Fund	130	\$32,042,295	\$14,942,867	\$16,942,866	\$16,942,866	\$16,942,866
Boiler Inspection Fund	137	\$1,325,444	\$1,324,972	\$1,474,972	\$1,474,972	\$1,474,972
Conveyance Fund	13d	\$233,757	\$2,467,272	\$2,997,272	\$2,997,272	\$2,997,272
Public Safety Inspection Fund	141		\$125,000	\$160,000	\$160,000	\$160,000
Liquefied Petroleum Gas Fund	144	\$157,452	\$15,000	\$15,000	\$15,000	\$15,000

Assumptions for Calculations:

Monthly database subscription service cost estimate is based on 90 licensed users, including field inspection staff of 30. Monthly subscription service is priced at \$200.00/month per user license. For FY10-11, two months of user license and internet access costs will be incurred. For FY11-12, 12 months of user license internet access costs will be incurred. Internet access for inspection staff is required for database synchronization purposes. This addition for remote access is projected to cost \$30.00/month.

The Division plans on moving its' programs onto the enterprise system in phases. Group I will likely be the smaller programs within the Division and Group II is likely the more complex programs. Since only certain programs are moving within each Group only the tabulated amount of users would be required – those who are affected by those programs. The grouping is thought to be less disruptive to the division as a whole and furthermore allow for any modifications and alterations that may be needed upon learning from the first group.

Impact on Other Government Agencies:

None

Cost Benefit Analysis:

This cost benefit analysis is simple and straightforward; if funding is not approved, the Division would not be able to utilize the hosted consolidated database due to inability to access the application. If that were the case, the Division would be reliant on existing information management platforms that have gone past or are approaching the “End of Life” stages in their utilization, system failures would be catastrophic to program continuance and could affect life safety issues for the public. Temporary solutions might include reversion to simple data systems that cause significant program management inefficiencies. Costs to employ emergency services from private contractors would exceed costs associated with the subject request.

Approval of this request, in association with the above referenced separate Capital Construction Project Request for the hosted consolidated database system, will allow the

Division to operate a new database that is a consolidation of multiple existing databases utilized by the various programs within the Division. The system would be quickly and easily configurable by in-house users to meet the changing needs of the Division programs. Business processes, such as notifications of permit or license renewals, enforcement issues, or document imaging would be automated, thus reducing the staff resource requirement.

There is an option to transfer to a lower-cost perpetual license program after four years of utilizing the subscription-based licensing program. The perpetual licensing program has a higher initial cost and additional costs for change requests and technical support are charged on an hourly basis. The Division is inclined toward the all-inclusive format due to the size and diversity of the Division programs. It is anticipated that costs associated with projected extensive technical support and requests for enhancements would be greater than the subscription approach of one flat monthly rate. Further, the benefit of the all-inclusive subscription method is that the monthly expense is constant and predictable.

Implementation Schedule:

<b>Task</b>	<b>Month/Year</b>
Scope / RFP Development	April 2010
Issue RFP	June 2010
Contract Start	September 2010
Roll out of Group I programs	May 2011
Begin Subscription Service Group I	May 2011 - June 2011
Application Development, Testing, Training	May 2011 – November 2011
Roll out of Group II programs	December 2011
Begin Subscription Service Group II	January 2011

Statutory and Federal Authority:

*8-20-101. Division of oil and public safety - creation (2009)*

*(1) There is hereby created within the department of labor and employment the division of oil and public safety, the head of which shall be the director of the division of oil and public safety*

*8-20-102. Duties of director of division of oil and public safety. (2003)*

*(1) The director of the division of oil and public safety shall make, promulgate, and enforce rules setting forth minimum and general standards covering the design, construction, location, installation, and operation of equipment for storing, handling, and utilizing liquid fuel products*

*9-4-102. Boiler inspection section - created - director - inspectors - qualifications. (2001)*

*(1) The executive director of the department of labor and employment, pursuant to article XII, section 13, of the constitution of the state of Colorado, shall appoint a director of the boiler inspection section, hereby created under the division of oil and public safety, and such inspectors as are necessary to carry out the provisions of this article.*

*CRS 9-5.5-101 – 120 “Elevator and Escalator Certification”*

*9-5.5-116. (2008) Enforcement - rules.*

*(1) The administrator may adopt rules to administer and enforce this article.*

Performance Measures:

Many efficiencies and process improvements will occur especially in our workload indicators such as number of field inspections conducted, documents logged and reviewed, correspondences created and transmitted timely, efficient enforcement actions and invoicing. All these items will directly impact greater results in our division performance measures.

Division Performance Measures	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Appr	FY 09-10 Request	
Protect health and safety of workers, students, and citizens by minimizing hazards that cause injuries, as identified through deficiencies or violations noted during remediation and construction plan reviews, and permit and certification submittal reviews: Effectiveness determined based on a reduction in the percentage of plan, permit, and certification reviews that note safety violations.	Benchmark	New	30%	30%	30%
	Actual	35%	31%		