

**Schedule 13
Change Request for FY 2009-10 Budget Request Cycle**

Decision Item FY 2009-10 IV Base Reduction Item FY 2009-10 Supplemental FY 2008-09 Budget Amendment FY 2009-10

Request Title: State Fleet Management Operating Increase
 Department: Personnel and Administration
 Priority Number: DI-1

Dept. Approval by: *R. Smith*
 OSPB Approval: *R. Smith*

Date: November 1, 2008
 Date: 10-21-08

	1	2	3	4	5	6	7	8	9	10
	Prior-Year Actual FY 2007-08	Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2009-10	Decision/ Base Reduction FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total FTE 22,115,418 GF 0.0 CF 0	20,677,433 0.0 0	0 0.0 0	20,677,433 0.0 0	20,677,433 0.0 0	8,036,817 0.0 0	28,714,250 0.0 0	0 0.0 0	28,714,250 0.0 0	8,036,817 0.0 0
(4) Division of Central Services, (C) Fleet Management Program and Motor Pool Services, Operating Expenses	CFE/RF FF 22,115,418 0	20,677,433 0	0 0	20,677,433 0	20,677,433 0	8,036,817 0	28,714,250 0	0 0	28,714,250 0	8,036,817 0

Non-Line Item Request: None
 Letternote Revised Text: None
 Cash or Federal Fund Name and COFRS Fund Number: Motor Fleet Management Fund, (COFRS 607)
 Reappropriated Funds Source, by Department and Line Item Name: fees from user agencies
 Approval by OIT? Yes: No: N/A:
 Schedule 13s from Affected Departments: All departments affected by this common policy

CHANGE REQUEST for FY 2009-10 BUDGET REQUEST CYCLE

Department:	Personnel and Administration
Priority Number:	DI-1
Change Request Title:	State Fleet Management Operating Increase

SELECT ONE (click on box):

- Decision Item FY 2009-10
- Base Reduction Item FY 2009-10
- Supplemental Request FY 2008-09
- Budget Request Amendment FY 2009-10

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:

The Division of Central Services, State Fleet Management Program (SFM), is requesting \$8,036,817, all Reappropriated Funds to address continually rising prices in fuel and maintenance of vehicles. Per Office of State Planning and Budgeting recommendations, SFM is requesting the spending authority for all increases in fuel and maintenance, but is only requesting corresponding allocations to agencies for the increase in fuel, forcing agencies to absorb any increased costs due to maintenance.

Background and Appropriation History:

The State Fleet Management Program (SFM) is designed to handle all aspects of a vehicle's life from the time of acquisition through disposal. SFM manages all maintenance, repairs, fuel expense, and accident repairs as well as maintaining a robust database with a detailed history for each vehicle. The Program manages these vehicle assets for all State agencies, helping to control unnecessary expenses, and managing adherence to effective preventive maintenance schedules, while gaining economies of scale and significant price reductions by aggregating purchasing opportunities and funding resources. State Fleet Management is also able to negotiate many private sector

services for the State at the lowest cost possible. Examples include: financing, fuel cards, glass, tires, towing, maintenance and repair services, and body repairs.

Further, the State Fleet Management Program provides light duty vehicles including sedans, vans, SUV's, motorcycles, and pickup trucks to all State agencies on a long-term basis. In addition, with the passage of SB06-015, all vehicles regardless of size were to be enrolled in the State Fleet Management Program during FY 06-07. This added an additional 400+ specialized vehicles with a gross vehicle weight rating (GVWR) of one ton and greater to the fleet. With SFM managing all aspects of vehicle procurement and operations—acquisition, repairs, maintenance, and disposal—State agencies and employees can focus all of their resources on accomplishing their program missions.

SFM works for three major stakeholders in the State. For State departments and agencies, SFM is responsible for providing safe, reliable, cost effective vehicles uniquely tailored to best meet their specific program requirements. For the citizens of the state, SFM insures that State vehicles are purchased and maintained throughout their life cycle at the lowest available cost. For the Legislature, SFM manages statutory programs, ensures legal and regulatory compliance, and provides accurate information concerning trends in expense, utilization, fleet size and other relevant information to facilitate knowledgeable oversight and decision-making.

State Fleet Management is organized into four broad functional areas:

- Vehicle Acquisition and Disposal
- Maintenance Authorization and Control
- Invoice Processing and Account Reconciliation
- Special Project Oversight & Data Integrity

Program expenses are charged back to the user agency through three monthly rate components:

- A fixed rate to recover the debt service cost of vehicle acquisition.

- A variable rate per mile, determined by actual historical expenses for fuel, maintenance, repairs and accident cost.
- A management fee to capture program related fleet expenses for items such as salaries, rent, statewide indirect cost allocations, and miscellaneous operating costs.

This operating expenses line item supports fuel costs, the cost of maintenance and other business operating costs for the State Fleet Management program and all vehicles enrolled in the fleet on behalf of State agency customers. Total fuel expenditures for the fleet are determined by the cost of fuel, the overall average fuel-efficiency of the State fleet, and the number of miles driven fleet-wide over the course of the year.

Several factors beyond the State's control require the Department to contemplate adjustments to appropriated spending authority and underlying assumptions concerning fuel and maintenance expenditures annually. Many critical measures have already been adopted in recent fiscal years in an effort to mitigate cost increases including mileage reductions, cost controls, reductions in total fleet size, and a migration to more fuel efficient vehicles. Even with a robust and efficient cost containment structure in place, along with the significant benefits and efficiencies realized through centralized fleet management, SFM still is not immune to the pressures faced by the national and global economy, including the impact of high fuel costs.

This request is submitted on an annual basis through the combined efforts of SFM, OSPB, and the various State agencies that participate in the State Fleet Management Program.

General Description of Request:

Due to an increased number of vehicles in the fleet and therefore an increase in miles driven, as well as the recently volatile prices in gas, the cost to run the State Fleet has increased. In addition, the most recent increase was experienced at the end of fiscal year 2007-08. The Department was forced to make an emergency supplemental request for \$1,875,721, but did not pass on these costs to its customers, and instead used reserved funds to cover the cost. State Fleet Management (SFM) is requesting spending authority

in include all associated costs of running the Fleet, but only an increase in fuel in cost allocation to its customers. This method will encourage many departments to reduce fuel consumption, as they will have to absorb any rate increases related to maintenance, repair, and accidents. The additional spending authority need is for \$8,036,817. In addition, SFM has developed a cost allocation model to distribute only increases to fuel to the Agencies that State Fleet Management service, included in the *Impact on Other State Agencies* section of this request.

Consequences if Not Funded:

Without the requested increase in spending authority, State Fleet Management will be unable to make payments to vendors for fuel purchased and maintenance performed, perhaps delaying State services offered to citizens. As referenced previously many critical measures have already been adopted in recent fiscal years in an effort to mitigate cost increases including mileage reductions, cost controls, reductions in total fleet size, a migration to more fuel efficient vehicles, and numerous ongoing efforts to reduce miles and vehicles. This leaves limited room left to achieve further efficiencies in the short term. In this alternative, the vendors and the goodwill of the State that suffer, when vendor payments are withheld or delayed.

Calculations for Request:

STATE OF COLORADO FY 2009-10 BUDGET REQUEST CYCLE: Personnel and Administration

Summary of Request FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	\$8,036,817	\$0	\$0	\$8,036,817	\$0	0.0
Division of Central Services, State Fleet Management & Motor Pool Services, Operating Expenses	\$8,036,817	\$0	\$0	\$8,036,817	\$0	0.0

Summary of Request FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	\$8,036,817	\$0	\$0	\$8,036,817	\$0	0.0
Division of Central Services, State Fleet Management & Motor Pool Services, Operating Expenses	\$8,036,817	\$0	\$0	\$8,036,817	\$0	0.0

Spending Authority Calculations	
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Forecasted FY 2008-09 National Fuel Price per Gallon	\$4.19
Less Normal Difference between Colorado and National Average	(\$.10)
Less \$.26 per gallon in taxes	(\$.26)
Our price	\$3.83
Estimated Annual Miles	78,000,000
Estimated Miles per gallon	16.0
Estimated Annual Gallons	4,875,000
Fuel Cost for FY2008-09 (Our price*Annual Gallons)	\$18,671,250
Current Maintenance Cost Per Mile	.107
Plus Estimated Increase in Maintenance	.005
Estimated Maintenance Cost per Mile	.112
Estimated Cost of Maintenance (Maintenance Cost*Annual Miles)	\$8,736,000
Operating Need (Fuel Cost + Maintenance Cost)	\$27,407,250
Plus Business Operating (Unchanged)	\$227,000
Plus Auction Fees (\$5,000 increase)	\$130,000
Plus Net Accidents (\$25,000 increase)	\$950,000
Total Spending Authority Need	\$28,714,250
Less current spending authority	\$20,677,433
Total Request	\$8,036,817

Cash Funds Projections:

Cash Fund Name	Cash Fund Number	FY 2007-08 Expenditures	FY 2007-08 End of Year Cash Balance	FY 2008-09 End of Year Cash Balance Estimate	FY 2009-10 End of Year Cash Balance Estimate	FY 2010-11 End of Year Cash Balance Estimate
Motor Fleet Management Fund	607	\$31,414,918	\$17,599,101	\$17,068,434	\$17,142,169	\$17,218,117

Assumptions for Calculations:

The following assumptions were used in the calculations, above.

- a) To estimate the State’s fuel cost for next fiscal year, the most recent data were taken from the U.S. Department of Energy’s Energy Outlook, and averaged to equal \$4.19 per gallon retail. From this, \$0.36 was subtracted, representing State and federal gasoline taxes that the Department is exempted from paying on fuel. A final rate of \$3.83 will be used to estimate the fuel cost per gallon.
- b) The Department estimates that the Statewide average fuel efficiency per vehicle in the State fleet will be 16.0 miles per gallon (mpg). This is determined by dividing total vehicle miles (78,000,000) by total gallons of fuel utilized (4,875,000). The miles per gallon are also expected to rise slightly over the 15.8 estimated in previous years because of the addition of more fuel efficient vehicles to the fleet.
- c) Total miles driven for the year were projected to be 76,095,592 for FY 2007-08. The addition of vehicles to the fleet provides an estimate of 78,000,000 for FY 2009-10.
- d) The Department estimates a cost of \$0.112 for vehicle maintenance per mile for the miles driven in FY 09-10. This rate is a result of many factors, including an increase in repairs, an increase in glass replacements, and an increase in tire replacements (tires are partially petroleum-based and prices rise just as fuel costs rise).

- e) Accident expenses are currently estimated to equal approximately \$0.012 per mile (no rate change from the HB 08-1295 calculation), and only an increase of \$.00032 is added for FY 2009-10, for an increase of \$25,000.
- f) Business operating expenses remain unchanged at \$227,000 (no change), just as was estimated in the FY 07-08 regular supplemental for Fleet Services operating expenses.
- g) Auction fee costs have been increased by \$5,000 to reflect industry trends, from \$125,000 to \$130,000.

Impact on Other Government Agencies:

STATE OF COLORADO FY 2009-10 BUDGET REQUEST CYCLE: Personnel and Administration

Department	FY08 Actual Miles	FY09 Average Rate	FY10 Estimated Billing	FY08 Actual Billing	FY10 Increase	FY11 Increase
Public Safety	16,540,145	\$0.364	\$6,023,143	\$4,500,141	\$1,523,002	\$1,523,002
Agriculture	1,188,115	\$0.337	\$400,577	\$305,145	\$95,432	\$95,432
Corrections	11,759,745	\$0.393	\$4,623,379	\$3,525,969	\$1,097,410	\$1,097,410
Education	163,694	\$0.367	\$60,100	\$42,930	\$17,170	\$17,170
Health	1,300,098	\$0.277	\$360,326	\$248,136	\$112,190	\$112,190
Human Services	4,223,917	\$0.404	\$1,707,109	\$1,450,619	\$256,490	\$256,490
Law	298,139	\$0.232	\$69,214	\$62,139	\$7,075	\$7,075
Local Affairs	647,802	\$0.249	\$161,401	\$122,174	\$39,227	\$39,227
Labor and Employment	668,606	\$0.276	\$184,638	\$130,297	\$54,341	\$54,341
Military Affairs	231,890	\$0.361	\$83,747	\$66,308	\$17,439	\$17,439
Natural Resources	14,167,766	\$0.425	\$6,023,469	\$4,478,073	\$1,545,396	\$1,545,396
Revenue	2,965,327	\$0.306	\$907,844	\$664,191	\$243,653	\$243,653
Regulatory Agencies	1,484,633	\$0.282	\$418,893	\$312,807	\$106,086	\$106,086
Secretary of State	21,601	\$0.218	\$4,712	\$2,981	\$1,731	\$1,731
Transportations	12,556,437	\$0.326	\$4,095,320	\$3,021,645	\$1,073,675	\$1,073,675
Office of the Governor	79,826	\$0.228	\$18,212	\$16,473	\$1,739	\$1,739
Governor's Office of Information Technology	442,699	\$0.316	\$139,960	\$94,943	\$45,018	\$45,018
Personnel and Administration	1,625,986	\$0.316	\$514,061	\$348,714	\$165,346	\$165,346
Judicial	862,934	\$0.203	\$175,307	\$146,419	\$28,888	\$28,888
Total					\$6,431,308	\$6,431,308

Cost Benefit Analysis: A cost benefit analysis is not applicable in this case. Inflationary costs drive this request.

Implementation Schedule:

Task	Month/Year
New Rates Begin	July 2009

Statutory and Federal Authority: *24-30-1104 (2)C.R.S. (2008): (2) In addition to the county-specific functions set forth in subsection (1) of this section, the department of personnel shall take such steps as are necessary to fully implement a central state motor vehicle fleet system... Under the direction of the executive director, the department of personnel shall perform the following functions pertaining to the motor vehicle fleet system throughout the state: (a) Establish and operate a central state motor vehicle fleet system and such subsidiary-related facilities as are necessary to provide for the efficient and economical use of state-owned motor vehicles by state officers and employees...*

Performance Measures: The following performance measures appear in the FY 2009-10 Strategic Plan.

Performance Measure	Outcome	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Approp.	FY 09-10 Request
Reduce the amount of petroleum used by the State Fleet by 25% by 2012. Base gallons were 2,601,786.	Benchmark	0	2,471,697 gal (5%)	2,341,607 (10%)	2211518 (15%)
	Actual	2,706,902 gal	2,708,052 gal	TBD	TBD

**Schedule 13
Change Request for FY 2009-10 Budget Request Cycle**

Decision Item FY 2009-10 Base Reduction Item FY 2009-10 Supplemental FY 2008-09 Budget Amendment FY 2009-10

Request Title: Training Services Base Increase

Department: Personnel and Administration

Priority Number: DI-2

Dept. Approval by: *[Signature]*
OSP/B Approval: *[Signature]*

Date: November 1, 2008
Date: 10-21-08

	1	2	3	4	5	6	7	8	9	10
	Prior-Year Actual FY 2007-08	Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2009-10	Decision/ Base Reduction FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total FTE 57,142 GF 0.0 GFE 0 CF 25,444 CFE/RF 31,698 FF 0	78,980 0.0 0 45,214 33,766 0	0 0.0 0 0 0 0	78,980 0.0 0 45,214 33,766 0	78,980 0.0 0 45,214 33,766 0	70,097 1.0 0 70,097 0 0	149,077 1.0 0 45,214 103,863 0	0 0.0 0 0 0 0	149,077 1.0 0 45,214 103,863 0	151,101 2.0 0 0 0 0
(2) Division of Human Resources, (A)(2) Training Services	Total FTE 57,142 GF 0.0 GFE 0 CF 25,444 CFE/RF 31,698 FF 0	78,980 0.0 0 45,214 33,766 0	0 0.0 0 0 0 0	78,980 0.0 0 45,214 33,766 0	78,980 0.0 0 45,214 33,766 0	70,097 1.0 0 70,097 0 0	149,077 1.0 0 45,214 103,863 0	0 0.0 0 0 0 0	149,077 1.0 0 45,214 103,863 0	151,101 2.0 0 0 0 0

Non-Line Item Request: None
Letternote Revised Text: None
Cash or Federal Fund Name and COFRS Fund Number: Not applicable
Reappropriated Funds Source, by Department and Line Item Name: training revenue from state agencies
Approval by OIT? Yes: No: N/A:
Schedule 13s from Affected Departments: None

CHANGE REQUEST for FY 2009-10 BUDGET REQUEST CYCLE

Department:	Personnel and Administration
Priority Number:	DI-2
Change Request Title:	Training Services Base Increase

SELECT ONE (click on box):

- Decision Item FY 2009-10
- Base Reduction Item FY 2009-10
- Supplemental Request FY 2008-09
- Budget Request Amendment FY 2009-10

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:

The Professional Development Center (PDC), funded through the Division of Human Resources' Training Services program line, seeks to expand its course offerings and statewide outreach with two training positions used for classroom instruction, program development and marketing efforts. This request is to augment the program's funding by \$70,097 Reappropriated Funds and 1.0 FTE in FY 2009-10, and \$151,101 Reappropriated Funds and 2.0 FTE in FY 2010-11, in order to meet the growing demand for training.

Background and Appropriation History:

The Professional Development Center (PDC) within the Training Services program develops strategies to assess and meet the training and career development needs of State employees. Services include developing and delivering courses, identifying training needs, assessing the effectiveness of training provided, and approving waivers for training obtained outside of the program. The unit supports the statutory requirement for the "establishment and maintenance of training programs for employees in the state personnel system" per Section 24-50-122, C.R.S. (2008).

After the General Fund cuts beginning in FY 2002-03, program revenues dropped substantially presumably due to agencies spending their reduced appropriations on other priorities. This trend continued until total revenues seemed to bottom out in FY 2005-06. As a consequence, the appropriation for this program was gradually reduced after successive years of spending authority reversions. However, revenues have rebounded as of the last fiscal year, and redoubled efforts in marketing, a partnership with Colorado State University, and popular recent offerings to employees regarding retirement planning may sustain this growth for the current fiscal year and beyond, as shown in the table below:

Fiscal Year	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08
Total Revenue	\$269,469	\$232,812	\$108,471	\$96,170	\$120,586	\$230,360
Total Appropriation*	\$351,042	\$372,425	\$381,111	\$272,109	\$173,761	\$145,444
Difference	(\$81,573)	(\$139,613)	(\$272,640)	(\$175,939)	(\$53,175)	\$84,916

* In addition to program costs, this includes leased space, workers' compensation, risk management funding, and indirect cost assessments.

The training unit currently demonstrates a growing demand in the following ways: classes are full, there are waiting lists for certain classes, and there are an estimated 25 training waivers approved per month (of these approximately 20 percent could be provided by the Professional Development Center if the resources were available). The training space is nearly at capacity as the rooms are no longer available for general use. The number of attendees has doubled in a single year. The PDC turned down an estimated 10 percent of the on-site training requests from agencies due to lack of resources.

The program also has begun to develop several new offerings customized to agency demands. The implementation of these classes will depend on approval for additional funding. Plans for new classes include: Managing from the Middle, Change Management, Dealing with Difficult People, Managing a Diverse Workforce, New Skills for Seasoned Managers, Time Management (CSU), Business Writing (ACC),

Employment Law for Managers and Supervisors, Strategic Planning and Performance Management. In addition to new classes, the unit is planning on increasing some of the existing classes from one to several days to more thoroughly cover the content, offer existing classes more often, and offer geographic on-site training outside of the metro area. When the Professional Development Center offers classes to all State agencies, the cost is minimized compared to when each agency develops their own classes.

General Description of Request:

The Professional Development Center in DHR seeks to supplement the training program's effectiveness and impact with two positions at the General Professional IV level to develop courses (25 percent), conduct trainings (50 percent), create and implement marketing tools (10 percent) and provide consultation to State agencies (15 percent). Additionally, funding is sought to pay for additional contracted instructional opportunities for the State to augment the program's outreach. Personal Services dollars expended for contract trainers is a cost effective way of delivering training as the State does not pay benefits, insurance, leave, etc., for these services. Quality is easily controlled in this way as trainers are utilized at the State's discretion. A combination of 1.0 FTE in the first year and 2.0 FTE in the out years, as well as the additional contracted trainers will create a robust training program.

The program also seeks ongoing funding for training materials, educational and research supplies, and marketing costs to adequately fund program operations for current and ongoing outreach to State agencies. This request, in a sense, "rebuilds" what has been lost over the last several fiscal years now that enrollments and revenues are growing and agencies' instructional opportunities and interest are able to sustain funding for the program to flourish. The requested appropriation level will provide ample spending authority to meet the great and growing demand for centralized, cost-effective training through the PDC.

Consequences if Not Funded:

Under the current spending authority limits, the program is at capacity and unable to hire additional trainers to expand course offerings to address additional needs, implement technology solutions (on-line training and registrations), and in some cases cover the cost

of proprietary materials for highly desired classes. An increase would provide funding for additional trainers, classroom materials, and program equipment so the program can continue to expand. State employee training is critical to continued workforce development and succession planning.

Calculations for Request:

Summary of Request FY 2009-10	Total Funds	Reappropriated Funds	FTE
Total Request	\$70,097	\$70,097	1.0
(2) Division of Human Resources, (A)(2) Training Services	\$70,097	\$70,097	1.0

Summary of Request FY 2010-11	Total Funds	Reappropriated Funds	FTE
Total Request	\$151,101	\$151,101	2.0
(2) Division of Human Resources, (A)(2) Training Services	\$151,101	\$151,101	2.0

Request Build-up		
Expense	FY 2009-10 Request	FY 2010-11 Request
General Professional IV*	\$69,563	\$133,897
Contracted Services*	\$48,800	\$48,800
Training Materials Expenses (Class textbooks, workbooks, etc.)*	\$22,464	\$33,834
Additional Operating Expenses*	\$8,250	\$14,000
<i>Less current spending authority*</i>	<i>(\$78,980)</i>	<i>(\$78,980)</i>
Total Need	\$70,097	\$151,101

*See table(s) below

FTE and Operating Costs				
Fiscal Year(s) of Request		FY 08-09	FY 09-10	FY 10-11
<i>PERSONAL SERVICES</i>	Title:	General Professional IV		
Number of PERSONS / class title		0	1	2
Number of months <u>working in</u> FY 08-09, FY 09-10 and FY 10-11		0	12	12
Number months <u>paid in</u> FY 08-09, FY 09-10 and FY 10-11		0	12	12
Calculated FTE per classification		0.0	1.0	2.0
Annual base salary			\$56,796	\$56,796
Salary		\$0	\$56,796	\$113,592
PERA	10.15%	\$0	\$5,765	\$11,530
Medicare	1.45%	\$0	\$824	\$1,647
Subtotal Personal Services at Division Level		\$0	\$63,385	\$126,769
<i>OPERATING EXPENSES</i>				
Supplies @ \$500/\$500	\$500	\$0	\$500	\$1,000
Computer @ \$900/\$0	\$900	\$0	\$900	\$900
Office Suite Software @ \$330/\$0	\$330	\$0	\$330	\$330
Office Equipment @ \$3,998/\$0 (includes cubicle and chair)	\$3,998	\$0	\$3,998	\$3,998
Telephone Base @ \$450/\$450	\$450	\$0	\$450	\$900
Subtotal Operating Expenses		\$0	\$6,178	\$7,128
GRAND TOTAL ALL COSTS		\$0	\$69,563	\$133,897

Additional Operating Expenses	Cost per unit	FY 09-10 (1 unit)	FY 10-11 (2 units)
Educational Supplies - Flipcharts, markers, pencils, pens, post it notes, tape, envelopes, paper, refreshments, toner, ink.	\$1,500	\$1,500	\$3,000
Print Services - creation of marketing materials such as brochures, signage for training facilities, portable signage for onsite classes and conference presentations.	\$1,500	\$1,500	\$3,000
Research Supplies (Books, DVDs, CDs) - these items support the development of new training and complement on-site instruction.	\$2,250	\$2,250	\$4,500
Postage and Freight	\$1,000	\$1,000	\$2,000
Travel - covers fleet rental, mileage, and hotel accommodations for onsite classes outside of the metro area.	\$1,500	\$1,500	\$1,500
Color Printer - In-house printing of marketing materials, flyers, reports, when necessary.	\$500	\$500	\$0
Total		\$8,250	\$14,000

State Training Program Projections for Fiscal Year FY 2009-10/FY 2010-11*				
Class	Projected Offerings	Projected Attendees	Training Materials Expense	Contract Expense**
Pre-retirement I	3	60	\$0	\$900
Pre-retirement II	3	70	\$0	\$900
Pre-retirement III	4	100	\$0	\$900
Managing Diversity	2	40	\$125	\$0
Dealing With Difficult People	2	40	\$120	\$3,000
Coaching, Counseling, Mentoring	6	120	\$600	\$10,800
Managing From the Middle	5	100	\$500	\$7,500
The Respectful Workplace	2/4	40/80	\$140/\$280	\$0
Multi-Generational Workplace	2/3	140/60	\$120/\$180	\$0
Nuts & Bolts of Supervision	2/4	40/80	\$270/\$540	\$0
Retention Skills	3	60	\$1,390	\$3,000
Rules for Supervisors	3	60	\$250	\$2,400
DiSC	2/4	40/80	\$750/\$1,500	\$0

State Training Program Projections for Fiscal Year FY 2009-10/FY 2010-11*				
Class	Projected Offerings	Projected Attendees	Training Materials Expense	Contract Expense**
Progressive Discipline	3	60	\$330	\$2,400
Basic Procurement	4	80	\$0	\$0
Project Management Principles	3	60	\$330	\$3,000
Process Improvement 101	4	80	\$280	\$4,000
Microsoft Excel Series	4	60	\$0	\$0
Microsoft Access Series	4	60	\$0	\$0
Change Management	2/3	50/75	\$75/\$225	\$0
Legislative Process Seminar	1	100	\$325	\$0
Crucial Conversations	2/4	40/80	\$10,000/\$20,000	\$0
Ethical Leadership/Public Sector	4	100	\$572	\$0
Basic Finance for Managers	4	100	\$572	\$0
Critical Thinking/Problem Solving	4	100	\$572	\$0
Facilitation/Presentation Skills	4	100	\$572	\$0
Business and Strategic Planning	4	100	\$572	\$0
Effective Performance Management	4	100	\$572	\$0
Customer Service/Public Sector	6	125	\$572	\$0
Onsite Classes	35	500	\$2,855	\$10,000
Total all	131/141	2,725/2,990	\$22,464/\$33,834	\$48,800

*Cells with a single value won't change from FY 2009-10 to FY 2010-11

** Course offerings with \$0 contract costs will be taught by the new positions funded in this request.

Cash Funds Projections:

Not applicable. Training revenues that are unused in a given fiscal year are reverted to the General Fund as there is no separate fund in which to deposit them. Thus, there is no separate fund balance.

Assumptions for Calculations:

The Professional Development Center is aiming to build its program. In order to show a complete picture of the training program and plan an inclusive curriculum in FY 2009-10, the Professional Development Center staff has put together a plan for what classes and how many of each class will be taught according to demand. In addition, they have

ascertained the personal services and materials needed for this complete set of courses. In this way, they were able to build a strong, comprehensive program and calculate the needs. Because of this methodology, this request shows the complete program and its needs for FY 2009-10, and backs out current appropriation.

Salaries for the General Professional IV positions are in accordance with the minimum levels found in the FY 2008-09 Compensation plan per OSPB instruction. Calculations for operating expenses are also made in accordance with OSPB common policy instructions. Estimates for instructor contractors, educational and research supplies, postage and travel were provided by the Professional Development Center and based on FY 2007-08 program experience. Estimates for course offerings, enrollment, contract expenses and training material costs were also provided by the program based on planning for FY 2008-09.

Impact on Other Government Agencies:

Not applicable. Agencies are charged in accordance with their independent decisions and resources to send employees to training sessions offered by the Professional Development Center. Therefore, other agencies will not be seeking additional funding for any costs associated with this request.

Cost Benefit Analysis:

This request expands the capacity of the program as a result of increased usage by state agencies of the Professional Development Center course offerings.

Class	Average PDC Cost	Average External Fee	Savings Per Student	Students in FY 2007-08	Total Savings
Crucial Conversations	\$350	\$895	\$545	71	\$38,695
Coaching for Supervisors	\$175	\$345	\$170	168	\$28,560
Multi-Generational Workplace	\$35	\$165	\$130	492	\$63,690
Respectful Workplace	\$55	\$165	\$110	315	\$34,650
Total savings for these four classes					\$165,595

Savings for these example classes(from above table)	\$165,595
Divided by students in all four classes (to weight more popular classes)	÷1,046
Average savings per student for these four classes	\$158.31
Multiplied by the total anticipated students in FY 2009-10 (from <i>Program Projections</i> table)	*2,725
Estimate of Total Savings in FY 2009-10	\$431,402

Cost	Benefit
\$70,097 and 1.0 FTE	\$431,402 over External Training Services Cost Benefit Ratio: 1:6 (rounded)

Implementation Schedule:

Task	Month/Year
Finalize PDQs for new positions. Plan content and scope of new course offerings.	April, 2009
Announce job openings for new FTE.	May, 2009
Finalize and post training calendar for FY10.	June, 2009
Follow standard purchasing process to contract with new vendors; develop marketing materials and market new training schedule and classes.	July, 2009
Appoint new employees; develop new course content, begin teaching new classes.	July though September, 2009

Statutory and Federal Authority:

24-50-122, C.R.S. (2008): *The state personnel director shall be responsible for the establishment and maintenance of training programs for employees in the state personnel system. He shall identify training needs for current and anticipated classes of positions within the classified system, shall identify and recommend to the governor and the general assembly the most economical and effective means of meeting those training needs, and shall regularly assess the effectiveness of such training as may be conducted. State funds shall not be expended for the training of employees in the state personnel system without the approval of the state personnel director.*

Performance Measures:

This request will directly impact the development opportunities for the workforce through training by offering more classes. As the plan for the curriculum takes into account which classes have a high demand, the attendance in each class is also expected to continue to rise.

Objective: Increase development opportunities for the workforce through training.	Outcome	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Approp.	FY 09-10 Request
Increase percentage of state employees receiving applicable training by 3%.	Benchmark	N/A	N/A	11.2%	14.6%
	Actual	N/A	8.6%	TBD	TBD

Objective: Increase development opportunities for the workforce through training.	Outcome	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Approp.	FY 09-10 Request
Increase average percentage of attendance (number of spots filled) in all trainings by 3%.	Benchmark	N/A	N/A	%	%
	Actual	N/A	80%	TBD	TBD

**Schedule 13
Change Request for FY 2009-10 Budget Request Cycle**

Decision Item FY 2009-10 **Base Reduction Item FY 2009-10** **Supplemental FY 2008-09** **Budget Amendment FY 2009-10**
Request Title: Integrated Document Factory Contingency Fund
Department: Personnel and Administration
Priority Number: DI-3
Dept. Approval by: *[Signature]*
OSPB Approval: *[Signature]*
Date: November 1, 2008
Date: 10-19-08

	1	2	3	4	5	6	7	8	9	10
	Prior-Year Actual FY 2007-08	Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2009-10	Decision/ Base Reduction FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total FTE 17,140,557 GF 115.5 GFE 0 CF 1,073,357 CFE/RF 16,067,200 FF 0	15,972,914 113.6 0 0 15,972,914 0	0 0.0 0 0 0 0	15,972,914 113.6 0 0 15,972,914 0	16,159,771 113.6 0 0 16,159,771 0	1,615,977 0.0 0 0 1,615,977 0	17,775,748 113.6 0 0 17,775,748 0	0 0.0 0 0 0 0	17,775,748 113.6 0 0 17,775,748 0	1,615,977 0.0 0 0 1,615,977 0
(4)(B) Central Services, Integrated Document Factory, (1) Reprint Services, Personal Services	Total FTE 1,137,877 GF 21.8 GFE 0 CF 0 CFE/RF 1,137,877 FF 0	1,206,961 23.3 0 0 1,206,961 0	0 0.0 0 0 0 0	1,206,961 23.3 0 0 1,206,961 0	1,227,090 23.3 0 0 1,227,090 0	122,709 0.0 0 0 122,709 0	1,349,799 23.3 0 0 1,349,799 0	0 0.0 0 0 0 0	1,349,799 23.3 0 0 1,349,799 0	122,709 0.0 0 0 122,709 0
(4)(B) Central Services, Integrated Document Factory, (1) Reprint Services, Operating Expenses	Total FTE 3,046,647 GF 0.0 GFE 0 CF 305,456 CFE/RF 2,741,191 FF 0	2,404,752 0.0 0 0 2,404,752 0	0 0.0 0 0 0 0	2,404,752 0.0 0 0 2,404,752 0	2,404,752 0.0 0 0 2,404,752 0	240,475 0.0 0 0 240,475 0	2,645,227 0.0 0 0 2,645,227 0	0 0.0 0 0 0 0	2,645,227 0.0 0 0 2,645,227 0	240,475 0.0 0 0 240,475 0
(4)(B) Central Services, Integrated Document Factory, (2) Document Solutions Group, Personal Services	Total FTE 3,101,494 GF 54.2 GFE 0 CF 17,131 CFE/RF 3,084,363 FF 0	2,755,757 55.7 0 0 2,755,757 0	0 0.0 0 0 0 0	2,755,757 55.7 0 0 2,755,757 0	2,837,118 55.7 0 0 2,837,118 0	283,712 0.0 0 0 283,712 0	3,120,830 55.7 0 0 3,120,830 0	0 0.0 0 0 0 0	3,120,830 55.7 0 0 3,120,830 0	283,712 0.0 0 0 283,712 0
(4)(B) Central Services, Integrated Document Factory, (2) Document Solutions Group, Operating Expenses	Total FTE 404,846 GF 0.0 GFE 0 CF 35,917 CFE/RF 368,929 FF 0	407,519 0.0 0 0 407,519 0	0 0.0 0 0 0 0	407,519 0.0 0 0 407,519 0	407,519 0.0 0 0 407,519 0	40,752 0.0 0 0 40,752 0	448,271 0.0 0 0 448,271 0	0 0.0 0 0 0 0	448,271 0.0 0 0 448,271 0	40,752 0.0 0 0 40,752 0

CHANGE REQUEST for FY 2009-10 BUDGET REQUEST CYCLE

Department:	Personnel and Administration
Priority Number:	DI-3
Change Request Title:	Integrated Document Factory Contingency Fund

SELECT ONE (click on box):

- Decision Item FY 2009-10
- Base Reduction Item FY 2009-10
- Supplemental Request FY 2008-09
- Budget Request Amendment FY 2009-10

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:

The Integrated Document Factory (IDF) is requesting the institution of contingency funding. Each year, IDF would continue to submit an annual budget, based on the best information possible when requests are submitted, but also have the ability to draw from this contingency funding for unanticipated work that IDF has had difficulty accommodating. Contingency funding would give IDF access to spending authority to accommodate this overflow work. Expenditures would cover temporary staffing needs, supplies, and operating expenses related to the added workload. Capital expenditures, permanent staffing levels and infrastructure would still be controlled by the annual budget request submitted by the Department of Personnel and Administration. The amount is for \$1,615,977.

Background and Appropriation History:

For the past 25 years, IDF has requested supplemental budgets to provide services to state agencies that have already received spending authority for such services through their agency's budget request. IDF is charged with delivering efficient and cost-effective

business services to state agencies, and the current budget process limits IDF's ability to meet this responsibility.

The group is proposing a contingency fund to solve this problem and better serve core customers.

Following are examples of problems caused by the current budgeting method:

1. On January 9, 2008, staff from IDF met with a representative from the University of Colorado (CU). CU notified IDF that the bulk mail center that CU operates will be closed in March of 2009. It is their intent to begin using the Mail Services available through DCS to replace the vast majority of services that will be lost when this center is closed. IDF is waiting for CU to provide anticipated volumes to accurately predict how this volume will impact IDF from a service standpoint as well as a cost standpoint. So far, IDF only has a ballpark figure provided by one customer of the CU mail center. It is too early in the process for IDF to project accurate numbers, but when numbers become available and projections are finalized, there will be less than 8 weeks to the date service is expected, leaving not enough time to pursue a decision item, but not correct criteria for a supplemental.

2. When an agency decides to eliminate an IDF-provided service from another provider, such as mail delivery, the notification and involvement that IDF has is typically in the later stages of planning. This creates a problem when customers approach IDF for services and IDF is not in a position to become their providers. IDF encountered this while bringing the Colorado Department of Public Health and Environment (CDPHE) into the network, but managed to extend services with current staff and resources. However, doing so stretched IDF resources because IDF did not receive any additional resources through the budget process.

IDF expects other agencies such as the Colorado Department of Transportation (CDOT), Department of Revenue (DOR), and the Division of Wildlife (DOW), to

make similar requests, and IDF will require additional staff, resources, and spending authority to accommodate these requests.

3. Commercial printing has increased from year to year and this cannot be predicted. Just recently, CDPHE approached IDF to provide a print job that would cost IDF more than \$40,000. If IDF did not have the ability to pass through these costs, the customer would have had to seek services in the private sector at higher cost to the state.

General Description of Request:

The Division is proposing a ten percent contingency fund, so that the programs will be able to accept unanticipated work from an agency that needs help with a project, wishes to use Central Services, and has the revenue to fund the project, while IDF lacks the spending authority to perform the project.

There are several benefits to this plan of action. IDF will no longer need to wait for spending authority approval to perform services that have already received budgetary approval in other agencies' appropriations. This may also eliminate the need for supplemental or emergency funding requests. The plan will also eliminate many overtime costs to the state. When agencies submit job requests to IDF close to fiscal year end, IDF must wait for the supplemental budget to be approved, resulting in the requirement of overtime services in order to complete the job on time, causing overtime costs. Prices to State agencies will remain low. There won't be a significant need for agencies to use outside vendors, usually at higher prices. In addition, IDF will be able to provide services to more agencies. Currently, IDF is not reaching all State agencies that need services because of lack of spending authority, and is not able to accept new agencies and projects. Finally, IDF will experience fewer problems driven by uneven business volume. Because of the fiscal year cycle, business is seasonal and driven by available dollars.

The amount of the contingency fund will be 10% of base appropriation. This will be an increase in spending authority only used if an agency needs an IDF service when the agency has the funds, but IDF lacks the spending authority to complete the service. The

Division will continue to set its rates based on current spending authority, and will continue to charge the same rates for consistency; any over-collected revenue will be build into the rate assumptions the following year, lowering the overall rate for that year.

Consequences if Not Funded:

The Integrated Document Factory will not be able to operate within the intent of its statutory obligation. In order to achieve this, IDF needs to be able to accommodate all requests from agencies that request IDS services. Agencies will be forced to used outside vendors at higher rates because IDF lacks sufficient spending authority to accommodate their projects.

Calculations for Request:

Summary of Request FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	\$1,615,977	\$0	\$0	\$1,615,977	\$0	0.0
(1) Reprographics, Personal Services	\$122,709	\$0	\$0	\$122,709	\$0	0.0
(1) Reprographics, Operating Expense	\$240,475	\$0	\$0	\$240,475	\$0	0.0
(2) Document Solutions Group, Personal Services	\$283,712	\$0	\$0	\$283,712	\$0	0.0
(2) Document Solutions Group, Operating Expenses	\$40,752	\$0	\$0	\$40,752	\$0	0.0
(3) Mail Services, Personal Services	\$133,909	\$0	\$0	\$133,909	\$0	0.0
(3) Mail Services, Operating Expenses	\$794,420	\$0	\$0	\$794,420	\$0	0.0

Summary of Request FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	\$1,615,977	\$0	\$0	\$1,615,977	\$0	0.0
(1) Reprographics, Personal Services	\$122,709	\$0	\$0	\$122,709	\$0	0.0
(1) Reprographics, Operating Expense	\$240,475	\$0	\$0	\$240,475	\$0	0.0
(2) Document Solutions Group, Personal Services	\$283,712	\$0	\$0	\$283,712	\$0	0.0
(2) Document Solutions Group, Operating Expenses	\$40,752	\$0	\$0	\$40,752	\$0	0.0
(3) Mail Services, Personal Services	\$133,909	\$0	\$0	\$133,909	\$0	0.0
(3) Mail Services, Operating Expenses	\$794,420	\$0	\$0	\$794,420	\$0	0.0

Contingency Fund Calculations		
Central Services, Integrated Document Factory Line Items	FY 2009-10 Base Request	Contingency Fund
(1) Reprographics, Personal Services	\$1,227,090	\$122,709
(2) Reprographics, Operating Expenses	\$2,404,752	\$240,475
(2) Document Solutions Group, Personal Services	\$2,837,118	\$283,712
(2) Document Solutions Group, Operating Expenses	\$407,519	\$40,752
(3) Mail Services, Personal Services	\$1,339,092	\$133,909
(3) Mail Services, Operating Expenses	\$7,944,200	\$794,420

Cash Funds Projections:

Cash Fund Name	Cash Fund Number	FY 2007-08 Expenditures	FY 2007-08 End of Year Cash Balance	FY 2008-09 End of Year Cash Balance Estimate	FY 2009-10 End of Year Cash Balance Estimate	FY 2010-11 End of Year Cash Balance Estimate
Department of Personnel Revolving Fund	601	\$19,074,957	\$692,388	\$643,920	\$598,846	\$556,927

Assumptions for Calculations:

Calculations are based on the FY 2009-10 base request and a contingency fund of ten percent.

Impact on Other Government Agencies:

None. This request will only benefit agencies with funds in their operating lines for these projects, usually used for similar projects at a higher cost in the private sector. If an agency would require additional funds for an additional project, it would need to formulate a change request, and the Office of State Planning and Budgeting and the Joint Budget Committee could decide that need on a case by case basis.

Cost Benefit Analysis:

This cost benefit analysis shows the savings by the use of only one of the Integrated Document Factory units, the Document Solutions Group (DSG), as they have the most applicable comparisons to the private sector in the Division's last comparison report. The table finds an additional \$398,586 in savings to customers over private sector if the contingency fund is used in a year.

	Cost for DSG	Estimated Savings	Estimated Cost of	Savings on
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	(Personal Services, Operating, Utilities, and Indirect Cost Assessment)	(from FY 2006-07 DCS Comparison Report).	Private Vendor for Comparable Services (DSG + Savings)	Average per Dollar in FY06 (\$1.00 – DSG/Vendor)
FY 2006-07	\$3,172,624	\$782, 537	\$3,955,161	\$0.20
Contingency Fund	\$1,615,977	\$398,586*	\$2,014,563*	\$0.20*

*Based on proportional savings

Implementation Schedule:

Task	Month/Year
Start-Up Date	July 2009

Statutory and Federal Authority:

24-30-1104 C.R.S. (2008) (1) *Within the counties of Adams, Arapahoe, and Jefferson and the city and county of Denver only, the department of personnel shall perform the following functions for the executive branch of the state of Colorado, its departments, institutions, and agencies, under the direction of the executive director: (b) Review all existing and future services, service applications, software related to services, planning systems, personnel, equipment, and facilities and establish priorities for those that are necessary and desirable to accomplish the purposes of this part 11; (c) Establish procedures and standards for management of service functions set forth in this part 11 for all state departments, institutions, and agencies; (d) Establish and maintain facilities as needed to carry out the duties set forth in this part 11, including but not limited to those listed; (f) Advise the governor and the general assembly on central services matters; (h) Approve or disapprove the acquisition of services, service equipment, and software related to services by any state department, institution, or agency and approve, modify, or disapprove the staffing pattern for service operations by any state department, institution, or agency in accordance with the approved plan; (i) Continually study and*

assess service operations and needs of state departments, institutions, and agencies; (j) Provide services, equipment, and facilities as required pursuant to this part 11 for state departments, institutions, and agencies according to their needs...

Performance Measures:

If this request is approved, DCS will no longer turn down additional jobs for core customers already served because of lack of spending authority. This sense of security will help to increase customer satisfaction.

Objective: Maintaining Strategic Partnership with Customer By Exceeding Their Expectations Based upon surveys of their overall satisfaction.	Outcome	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Approp.	FY 09-10 Request
Maintain a minimum of 90% successful rating on meeting and exceeding customer expectations. The results of for this performance measure will come from the DCS Annual Customer Satisfaction Survey.	Benchmark	N/A	90%	90%	90%
	Actual	N/A	91%	TBD	TBD

**Schedule 13
Change Request for FY 2009-10 Budget Request Cycle**

Decision Item FY 2009-10 Procurement Services Statewide Outreach Base Reduction Item FY 2009-10 Supplemental FY 2008-09 Budget Amendment FY 2009-10

Request Title: Procurement Services Statewide Outreach
 Department: Personnel and Administration
 Priority Number: DI-4

Dept. Approval by: *[Signature]*
 OSPB Approval: *[Signature]*

Date: November 1, 2008
 Date: 10-19-08

	1	2	3	4	5	6	7	8	9	10
	Prior-Year Actual FY 2007-08	Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2009-10	Decision/ Base Reduction FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total FTE 3,520,203 GF 1,656,985 GFE 0 CF 0 CFE/RF 1,863,218 FF 0	3,259,754 36.5 1,294,381 0 1,855,218 110,155 0	0 0.0 0 0 0 0 0	3,259,754 36.5 1,294,381 0 1,855,218 110,155 0	3,449,424 0.0 1,484,051 0 1,855,218 110,155 0	149,143 2.0 0 0 149,143 0 0	3,598,567 2.0 1,484,051 0 2,004,361 110,155 0	0 0.0 0 0 0 0 0	3,598,567 2.0 1,484,051 0 2,004,361 110,155 0	138,687 2.0 0 0 138,687 0 0
(S)(A) Finance and Procurement, State Controller's Office and Procurement Services, Personal Services	Total FTE 3,376,619 GF 1,513,401 GFE 0 CF 0 CFE/RF 1,863,218 FF 0	3,117,078 36.5 1,151,705 0 1,855,218 110,155 0	0 0.0 0 0 0 0 0	3,117,078 36.5 1,151,705 0 1,855,218 110,155 0	3,306,748 0.0 1,341,375 0 1,855,218 110,155 0	136,787 2.0 0 0 136,787 0 0	3,443,535 2.0 1,341,375 0 1,992,005 110,155 0	0 0.0 0 0 0 0 0	3,443,535 2.0 1,341,375 0 1,992,005 110,155 0	136,787 2.0 0 0 136,787 0 0
(S)(A) Finance and Procurement, State Controller's Office and Procurement Services, Operating Expenses	Total FTE 143,584 GF 143,584 GFE 0 CF 0 CFE/RF 0 FF 0	142,676 0.0 142,676 0 0 0 0	0 0.0 0 0 0 0 0	142,676 0.0 142,676 0 0 0 0	142,676 0.0 142,676 0 0 0 0	12,356 0.0 0 0 12,356 0 0	155,032 0.0 142,676 0 12,356 0 0	0 0.0 0 0 0 0 0	155,032 0.0 142,676 0 12,356 0 0	1,900 0.0 0 0 1,900 0 0

Non-Line Item Request: None

Letternote Revised Text: Of this amount, \$1,964,571 shall be from the Procurement Card Program, and \$39,790 shall be from the Supplier Database Cash Fund created in Section 24-102-202.5(2)(a), CRS.

Cash or Federal Fund Name and COFRS Fund Number: Supplier Database Cash Fund (COFRS 281), Procurement Card Rebates (COFRS 100)

Reappropriated Funds Source, by Department and Line Item Name: Not applicable

Approval by OIT? Yes: No: N/A:

Schedule 13s from Affected Departments: None

CHANGE REQUEST for FY 2009-10 BUDGET REQUEST CYCLE

Department:	Personnel and Administration
Priority Number:	DI-4
Change Request Title:	Procurement Services Statewide Outreach

SELECT ONE (click on box):

- Decision Item FY 2009-10
- Base Reduction Item FY 2009-10
- Supplemental Request FY 2008-09
- Budget Request Amendment FY 2009-10

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:

The State Procurement Office (SPO) is requesting funding for two new positions that will handle oversight, outreach, and expansion of statewide delegated agency procurement and administration of the Procurement Card program. The request totals \$149,143 Cash Funds and 2.0 FTE in FY 2009-10 and \$138,687 Cash Funds and 2.0 FTE in succeeding fiscal years. Revenues for the positions will be from a combination of Procurement Card (PCard) rebates and the Supplier Database Cash Fund.

Background and Appropriation History:

The Division of Finance and Procurement was created in the 2000 Long Bill (HB00-1451) by combining the Accounts and Control Division with the procurement functions from the Purchasing and State Buildings Division. This Division includes the State Procurement Office, which administers the statewide procurement program and utilizes resources including the Bid Information and Distribution System (BIDS) to meet the product and service needs of State agencies. Other key functions of the State Purchasing Office are negotiating contracts and price agreements for acceptable goods and services in order to maximize the purchasing power of the State and overseeing the operations of

agencies that are delegated to perform procurement functions within the State's decentralized process model.

Delegated agencies are subject to the statutory supervision and control of the Department's Executive Director per 24-102-202 C.R.S. (2008). Currently there are approximately 42 delegated agencies but the State Procurement Office can only conduct five to six peer reviews of these agencies annually, meaning reviews take place on approximately an eight year cycle.

The Division relies, for part of its annual funding, on rebates received as a result of the use of the State's Procurement Card program. Under the current procurement card contract, the State receives 0.974 percent rebate for all purchases made with the procurement card. However, this revenue stream has a somewhat shaky future in light of recent plans by certain higher education agencies to reduce their procurement card usage. Both Colorado State University and the University of Colorado will be implementing their own independent e-procurement systems and will gradually move a portion of eligible rebate purchases and the associated rebate revenue away from the State's use, inhibiting the ability to fund SPO and the Office of the State Controller. By FY 2012-13, the combined reduction in eligible purchases could top \$350 million, meaning a rebate revenue loss of at least \$350,000 annually from FY 2007-08 levels.

The State initiated the procurement card program in 1999 with 0.25 FTE. The total procurement card spend that year was \$220,000. Over the years, the procurement card spend has increased by nearly 1,000 percent to \$200 million for FY 2007-08 by the 14,000 state procurement card holders. There has been no increase in FTE since the program's inception.

The June 2008 Government Efficiency and Management (GEM) Performance Review recommendation to Implement Procurement Reforms (pgs. 53-60 of the report) suggests that PCard rebates could be recovered through expanded use of the program. The GEMS recommendation contemplates increasing usage of the procurement card as a payment method for existing purchases under the State's price agreements. Based on total price

agreement spend for FY 2006-07 by all state agencies, including institutions of higher education, increasing the usage of the procurement card to cover an additional 30 percent of price agreement spend over two years would result in \$240,000 in rebates the first year and \$480,000 each year thereafter.

The Division needs a central administrator to guide agencies to greater use of the PCard in their annual purchasing plans. No such staffing opportunity exists in current appropriations.

General Description of Request:

Many recent events have all occurred concurrently, which have resulted in both increased workload and the opportunity to generate efficiencies and long term benefits in State procurement. There are potential opportunities associated with the State's procurement card program and continued expansion of statewide price agreements that have not been realized in the past due to limited resources and other priorities.

Listed below are the descriptions of the functions for the 2.0 FTE requested:

State Purchasing Program Manager

This position will be classified as a General Professional V with salary requested at the minimum of \$65,772 annually, and will be paid 50 percent from PCard rebates and 50 percent from the Supplier Database Cash Fund. The State Purchasing Program Manager will manage the statewide delegated agency procurement program evaluations, including analyzing the current review program and instituting changes to make improvements that will benefit the state purchasing process in Colorado. Additionally, this position will serve as the lead in developing State procurement rule changes and procurement policy changes while ensuring professional support and assistance to the State Purchasing Director for rule-making activities is provided. A key responsibility will be the reviewing and responses of administrative procurement appeals brought before the DPA from other agencies.

The State Purchasing Program Manager will also provide guidance and direction to State purchasing agents in negotiating State price agreement terms and conditions with vendors. The position will develop and implement a system for the ongoing review of state price agreements, oversee and manage the State BIDS system, and supervise administrative staff responsible for updating, troubleshooting and maintaining current information on BIDS. Since fee revenue to the Supplier Database Cash Fund will support 50 percent of the cost of this position, a \$6.00 increase will be required annually for vendors to participate in the BIDS program.

Statewide PCard Administrator

This position will be classified as a General Professional IV with salary requested at the minimum \$56,796 annually and paid 100 percent from PCard rebates. This individual will be responsible for providing leadership and management for PCard marketing, training, and expansion of the program. It will serve as the program expert and “Best Practices” advocate for the State on behalf of user agencies. The individual will serve as the lead for client liaison work to agency and local government program administrators providing assistance on specific agency matters review of agency reports for appropriate use and fraud protection, especially in light of dynamic growth in the near future through use by local government participants and political subdivision users. It is important that the Administrator provide timely and essential service to agencies so that use of the cards expands and not only covers current Division of Finance and Procurement revenue needs but sets in motion the revenue generation to sustain this General Fund subsidy into the future, including the two new positions, in spite of the reduced use over time by certain higher education institutions. The classification at this level is necessary for a required working knowledge of the procurement code and purchasing processes in order to advise PCard administrators in State agencies, local governments, and political subdivisions. This position must be able to facilitate the analysis of data to identify compliance with rules, potential fraud and provide procedural advice.

Consequences if Not Funded:

If the State Purchasing Program Manager is not funded, it will tremendously impact proactive oversight of State agency procurement programs. Currently, there is not a

systematic mechanism in place for meaningful oversight due to growing program responsibilities and not enough resources to do the work. For instance, all procurement functions need to be carefully reviewed for compliance with rules and regulations, including recent legislative enactments dealing with vendor performance, and an overdue systematic review of all state procurement rules needs to occur.

There has also been an increase in vendor appeals largely due to economy conditions and staff technical skills at the agency level. The SPO currently does not have an effective way of evaluating or tracking a vendor's performance on price agreements. The unit does some volume tracking and is periodically informed of individual cases regarding poor performance but nothing more. The unit needs to develop a means of tracking performance through feedback from users. The small business and the minority and woman-owned business enterprise (M/WBE) programs had been deemphasized in recent years. The unit has increased outreach efforts to these businesses and provides training to agency purchasing agents on their utilization and has develop a reporting system based on utilization, however insufficient reporting and analysis of the program has been undertaken.

If the PCard Outreach Administrator position is not funded, the State risks foregoing the opportunity to increase procurement card rebates and to offset expected reductions from loss of business to some higher education organizations. This is potentially detrimental as the rebates are a valuable funding source for the program including serving as an offset to the State General Fund.

Calculations for Request:

Summary of Request FY 2009-10	Total Funds	Cash Funds	FTE
Total Request	\$149,143	\$149,143	2.0
Personal Services subtotal	\$136,787	\$136,787	2.0
Operating Expenses subtotal	\$12,356	\$12,356	0.0

Summary of Request FY 2010-11	Total Funds	Cash Funds	FTE
Total Request	\$138,687	\$138,687	2.0
Personal Services subtotal	\$136,787	\$136,787	2.0
Operating Expenses subtotal	\$1,900	\$1,900	0.0

OSPB Common Policy for FTE Requests								
FTE and Operating Costs						GRAND TOTAL		
Fiscal Year(s) of Request		FY 09-10	FY 10-11	FY 09-10	FY 10-11	FY 08-09	FY 09-10	FY 10-11
PERSONAL SERVICES	Title:	General Professional V		General Professional IV				
Number of PERSONS / class title		1	1	1	1			
Number of months <u>working in</u> FY 08-09, FY 09-10 and FY 10-11		12	12	12	12			
Number months <u>paid in</u> FY 08-09, FY 09-10 and FY 10-11		12	12	12	12			
Calculated FTE per classification		1.0	1.0	1.0	1.0	0.0	2.0	2.0
Annual base salary		\$65,772	\$65,772	\$56,796	\$56,796			
Salary		\$65,772	\$65,772	\$56,796	\$56,796	\$0	\$122,568	\$122,568
PERA	10.15%	\$6,676	\$6,676	\$5,765	\$5,765	\$0	\$12,441	\$12,441
Medicare	1.45%	\$954	\$954	\$824	\$824	\$0	\$1,778	\$1,778
Subtotal Personal Services at Division Level		\$73,402	\$73,402	\$63,385	\$63,385	\$0	\$136,787	\$136,787
OPERATING EXPENSES								
Supplies @ \$500/\$500 ²	\$500	\$500	\$500	\$500	\$500	\$0	\$1,000	\$1,000
Computer @ \$900/\$0	\$900	\$900	\$0	\$900	\$0	\$0	\$1,800	\$0
Office Suite Software @ \$330/\$0	\$330	\$330	\$0	\$330	\$0	\$0	\$660	\$0
Office Equipment @ \$3,998/\$0 (includes cubicle and chair)	\$3,998	\$3,998	\$0	\$3,998	\$0	\$0	\$7,996	\$0
Telephone Base @ \$450/\$450	\$450	\$450	\$450	\$450	\$450	\$0	\$900	\$900
Subtotal Operating Expenses		\$6,178	\$950	\$6,178	\$950	\$0	\$12,356	\$1,900
GRAND TOTAL ALL COSTS		\$79,580	\$74,352	\$69,563	\$64,335	\$0	\$149,143	\$138,687

Revenue Generation Required for Funding the Positions				Additional PCard Spend Required at 0.95% Rebate Level
FY 2009-10	Outreach Manager, total expenses	PCard Outreach Administrator, total expenses	Total	
PCard Rebates	\$39,790	\$69,563	\$109,353	\$11,510,842
Supplier Database Cash Fund	\$39,790	\$0	\$39,790	
Total	\$79,580	\$69,563	\$149,143	
FY 2010-11	Outreach Manager	PCard Outreach Administrator	Total	
PCard Rebates	\$37,176	\$64,335	\$101,511	\$10,685,368
Supplier Database Cash Fund	\$37,176	\$0	\$37,176	
Total	\$74,352	\$64,335	\$138,687	

Fee Calculation for Supplier Database Cash Fund		Notes
FY 2009-10 Supplier Database Cash Fund New Revenue Required	\$39,790	From calculation, above
FY 2007-08 Total Expense	\$262,216	As recorded in COFRS Fund 281
Increase %	15%	New revenue needed/Expense
Current Fee Level	\$40.00	Effective FY 2008-09
15% Increase to Fee	\$6.00	Current Fee * Increase %
New Fee Level	\$46.00	Effective FY 2009-10

Cash Funds Projections:

Cash Fund Name	Cash Fund Number	FY 2007-08 Expenditures	FY 2007-08 End of Year Cash Balance	FY 2008-09 End of Year Cash Balance Estimate	FY 2009-10 End of Year Cash Balance Estimate*	FY 2010-11 End of Year Cash Balance Estimate*
Supplier Database Cash Fund	281	\$262,216	\$39,238	~\$38,000	~\$38,000	~\$38,000

* With the fee increase requested.

Note that revenues generated from Procurement Card rebates do not collect in a cash fund, but rather revert to the General Fund if unused through appropriations to the Division of Finance and Procurement. Therefore, there is no specific fund balance to report.

Assumptions for Calculations:

Salaries for the General Professional V and General Professional IV positions are in accordance with the minimum levels found in the FY 2008-09 Compensation plan per OSPB instruction. Calculations for operating expenses are also in made in accordance with OSPB common policy instructions.

Additional Procurement Card Spend Required is found by dividing the amount needed to fund the positions by the 0.95 percent rebate level.

Impact on Other Government Agencies:

This request is intended to facilitate program and service enhancements and efficiencies that will provide direct benefit to State agencies and political subdivisions through greater savings on purchases and effective procurement coordination.

Cost Benefit Analysis:

Conservatively, the SPO projects that an additional \$480,000 annually will be generated through increased PCard program participation. This is in comparison to the \$138,687 in continuous out-year costs for the two positions, for a benefit/cost ration of \$480,000/\$138,687 or over 3/1 (rounded).

Implementation Schedule:

Task	Month/Year
PDQs written	June 2009
Positions announced	June 2009
FTE Hired	Approximately July 2009

Statutory and Federal Authority:

The procurement of goods, services, and construction in the Executive Branch is governed by the Colorado Procurement Code (24-101-101, C.R.S. (2008)).

24-101-105, C.R.S. (2008) – Application of this [Procurement] Code

(1) This code shall apply to all publicly funded contracts entered into by all governmental bodies of the executive branch of this state; except that this code shall not apply to the procurement of bridge and highway construction or to contracts for unsolicited or comparable proposals for public-private initiatives under section 43-1-1203, C.R.S. The governing board of each institution of higher education, by formal action of the board, and the Colorado commission on higher education, by formal action of the commission, may elect to be exempt from the provisions of this code and may enter into contracts independent of the terms specified in this code. Except as provided in section 24-111-103, this code shall also apply to contracts funded in whole or in part with federal assistance moneys. However, this code shall not apply to the awarding of grants or to the awarding of contracts between the state and its political subdivisions or other governments, except as provided in article 110 of this title. It shall apply to the transfer or disposal of state supplies. Except for the provisions of article 109 of this title, this code shall not apply to the procurement of public printing, as defined in section 24-70-201. This code shall not apply to the procurement of professional services, as defined in section 24-30-1402.

24-102-301, C.R.S. (2008) – Centralization of Procurement Authority

Except as otherwise provided in this part 3, all rights, powers, duties, and authority relating to the procurement of supplies, services, and construction and the sale and disposal of supplies, services, and construction are vested in the department of personnel

except for the disposal of surplus state property as provided in section 17-24-106.6, C.R.S., and except as provided in part 4 of article 82 of this title.

Performance Measures:

This request for two positions directly affects the ability of the SPO to respond to these performance measures and achieve maximum effectiveness as the Division progresses to the goals outlined in the GEM initiative. A positive outcome in achieving these measures assures continued program outreach and the ability to sustain the funding necessary to implement further efficiencies.

Objective: Improve statewide procurement by increasing the dollars spent on price agreements and procurement card utilization	Outcome	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Approp.	FY 09-10 Request
Increase dollars spent on price agreements with State Agencies by 5% each year.	Benchmark	N/A	\$114.3M	\$120.1M	\$126.1M
	Actual	\$108.9M	\$96.5M*	TBD	TBD

*Fourth quarter actuals not yet finalized.

Objective: Improve statewide procurement by increasing the dollars spent on price agreements and procurement card utilization	Outcome	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Approp.	FY 09-10 Request
Increase Procurement card utilization by 3% yearly.	Benchmark	N/A	N/A	\$205M	\$211.1M
	Actual	\$185M	\$199M	TBD	TBD

**Schedule 13
Change Request for FY 2009-10 Budget Request Cycle**

Decision Item FY 2009-10 Postage Increase Base Reduction Item FY 2009-10 Supplemental FY 2008-09 Budget Amendment FY 2009-10

Request Title: Personnel and Administration

Department: DI-5

Priority Number: DI-5

Dept. Approval by: *R. Johnson*

OSPB Approval: *R. Johnson*

Date: November 1, 2008

Date: 10-19-08

	1	2	3	4	5	6	7	8	9	10
	Prior-Year Actual FY 2007-08	Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2009-10	Decision/ Base Reduction FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total 7,657,809	7,944,200	0	7,944,200	7,944,200	252,571	8,196,771	0	8,196,771	252,571
	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 697,515	0	0	0	0	0	0	0	0	0
	CFE/RF 6,960,294	7,944,200	0	7,944,200	7,944,200	252,571	8,196,771	0	8,196,771	252,571
	FF 0	0	0	0	0	0	0	0	0	0
(4) Division of Central Services, (B)(3)	Total 7,657,809	7,944,200	0	7,944,200	7,944,200	252,571	8,196,771	0	8,196,771	252,571
	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 697,515	0	0	0	0	0	0	0	0	0
	CFE/RF 6,960,294	7,944,200	0	7,944,200	7,944,200	252,571	8,196,771	0	8,196,771	252,571
	FF 0	0	0	0	0	0	0	0	0	0

Non-Line Item Request: None

Letternote Revised Text: None

Cash or Federal Fund Name and COFRS Fund Number: Department of Personnel Revolving Fund (COFRS 601)

Reappropriated Funds Source, by Department and Line Item Name: Fees from user agencies deposited

Approval by OIT? Yes: No: N/A:

Schedule 13s from Affected Departments: All departments affected by this common policy

CHANGE REQUEST for FY 2009-10 BUDGET REQUEST CYCLE

Department:	Personnel and Administration
Priority Number:	DI-5
Change Request Title:	Postage Increase

SELECT ONE (click on box):

- Decision Item FY 2009-10
- Base Reduction Item FY 2009-10
- Supplemental Request FY 2008-09
- Budget Request Amendment FY 2009-10

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:

The Integrated Document Factory (IDF), Mail Services is requesting \$252,571 Reappropriated Funds to continue core business. Increases in postage have left the program without enough spending authority to continue base operations.

Background and Appropriation History:

IDF offers the following mail services:

- Mail processing, including postage application, automated document inserting, electronic address processing, inkjet printing, automated postal pre-sorting and bar-coding, overnight shipping, etc.
- Mail sorting, which includes picking up mail for State agencies and from United States Postal Service mail facilities and processing the mail according to customer specifications before delivery. Processing includes opening, sorting, date stamping, and perforating.

- Mail pick-up and delivery of interdepartmental and USPS mail and printed materials for State offices located in the metro Denver and Front Range areas. Outgoing mail and materials are collected for processing at IDF.

Through this process, Mail Services receives a discounted rate from the United States Postal Service (USPS). When USPS raises their rates, however, the discounted rate raises by the same amount. The most recent rate increase occurred effective May 12, 2008.

General Description of Request:

Mail Services purchases postage from the United States Postal Services (USPS) at a discounted rate. USPS has recently raised their rates, and Mail Services rates must also be raised to continue business. The cost is slight to many agencies individually, but when the impacts to all agencies using Division of Central Service's Mail Services are tallied together, the cost is too high to absorb in existing spending authority. In addition, the University of Colorado (CU) mail has increased in volume, and that presort cost is included in calculations.

Consequences if Not Funded:

IDF will not be able to continue to offer mail service to agencies at a competitive cost. In addition, IDF will experience higher costs resulting from the new USPS rates. This will result in IDF reaching their spending authority limit at a lower volume level. When IDF "runs out" of spending authority due to this issue, they will have no choice but to discontinue service.

Calculations for Request:

Summary of Request FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	\$252,571	\$0	\$0	\$252,571	\$0	0.0
Postage Increase (Operating Line)	\$252,571	\$0	\$0	\$252,571	\$0	0.0

Summary of Request FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	\$252,571	\$0	\$0	\$252,571	\$0	0.0
Postage Increase (Operating Line)	\$252,571	\$0	\$0	\$252,571	\$0	0.0

Postage Increase Details

STATE OF COLORADO FY 2009-10 BUDGET REQUEST CYCLE: Personnel and Administration

IDS Classification	FY08 July through June Actuals	Projected FY10 Volmes	USPS Classification	Prior Rate	USPS New Rate	Change in Rate	Total Change in Cost
Presort Letters	3,839,137	3,954,311	1st Class Automation 3-digit Letters				
-- assume 90% are 1-oz.	3,455,223	3,558,880		\$0.334	\$0.346	\$0.012	\$42,707
-- assume 10% are 2-oz.	383,914	395,431		\$0.459	\$0.471	\$0.012	\$4,745
1st Class Flats	953,569	982,176	1st Class Mail Single Piece Flats				
-- assume 33% are 1-oz.	314,678	324,118		\$0.800	\$0.830	\$0.030	\$9,724
-- assume 33% are 2-oz.	314,678	324,118		\$0.970	\$1.000	\$0.030	\$9,724
-- assume 34% are 3-oz.	324,213	333,940		\$1.140	\$1.170	\$0.030	\$10,018
1st Class Letters	790,362	814,073	1st Class Mail Single Piece Letters				
-- assume 90% are 1-oz.	711,326	732,666		\$0.410	\$0.420	\$0.010	\$7,327
-- assume 10% are 2-oz.	79,036	81,407		\$0.580	\$0.590	\$0.010	\$814
NonQualifying Presort Letters	886,748	913,350	1st Class Mail Single Piece Letters	\$0.410	\$0.420	\$0.010	\$9,134
Insert A/C Barcode	310,000	319,300	1st Class Automation 3-digit Letters	\$0.334	\$0.346	\$0.012	\$3,832
Inserter Barcode	11,288,325	11,626,975	1st Class Automation 3-digit Letters				
-- assume 90% are 1-oz.	10,159,493	10,464,277		\$0.334	\$0.346	\$0.012	\$125,571
-- assume 10% are 2-oz.	1,128,833	1,162,697		\$0.459	\$0.471	\$0.012	\$13,952
Certified Mail	16,000	16,480	Special Services Certified	\$5.180	\$5.230	\$0.050	\$824
Permit Presort Standard	130,000	133,900	Presort Standard Automation				
-- assume 90% are 1-oz.	117,000	120,510		\$0.255	\$0.271	\$0.016	\$1,928
-- assume 10% are 2-oz.	13,000	13,390		\$0.255	\$0.271	\$0.016	\$214
Presort CU Mail*	975,610	1,004,878	1st Class Automation 3-digit Letters				
-- assume 90% are 1-oz.	878,049	904,390		\$0.334	\$0.346	\$0.012	\$10,853
-- assume 10% are 2-oz.	97,561	100,488		\$0.459	\$0.471	\$0.012	\$1,206
*Count is from CU data	Total Change in Cost						\$252,571

Cash Funds Projections:

Cash Fund Name	Cash Fund Number	FY 2007-08 Expenditures	FY 2007-08 End of Year Cash Balance	FY 2008-09 End of Year Cash Balance Estimate	FY 2009-10 End of Year Cash Balance Estimate	FY 2010-11 End of Year Cash Balance Estimate
Department of Personnel Revolving Fund	601	\$19,074,957	\$692,388	\$643,920	\$598,846	\$556,927

Assumptions for Calculations:

The postage increase table in the Calculations for request have the following assumptions:

- Volumes for FY 2009-10 are increased by a 3% inflationary factor over FY 2008-09 actuals; this is the average percent increase shown by the mail metering machines over the last three years.
- Postage rate increases are from United States Postal Service increase.

Impact on Other Government Agencies:

This increase will be built into the Mail Rates, and will affect each agency using Mail Services slightly.

The cost allocation for each department is illustrated in the table below.

Department	Cost Allocation	Department	Cost Allocation
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STATE OF COLORADO FY 2009-10 BUDGET REQUEST CYCLE: Personnel and Administration

Agriculture	\$3,496	Legislature	\$435
Corrections	\$1,025	Local Affairs	\$1,865
Education	\$5,626	Military Affairs	\$246
Governor's Office - EAA, EBA, ECX, EGA	\$350	Natural Resources - Division of Wildlife	\$8,959
Governor's Office - EDA, EEA, EFA	\$164	Natural Resources	\$13,328
Health Care Policy and Financing	\$4,690	Others	\$2,116
Higher Education - Non-exempt	\$7,490	Personnel and Administration	\$8,629
Higher Education - Exempt	\$2,136	Public Health and Environment	\$2,368
Higher Education - CCCOES	\$663	Public Safety	\$3,697
Higher Education - Health Sciences Center	\$271	Regulatory Agencies - not SDA	\$10,313
Higher Education - Lamar CC	\$36	Regulatory Agencies - only SDA	\$516
Human Services - DYS only	\$317	Revenue	\$623
Human Services - H&R	\$1,313	Secretary of State	\$2,532
Human Services - IHA	\$100,169	Student Loan	\$9,274
Human Services - Nursing Homes	\$264	Transportation	\$591
Judicial	\$2,743	Treasury	\$880
Labor and Employment	\$53,537	Total	\$252,571
Law	\$1,909		

Cost Benefit Analysis:

A cost benefit analysis is not applicable in this request. The cost of postage for Mail Services has increased, and will be therefore reflected in the cost of postage to its customers.

Implementation Schedule:

Task	Month/Year
Internal rate evaluation and rate setting	January through May 2009
New rates announced to customers	June 2009
New rates are in effect	July 2009

Statutory and Federal Authority:

24-30-1104 C.R.S. (2008) (1) Within the counties of Adams, Arapahoe, and Jefferson and the city and county of Denver only, the department of personnel shall perform the following functions for the executive branch of the state of Colorado, its departments, institutions, and agencies, under the direction of the executive director: (b) Review all existing and future services, service applications, software related to services, planning systems, personnel, equipment, and facilities and establish priorities for those that are necessary and desirable to accomplish the purposes of this part 11; (i) Continually study and assess service operations and needs of state departments, institutions, and agencies (j) Provide services, equipment, and facilities as required pursuant to this part 11 for state departments, institutions, and agencies according to their needs;

Performance Measures:

Approval of this request will enable Mail Services to continue offering a discounted rate and continue all current services. Both items maintain customer satisfaction, helping to achieve this performance measure's benchmark.

Objective: Maintaining Strategic Partnership with Customer By Exceeding Their Expectations Based upon surveys of their overall satisfaction.	Outcome	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Approp.	FY 09-10 Request
Maintain a minimum of 90% successful rating on meeting and exceeding customer expectations. The results of for this performance measure will come from the DCS Annual Customer Satisfaction Survey.	Benchmark	N/A	90%	90%	90%
	Actual	N/A	91%	TBD	TBD

**Schedule 13
Change Request for FY 2009-10 Budget Request Cycle**

Decision Item FY 2009-10: Base Reduction Item FY 2009-10: Supplemental FY 2008-09: Budget Amendment FY 2009-10:

Request Title: Office of Administrative Courts Staffing Adjustments
 Department: Personnel and Administration
 Priority Number: DI-6
 Dept. Approval by: *R. [Signature]*
 Date: November 1, 2008
 Date: 10-22-08

	1	2	3	4	5	6	7	8	9	10
	Prior-Year Actual FY 2007-08	Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2009-10	Decision/ Base Reduction FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total FTE 3,366,354 GF 36.5 GFE 0 CF 28,546 CFE/RF 3,337,808 FF 0	3,336,830 40.8 91,191 28,546 3,217,093 0	0 0.0 0 0 0 0	3,336,830 40.8 91,191 28,546 3,217,093 0	3,351,941 40.8 0 0 3,351,941 0	186,545 2.0 0 0 186,545 0	3,538,486 42.8 0 0 3,538,486 0	0 0.0 0 0 0 0	3,538,486 42.8 0 0 3,538,486 0	176,089 2.0 0 0 176,089 0
(7) Administrative Courts, Personal Services	Total FTE 3,213,333 GF 36.5 GFE 0 CF 28,546 CFE/RF 3,184,787 FF 0	3,170,099 40.8 80,047 28,546 3,061,506 0	0 0.0 0 0 0 0	3,170,099 40.8 80,047 28,546 3,061,506 0	3,185,210 40.8 0 0 3,185,210 0	174,189 2.0 0 0 174,189 0	3,359,399 42.8 0 0 3,359,399 0	0 0.0 0 0 0 0	3,359,399 42.8 0 0 3,359,399 0	174,189 2.0 0 0 174,189 0
(7) Administrative Courts, Operating Expenses	Total FTE 153,021 GF 0.0 GFE 0 CF 0 CFE/RF 153,021 FF 0	166,731 0.0 11,144 0 155,587 0	0 0.0 0 0 0 0	166,731 0.0 11,144 0 155,587 0	166,731 0.0 0 0 166,731 0	12,356 0.0 0 0 12,356 0	179,087 0.0 0 0 179,087 0	0 0.0 0 0 0 0	179,087 0.0 0 0 179,087 0	1,900 0.0 0 0 1,900 0

Non-Line Item Request: None
 Letternote Revised Text: None
 Cash or Federal Fund Name and COFRS Fund Number: Administrative Hearings (CORFS 611)
 Reappropriated Funds Source, by Department and Line Item Name: User fees from state agencies
 Approval by OIT? Yes: No: N/A:
 Schedule 13s from Affected Departments: All departments affected by this common policy

CHANGE REQUEST for FY 2009-10 BUDGET REQUEST CYCLE

Department:	Personnel and Administration
Priority Number:	DI-6
Change Request Title:	Office of Administrative Courts Staffing Adjustments

SELECT ONE (click on box):

- Decision Item FY 2009-10
- Base Reduction Item FY 2009-10
- Supplemental Request FY 2008-09
- Budget Request Amendment FY 2009-10

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:

The Office of Administrative Courts is requesting \$186,545 in FY 2009-10 and \$176,089 in FY 2010-11, all Reappropriated Funds for the addition of 2.0 Full Time Equivalent (FTE), with related Personal Services and operating costs, to handle an increase in case load and general services work. The FTE includes one Administrative Law Judge III (at 1.0 FTE) and one General Professional VII (at 1.0 FTE).

Background and Appropriation History:

This line item in the Long Bill is a Common Policy based appropriation which provides allocations of funding to State agencies for the purchase of Administrative Law Judge (ALJ) and paralegal services. The Department uses a cost allocation billing methodology for ALJ services and calculates the Departmental allocations for State agency customers based upon their share of total recoverable program costs for providing ALJ adjudication to State agencies. The number of judge and paralegal hours used by each agency in the most recently completed fiscal year is used to determine each agency's share of the recoverable program costs. Recoverable costs include all Long Bill appropriations to the Office of Administrative Courts for program Operating Expenses, Personal Services, and Indirect Cost Assessment, along with the program's share of central departmental

appropriations, POTS, and other overhead associated with the provision of ALJ services to State agencies.

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 OAC is one of 24 central panels of independent ALJ's in the United States, and provides administrative law hearings to over 50 State agencies, counties and other entities.

The OAC conducts all Workers' Compensation merit hearings statewide; all public benefits cases (food stamps, Colorado Works/AFDC, 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, teachers, engineers, etc.); and all Secretary of State cases where a citizen has filed a complaint under the Fair Campaign Practices Act.

The OAC is funded by user fees which are based upon billings for Administrative Law Judge Services that are annually established via Common Policy in order to allocate program costs based on utilization by agency.

General Description of Request:

This Decision Item requests additional FTE as necessary to address workload issues in the Office of Administrative Courts (OAC). This is an historic consideration, and to the extent that this request becomes necessary, it is a result of the realization of dozens of different pieces of legislation, rules adopted by other State agencies and associated entities, and other policies. This Division has managed to its existing resources for multiple fiscal years with no material increases in appropriations.

As with many other services offered by DPA, a majority of the factors that contribute to workload in the OAC are largely out of the Department's control. The Department has referenced the following language in many fiscal notes over the past four legislative sessions associated with special bills that might result in increases in workload to this Division, and it seems to summarize the basic issue. The Department has reported this

statement in numerous fiscal notes on bills regarding additional Office of Administrative Courts (OAC), Administrative Law Judge (ALJ) work: “as a result of legislation passed, the Department would like to point out that while this proposed legislation, in its current form, does not generate the need for additional Administrative Law Judge resources, because of the numerous bills that may be drafted in the current session that may ultimately have impact on the resources and workload of the Office of Administrative Courts (OAC), it is important to note that the collective impact of several bills may not be able to be absorbed within existing resources. Of course, the aggregate impact of several bills cannot, and should not, be reflected in any single fiscal note. However, if several bills pass that impact ALJ services during the current legislative session, it would potentially be necessary that an associated change request be developed and submitted for additional resources.”

Since the department has provided the statement in numerous fiscal notes, multiple bills such as “Fair Campaign Practices” and numerous professional occupation regulatory bills have become law and have increased the workload of the ALJ’s. In addition to the increase in the unit’s monthly requests for hearings and hearings held, during the past fiscal year, the general services unit has received new appeals from the Office from the Department of Human Services (Division of Youth Corrections (DYC)), the Department of Personnel and Administration (Central Collections Services (CCS)), the Department of Revenue (Motor Dealer Board (MV)), the Department of Regulatory Agencies (Mortgage Broker Licensing Board (MBL)), and the Secretary of State’s office (ballot petition circular complaints (OS)). These cases are more complex and time consuming than some of the other cases heard by the OAC general services unit. Each of these cases can last up to a week in hearing. In addition, the Secretary of State cases have extremely stringent time constraints, both for the holding of the hearing as well as the issuance of the decision. Moreover, in even numbered years, the campaign cases filed with the OAC increase almost three-fold. The office has attempted to absorb the additional general services workload into the OAC existing workforce. The OAC cannot continue to effectively manage these additional cases and without an additional full-time ALJ III.

The ALJ III will be hearing general services cases. The cases are potentially very time-consuming. In addition to the categories previously listed (Division of Youth Corrections, Central Collections Service, the Motor Dealer Board, Mortgage Broker Licensing Board), this ALJ will also be hearing complex Department of Regulatory Agency, Division of Human Services and Secretary of State cases. The appeals filed with the Office of Administrative Courts, specifically in the General Services Unit, have almost doubled since FY06. Moreover, the number of cases actually going to hearing each month has increased by nearly the same amount. According to the internal trend analysis reports, in 2005, OAC was receiving an average of 200 requests for hearings each month; in 2008, that number has increased to an average of 350 requests for hearings each month. As for the number of cases actually going to hearing, in 2005, on average, OAC had 40 cases per month proceed to hearing; in 2008, on average, the Courts have been holding 100 hearings per month.

The General Professional VII (GP VII) will be responsible for the supervision of the operations sections of the OAC. This includes overall supervision of seventeen staff members in the three OAC sections, analyzing and managing the personnel services and operating expenditures for the OAC, coordinating OAC policies and protocols with the Director, and serving as a liaison between the operations of the OAC and other state agencies. Currently, the OAC has neither a deputy director nor an operations director. Many divisions within DPA and other State agencies have a deputy director. Most courts have a high function clerk to oversee the operations of the unit. Currently, the Division director supervises the judges and operations staff and hears cases. The amount of work involved should be performed by two FTE, not one. Moreover, the lack of a deputy/operations director hinders the OAC's ability to have a logical succession in the event that the Continuity Of Operations Planning is implemented. The OAC previously had such a position, but during reorganization, it was eliminated. The deputy/operations director will allow for increased efficiency within the OAC.

Both of these positions are needed to increase the efficiency and customer service aspect of the OAC. Currently, OAC is struggling to provide the public and all client agencies with an adequate number of dates and times for hearings. An additional ALJ III would

provide greater access to OAC and increase customer service. OAC is also struggling keeping up with the operations functions within the office. OAC cannot continue to have additional cases added to its already full docket without additional personnel attached.

Overall, there will be a positive impact on the client agencies that OAC serves. Currently, because of the limited number of ALJ's, cases cannot be set and reset as frequently as many agencies would prefer. Adding an additional ALJ III would provide greater access to the OAC. In addition, the GP VII will allow the operations section of OAC to function more efficiently and effectively through increased supervision.

Consequences if Not Funded:

OAC has an increasing case workload as legislation is passed that impacts the responsibility of the office. If the additional FTE are not approved, the Office will not be able to keep up with the statutory timeline requirements for case management.

Calculations for Request:

Summary of Request FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	\$186,545	\$0	\$0	\$186,545	\$0	2.0
Personal Services (Subtotal)	\$174,189	\$0	\$0	\$174,189	\$0	2.0
Administrative Law Judge III	\$89,217	\$0	\$0	\$89,217	\$0	1.0
General Professional VII	\$84,972	\$0	\$0	\$84,972	\$0	1.0
Operating Expenses (Associated with FTE)	\$12,356	\$0	\$0	\$12,356	\$0	0.0

Summary of Request FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	\$176,089	\$0	\$0	\$176,089	\$0	2.0
Personal Services (Subtotal)	\$174,189	\$0	\$0	\$174,189	\$0	2.0
Administrative Law Judge III	\$89,217	\$0	\$0	\$89,217	\$0	1.0
General Professional VII	\$84,972	\$0	\$0	\$84,972	\$0	1.0
Operating Expenses (Associated with FTE)	\$1,900	\$0	\$0	\$1,900	\$0	0.0

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STATE OF COLORADO FY 2009-10 BUDGET REQUEST CYCLE: Department of Personnel and Administration

Fiscal Year(s) of Request	FY 09-10	FY 10-11	FY 09-10	FY 10-11
	Administrative Law Judge III		General Professional VII	
PERSONAL SERVICES				
Number of PERSONS / class title	1	1	1	1
Number of months working in FY 09-10 and FY 10-11	12	12	12	12
Number months paid in FY 09-10 and FY 10-11	12	12	12	12
Calculated FTE per classification	1.0	1.0	1.0	1.0
Annual base salary	\$79,944	\$79,944	\$76,140	\$76,140
PERA @ 10.15%	\$8,114	\$8,114	\$7,728	\$7,728
Medicare @ 1.45%	\$1,159	\$1,159	\$1,104	\$1,104
Subtotal Personal Services	\$89,217	\$89,217	\$84,972	\$84,972
OPERATING EXPENSES				
Supplies @ \$500/\$500	\$500	\$500	\$500	\$500
Computer @ \$900/\$0	\$900	\$0	\$900	\$0
Office Suite Software @ \$330/\$0	\$330	\$0	\$330	\$0
Office Equipment @ \$3998 /\$0	\$3,998	\$0	\$3,998	\$0
Telephone Base @ \$450/\$450	\$450	\$450	\$450	\$450
Subtotal Operating Expenses	\$6,178	\$950	\$6,178	\$950
TOTAL ALL COSTS	\$95,396	\$90,167	\$91,150	\$85,922

Cash Funds Projections:

Cash Fund Name	Cash Fund Number	FY 2007-08 Expenditures	FY 2007-08 End of Year Cash Balance	FY 2008-09 End of Year Cash Balance Estimate	FY 2009-10 End of Year Cash Balance Estimate	FY 2010-11 End of Year Cash Balance Estimate
Administrative Hearings	611	\$4,001,922	\$1,024,744	\$760,900	\$495,707	\$229,123

Assumptions for Calculations:
request.

The following assumptions were made in calculating the funding required for this request.

- a. Monthly minimum salaries for the FTE classifications requested are from the FY 2008-09 State compensation plan, as follows:

Administrative Law Judge III (H5L3XX): \$6,662 (1.0 FTE)

- The requested classification level of ALJ III is due to the fact that the majority of these cases will be complex. The level of knowledge, skills, and abilities required for the position is at an ALJ III level.

General Professional VII (H6G7XX): \$6,345 (1.0 FTE)

- The GP VII level is appropriate as this position will supervise multiple units as a second level supervisor and will serve as the operations director reporting to the Chief Judge/Director of the OAC.

Impact on Other Government Agencies: The following allocations are being requested for agencies. The remaining balance will be collected as cash funds.

Affected Agencies	FY10 Request	FY11 Request
Corrections	\$152	\$144
Education	\$2,893	\$2,730
Healthcare Policy & Financing	\$18,152	\$17,135
Human Services	\$40,004	\$37,762
Labor and Employment	\$103,666	\$97,856
Other	\$4,758	\$4,490
Personnel & Administration	\$247	\$233
Public Health & Environment	\$997	\$941
Regulatory Agencies	\$12,885	\$12,163
Revenue	\$353	\$334
Secretary of State	\$1,992	\$1,880
Transportation	\$446	\$421
Total	\$186,545	\$176,089

Cost Benefit Analysis:

A cost benefit analysis is not applicable in this case; the need is due to an increase in caseload. The benefit of the Administrative Law Judge III is ensuring the Office is able to process cases within the statutory deadlines while addressing the demand for services. In addition, the quality of the decisions will increase, resulting in savings on the appellate side. Benefits from the General Professional VII will be to provide greater oversight of staff and fiscal management. These benefits cannot be reasonably quantified.

Implementation Schedule:

Task	Month/Year
FTE Hired	July 2009
Start-Up Date	July 2009

Statutory and Federal Authority:

Provide professional adjudication services for the State of Colorado Personal Services Payment of ongoing salaries for management, staff, and services. 24-30-1001 through 1003 C.R.S. (2008). Operating Expenses Consumable supplies and materials used for general day-to-day operations. 24-30-1001 through 1003 C.R.S.(2008) Administrative Courts; Provide professional adjudication services for the State of Colorado. Personal Services Payment of ongoing salaries for management, staff, and services. 24-30-1001 through 1003 C.R.S. (2008)

Performance Measures:

Administrative Law Judges are better able to perform their jobs with increased staffing and resources, so it is expected that customers will experience a higher level of customer service, increasing the Office’s ability to achieve this benchmark.

Objective: Improve customer service within OAC by maintaining the overall rating of OAC’s Administrative Law Judges.	Outcome	FY 06-07 Actual	FY 07-08 Actual.	FY 08-09 Request	FY 09-10 Request
Maintain an average overall rating of OAC’s Administrative Law Judges (GPA) of 3.00 (B). *	Benchmark	3.15	3.00	3.00	3.00
	Actual	3.17	3.07	TBD	TBD

**Schedule 13
Change Request for FY 2009-10 Budget Request Cycle**

Decision Item FY 2009-10	<input checked="" type="checkbox"/> Base Reduction Item FY 2009-10	<input type="checkbox"/> Supplemental FY 2008-09	<input type="checkbox"/> Budget Amendment FY 2009-10							
Request Title: Ombuds Program Base Increase Department: Personnel and Administration Priority Number: DI-7 Dept. Approval by: <i>[Signature]</i> OSP Approval: <i>[Signature]</i> Date: November 1, 2008 Date: 10-21-08										
	1	2	3	4	5	6	7	8	9	10
Fund	Prior-Year Actual FY 2007-08	Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2009-10	Decision/ Base Reduction Request FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total FTE 398,711 GF 4.1 GFE 0 CF 0 CFE/RF 0	691,652 10.0 0 0 0	0 0.0 0 0 0	691,652 10.0 0 0 0	691,652 10.0 0 0 0	69,750 1.0 0 0 0	761,402 11.0 0 0 0	0 0.0 0 0 0	761,402 11.0 0 0 0	64,522 1.0 0 0 0
(2)(A) Division of Human Resources, (3) Colorado State Employee Assistance Program, Personal Services	Total FTE 362,405 GF 4.1 GFE 0 CF 0 CFE/RF 0	619,824 10.0 0 0 0	0 0.0 0 0 0	619,824 10.0 0 0 0	619,824 10.0 0 0 0	63,385 1.0 0 0 0	683,209 11.0 0 0 0	0 0.0 0 0 0	683,209 11.0 0 0 0	63,385 1.0 0 0 0
(2)(A) Division of Human Resources, (3) Colorado State Employee Assistance Program, Operating Expenses	Total FTE 36,306 GF 0.0 GFE 0 CF 0 CFE/RF 0	71,828 0.0 0 0 0	0 0.0 0 0 0	71,828 0.0 0 0 0	71,828 0.0 0 0 0	6,365 0.0 0 0 0	78,193 0.0 0 0 0	0 0.0 0 0 0	78,193 0.0 0 0 0	1,137 0.0 0 0 0
Non-Line Item Request:	None									
Letternote Revised Text:	None									
Cash or Federal Fund Name and COFRS Fund Number:	Workers' Compensation (COFRS 11W)									
Reappropriated Funds Source, by Department and Line Item Name:										
Approval by OIT?	Yes: <input type="checkbox"/> No: <input type="checkbox"/> N/A: <input checked="" type="checkbox"/>									
Schedule 13s from Affected Departments:	All departments affected by this common policy									

CHANGE REQUEST for FY 2009-10 BUDGET REQUEST CYCLE

Department:	Department of Personnel and Administration Executive Director's Office
Priority Number:	DI-7
Change Request Title:	Ombuds Program Base Increase

SELECT ONE (click on box):

- Decision Item FY 2009-10
- Base Reduction Item FY 2009-10
- Supplemental Request FY 2008-09
- Budget Request Amendment FY 2009-10

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 Decision Item requests funding for the Colorado State Ombuds Program for State Personnel System Employees to supplement existing program resources beginning in FY 2009-10. The additional Full Time Equivalent (FTE) will enable the program to meet the growing need for and sustain the credibility and value of services to employees statewide. The Department of Personnel and Administration (DPA), through the Division of Human Resources (DHR) created a new trial program for state personnel system employees to address workplace issues and obtain objective information and advice on their options.

The program has proved valuable since its trial inception in May of 2007. DPA would like to officially launch the Ombuds Program and offer it statewide to employees as a part of the existing Employee Assistance Services (EAP). In order to fully implement the program, DPA will not be able to continue to use already stretched existing resources. The additional resources requested include 1.0 FTE at a General Professional IV level and \$69,750 Reappropriated Funds associated with Personal Services and Operating Expenses appropriations in FY 2009-10, and a continuation of \$64,522 in FY 2010-11. This funding will allow the Ombuds Program to enhance its efforts to mitigate certain

state business risks more effectively by providing neutral advice regarding employee concerns about issues in the workplace.

Background and Appropriation History:

The Employee Assistance Program (EAP) currently serves state employees, managers, and educators statewide. The Ombuds Program is a neutral, impartial, and confidential source for employees to receive information and advice regarding work-related situations, their options within the system rules, and advice for options to resolve these issues.

The focus of the Ombuds Program is to provide employees with open communication and information regarding issues that affect their work life. The Department of Personnel and Administration (DPA), through the Division of Human Resources (DHR), created a new trial program for State personnel system employees to address workplace issues and obtain objective information and advice on their options.

The premise of the program is that workplace conflict is increasing for employees in State government, oftentimes between employees and their supervisors. Employees are doing more work with fewer resources. The Ombuds Program provides a resource place for employees to go and receive information regarding their options for resolving concerns in the workplace. With budgets so tight, employees not performing at maximum levels are under significant pressure. The tendency is to limit staff development and support, which limits the employee's ability to excel. The Ombuds Program provides the resources within the state personnel system the employee may need to make decisions regarding next steps for resolving workplace concerns.

The State Ombuds Program was established May, 2007 as an alternate communications channel and conflict resolution resource where any State personnel system employee (classified), supervisor, or manager may obtain neutral and confidential assistance discussing and resolving work-related issues. The intent of the program is to provide information to classified employees in an atmosphere that does not foster fear of reprisal, retaliation, or loss of privacy.

The Ombuds Program assists employees by identifying and providing information and guidance about personnel system requirements and processes, helping identify constructive and safe approaches for raising concerns in the workplace, assisting employees to develop and evaluate options for resolutions and, with permission from the employee, contacting persons to facilitate a resolution.

At the organizational level, the Ombuds Program identifies patterns of workplace problems and recommends systemic changes to executive management in support of the workplace risk management evaluation and planning. This assists management to proactively address systemic issues that affect workplace productivity and safety. These issues may include rules, policies, procedures and practices that are negatively impacting employee performance and morale without adding value to the effectiveness of the workplace and delivery of state services.

The Ombuds Program serves, in addition to formal dispute and assistance systems and processes available to state employees through their respective agencies, the Colorado State Employee Assistance Program (C-SEAP) and the Division of Human Resources (DHR). It is included in the State Employee Assistance Program (EAP). The program differs from other dispute resolution options in that it is:

- 1) Informal – the focus is on alternative methods to resolving problems other than by formal institutional processes. This approach encourages problems to be resolved at earlier stages, prior to the parties' positions becoming rigid and workplace relationships being irrevocably damaged.
- 2) Neutral and Impartial - As a designated neutral, the Ombuds Program represents no one and represents everyone in the organization equally in the commitment to fair processes in the workplace.
- 3) Confidential – Similar to other dispute professionals working with employees (human resources, employee assistance professionals, and compliance officers), the information shared by employees is confidential. In addition to addressing workplace conflict with

individuals and groups, the Ombuds Program gathers aggregate data that is valuable to the organization in analyzing areas to be improved and examining interventions or changes in management practice. In mediating interpersonal conflicts, the Ombuds Program can expand the concerns brought by the parties and include other organizational levels and problem solving methods with the permission of the participants.

4) Independence – Due to the reporting relationship, the Ombuds Program is able to initiate informal action on an individual’s concern, an identified trend, or concerns of multiple individuals over time.

As a new program, the first three months required the creation of a web site, marketing instruments (brochures, articles, presentation information), and meetings with various management entities as well as employee groups to explain the program and services. The employee contacts are those who received assistance from the Ombuds Program. Each contact represents a “file”, whether the person was a one-time contact or required multiple visits. Any “facilitated conversation” between two or more employees also counts as a single contact. The Outreach efforts are presentations to executive management teams, Human Resources (HR) groups, various employee councils, and groups of employees in workplaces across the state.

Though the program is new, the growth is steady and continuing, demonstrating a real need is being met. Referrals to the Ombuds Program come from other employees, employee organization representatives, HR offices, Colorado State Employees Assistance Program (CSEAP) counselors, attorneys, managers, supervisors, and other web site sources that list the Ombuds as an option. Many of the employees contacting the program have never used formal processes, been “in trouble”, and would not have considered bringing up workplace concerns due to fears of retaliation and reprisal.

General Description of Request:

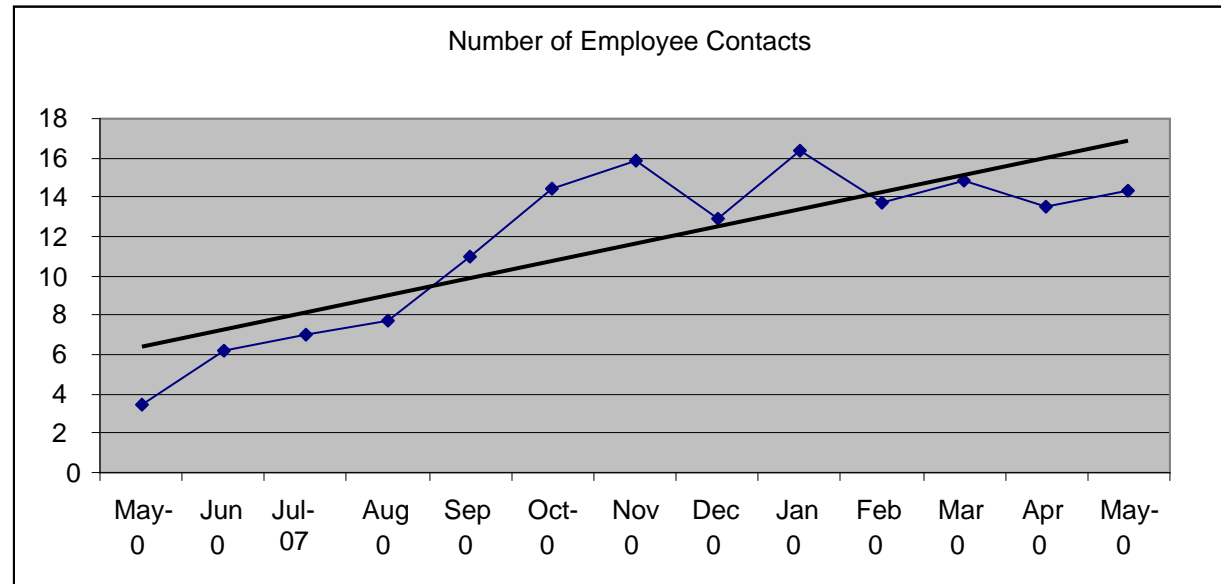
The State of Colorado desires to maintain a productive workforce and a safe working environment while reducing employment practices liability. This is codified in 24-50-604, C.R.S. (2008), providing statutory authority that empowers the State Personnel Director to “establish and operate an employee assistance program intended to address

personal problems and workplace issues faced by state employees and employers before the problems and issues severely impact the productivity, safety, work relationships, absenteeism, and accident rates of state employees in the workplace.”

The current Director of the Ombuds Program requires the additional FTE based on the increasing number of employee contacts and outreach activities (see table and graph*). The additional FTE is critical to the continued growth and outreach of the program. The request describes the need for one FTE at the General Professional (GP) IV level, including salary appropriations and related operating expense funding. The GP IV position, or Program Lead, will serve as a staff authority in the Ombuds role with classified employees statewide and also assisting the Director of the Ombuds Office in outreach efforts. Based on the program’s estimation of its growth projections and operating capacity, DPA assumes that an additional 1.0 FTE will be required to continue the work in the Ombuds Program under the Employee Assistance Program. This added resource will aid the program in continuing to provide neutral, impartial, and critical service to Colorado State Classified employees.

*Solid black line in graph represents a best fit line based on current data, and not actual data points.

Ombuds Program Statistics through May 2008		
	Employee Contacts	Outreach Activities
May 2007	35	0
June 2007	62	2
July 2007	70	15
August 2007	77	6
September 2007	110	8
October 2007	144	20
November 2007	159	1
December 2007	129	2
January 2008	164	3
February 2008	137	5
March 2008	148	1
April 2008	135	4
May 2008	143	12



Consequences if Not Funded:

The Ombuds Program function is to address workplace issues before they impact safety, productivity, working relationships, health care costs, and absenteeism. The Ombuds Program identifies aggregate patterns of workplace problems trends and recommends systemic solutions to create a healthier, safer and more productive workplace. The utilization of the program is increasing. While in the early stages of this program the, expected future usage by employees is difficult to predict, the continuing credibility and effectiveness of the program depends on timely responses to employee contacts, effective resolution outcomes, and updated materials and data. The volume of individual employee contacts by phone, email, U.S. mail and fax coupled with the administrative and analytic functions is overwhelming current resources.

Without FTE resources, the current trial Ombuds Program will not be able to keep up with the increasingly high volume of phone calls, emails, and requests for meetings as DHR resources are stretched. Employee workplace concerns may escalate and resolution may move to a more lengthy and expensive process in the system.

Calculations for Request:

Summary of Request FY 09-10	Total Funds	Reappropriated Funds	FTE
Total Request	\$69,750	\$69,750	1.0
(2) Division of Human Resources, Colorado State Employees Assistance Program, Personal Services	\$63,385	\$63,385	1.0
(2) Division of Human Resources, Colorado State Employees Assistance Program, Operating Expenses	\$6,365	\$6,365	0.0

Summary of Request FY 10-11	Total Funds	Reappropriated Funds	FTE
Total Request	\$64,522	\$64,522	1.0

Summary of Request FY 10-11	Total Funds	Reappropriated Funds	FTE
(2) Division of Human Resources, Colorado State Employees Assistance Program, Personal Services	\$63,385	\$63,385	1.0
(2) Division of Human Resources, Colorado State Employees Assistance Program, Operating Expenses	\$1,137	\$1,137	0.0

The following table contains calculations for this request per OSPB common policy:

Fiscal Year(s) of Request	FY 09-10	FY 10-11
	General Professional IV	
Number of PERSONS / class title	1	1
Number of months working in FY 09-10 and FY 10-11	12	12
Number months paid in FY 09-10 and FY 10-11	12	12
Calculated FTE per classification	1.0	1.0
Annual base salary	\$56,796	\$56,796
PERA @ 10.15%	\$5,765	\$5,765
Medicare @ 1.45%	\$824	\$824

Subtotal Personal Services	\$63,385	\$63,385
OPERATING EXPENSES		
Supplies @ \$500/\$500	\$500	\$500
Computer @ \$900/\$0	\$900	\$0
Office Suite Software @ \$330/\$0	\$330	\$0
Office Equipment @ \$3398 /\$0	\$3,998	\$0
Telephone Base @ \$450/\$450	\$450	\$450
Travel Based Mileage Reimbursement	\$187	\$187
Subtotal Operating Expenses	\$6,365	\$1,137
TOTAL ALL COSTS	\$69,750	\$64,522

Assumptions for Calculations:

The following assumptions were made in calculating the funding required for this request:

- a. Monthly minimum salary for the FTE classification requested is from the FY 2008-09 State compensation plan per OSPB policy, as follows:

General Professional IV (H6G4XX): \$4,733 (1.0 FTE)

Ombuds Facilitator: The GP IV level, or staff authority, is appropriate as each position will need to be able to function in an Ombuds role as well as serving in a programmatic outreach and growth capacity.

Amounts for SAED and AED are excluded because they are deemed absorbable by the Department for the first two fiscal years.

- b. Calculations for supplies, computer equipment and software, office equipment and furniture, and the annual telephone base are developed in accordance with OSPB's common policy guidelines for change requests as detailed in the Schedule 13 FTE template. Because this is a statewide employee-based program, a nominal amount of travel-based mileage reimbursement was deemed appropriate. The amount for travel

was determined by assuming one annual trip to Pueblo (208 miles round trip), and two annual trips to Colorado Springs (72 miles round trip) was reasonable at the current allowable rate of 53 cents per mile $((208+72+72=352)*0.53=\$187)$.

Cash Funds Projections:

Cash Fund Name	Cash Fund Number	FY 2007-08 Expenditures	FY 2007-08 End of Year Cash Balance	FY 2008-09 End of Year Cash Balance Estimate	FY 2009-10 End of Year Cash Balance Estimate	FY 2010-11 End of Year Cash Balance Estimate
Workers Compensation	11W	\$32,562,121	\$22,945,438	\$20,030,896	\$16,424,040	\$12,098,043

Impact on Other Government Agencies:

The following table assigns the allocations to be paid by State agencies to fund this change request for FY 2009-10. These are based on the same agency-specific distributions previously formulated by the actuary to allocate the current C-SEAP program through workers' compensation payments.

Department/Agency	Code	Amount
Agriculture	AG	\$478
Corrections	CO	\$12,574
Education	ED	\$527
Office of Governor	EX	\$25
Personnel & Administration	GS	\$610
Healthcare Policy & Finance	HC	\$67
Higher Education	HE	\$8,237
Transportation	HI	\$13,529

Higher Ed Agencies	Code	Amount
Arapahoe Community College	AR	\$345
Adams State College	AS	\$432
Auraria Higher Educ. Center	AU	\$921
Community College of Aurora	CA	\$97
Community College of Denver	CD	\$239
Fort Lewis College	FL	\$350
Front Range Community College	FR	\$473
College Access Network (GSL)	GL	\$87

STATE OF COLORADO FY 2009-10 BUDGET REQUEST CYCLE: Department of Personnel and Administration

Human Services	HS	\$17,914
Judicial	JD	\$4,322
Labor & Employment	LA	\$1,584
Legislature	LE	\$81
Local Affairs	LO	\$71
Law	LW	\$137
Military Affairs	MA	\$164
Natural Resources	NR	\$2,489
Public Health	PH	\$570
Public Safety	PS	\$4,607
Regulatory Agencies	RG	\$218
Revenue	RV	\$1,531
Secretary of State	ST	\$13
Treasury	TR	\$2
Totals		\$69,750

CCHE	HE	\$12
Historical Society	HS	\$35
Lamar Community College	LA	\$29
Metropolitan State College	ME	\$261
Colorado School of Mines	MI	\$542
Morgan Community College	MO	\$115
Mesa College	MS	\$747
Northeastern Junior College	NE	\$8
Northwestern Junior College	NW	\$8
College Invest	OB	\$8
CCCOES/Heat	OE	\$102
Otero Junior College	OT	\$224
Pikes Peak Comm. College	PP	\$1,446
Pueblo Community College	PV	\$684
Red Rocks Community College	RR	\$181
CSU-Pueblo	SC	\$453
Trinidad State Jr. College	TR	\$221
Western State College	WS	\$217
Totals		\$8,237

Cost Benefit Analysis:

Cost	Benefit
\$69,750 1.0 FTE	<ul style="list-style-type: none"> • Cost avoidance of \$732,375 at \$10.50 per dollar invested • More productive workforce • Safer working environment

Calculations for the Cost Benefit Analysis used the following statistics from the U.S. Department of Labor¹:

- Employers save anywhere from \$5.00 to \$16.00 for every one dollar they invest in an

¹ U.S. Department of Labor. (1990). What works: Workplaces without drugs. Washington, D.C., p.17.

EAP.

- This request assumes a midrange estimate of \$10.50 for every dollar invested in EAP services. Therefore, \$69,750 (this request) * \$10.50 (average savings per dollar invested) = \$732,375 in cost avoidance.

Implementation Schedule:

Task	Month/Year
FTE Hired	July 2009

Statutory and Federal Authority:

24-50-604 C.R.S. (2008). (k) (I) The authority to establish and operate an employee assistance program intended to address personal problems and workplace issues faced by state employees and employers before the problems and issues severely impact the productivity, safety, work relationships, absenteeism, and accident rates of state employees in the workplace. The program may provide services to state employees and their employers.

Performance Measures:

If approved, this request will enable the program to increase its outreach efforts with more staff for both outreach and effectively aiding employees who contact the program.

Objective: Highlight the work of the Ombuds Program to State agencies and employees through defined outreach.	Outcome	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Approp.	FY 09-10 Request
Increase number of outreach contacts with State agencies and employees yearly by 10%.	Benchmark	N/A	N/A	97	107
	Actual	N/A	88	TBD	TBD

**Schedule 13
Change Request for FY 2009-10 Budget Request Cycle**

Decision Item FY 2009-10 **Base Reduction Item FY 2009-10** **Supplemental FY 2008-09** **Budget Amendment FY 2009-10**
Request Title: Mail Services Equipment Upgrade
Department: Personnel and Administration
Priority Number: DI-8
Dept. Approval by: *[Signature]* **Date:** November 1, 2008
OSPB Approval: *[Signature]* **Date:** 10-21-08

	1	2	3	4	5	6	7	8	9	10
	Prior-Year Actual FY 2007-08	Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2009-10	Decision/ Base Reduction FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total FTE 7,657,809 GF 0.0 GFE 0 CF 697,515 CFE/R/F 6,960,294 FF 0	7,944,200 0.0 0 0 0 0	0 0.0 0 0 0 0	7,944,200 0.0 0 0 0 0	7,944,200 0.0 0 0 0 0	1,428,000 0.0 0 0 0 0	9,372,200 0.0 0 0 0 0	0 0.0 0 0 0 0	9,372,200 0.0 0 0 0 0	0 0.0 0 0 0 0
(4) Division of Central Services, (B)(3) Integrated Document Factory, Mail Services, Operating Expenses	Total FTE 7,657,809 GF 0.0 GFE 0 CF 697,515 CFE/R/F 6,960,294 FF 0	7,944,200 0.0 0 0 0 0	0 0.0 0 0 0 0	7,944,200 0.0 0 0 0 0	7,944,200 0.0 0 0 0 0	1,428,000 0.0 0 0 0 0	9,372,200 0.0 0 0 0 0	0 0.0 0 0 0 0	9,372,200 0.0 0 0 0 0	0 0.0 0 0 0 0

Non-Line Item Request: None
Letternote Revised Text: None
Cash or Federal Fund Name and COFRS Fund Number: Department of Personnel Revolving Fund (COFRS 601)
Reappropriated Funds Source, by Department and Line Item Name: fees from user agencies
Approval by OIT? Yes: No: N/A:
Schedule 13s from Affected Departments: All departments affected by this common policy

CHANGE REQUEST for FY 2009-10 BUDGET REQUEST CYCLE

Department:	Personnel and Administration
Priority Number:	DI-8
Change Request Title:	Mail Services Equipment Upgrade

SELECT ONE (click on box):

- Decision Item FY 2009-10
- Base Reduction Item FY 2009-10
- Supplemental Request FY 2008-09
- Budget Request Amendment FY 2009-10

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:

The Mail Services program in the Integrated Document Factory (IDF) within the Division of Central Services is requesting \$1,428,000 Reappropriated Funds in FY 2009-10 to increase spending authority for new equipment purchases, with no ongoing increase in FY 2010-11. There will be some expenses for ongoing maintenance and licenses, but it is anticipated that the savings in spending authority produced by the equipment will cover the cost of the maintenance in out years. The updated equipment will help the mail process to be more efficient, and will continue the discount the program receives on postage.

Background and Appropriation History:

For over 35 years, the Division of Central Services (DCS) has served Denver, Arapahoe, Adams and Jefferson counties with mail delivery. IDF picks up and delivers United States Postal Service (USPS) mail, inter-office mail (mail moved between state agencies and local municipalities), packages, and palletted freight. IDF has coordinated discounted prices with vendors to provide package dispatch services such as courier and overnight service. In addition, Mail Services also inserts and meters outgoing mail at discounted

rates. Mail Services is funded entirely with Reappropriated Funds, receiving costs for postage and other fees from other State Agencies.

IDF has been able to successfully upgrade some of the current equipment to keep up with the mandatory changes that the United States Postal Service (USPS) has already implemented. The first USPS mandated changes took place on May 14th, 2007 were the rate increase, shape based pricing, new Postal Statements and revisions to the way IDF trays and bags mail for acceptance at the General Mail Facility. USPS now charges by the shape of a package, not just the weight. IDF had to retrofit the metering machines to be able to measure packages for this new pricing method. Three of the DM 1000 metering machines had the new hardware put on them. The charge for this was \$3,612 each, for a total of \$10,836. The rest of this mandatory change was achieved through education of the mailroom operators. All thirteen operators were required to take a free class given by USPS experts on the new processes. They were successful at learning the new processes required and IDF became one of very few mailrooms in Colorado that converted to these processes with zero errors.

IDF upgraded the Postal Technologies Incorporated (PTI) sorting system with enhanced Coding Accuracy Support System (CASS) software. In June, 2007, IDF passed USPS Certification with the highest score possible. This software checks for errors in the addresses during the sorting process. Had IDF not converted to the enhanced CASS software, the program would have lost between two and ten percent of the existing discounts, which translates to a loss of between \$20,000 and \$100,000 in discounts per year.

General Description of Request:

This request is made as a result of several changes in the use of technology by the USPS. In order to remain competitive, Mail Services will need to integrate the USPS changes into its program and operations, and somewhat mirror the technological changes in this business in order to continue to offer the same services and the same mail integrity as the rest of the industry. Hardware and software include, but are not limited to, advanced

address cleansing software, intelligent bar coding hardware and software, a high speed intelligent inserter, and a letter and flat sorter.

First, there is a technological need for this request. In order for Mail Services to remain competitive and continue to offer a similar, or even enhanced, level of service to customers, the changes identified by the Division must be made to facilitate integration with the USPS strategic transformation plan and the resulting technological changes in the industry. Secondly, this request will result in a financial benefit. The Division of Central Services (DCS) anticipates a remarkably quick payback for the investments to be contained in this request. Discounts received annually by DCS on behalf of the State in Mail Services would be largely foregone if DCS Mail Services does not keep pace with the changes prescribed by the USPS.

The Division has also identified that several of the changes would place significant limits on the amount of mail “errors” experienced as a matter of course in current process. Much of these errors are assumed to be unavoidable given processes and technologies in place at this time, but the technological advances planned by the USPS and proposed by DCS are expected to drastically reduce the prevalence of mail errors upfront, eliminating costly mail reprocessing needs.

As a result of this request and updating equipment, services provided by the Department to customers would be enhanced. The proposed process and technological changes are considered industry best practices.

The Division will need new hardware and software to convert to the Intelligent Mail barcode system and to meet the Seamless Acceptance requirements. The Intelligent Mail barcode on the mail piece will eliminate separate codes currently needed for added services. The new Intelligent Mail barcode will allow end-to-end visibility into the mail and maximize address quality. Each piece of mail will have its own unique identifying bar code on it; each tray of mail will have its own distinctive bar code; each cage will be bar-coded with its own bar code; and the truck that delivers mail to the General Mail Facility will have its own electronic identifier. All paperwork will pass electronically

between IDF and USPS. The processed mail that is delivered to USPS will be scheduled electronically. When IDF mail arrives at the General Mail Facility, it will no longer be checked and weighed before it is accepted. The driver will drop the mail and USPS will know ahead of time what that specific truck is delivering. The mail will then go immediately to processing, and is scanned during this process. IDF will be able to avoid the use of the Mail Evaluation Readability Lookup Instrument (MERLIN), a tool used by the U.S. Postal Service to assist with the acceptance of business mail; the errors in the mailing will be found at the time of processing by USPS and not at the time of delivery, as is currently often the case.

The equipment needed to convert to the Intelligent Mail barcode and Seamless Acceptance is as follows:

Inkjet and Software

The current inkjet is over ten years old and is not capable of being retrofit with the new software and hardware needed to support the Intelligent Barcode. The inkjet is the center of operations; it is the machine that takes customers' data address files, changes their data to meet Postal Regulations for sorting standards, and then sprays the recipients name on the mail pieces. It will allow IDF to get the greatest discounts available for Colorado State Agencies.

High Speed Intelligent Inserter

The High Speed Intelligent Inserter will allow IDF to connect to the print source so the inserter can read back to the print files, allowing the group to document that all printed materials have been inserted and metered. This includes a camera on the back end of the inserter, completing the integrity of the process.

Software to connect print source to inserters

This software will allow IDF to connect to the print source and the inserter to read back to the print files. IDF will be able to document that all printed materials have been inserted and metered.

High Speed Intelligent Letter and Flat Sorter

This equipment has a faster sort speed than the current sorter, as well as higher readability, for maximum discounts. The machine prints the Intelligent Mail barcode on each mail piece and matches mail pieces back to the data from the inserter before presenting the mailings to USPS. This technology allows customers to track their mail through the USPS delivery process. Also, this machine will allow sorting of flats, which IDF does not currently have technology for.

The High Speed Intelligent Letter and Flat Sorter machine will sort both flats and letters, resulting in the additional discounts on flats that are not currently received. About 79,000 flats are processed per month. If the machine allows IDF to discount these additional flats, the process would result in another \$588,112 in discounts each year for customers. The flat volume will continue to grow as agencies combine mailings into one envelope to save costs. In addition, this sorter will also allow sorting to five digits instead of three digits, which will also increase existing discounts.

Specific efficiencies include:

- Faster throughput – significantly improves output for letters to 16,000 mail pieces per hour (MP/HR) or flats up to 9,000 MP/HR. In comparison, the current inserters are rated at letters up to 8,000 MP/HR and flats up to 4500 MP/HR.
- Automated set-up and adjustments will increase production by 25% - 30%. Set-up time to convert from envelopes to flats on current inserters is up to 8 hours; on this system the same process is completed in 30 minutes. Manual set-up time to convert from one letter size envelope to another on the current equipment takes up to 30 minutes, this process will be 90% automated with the new equipment.
- Maximizes operator productivity by reducing operator intervention, allowing for faster setup and changeover time, reducing material jams, and facilitating on-screen automated real time insertion with the touch of a button.

- Increased material flexibility to include single panel glossy, stitched or glued booklets, multiple coupons, chromate sheet, onion skin paper, CD, Z fold, business cards, stiff booklets, open ended leading inserts, credit cards and more.

Consequences if Not Funded:

If Mail Services continues to operate in the current production environment and under existing business processes absent the requested changes the State will lose \$3,016,715 in postage savings annually and will lose the additional \$588,122 in postage cost avoidance related to sorting flats. In aggregate, the loss to the State relative to postage and other USPS discounts would be \$3,604,837, some of which would be a direct cost to the State based on the loss of existing discounts.

Calculations for Request:

Summary of Request FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	\$1,428,000	\$0	\$0	\$1,428,000	\$0	0.0
Operating Expenses (Purchase of equipment and initial licensing)	\$1,428,000	\$0	\$0	\$1,428,000	\$0	0.0

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

Build-up of Mail Equipment Cost			
Equipment	Cost of Purchase	Maintenance/Licensing	Total Cost

STATE OF COLORADO FY 2009-10 BUDGET REQUEST CYCLE: Personnel and Administration

		Cost	
Ink Jet and Software	\$95,000	\$8,000	\$103,000
High Speed Intelligent Inserter	\$490,000	\$70,000	\$560,000
Software to Connect Print Source to Inserters	\$100,000	\$0	\$100,000
High Speed Intelligent Letter and Flat Sorter	\$595,000	\$70,000	\$665,000
Total			\$1,428,000

Cash Funds Projections:

Cash Fund Name	Cash Fund Number	FY 2007-08 Expenditures	FY 2007-08 End of Year Cash Balance	FY 2008-09 End of Year Cash Balance Estimate	FY 2009-10 End of Year Cash Balance Estimate	FY 2010-11 End of Year Cash Balance Estimate
Department of Personnel Revolving Fund	601	\$19,074,957	\$692,388	\$643,920	\$598,846	\$556,927

Assumptions for Calculations:

IDF has received quotes from several vendors and has used the most cost-efficient quote for this request, including from Pitney Bowes and Bowe, Bell, and Howell. Pitney Bowes does have a Western States Contract Alliance (WSCA) agreement with IDF, but the purchase will most likely be made through a bid.

It was assumed that IDF will need the entire spending authority requested for the purchase of the equipment. The cost passed on to agencies, however, conservatively takes into account the savings they will receive, as to lessen the General Fund hit. Although there is an associated cost of maintenance for this equipment in out years, the Department assumes it will be absorbed by the savings provided by this upgrade.

Impact on Other Government Agencies:

This increase will be built into the Mail Rates, and will affect each agency using Mail Services slightly. A cost allocation plan (below) has been presented to the agencies for the cost of the equipment. The Department has subtracted the savings the agencies will

realize in the first year to lessen the hit on the General Fund (\$1,428,000 less savings of \$588,122, for a total allocation to agencies of \$839,878). It should be noted that neglecting to upgrade this equipment will result in a loss of discounts, and the cost allocation will actually present higher costs to agencies to cover non-discounted rates, with some service being discontinued to stay within spending authority.

Department	Cost Allocation	Department	Cost Allocation
Agriculture	\$11,627	Legislature	\$1,447
Corrections	\$3,409	Local Affairs	\$6,202
Education	\$18,707	Military Affairs	\$817
Governor's Office - EAA, EBA, ECX, EGA	\$1,164	Natural Resources - Division of Wildlife	\$29,790
Governor's Office - EDA, EEA, EFA	\$545	Natural Resources	\$44,319
Health Care Policy and Financing	\$15,596	Others	\$7,037
Higher Education - Non-exempt	\$24,906	Personnel and Administration	\$28,693
Higher Education - Exempt	\$7,103	Public Health and Environment	\$7,874
Higher Education - CCCOES	\$2,205	Public Safety	\$12,295
Higher Education - Health Sciences Center	\$901	Regulatory Agencies - not SDA	\$34,294
Higher Education - Lamar CC	\$120	Regulatory Agencies - only SDA	\$1,718
Human Services - DYS only	\$1,054	Revenue	\$2,071
Human Services - H&R	\$4,367	Secretary of State	\$8,420
Human Services - IHA	\$333,093	Student Loan	\$30,837
Human Services - Nursing Homes	\$877	Transportation	\$1,964
Judicial	\$9,121	Treasury	\$2,925
Labor and Employment	\$178,028	Total	\$839,878
Law	\$6,349		

Cost Benefit Analysis:

Type of Piece	Current pieces eligible for a discount*	Current Discount (per piece)	Additional pieces eligible with upgraded sorter**	Discount lost if not upgraded	Additional Discount with upgrade	Total Cost Avoidance with upgrade
Flats	732,349	\$0.35	1,680,349	\$256,322	\$588,122	\$844,444
Letters	39,434,185	\$0.07	0	\$2,760,393		\$2,760,393
Total	40,166,534		1,680,349	\$3,016,715		\$3,604,837

*These pieces are eligible for a discount with the current inkjet, and these discounts will be lost if the inkjet is not upgraded

**These pieces do not currently receive a discount because they come in without an electronic address file, and cannot be run through the current inkjet

Current Discounts lost without upgrade	\$3,016,715
Additional Discount available with upgrade	\$588,122
<i>Sum to Total Discounts available with upgrade</i>	\$3,604,837
<i>Less equipment cost</i>	(\$1,428,000)
Total cost avoidance	\$2,176,837

Implementation Schedule:

Task	Month/Year
Internal Research/Planning Period	Completed
Purchase Equipment	July 2009
Building and Delivery of Equipment	July through September 2009
Installation and Training	October 2009
Begin New Equipment Use	October 2009

Statutory and Federal Authority: 24-30-1104 C.R.S. (2008)

(1) Within the counties of Adams, Arapahoe, and Jefferson and the city and county of Denver only, the department of personnel shall perform the following functions for the executive branch of the state of Colorado, its departments, institutions, and agencies, under the direction of the executive director: (b) Review all existing and future services, service applications, software related to services, planning systems, personnel, equipment, and facilities and establish priorities for those that are necessary and desirable to accomplish the purposes of this part 11; (c) Establish procedures and standards for management of service functions set forth in this part 11 for all state departments, institutions, and agencies; (d) Establish and maintain facilities as needed to carry out the duties set forth in this part 11, including but not limited to those listed; (f) Advise the governor and the general assembly on central services matters; (h) Approve or disapprove the acquisition of services, service equipment, and software related to services by any state department, institution, or agency and approve, modify, or disapprove the staffing pattern for service operations by any state department, institution, or agency in accordance with the approved plan; (i) Continually study and assess service operations and needs of state departments, institutions, and agencies; (j) Provide services, equipment, and facilities as required pursuant to this part 11 for state departments, institutions, and agencies according to their needs...

Performance Measures:

Customer satisfaction depends on efficient work and competitive pricing. The approval of this request will enhance both of these elements.

Objective: Maintaining Strategic Partnership with Customer By Exceeding Their Expectations Based upon surveys of their overall satisfaction.	Outcome	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Approp.	FY 09-10 Request
Maintain a minimum of 90% successful rating on meeting and exceeding customer expectations. The results of for this performance measure will come from the DCS Annual Customer Satisfaction Survey.	Benchmark	N/A	90%	90%	90%
	Actual	N/A	91%	TBD	TBD

**Schedule 13
Change Request for FY 2009-10 Budget Request Cycle**

Decision Item FY 2009-10	IV	Base Reduction Item FY 2009-10	I	Supplemental FY 2008-09	I	Budget Amendment FY 2009-10	I			
Request Title: Annual Fleet Vehicle Replacements										
Department: Personnel and Administration										
Priority Number: DI-9										
				Dept. Approval by: <i>R. Smith</i>	Date: November 1, 2008					
				OSPB Approval:	Date: 10-19-08					
	1	2	3	4	5	6	7	8	9	10
Total of All Line Items	Total FTE 13,170,783	Appropriation 12,558,203	Supplemental Request 0	Total Revised Request 12,558,203	Base Request 12,558,203	Decision/ Base Reduction 2,628,526	November 1 Request 15,186,729	Budget Amendment 0	Total Revised Request 15,186,729	Change from Base (Column 5) 2,628,526
	GF 0	GF 0	GF 0	GF 0	GF 0	GF 0	GF 0	GF 0	GF 0	GF 0
	GFE 0	GFE 0	GFE 0	GFE 0	GFE 0	GFE 0	GFE 0	GFE 0	GFE 0	GFE 0
	CF 1,948,015	CF 0	CF 0	CF 0	CF 0	CF 0	CF 0	CF 0	CF 0	CF 0
	CFE/RF 11,222,768	CFE/RF 12,558,203	CFE/RF 0	CFE/RF 12,558,203	CFE/RF 12,558,203	CFE/RF 2,628,526	CFE/RF 15,186,729	CFE/RF 0	CFE/RF 15,186,729	CFE/RF 2,628,526
	FF 0	FF 0	FF 0	FF 0	FF 0	FF 0	FF 0	FF 0	FF 0	FF 0
(4) Central Services, (C)	Total 13,170,783	Total 12,558,203	Total 0	Total 12,558,203	Total 12,558,203	Total 2,628,526	Total 15,186,729	Total 0	Total 15,186,729	Total 2,628,526
Fleet Management Program and Motor Pool Services, Vehicle Replacement Lease, Purchase or Lease/Purchase	FTE 0.0	FTE 0.0	FTE 0.0	FTE 0.0	FTE 0.0	FTE 0.0	FTE 0.0	FTE 0.0	FTE 0.0	FTE 0.0
	GF 0	GF 0	GF 0	GF 0	GF 0	GF 0	GF 0	GF 0	GF 0	GF 0
	GFE 0	GFE 0	GFE 0	GFE 0	GFE 0	GFE 0	GFE 0	GFE 0	GFE 0	GFE 0
	CF 1,948,015	CF 0	CF 0	CF 0	CF 0	CF 0	CF 0	CF 0	CF 0	CF 0
	CFE/RF 11,222,768	CFE/RF 12,558,203	CFE/RF 0	CFE/RF 12,558,203	CFE/RF 12,558,203	CFE/RF 2,628,526	CFE/RF 15,186,729	CFE/RF 0	CFE/RF 15,186,729	CFE/RF 2,628,526
	FF 0	FF 0	FF 0	FF 0	FF 0	FF 0	FF 0	FF 0	FF 0	FF 0

Non-Line Item Request: None
Letternote Revised Text: Pursuant to Section 24-82-801 (2), C.R.S., the Department of Personnel and Administration is authorized to enter into a lease-purchase agreement for the amount over \$25,000,000.
Cash or Federal Fund Name and COFRS Fund Number: Motor Pool Management fund (COFRS 610)
Reappropriated Funds Source, by Department and Line Item Name: fees from user agencies
Approval by OIT? Yes: No: N/A:
Schedule 13s from Affected Departments: all Departments that are affected by this common policy

CHANGE REQUEST for FY 2009-10 BUDGET REQUEST CYCLE

Department:	Personnel and Administration
Priority Number:	DI-9
Change Request Title:	Annual Fleet Vehicle Replacements

SELECT ONE (click on box):

- Decision Item FY 2009-10
- Base Reduction Item FY 2009-10
- Supplemental Request FY 2008-09
- Budget Request Amendment FY 2009-10

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 is a statewide Common Policy Decision Item for FY 2009-10 to request funding for the replacement of 693 fleet vehicles (including 123 Department of Public Safety State Patrol vehicles) within the State Fleet Management (SFM) Program for FY 2009-10. The budget assumptions for this request include preliminary estimates of the impacts of a FY 2008-09 reconciliation, and a further estimated reconciliation of leases ending and increasing during the budget period. To these adjustments has been added the pro-rated impact of the requested vehicles of \$1,546,707 (\$3,586,346 annualized). As a result of this methodology, the net request is to increase State agency appropriations by a total of \$2,830,576 for FY 2009-10. In addition, State Fleet Management (SFM) will require an increase in lease line appropriations of \$2,628,526 Reappropriated Funds for FY 2009-10.

The vehicles requested for replacement were identified using SFM's replacement methodology developed and used over the last six years (described below). The mileage and cost criteria are primarily the same as those approved for the replacements authorized in FY 2008-09, with additional consideration given for excessive vehicle age. This year's

proposal also supports a replacement plan designed to support the State's initiatives concerning the greening of state government, and specifically the objective in Executive Order D0011 07 requiring a reduction in petroleum based fuel consumption of 25% by 2012. Toward that end this year's replacement proposal would increase the number of alternative fuel and high efficiency vehicles in the state fleet by 293 E85 capable vehicles and 202 hybrid vehicles (see Attachment A for specific departmental vehicle replacements).

Background and Appropriation History:

This request is submitted on an annual basis through the combined efforts of SFM, OSPB, and the various State agencies that participate in the State Fleet Management Program:

Fleet replacements were severely under funded during fiscal years FY 2002-03 thru FY 2003-04 when the State was under severe budgetary constraints. This put significant upward pressure on maintenance expense (a 35% increase in maintenance cost per mile from FY 1999-00 through FY 2003-04), and this negatively impacted the reliability and safety of the fleet. During the last four fiscal years, the level of funding and number of replacements have been returned to reasonable levels and the maintenance cost per mile has been held relatively constant for the last four years (increasing only 2.4% since FY 2003-04 after excluding the impact of the SB-015 vehicles). Using sound economic rationale for replacement decisions, and funding consistent and reasonable levels of replacements, will enable SFM to minimize future increases in vehicle maintenance and ensure a reliable, cost effective fleet infrastructure, while minimizing the net impact to the General Fund.

This year's request results in a more significant net impact on both agency lease line appropriations and State fleet appropriations than in the past. For the past few years, DPA has actually seen the level of leases ending more than offsetting the amount of leases for new replacements. This will not be possible for the next couple of years, and is a direct result of the decisions made in FY 2002-03 and FY 2003-04 to either eliminate or significantly reduce funding for replacements in those years. As a result, we will

experience a couple of years when there are very few vehicles coming off lease to offset the new vehicles being brought into the fleet.

General Description of Request:

This Statewide Decision Item requests replacement of an optimal number of vehicles, based on the replacement criteria described below, represents only a base level of replacements, and allows for fleet replacements on approximately an 8 year cycle. This request will help to mitigate upward pressure on maintenance expenses and is the most fiscally responsible alternative. Included in the requested vehicle replacements is the purchase of E-85 alternative fuel vehicles in every model category where this option is offered (usually at no additional cost), and the request also includes the purchase of 202 hybrid vehicles, which have been carefully selected as replacements for vehicles where this option has the greatest potential to reduce fuel consumption and generate a positive payback on the additional investment. This is in accordance with Footnote 100a of the Long Bill for FY 2006-07, which states that *“It is the intent of the General Assembly that the Department make every effort possible to purchase or lease/purchase flex fuel or hybrid vehicles, whenever possible.”* This is also consistent with Executive Order D0012 07 “Greening of State Government” which states that the State will acquire *“hybrid gas/electric high efficiency vehicles, alternative and flex fuel vehicles, and other fuel efficient/low emission vehicles whenever practicable.”* This recommendation also includes the purchase of 58 diesel vehicles for high mileage and heavy duty towing applications which should significantly extend the life of vehicles in these categories, while dramatically improving reliability, fuel economy, and reducing maintenance costs. The following section outlines the process that the Department follows to arrive at the annual recommended level of fleet vehicle replacements.

SFM Vehicle Replacement Methodology

Strategy: Replace only the highest cost vehicles in each vehicle class with consideration to the given fiscal and budgetary constraints.

Methodology Overview: The current methodology uses the following basic criteria in a series of logical steps to arrive at the final proposed replacement list:

- Both very high total mileage and very low annual mileage are used as criteria for either selecting vehicles for replacement, or for retaining vehicles in the fleet.
- Anticipated cost of maintenance compared to like vehicles is calculated and ranked, ordered from most costly to least costly.
- Vehicle age is considered and very old, high usage vehicles are selected for replacement. This is also consistent with Executive Order D0012 07 “Greening of State Government” which mandates that priority be given to replacing vehicles older than 1996. Very old, low usage vehicles are selected for future rotation. These low annual usage vehicles are not part of the proposal for replacement funding, but as vehicles are turned in for replacement over the next two years, a formal effort will be made to swap out very old, low use vehicles with somewhat newer vehicles that have exhausted their normal life cycle.
- Vehicle placement and usage is considered, with extra consideration given to State Patrol vehicles due to performance and safety issues. Low usage “campus crawler” type vehicles are held longer than other vehicles and may become candidates for rotation as described above.
- Manual adjustments are made based on agency input and vehicle-by-vehicle SFM analysis.
- A financial analysis is performed to insure that there is solid economic justification for the proposed level of replacements.
- Finally, budgetary constraints and impacts of known fleet initiatives and legislative actions are considered in developing the final proposal. This year particular emphasis has been placed replacing those vehicles that will have the greatest impact on reducing petroleum consumption.

Step by Step Methodology Description:

Step 1. Initial Screen: The initial candidate list is generated from the Colorado Automotive Reporting System (CARS) using a minimum threshold for further

replacement consideration. An extraction is done that lists all vehicles projected to meet the following requirements by the time it is proposed that the new vehicles would be delivered by the final quarter of FY 2009-10. In order to be considered for analysis a vehicle must meet one of the following criteria:

- Non Colorado State Patrol (CSP) vehicles must be projected to have greater than 100,000 miles,
- CSP vehicles must have greater than 80,000 miles for patrol vehicles and greater than 40,000 for motorcycles, and
- A vehicle that will be 14 years old or older at the time that the proposed replacement would occur. This is consistent with one of the elements of Executive Order 0012 07, which specifies that a priority be placed on the replacement of vehicles model year 1996 and older as a means of improving fuel efficiency. For FY 2009-10 this initial screen produced 1,787 potential candidates.

Rationale: This initial screen limits the replacement candidates based upon a logical minimum standard. Mileage is projected through June of the budget request year to include all vehicles that will meet the criteria within the request year. This is only the entry point into the process, and vehicles must meet these minimum criteria for further consideration as replacement candidates.

Step 2. Manual Adjustments: Decisions on vehicle replacement should not be made on the basis of the mileage criterion or vehicle age alone. The ideal process would involve a detailed mechanical evaluation of each replacement candidate by a qualified technician, and the decision would be based on the projected costs involved to maintain the vehicle over the next one to two years. This level of analysis is not practical for the State and is not feasible for all but the smallest fleets due to the labor intensive nature of such analysis, along with resource limitations. However, SFM can use additional information and resources that are readily available to further refine the candidate list to make sure the right vehicles are ultimately replaced.

- **Agency retention requests**

Rationale: State Fleet Management confers with agencies concerning proposed replacements, taking into consideration factors such as internal rotations, cascading vehicle assignments for additional use, and other extensions to a vehicle's life. No one knows the individual vehicles better than agency Vehicle Coordinators and the users of the vehicles. SFM uses agency input to eliminate vehicles from the replacement analysis that, in an agency's opinion, are in good condition considering mileage and age. SFM also uses agency input to keep vehicles on the replacement list that are in exceptionally poor condition, create an unacceptable safety risk, or are not meeting the functional requirements of the agency, even in some cases when the vehicle does not meet typical replacement criteria.

- **Vehicles with major recent repairs (New engine, transmission, etc.)**

Rationale: The most recent 12 months of repairs are analyzed to identify any individual repairs that required significant expenditures (typically in excess of \$3,000 for an individual repair). If the State has recently made a significant investment, replacing a major component of a vehicle, we should expect that the cost to operate the vehicle over the short-term should be reduced, and we should not replace such vehicles until we have had the opportunity to benefit from that investment.

- **Vehicles in the low cost, low mile work functions**

Rationale: Vehicles in this category are typically maintenance and support vehicles used in campus type environments. They are typically low mileage (approximately 1,000 miles per year), are often very old, and may have a high cost per mile even though the total annual operating cost is very low. Ideally, these vehicles should be replaced with used, but safe and operable vehicles from vehicle turn-ins as part of the natural rotation of the fleet. Vehicles that are no longer suitable for high usage functions can often be used in these maintenance type roles without incurring significant repairs, and it is often not economically justifiable to purchase brand new vehicles into these very low use

assignments. Therefore, only the very worst of these vehicles are included in the final submission for replacement.

- **Very high mileage vehicles (>130,000)**

Rationale: Vehicles with this mileage projection are at least 30 percent over the State's minimum mileage replacement criterion. At this point, it is reasonable to expect vehicles to deteriorate rapidly, with costly major component breakdowns, and to expect reliability and safety concerns to rapidly increase. Cost effective operation of such vehicles is highly unlikely after this mileage threshold is reached. In fact, in a less restrictive fiscal environment, SFM would typically recommend lower thresholds.

Step 3. Rank Highest Priority to Lowest Priority:

Rationale: All of the vehicles based on the initial screening criteria meet the basic requirements for replacement. These vehicles are nearly all high-mileage, high-cost and are primarily older vehicles. While all of these vehicles meet the basic criteria for the replacement cycle, the challenge is to make sure that the worst of these vehicles are identified, so that only the worst of the worst will be replaced given any level of funding. By comparing these vehicles to the average vehicle of similar age and type, we are able to identify the vehicles that display the greatest operational cost variance from the average. Those that have much higher than average costs, will rank out higher than those with lower than average costs. This way we can identify the worst vehicles (from a cost standpoint) and make sure these are identified with the highest priority.

- **All State Patrol vehicles meeting the minimum criteria will be submitted.**

State Patrol vehicles are not included in this ranking. State Patrol vehicles have unique utilization, performance, safety, and reliability needs that require replacement on a 4-year cycle.

Step 4. Further Considerations to Determine Final List: The fleet does not operate in a static environment. Changes in the budgetary environment, evolving agency needs, historical funding patterns for the fleet, regulatory changes, legislative actions, and the

impact of recent internal fleet initiatives can, and should be taken into consideration in developing the final request for any given year.

- **State funding capabilities**

Rationale: In any given year, it is often not practical or feasible to replace all the vehicles necessary to maintain an optimal fleet, from a total cost of fleet perspective. When funds are scarce, it is especially important that the very worst of the worst are replaced so that the funds that are spent on the fleet can provide the optimal financial benefit to the State.

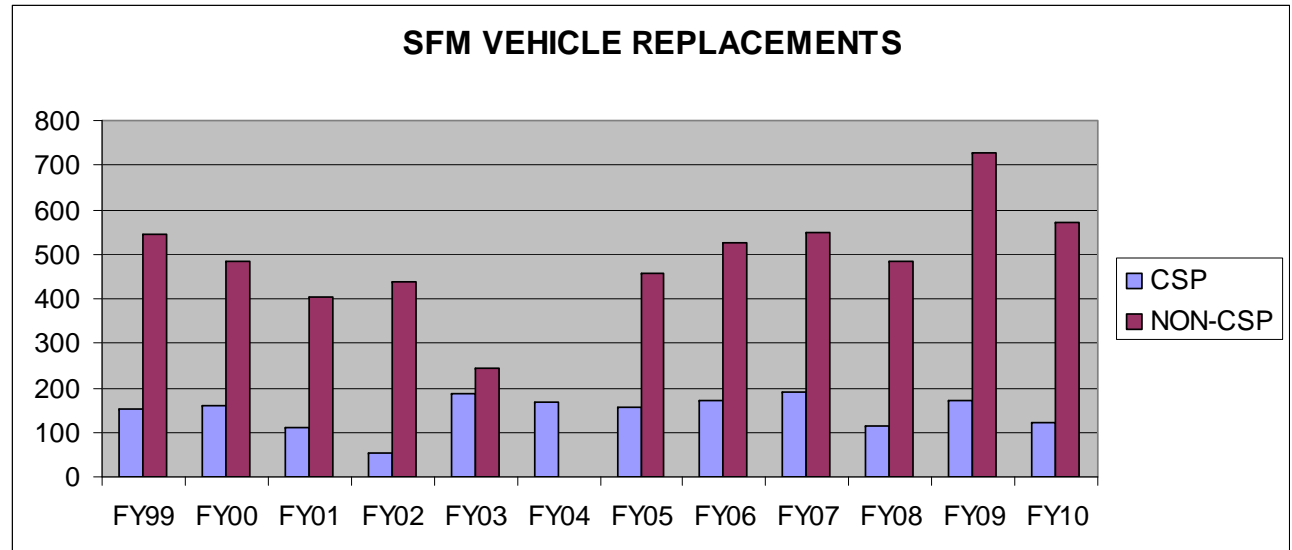
- **Impact of Fleet or Agency reduction initiatives**

Rationale: Initiatives undertaken by SFM and individual agencies to reduce the total number of vehicles in the fleet can affect the replacement process in two ways. First, by reducing the overall size of the fleet, the percentage of optimal replacements necessary to maintain the fleet each year produces a smaller number of candidates. Second, and most importantly, a large number of vehicles leaving the fleet inevitably include the worst vehicles in the fleet. These are also the same vehicles that should be the highest priority for replacement, and since they no longer need to be replaced, the number of requested replacements in that year, might be reduced.

- **Prior year funding and replacement levels**

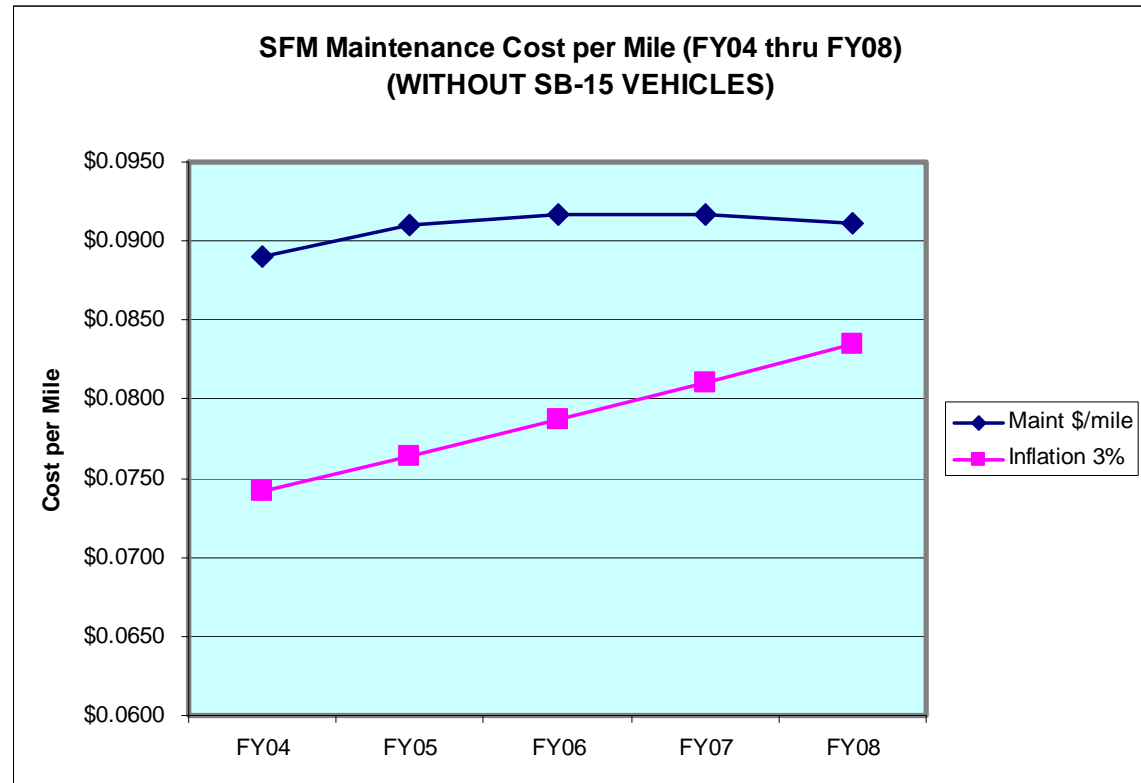
Rationale: Under-funding of replacements in previous years has put additional pressure on the fleet, and created an imperative for reasonable levels of replacements in subsequent years. With a mileage criterion of 100,000 miles and average annual miles per vehicle of 14,000, ($8 \times 14,000 = 112,000$) the State should be replacing approximately 1/8 of the non-CSP fleet or 600+ non-CSP vehicles each year. Only 243 non-CSP vehicles were replaced on FY 2002-03 and none were replaced in FY 2003-04. Also, no general-funded vehicles were replaced in FY 2002-03, FY 2003-04, or FY 2004-05 exacerbating the cost and safety pressures placed on that component of the fleet. In

recent years the replacement program was back to a more reasonable level (averaging 570 non-CSP vehicles per year) and included all funding sources. Although more reasonable, even these levels are somewhat below the desirable level of 600+ per year. This year's proposal is very similar to the past few year's approved levels. Special emphasis has been made to increase the opportunities to remove old vehicles that were fuel inefficient and bring higher numbers of flex fuel, hybrids, and other newer, better fuel efficient vehicles into the fleet. These initiatives are needed to satisfy the requirements of both Executive Order 0012 07, and HB 1228 mandating the purchase of flexible fuel vehicles.



An aggressive and consistent replacement strategy is necessary to mitigate the effects of an aging fleet, including surging maintenance costs as well as safety concerns and increased downtime. Beginning with FY 2004-05 the State has funded a fairly stable

replacement program, and as shown in the graph below, this has allowed maintenance cost per mile (excluding the SB-015 vehicles) to remain almost constant over five years. Increasing maintenance costs must be paid by agencies in part through existing operating appropriations, while reducing available program funds for other areas. Consistent replacements also prevent a further deterioration in the salvage value that SFM uses to offset agency fleet costs.



The State receives significant price breaks (sometimes in excess of 50% below retail) on new vehicles, all of which are under warranty. We also benefit from extremely low interest rates through aggressive competition for financing. A continuation of reasonable replacement levels will enable SFM to maintain vehicle safety and reliability, and mitigate the increases in general fund expenditures for maintenance costs throughout the entire fleet. Existing vehicle needs strongly justify the proposed vehicle replacement budget for FY 2009-10.

Step 5: Economic Validation: The final step involves a financial analysis of the alternatives to make sure that the proposed replacements have a solid economic justification and represent an optimal financial decision for the State.

Recommendation:

In summary, State Fleet Management annually projects which fleet vehicles will have 100,000+ miles, and 80,000+ miles for State Patrol, in the budget request year (FY 2009-10 in this case). This action produces an “initial vehicle suspect” list. To this list, vehicles have been added that are older than 1996 based on the governor’s greening order. This list, if this were the only step in the process, would recommend replacement 1,787 vehicles.

However, as stated above, State Fleet Management has applied additional criteria that take into consideration multiple factors that affect a vehicle’s useful economic life. A fleet vehicle’s past four years of maintenance and repair costs per mile are compared to the average cost per mile of maintenance and repair for that vehicle class, with anticipated high mileage expense added. The difference in projected cost is used to prioritize replacements, assuming that some vehicles are more critical to replace as they exceed the average cost per mile to maintain. Many other factors are then taken into account to assure that the worst vehicles in the fleet are the ones replaced. The attached list is now considered to be our “optimal candidate” list, and is the end result of applying all of the criteria previously discussed.

The process and analysis defined above resulted in a recommendation from State Fleet Management to replace 693 vehicles as identified by the SFM replacement methodology. This alternative provides the greatest net financial benefit to the State, and continues the trend of providing consistent reasonable levels of funding for vehicle replacements. It also provides for sound replacement analysis and justification for those vehicles brought into State Fleet under SB 06-15. It further addresses the needs of both Executive Order D0012 07 reducing dependence on petroleum based fuels, and HB 1228 mandating the purchase of flexible fuel vehicles to increase the use of State produced ethanol.

Finally, it is important to note that even based upon this request, the average projected mileage at replacement for non-CSP vehicles will be 130,000 miles, and the average projected miles at replacement for CSP vehicles will be 115,000 miles, which is an extremely conservative basis for replacement under any scope of analysis.

Consequences if Not Funded:

This alternative would most likely provide either no funding for replacement of vehicles, or would provide a significantly lesser level of funding and replacements than what is recommended in this request. The consequence of this action is that it will unavoidably require the State to incur additional maintenance and repair expenses in order to keep these non-replaced vehicles operating beyond their originally intended term. In this scenario, there will be a considerable increase in operating expenses for vehicle maintenance, with additional reliability and safety risks, partially in FY 2009-10, and more significantly in FY 2010-11. The estimated increase in direct maintenance expense for FY 2010-11 would be \$1,393,118. This option would also not be in compliance with Executive Order 00012 07, nor with existing legislation designed to increase the State's use of ethanol and other alternative fuels. Finally, if this request is either not funded or is significantly "underfunded", it will have a direct programmatic impact to State agencies, as mission critical functions of some State entities could be compromised.

Calculations for Request:

Summary of Request FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	\$2,628,526	\$0	\$0	\$2,628,526	\$0	0.0
Division of Central Services, Fleet Management and Motor Pool Services, Vehicle Replacement Lease, Purchase or Lease/Purchase	\$2,628,526	\$0	\$0	\$2,628,526	\$0	0.0

Agency Lease Line Analysis - FY 2008-09	
FY 08-09 Base Long Bill Appropriation	\$10,822,509
Non-Appropriated Vehicle Lease Payments*	\$2,679,303
Total FY 08-09 Base Funding (All Agencies)	\$13,501,812
Estimated Reduction to FY 08-09 Based on Current Lease Payments	(\$1,371,717)
Approved Additions (Prorated)	\$106,007
Approved Replacements (Prorated)	\$1,587,254
Leases Ending in FY 08-09 (impact to FY 08-09)	(\$402,374)
Estimated FY 08-09 Statewide Need After FY 08-09 Supplemental	\$13,420,982
Non-Appropriated Vehicle Lease Payments* (including Motor Pool)	\$2,531,277
Net Appropriated Agency Need for FY 08-09	\$10,889,705
Net FY 08-09 Estimated Increase Over LB Appropriation	\$67,196

Agency Lease Line Analysis - FY 2009-10	
FY 08-09 Estimated Need after Additions/Subtractions	\$10,889,705
Non-Appropriated Vehicle Lease Payments* (including Motor Pool)	\$2,531,277
Total Estimated FY 08-09 Base Funding (All Agencies)	\$13,420,982
Leases ending in FY 08-09 (impact on FY 09-10)	(\$844,476)
New FY 08-09 Leases annualized for FY 09-10	\$2,699,116
Leases Ending in FY 09-10	(\$67,882)
693 Vehicle Replacements for FY 09-10	\$1,546,707
Less Motor Pool Leases	(\$212,601)
Estimated FY 09-10 Statewide Need After FY 09-10 Replacements	\$16,541,846
Net Statewide Increase Over FY08-09 Long Bill	\$3,040,034
Non-Appropriated Vehicle Lease Payments*	\$2,888,761
Net Appropriated Agency Need for FY 09-10	\$13,653,085
Net Increase Over FY 08-09 Base Long Bill (Appropriated Agencies)	\$2,830,576

State Fleet Appropriation			
SFM Lease Payment Analysis	FY 2007-08	FY 2008-09	
COP 2002	\$ 0	\$ 0	Actual
COP 2003	\$ 828,321	\$ 299,351	Actual
COP 2004	\$ 241,144	\$ 162,719	Actual
COP 2005	\$ 3,241,469	\$ 1,950,506	Actual
COP 2006	\$ 3,025,400	\$ 2,980,800	Actual
TRUST 2007 (Exhibit B)	\$ 2,309,342	\$ 2,309,342	Actual
TRUST 2008 (Exhibit B)	\$ 2,348,699	\$ 2,366,100	Actual
TRUST 2008 (Late Assets)	\$ 303,662	\$ 364,394	Estimate
TRUST 2009 (09 Pro-Ration+ known Adds)	\$ 1,079,053	\$ 3,054,190	Estimate
TRUST 2010 (10 Pro-Ration includes Motor Pool leases)	\$ 0	\$ 1,474,892	Estimate
Total Known Lease Payments Due	\$ 13,377,089	\$ 14,962,295	
UNFORESEEN (Accident totals, denied repairs, etc.) @1.5%	\$ 200,656	\$ 224,434	Estimate
ACCIDENT TOTALS (Known YTD)	\$ 0	\$ 0	
Total SFM Need for Lease Payments	\$ 13,577,745	\$ 15,186,729	
FY 07-08 APPROPRIATION	\$ 14,370,521		
Current FY 08-09 Base Spending Authority	\$ 12,558,203	\$ 12,558,203	
Required Additional Spending Authority (over FY 08-09 Base)	\$ 1,019,542	\$ 2,628,526	

Cash Funds Projections:

Cash Fund Name	Cash Fund Number	FY 2007-08 Expenditures	FY 2007-08 End of Year Cash Balance	FY 2008-09 End of Year Cash Balance Estimate	FY 2009-10 End of Year Cash Balance Estimate	FY 2010-11 End of Year Cash Balance Estimate
Motor Fleet Management Fund	607	\$31,414,918	\$17,599,101	\$17,068,434	\$17,142,169	\$17,218,117

Assumptions for Calculations:

The Department based the FY 09-10 projected need by performing the following steps:

- 1) The Department took all leases by agency as of August 2008 and annualized these amounts for a full 12 months to establish a baseline FY 08-09 need;
- 2) then added in approved FY 08-09 new and replacement vehicles for four months (6 months for State Patrol vehicles) already approved by the General Assembly;
- 3) removed leases that will expire during FY 08-09;
- 4) annualized FY 08-09 new and replacement vehicles for a full year impact; and
- 5) removed leases that will end during FY 09-10 (prorated based on when they would come off lease); which
- 6) established the true baseline for FY 09-10.
- 7) The calculation of estimated option costs is calculated to take into consideration the unique types and use of vehicles by agency, as well as historical percentages by agency for options in past years. The end result is a more accurate assessment of need by agency and an overall reduction in the total requested replacement appropriation.

Impact on Other Government Agencies: This request impacts State agency customers of State Fleet Management as shown in the table below.

Replacement Analysis for FY 2009-10									
Dept	Division	**Projected Fixed Payments (incl Mgt Fees) for FY 08-09	Payments Included in Current Year Not Needed in FY 09-10	New Leases Annualized for Full Year in FY 09-10	Leases (Prorated) for Leases Ending by 6/30/10	Base Need Without Requested Replacements	Replacement Leases Being Requested (Prorated)	Total Need After Requested Replacements	Decision Item Figures for Agencies' Schedule 13
							CSP-6; Other-4		
Long Bill Appropriated Agencies									
CDPS	EDO (Fire Safety & Criminal Justice)	16,356	(2,084)		-	14,272	4,276	18,548	2,192
CDPS	Colorado State Patrol (see note)	3,914,181	(473,030)	648,844	(15,531)	4,074,464	722,457	4,796,921	882,740
CDPS	CBI	208,449	-	18,442		226,891	21,129	248,020	39,571
CDPS	CDPS Total	4,138,985	(475,114)	667,286	(15,531)	4,315,626	747,862	5,063,488	924,503
DOAG	Agriculture	170,044	(10,760)	29,060	-	188,344	12,737	201,081	31,037
DOAG	State Fair	4,787				4,787	727	5,514	727
DOC	Department of Corrections	2,007,602	(8,336)	544,612	-	2,543,878	176,935	2,720,813	713,211
DOH	Department of Health	220,446	(13,714)	29,178	-	235,910	18,355	254,265	33,819
DOHS	Department of Human Services	735,150	(4,929)	170,992	-	901,213	74,785	975,998	240,848

STATE OF COLORADO FY 2009-10 Decision Item Request: Personnel & Administration

Replacement Analysis for FY 2009-10 - Continued									
Dept	Division	**Projected Fixed Payments (incl Mgt Fees) for FY 08-09	Payments Included in Current Year Not Needed in FY 09-10	New Leases Annualized for Full Year in FY 09-10	Leases (Prorated) for Leases Ending by 6/30/10	Base Need Without Requested Replacements	Replacement Leases Being Requested (Prorated)	Total Need After Requested Replacements	Decision Item Figures for Agencies' Schedule 13
DOLA	Local Affairs	90,252	420	16,862	-	107,534	5,601	113,135	22,883
DOLE	Labor and Employment	98,025	(16,055)	10,200	-	92,170	5,712	97,882	(143)
DOMA	Military Affairs	51,926	(3,124)	2,204	-	51,006	3,285	54,291	2,365
DONR	Natural Resources	2,502,913	(87,410)	567,756	(28,474)	2,954,785	167,818	3,122,603	619,690
DOR	EDO	208,184	(6,251)	24,584	(5,475)	221,042	20,243	241,285	33,101
DOR	Lottery	145,327	(40,841)	32,254	-	136,740	4,948	141,688	(3,639)
DOR	Gaming	68,571	(6,406)	46,120	-	108,285	-	108,285	39,714
DORA	Regulatory Agencies	134,196	208	31,466	(180)	165,690	28,116	193,806	59,610
GOV	Economic Development	95,744	-	2,630	-	98,374	-	98,374	2,630
DPA	Dept of Personnel (not MP)	52,121	(27,423)	27,868	(2,461)	50,105	10,716	60,821	8,700
DOL	Attorney General	63,669	-	8,546	-	72,215	3,356	75,571	11,902
DOS	Secretary of State	2,819	-	-	-	2,819	-	2,819	-
JUD	Public Defender	51,940	-	9,862	-	61,802	-	61,802	9,862
JUD	Courts	47,002	-	11,506	-	58,508	1,054	59,562	12,560
Total Long Bill Appropriated Agencies		10,889,705	(699,735)	2,232,986	(52,121)	12,370,835	1,282,250	13,653,085	2,763,380
						Variance to Long Bill for:	FY 09-10	2,830,576	2,830,576

Cost Benefit Analysis:

Impact of Vehicle Replacements on Maintenance Costs								
		CSP Vehicles Only	Non-CSP Vehicles	Total Vehicles	Annual Change in Maintenance Expense	Percent Change	Cumulative Change in Maintenance	Percent Change
FY08	(Baseline)	\$1,375,079	\$6,136,029	\$7,511,108				
FY09	(Projected)	\$1,420,596	\$6,412,595	\$7,833,191	\$322,083	4.3%	\$322,083	4.3%
FY10	(Projected)	\$1,496,778	\$6,232,407	\$7,729,185	(\$104,006)	-1.3%	\$218,077	2.9%
FY11	(Projected - no additional replacements)	\$1,772,095	\$7,445,032	\$9,217,127	\$1,487,942	19.3%	\$1,706,019	22.7%
FY11	(Requested - 693 replacement vehicles)	\$1,392,112	\$6,431,897	\$7,824,009	(\$1,393,118)	-18.0%	\$312,901	4.2%

Impact of Vehicle Replacements on Fuel Costs						
	Number of Replacement Vehicles	Lease Payments FY11	Maintenance Savings versus Status Quo	Fuel Savings** Over FY10	Estimated Auction Revenue* Offset	Total Incremental Cost/(Savings)
State Patrol Replacements	123	\$1,210,751	(\$379,983)	\$0	\$338,127	\$492,641
Non State Patrol Replacements	570	\$2,177,127	(\$1,013,134)	(\$530,034)	\$1,566,930	(\$932,971)
Total Replacements Requested	693	\$3,387,878	(\$1,393,118)	(\$530,034)	\$1,905,057	(\$440,331)

*Auction Revenue is used to offset Management Fee charged by the Department of Personnel and Administration.

**Replacement hybrid vehicles result in a lower fuel consumption year over year.

Statutory and Federal Authority:

*24-30-1117 C.R.S. (2008) - Exclusive Authority to Acquire State-owned Motor Vehicles
The department of personnel shall have the exclusive authority to purchase, lease, and otherwise acquire motor vehicles for such use by state officers and employees as may be necessitated in the course and conduct of official state business. Except for any vehicles donated to specific state agencies, no motor vehicle shall be purchased, leased, or*

otherwise acquired by any state agency unless such vehicle is obtained through the department of personnel or under an express waiver granted by the department.

Performance Measures:

This performance measure appears in DPA’s strategic plan.

Performance Measure	Outcome	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Approp.	FY 09-10 Request
Reduce the amount of petroleum used by the State Fleet by 25% by 2012. Base gallons were 2,601,786.	Benchmark	0	2,471,697 gal (5%)	2,341,607 (10%)	2211518 (15%)
	Actual	2,706,902 gal	2,708,052 gal		

While FY 07-08 actually shows an increase of 1,150 gallons this is only 1/20th of 1% in a year when the average number of vehicles in the fleet increased by 371 or 6.8%, all through legislatively approved additions. State Fleet continues to aggressively address programs and initiatives to reduce overall gas consumption and the replacements proposed in this request are a significant step in this process.

**Schedule 13
Change Request for FY 2009-10 Budget Request Cycle**

Decision Item FY 2009-10: Base Reduction Item FY 2009-10 Supplemental FY 2008-09 Budget Amendment FY 2009-10
Department Title: Reprographics Core Business Base Adjustment
Department: Personnel and Administration
Priority Number: DI-10
Dept. Approval by: *R. J. [Signature]*
OSP/B Approval: *[Signature]*
Date: November 1, 2008
Date: 10-19-08

	1	2	3	4	5	6	7	8	9	10
	Prior-Year Actual FY 2007-08	Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2009-10	Decision/ Base Reduction FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total FTE 3,046,647 GF 0.0 GFE 0 CF 305,456 CFE/RF 2,741,191 FF 0	2,404,752 0.0 0 0 0	0 0.0 0 0 0	2,404,752 0.0 0 0 0	2,404,752 0.0 0 0 0	93,705 0.0 0 0 0	2,498,457 0.0 0 0 0	0 0.0 0 0 0	2,498,457 0.0 0 0 0	93,705 0.0 0 0 0
(4) Division of Central Services, (BX1)	Total 3,046,647 FTE 0.0 GF 0 GFE 0 CF 305,456 CFE/RF 2,741,191 FF 0	2,404,752 0.0 0 0 0	0 0.0 0 0 0	2,404,752 0.0 0 0 0	2,404,752 0.0 0 0 0	93,705 0.0 0 0 0	2,498,457 0.0 0 0 0	0 0.0 0 0 0	2,498,457 0.0 0 0 0	93,705 0.0 0 0 0
Integrated Document Factory Reprographics Services Operating Expenses	Total 3,046,647 FTE 0.0 GF 0 GFE 0 CF 305,456 CFE/RF 2,741,191 FF 0	2,404,752 0.0 0 0 0	0 0.0 0 0 0	2,404,752 0.0 0 0 0	2,404,752 0.0 0 0 0	93,705 0.0 0 0 0	2,498,457 0.0 0 0 0	0 0.0 0 0 0	2,498,457 0.0 0 0 0	93,705 0.0 0 0 0

Non-Line Item Request: None
Letternote Revised Text: None
Cash or Federal Fund Name and COFRS Fund Number: Department of Personnel Revolving Fund (COFRS 601)
Reappropriated Funds Source, by Department and Line Item Name: This amount shall be from fees from user agencies deposited in the Department of Personnel Revolving Fund created in Section 24-30-1108 (1), C.R.S.
Approval by OIT? Yes: No: **N/A:**
Schedule 13s from Affected Departments: None

CHANGE REQUEST for FY 2009-10 BUDGET REQUEST CYCLE

Department:	Personnel and Administration
Priority Number:	DI-10
Change Request Title:	Reprographics Core Business Base Adjustment

SELECT ONE (click on box):

- Decision Item FY 2009-10
- Base Reduction Item FY 2009-10
- Supplemental Request FY 2008-09
- Budget Request Amendment FY 2009-10

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:

Integrated Document Factory, Reprographics, is requesting \$93,705 reappropriated funds in FY 2009-10 for a base budget adjustment. The need for increased spending authority is driven by the increase in paper costs from vendors.

Background and Appropriation History:

Currently, Reprographics does not have the spending authority to meet large unplanned increase in the cost of materials. The current budget process is to forecast the next year's figures based on the current year's business, plus a small inflationary factor. For the current fiscal year, the cost of paper has increased beyond any expectations and is anticipated to be even higher by the end of the fiscal year. This is not an item that could have been included in the base of the fiscal year budget. As a result, Reprographics does not have the spending authority to cover the significant increases in paper costs the industry is experiencing.

General Description of Request:

Integrated Document Factory is requesting an increase in spending authority of \$93,705 (all Reappropriated Funds) due to increased cost of paper. Paper costs have increased every two to three months and, according to industry forecasts, this trend is expected to continue due to a decrease in mill capacities, overseas demand for virgin materials, and the ever-increasing cost of petroleum used in manufacturing and transporting this commodity. Using the most recent price increase and projected FY 2009-10 volumes, the Integrated Document Factory will need an increase of \$93,705 just to cover the paper increase for current customers.

Consequences if Not Funded:

If funding is not authorized, Integrated Document Factory will have to stop printing projects for some agencies because of the lack of spending authority to perform projects. Agencies may be forced to use the private sector to perform the same services. Historically, Integrated Document Factory printing charges are less than the private sector and, state agencies will be faced with higher prices, ultimately costing the State of Colorado more money. In addition, Integrated Document Factory will not be in compliance with statutory requirement to provide services to agencies.

Calculations for Request:

Summary of Request FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	\$93,705	\$0	\$0	\$93,705	\$0	0.0
(4) Central Services, (B)(1) Reprographics, Operating Expenses	\$93,705	\$0	\$0	\$93,705	\$0	0.0

Summary of Request FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	\$93,705	\$0	\$0	\$93,705	\$0	0.0

STATE OF COLORADO FY 2009-10 BUDGET REQUEST CYCLE: Personnel and Administration

Summary of Request FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
(4) Central Services, (B)(1) Reprographics, Operating Expenses	\$93,705	\$0	\$0	\$93,705	\$0	0.0

Spending Authority Needed for Paper Increase				
Type and Cost of Reams	Projected Reams Per Month	Cost Per Month (at 7/3/08 cost)	Annual Cost	
A1 Copiers	\$3.42	6,272	\$21,450.24	\$257,402.88
B8 Spicer Print	\$2.96	6,125	\$18,130.00	\$217,560.00
Total				\$474,962.88
New Annual Cost \$474,963 - Current Paper Cost \$381,258 Spending authority needed for paper increase \$93,705				

Cash Funds Projections:

Cash Fund Name	Cash Fund Number	FY 2007-08 Expenditures	FY 2007-08 End of Year Cash Balance	FY 2008-09 End of Year Cash Balance Estimate	FY 2009-10 End of Year Cash Balance Estimate	FY 2010-11 End of Year Cash Balance Estimate
Department of Personnel Revolving Fund	601	\$19,074,957	\$692,388	\$643,920	\$598,846	\$556,927

Assumptions for Calculations:

Price increase estimates are based on rates from the major supplier of paper to Integrated Document Factory, including XpedX, Office Max, and Spicers.

- Impact on Other Government Agencies: This increase will be built into the Reprographic Rates, and will affect each agency using Reprographics slightly. The Department has deemed that \$93,705 across all customers will be very slight, and no cost allocation will be required.
- Cost Benefit Analysis: A cost benefit analysis is unnecessary. This request is due to an inflationary increase in paper the entire industry is realizing.
- Implementation Schedule: An implementation schedule is not applicable. Agencies needing Integrated Document Factory services have already received a price and timeframe from Integrated Document Factory for their projects. Approval for Integrated Document Factory to accept funds to perform these services is all that is needed.
- Statutory and Federal Authority: *24-30-1101 C.R.S., 24-30-1107 C.R.S. (2008) 1) Within the counties of Adams, Arapahoe, and Jefferson and the city and county of Denver only, the department of personnel shall perform the following functions for the executive branch of the state of Colorado, its departments, institutions, and agencies, under the direction of the executive director; (b) Review all existing and future services, service applications, software related to services, planning systems, personnel, equipment, and facilities and establish priorities for those that are necessary and desirable to accomplish the purposes of this part 11; (c) Establish procedures and standards for management of service functions set forth in this part 11 for all state departments, institutions, and agencies; (d) Establish and maintain facilities as needed to carry out the duties set forth in this part 11, including but not limited to those listed; (f) Advise the governor and the general assembly on central services matters; (h) Approve or disapprove the acquisition of services, service equipment, and software related to services by any state department, institution, or agency and approve, modify, or disapprove the staffing pattern for service operations by any state department, institution, or agency in accordance with the approved plan; (i) Continually study and assess service operations and needs of state departments, institutions, and agencies; (j)*

Provide services, equipment, and facilities as required pursuant to this part 11 for state departments, institutions, and agencies according to their needs; (k) Establish, in consultation with other state departments, institutions, and agencies, techniques and standards for microfilm, digital imaging, and digital conversion and evidentiary certification of photographs, microphotographs, or reproductions;

Performance Measures:

Having the funding to continue all customers jobs is certainly tied to maintaining a high rating on customer satisfaction. Approval of this request will also allow Integrated Document Factory to continue the good business relationships it has with its customers.

Objective: Maintaining Strategic Partnership with Customer By Exceeding Their Expectations Based upon surveys of their overall satisfaction.	Outcome	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Approp.	FY 09-10 Request
Maintain a minimum of 90% successful rating on meeting and exceeding customer expectations. The results of for this performance measure will come from the DCS Annual Customer Satisfaction Survey.	Benchmark	N/A	90%	90%	90%
	Actual	N/A	91%	TBD	TBD

**Schedule 13
Change Request for FY 2009-10 Budget Request Cycle**

Decision Item FY 2009-10	<input checked="" type="checkbox"/>	Base Reduction Item FY 2009-10	<input type="checkbox"/>	Supplemental FY 2008-09	<input type="checkbox"/>	Budget Amendment FY 2009-10	<input type="checkbox"/>			
Request Title:	Fleet Greening Manager		Dept. Approval by: <i>[Signature]</i>		Date:	November 1, 2008				
Department:	Personnel and Administration		OSP Approval: <i>[Signature]</i>		Date:	10-19-08				
Priority Number:	DI-11									
	1	2	3	4	5	6	7	8	9	10
	Prior-Year Actual FY 2007-08	Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2009-10	Decision/ Base Reduction FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total FTE 23,028,890 GF 15.7 GFE 0 CF 0 CFE/RF 23,028,890 FF 0	21,506,948 14.0 0 0 21,506,948 0	0 0.0 0 0 0 0	21,506,948 14.0 0 0 21,506,948 0	21,543,463 14.0 0 0 21,543,463 0	56,340 1.0 0 0 56,340 0	21,601,803 15.0 0 0 21,601,803 0	0 0.0 0 0 0 0	21,601,803 15.0 0 0 21,601,803 0	53,112 1.0 0 0 53,112 0
(4) Division of Central Services, (C) Fleet Management Program and Motor Pool Services, Personal Services	Total FTE 913,462 GF 15.7 GFE 0 CF 0 CFE/RF 913,462 FF 0	829,515 14.0 0 0 829,515 0	0 0.0 0 0 0 0	829,515 14.0 0 0 829,515 0	866,030 14.0 0 0 866,030 0	52,162 1.0 0 0 52,162 0	918,192 15.0 0 0 918,192 0	0 0.0 0 0 0 0	918,192 15.0 0 0 918,192 0	52,162 1.0 0 0 52,162 0
(4) Division of Central Services, (C) Fleet Management Program and Motor Pool Services, Operating Expenses	Total FTE 22,115,418 GF 0.0 GFE 0 CF 0 CFE/RF 22,115,418 FF 0	20,677,433 0.0 0 0 20,677,433 0	0 0.0 0 0 0 0	20,677,433 0.0 0 0 20,677,433 0	20,677,433 0.0 0 0 20,677,433 0	6,178 0.0 0 0 6,178 0	20,683,611 0.0 0 0 20,683,611 0	0 0.0 0 0 0 0	20,683,611 0.0 0 0 20,683,611 0	950 0.0 0 0 950 0

Non-Line Item Request: None
 Letternote Revised Text: None
 Cash or Federal Fund Name and COFRS Fund Number: Motor Fleet Management Fund (COFRS 607)
 Reappropriated Funds Source, by Department and Line Item Name: This amount shall be from fees from user agencies deposited in the Motor Fleet Management Fund pursuant to Section 24-30-1115, C.R.S.
 Approval by OIT? Yes: No: N/A:
 Schedule 13s from Affected Departments: None

CHANGE REQUEST for FY 2009-10 BUDGET REQUEST CYCLE

Department:	Personnel and Administration
Priority Number:	DI-11
Change Request Title:	Fleet Greening Manager

SELECT ONE (click on box):

- Decision Item FY 2009-10
- Base Reduction Item FY 2009-10
- Supplemental Request FY 2008-09
- Budget Request Amendment FY 2009-10

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:

The State Fleet Management Program (SFM) in the Division of Central Services (DCS) anticipates a significant workload increase in its efforts to meet the vehicle fleet initiatives of Executive Order D007 12 concerning Greening Government. Consequently, this request is for funding for \$58,340 and 1.0 FTE in FY 2009-10 and \$53,112 and 1.0 FTE in FY 2010-11, all Reappropriated Funds, to perform these duties.

Background and Appropriation History:

The Fleet Management Program owns, manages, and operates the State's vehicle assets as defined in 24-30-1102 C.R.S. (2008) Services provided include, but are not limited to, accident investigation, safety training, driver education, vehicle inspections and procurement, vehicle selection and valuation, seminar presentation, management, statistical analysis, data collection and technology assessment. Section 24-30-1104 C.R.S. (2008) et seq. provides the statutory authorization for the Fleet Management Unit of the Division.

The new requirements of the Greening Government Executive Order requires fleet management to work closely with the Greening Government Program Manager and the

Bio-fuels Program Manager, located in the Governor's Energy Office to aggressively pursue achievement of the petroleum reduction goal through driver and vehicle coordinator training and education, ensuring that the vehicle requested is the most efficient vehicle for the job, managing the procurement process in a way that maximizes the number of hybrid, flex-fuel, and other fuel efficient vehicles available for purchase, and coordinates with the Governor's Bio-fuels Coalition to ensure sufficient bio-fuels infrastructure and availability.

General Description of Request:

The State Fleet Management Program is responsible for the procurement, management, and administration of the State's fleet. In April, 2007 Governor Ritter signed Executive Orders D0011 07 and D0012 07, Greening Government. The Executive Orders call for State government to lead by example and reduce its impact on the environment. Specifically, State departments and agencies are asked to reduce their volumetric petroleum consumption by 25% in the next five years.

State fleet is anticipating the need to reduce its consumption by an amount greater than 25% because the fleet is expected to continue growing; the number of vehicles and vehicle miles traveled are increasing due to growth in Colorado population and the government programs necessary to serve that population. This is a significant goal which will provide enormous benefit to the citizens of Colorado in the form of reduced carbon dioxide and other pollutants, cost savings through reduced fuel purchases, and aid market transformation of green fleet vehicles, practices, and fuels. Providing funding for 1.0 FTE and \$58,340 Reappropriated Funds will ensure that Green Government policies and initiatives for the State's fleet are properly administered and monitored.

The Fleet Greening Manager will perform a vehicle utilization audit to review each vehicle type requested and ensure that the vehicle selection is properly sized for the job. The Manager will be responsible for developing and implementing numerous projects and initiatives targeted at reducing miles and vehicles, improving utilization of alternative fuel fuels and improving the fuel efficiency of the State's fleet. The Manager will be responsible for educating State employees in fuel-efficient driving techniques, including anti-idling and slow-start practices in addition to employing strategies to

reduce vehicle miles traveled such as audio conferencing and ride sharing. Additionally, the position will educate fleet and vehicle coordinators in other techniques not performed by the driver to ensure optimal fuel efficiency; e.g., ensuring proper tire pressure is maintained.

Consequences if Not Funded:

Currently, State Fleet Management has no staff devoted exclusively to this project. If this request is not funded, State Fleet Management will lack the resources to effectively perform this function, and may need to redirect current resources to the Executive Order. The net effect would be a reduction in State Fleet Management Program services to other departments and agencies at a time when those organizations are seeking additional guidance and assistance to follow the Executive Order. This would severely limit the Program's ability to provide assessment and training services to State agencies and effort to reduce petroleum consumption. The result is a long-term negative impact on the Program's efforts to operate and maintain a fuel-efficient fleet and the risk of falling short on the Executive Order.

Calculations for Request:

Summary of Request FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	\$58,340	\$0	\$0	\$58,340	\$0	1.0
(C) Fleet Management Program and Motor Pool Services, Personal Services	\$52,162	\$0	\$0	\$52,162	\$0	1.0
(C) Fleet Management Program and Motor Pool Services, Operating Expenses	\$6,178	\$0	\$0	\$6,178	\$0	0.0

Summary of Request FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	\$53,112	\$0	\$0	\$53,112	\$0	1.0
(C) Fleet Management Program and Motor Pool Services, Personal Services	\$52,162	\$0	\$0	\$52,162	\$0	1.0

STATE OF COLORADO FY 2009-10 BUDGET REQUEST CYCLE: Personnel and Administration

Summary of Request FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
(C) Fleet Management Program and Motor Pool Services, Operating Expenses	\$950	\$0	\$0	\$950	\$0	0.0

FTE and Operating Costs			
Fiscal Year(s) of Request		FY 09-10	FY 10-11
PERSONAL SERVICES	Title:	General	Professional III
Number of PERSONS / class title		1	1
Number of months working in FY 09-10 and FY 10-11		12	12
Number months paid in FY 09-10 and FY 10-11		12	12
Calculated FTE per classification		1.0	1.0
Annual base salary		\$46,740	\$46,740
PERA	10.15%	\$4,744	\$4,744
Medicare	1.45%	\$678	\$678
Subtotal Personal Services		\$52,162	\$52,162
OPERATING EXPENSES			
Supplies @ \$500/\$500	\$500	\$500	\$500
Computer @ \$900/\$0	\$900	\$900	\$0
Office Suite Software @ \$330/\$0	\$330	\$330	\$0
Office Equipment @ \$2,225 /\$0	\$3,998	\$3,998	\$0
Telephone Base @ \$450/\$450	\$450	\$450	\$450
Subtotal Operating Expenses		\$6,178	\$950
TOTAL ALL COSTS		\$58,340	\$53,112

Cash Funds Projections:

Cash Fund Name	Cash Fund Number	FY 2007-08 Expenditures	FY 2007-08 End of Year Cash Balance	FY 2008-09 End of Year Cash Balance Estimate	FY 2009-10 End of Year Cash Balance Estimate	FY 2010-11 End of Year Cash Balance Estimate
Motor Fleet Management Fund	607	\$31,414,918	\$17,599,101	\$17,068,434	\$17,142,169	\$17,218,117

Assumptions for Calculations:

The classification for this FTE will be General Professional III. This level is chosen so that the position is filled with a professional that works independently in performing the full range of analyses, evaluations and tasks related to the “greening” initiative. Experience and knowledge of theories and best practices will be used to make professional judgments in the adaptation and skilled application of guidelines to solve the full range of problems related to the assignment with State Fleet Management. The position will serve as a specialist and resource to others for this statewide program.

Impact on Other Government Agencies:

As with other State Fleet Management positions, the costs for this position will be worked into the regular rate setting processes for State Fleet Management; no participating agency appropriations are adjusted. It is not possible to determine exact impacts to affected agencies (all agencies that participate with the State’s Fleet Program) since the factors involved are highly variable, e.g., they depend upon number of vehicles, total mileage, fuel and maintenance costs specific to user agencies.

Cost Benefit Analysis:

Cost	Benefit
\$58,340 RF in FY 2009-10 \$53,112 RF in out years	Savings from reduced fuel purchases. If the Fleet Greening Manager is able to facilitate 5% of the reduction in fuel consumption FY 2009-10, this would result in savings of \$331,728, assuming a cost of \$3 per gallon. Reduced carbon dioxide emissions and smog producing pollutants. Aid in market transformation of green fleet vehicles, practices, and fuels.

Implementation Schedule:

Task	Month/Year
FTE Hired	July 2009

Statutory and Federal Authority:

24-30-1102, C.R.S. (2008). (2) In addition to the county-specific functions set forth in subsection (1) of this section, the department of personnel shall take such steps as are necessary to fully implement a central state motor vehicle fleet system by January 1, 1993. The provisions of the motor vehicle fleet system created pursuant to this subsection (2) shall apply to the executive branch of the state of Colorado, its departments, its institutions, and its agencies; except that the governing board of each institution of higher education, by formal action of the board, and the Colorado commission on higher education, by formal action of the commission, may elect to be exempt from the provisions of this subsection (2) and may obtain a motor vehicle fleet system independent of the state motor vehicle fleet system. Under the direction of the executive director, the department of personnel shall perform the following functions pertaining to the motor vehicle fleet system throughout the state: (a) Establish and operate a central state motor

vehicle fleet system and such subsidiary-related facilities as are necessary to provide for the efficient and economical use of state-owned motor vehicles by state officers and employees; (b) Establish and operate central facilities for the maintenance, repair, and storage of state-owned passenger motor vehicles for the use of state agencies; utilize any available state facilities for that purpose; and enter into contracts with such facilities as are necessary to carry out the provisions of this part 11; (c) (I) Adopt uniform rules for motor vehicle acquisition, operation, maintenance, repair, and disposal standards. Uniform rules adopted by the executive director of the department of personnel pertaining to acquisition of motor vehicles by lease or purchase shall provide that low energy consumption shall be a favorable factor in determining the low responsible bidder. The size of any passenger motor vehicle shall not be greater than necessary to accomplish its purpose. (II) By January 1, 2008, the executive director shall adopt a policy to significantly increase the utilization of alternative fuels and that establishes increasing utilization objectives for each following year. To encourage compliance with this policy, the rules promulgated pursuant to this paragraph (c) may establish progressively more stringent percentage mileposts and shall, for fiscal years commencing after July 1, 2004, require the collection of data concerning the annual percentage of state-owned bi-fueled vehicles that were fueled exclusively with an alternative fuel. Beginning January 1, 2008, the executive director shall purchase flexible fuel vehicles or hybrid vehicles, subject to availability, unless the increased cost of such vehicle is more than ten percent over the cost of a comparable nonflexible fuel vehicle. The executive director shall adopt a policy to allow some vehicles to be exempted from this requirement. As used in this subparagraph (II): (IV) (A) By January 1, 2007, the director shall adopt a policy that all state-owned diesel vehicles and equipment shall be fueled with a fuel blend of twenty percent biodiesel and eighty percent petroleum diesel, subject to availability and so long as the price is no greater than ten cents more per gallon than the price of diesel fuel. The director shall provide for the proper administration, implementation, and enforcement of the policy.

Performance Measures:

The goals in the following performance measures will be directly affected by this position. Alternative fuel use and overall reduction of petroleum will be two primary responsibilities of this employee.

Objective: Support Greening of Government Through Focused Business Strategies	Outcome	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Approp.	FY 09-10 Request
Increase percentage of total fuel use that is E85 fuel. (Measure is percent increase from prior year.)	Benchmark	N/A	N/A	100%	50%
	Actual	N/A	TBD	TBD	TBD

Objective: Support Greening of Government Through Focused Business Strategies	Outcome	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Approp.	FY 09-10 Request
Reduce the amount of petroleum used by the State Fleet by 25% by 2012. Base gallons were 2,601,786.	Benchmark	0	2,471,697 gal (5%)	2,341,607 gal (10%)	2,211,518 gal (15%)
	Actual	2,706,902 gal	2,708,052 gal	TBD	TBD

**Schedule 13
Change Request for FY 2009-10 Budget Request Cycle**

Decision Item FY 2009-10 Base Reduction Item FY 2009-10 Supplemental FY 2008-09 Budget Amendment FY 2009-10

Request Title: **Camp George West Ongoing Noxious Weeds**
 Department: **Personnel and Administration**
 Priority Number: **DI-12**

Dept. Approval by: *[Signature]*
 OSPB Approval:

Date: **November 1, 2008**
 Date: *[Signature]*

2/10/2008

	1	2	3	4	5	6	7	8	9	10
	Prior-Year Actual FY 2007-08	Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2009-10	Decision/ Base Reduction FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total FTE 121,815 GF 0.0 GFE 0 CF 0 CFE/RF 0	122,102 0.0 0 0 0	0 0.0 0 0 0	122,102 0.0 0 0 0	122,102 0.0 0 0 0	44,187 0.0 0 0 0	166,289 0.0 0 0 0	0 0.0 0 0 0	166,289 0.0 0 0 0	44,187 0.0 0 0 0
(4) Division of Central Services, (D)(3) Camp George West, Operating Expenses	Total FTE 121,815 GF 0.0 GFE 0 CF 0 CFE/RF 0	122,102 0.0 0 0 0	0 0.0 0 0 0	122,102 0.0 0 0 0	122,102 0.0 0 0 0	44,187 0.0 0 0 0	166,289 0.0 0 0 0	0 0.0 0 0 0	166,289 0.0 0 0 0	44,187 0.0 0 0 0

Non-Line Item Request: **None**
 Letternote Revised Text: **None**
 Cash or Federal Fund Name and COFRS Fund Number: **Capitol Complex Facilities (COFRS 610)**
 Reappropriated Funds Source, by Department and Line Item Name: **fees from user agencies**
 Approval by OIT? **Yes: No:** **N/A:**
 Schedule 13s from Affected Departments: **All departments affected by this common policy**

CHANGE REQUEST for FY 2009-10 BUDGET REQUEST CYCLE

Department:	Personnel and Administration
Priority Number:	DI-12
Change Request Title:	Camp George West Ongoing Noxious Weeds

SELECT ONE (click on box):

- Decision Item FY 2009-10
- Base Reduction Item FY 2009-10
- Supplemental Request FY 2008-09
- Budget Request Amendment FY 2009-10

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:

The Division of Central Services, Facilities Maintenance is requesting \$44,187 Reappropriated Funds to eradicate the noxious weeds at Camp George West under the “Colorado Noxious Weeds Act.” This request is being made on an annualized basis. Lease rates for the tenants of Camp George West will be increased proportionately to cover this cost.

Background and Appropriation History:

The Department of Personnel and Administration holds title to property just east of Camp George West, which falls under the South Table Top Mountain easement with Jefferson County, and manages the grounds for Camp George West. In accordance with the Colorado Noxious Weed Act, Jefferson County notified the Department of noxious weeds that need to be eradicated.

The “Colorado Noxious Weed Act” (35-5.5-108(1), C.R.S. (2008)) defines noxious weeds as weeds that are detrimental to economic crops; aggressively invade native plant communities; are poisonous to livestock; carry insects, diseases or parasites; or are detrimental to ecosystems. As instructed in 35.5-110(1), C.R.S. (2008), State

departments are responsible for managing noxious weeds on any lands under their jurisdiction using the methods prescribed by the local governing units in whose jurisdiction the State lands are located. The Jefferson County Weed Supervisor has notified the Department of Personnel and Administration of noxious weeds on property it owns adjacent to Camp George West.

The Department can comply with State law and eradicate the noxious weeds by acquiring the necessary funding to implement the necessary treatment. The appropriation was increased in FY 2005-06 based upon a Joint Budget Committee (JBC) approved Decision Item associated with noxious weed remediation. The FY 2006-07 appropriation was also increased based upon a FY 2006-07 Decision Item, again for noxious weeds. Historically, the need for this eradication is ongoing, and the Department has no reason to believe that there will not be the same need in future years.

General Description of Request:

The Department requests an annual increase in the appropriated base Operating Expenses line item for Camp George West to provide ongoing eradication of these weeds. The request is for \$44,187 all Reappropriated Funds. Lease rates for the tenants of Camp George West will be increased proportionately to cover this cost.

The base increase will allow the Department to eradicate weeds as soon as it is notified, and in the future, take a proactive approach of yearly eradication before the County has to step in. This proactive approach may also result in a reduced cost of eradication, as it will be done before weeds have spread and larger area eradication will be required. It will also allow the Department to avoid any fees it may incur from Jefferson County.

The environment is also a concern in this case. Environmentally, it is safer to eradicate early, before weeds spread to a larger area.

Also, Governor Ritter has proclaimed July 13 - 19, 2008 to be Colorado Weed Awareness Week (CWAW). It is up to DPA to support this movement and perform the yearly eradication.

Consequences if Not Funded:

If the Department were to not address this issue, Jefferson County could eradicate the weeds themselves, and bill the Department for the work completed. See specifically 35-5.5-110, C.R.S. (2008) In addition, civil penalties may also be imposed for non-compliance. See 35-5.5-118, C.R.S. (2008) This alternative could result in higher costs to the State. The Department will also have to wait for funding from future emergency supplementals and other requests, and incur fees simply by delaying the eradication. Further, by not addressing the problem it could give the impression that the State is circumventing its own laws and obligations.

Calculations for Request:

Summary of Request FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	\$44,187	\$0	\$0	\$44,187	\$0	0.0
Operating Expenses - Herbicide Treatment	\$44,187	\$0	\$0	\$44,187	\$0	0.0

Summary of Request FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	\$44,187	\$0	\$0	\$44,187	\$0	0.0
Operating Expenses - Herbicide Treatment	\$44,187	\$0	\$0	\$44,187	\$0	0.0

Herbicide Application Details			
Application	Section	Key Species	Cost
1 (July-Oct.)	(A) 40 feet each side of test track and skid area with total vegetation control on some of the graveled shoulders (5-15 feet wide)	Thistles, knapweed, puncture vine, mullein and willow. All area treated.	\$5,645
1 (July-Oct.)	(B) Area South of entrance and West of track to access road to Energy Research Facility in North West quadrant of property proceeding South to track control office.	Knapweed, Scotch thistle. All area treated.	\$5,810
1 (July-Oct.)	(C) Remainder of 220 acre property-- extreme topography and obstacles on Western portion	Knapweed and Canada thistle. Application as needed.	\$10,639
2 (March-June)	(A) 40 feet each side of test track and skid area with total vegetation control on some of the graveled shoulders (5-15 feet wide)	Thistles, knapweed, puncture vine, mullein and willow. All area treated.	\$5,645
2 (March-June)	(B) Area South of entrance and West of track to access road to Energy Research Facility in North West quadrant of property proceeding South to track control office.	Knapweed, Scotch thistle. All area treated.	\$5,810
2 (March-June)	(C) Remainder of 220 acre property-- extreme topography and obstacles on Western portion	Knapweed and Canada thistle. Application as needed.	\$10,639
Total			\$44,187

Cash Funds Projections:

Cash Fund Name	Cash Fund Number	FY 2007-08 Expenditures	FY 2007-08 End of Year Cash Balance	FY 2008-09 End of Year Cash Balance Estimate	FY 2009-10 End of Year Cash Balance Estimate	FY 2010-11 End of Year Cash Balance Estimate
Capitol Complex Facilities	610	\$10,771,823	\$2,306,978	\$2,407,088	\$2,567,844	\$2,791,067

Assumptions for Calculations: The source of the cost is the vendor used when previously granted funding (Wayne Wood).

Impact on Other Government Agencies:

Cost Allocation for Affected Agencies		
Affected Agencies	FY 2009-10 Request	FY 2010-11 Request
Corrections	\$6,591	\$0
Correctional Industries	\$2,887	\$0
Local Affairs	\$2,642	\$0
Military Affairs	\$7,582	\$0
Public Safety	\$20,780	\$0
Transportation	\$2,822	\$0
CSU Forest Service	\$882	\$0
Total	\$44,187	\$0

Cost Benefit Analysis:

Cost	Benefit
\$44,187 for treatment	\$44,187 County-performed eradication (may be even higher) +\$1,000 Possible county fees \$ 45,187 Percent Savings = $(\$1,000/\$45,187) = 2.2\%$

Implementation Schedule:

Task	Month/Year
Start-Up Date	July 2010

Statutory and Federal Authority:

Colorado Revised Statute 24-50.3-104 (2008) (2) (f)(2) In addition to all other powers and duties conferred or imposed upon the executive director by this article or any other law, the executive director shall: (f) Supervise the provision of maintenance and other related services to all buildings and grounds in the capitol buildings group. 24 – 82 – 101 (2008) The department of personnel shall have control of the capitol and legislative services building and grounds and any other property the state may acquire adjacent thereto, together with all furniture, fixtures, furnishings, and equipment and all exhibits placed in and about said buildings, including supervision of the provision of maintenance for the state capitol buildings group, and including assignment of all executive space owned and rented in the capitol buildings group, subject to legislative appropriation, subject to the provisions of section 2-2-321, C.R.S. (2008), concerning space for the legislative department, and subject to the provisions of section 24-82-108, concerning preservation of the state capitol building.

Performance Measures:

The survey the performance measure is based upon is given to all tenants. To maintain a high rating, proper care must be taken of the buildings.

Objective: Maintaining Strategic Partnership with Customer By Exceeding Their Expectations Based upon surveys of their overall satisfaction.	Outcome	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Approp.	FY 09-10 Request
Maintain a minimum of 90% successful rating on meeting and exceeding customer expectations. The results of for this performance measure will come from the DCS Annual Customer Satisfaction Survey.	Benchmark	N/A	90%	90%	90%
	Actual	N/A	91%		

**Schedule 13
Change Request for FY 2009-10 Budget Request Cycle**

Decision Item FY 2009-10 FY 2009-10 Long Bill Realignment Base Reduction Item FY 2009-10 Supplemental FY 2008-09 Budget Amendment FY 2009-10

Request Title: FY 2009-10 Long Bill Realignment

Department: Personnel and Administration

Priority Number: DI-13

Dept. Approval by: 
OSPB Approval: 

Date: November 1, 2008
Date: 10-21-08

	1		2		3		4		5		6		7		8		9		10	
	Prior-Year Actual FY 2007-08	Fund	Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2009-10	Decision/ Base Reduction FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11									
Total of All Line Items	Total FTE 21,935,867.0 GF 8,250,202 GFE 249,481 CF 0 CFE/RF 21,935,867 FF 8,250,202		20,492,376 130.1 6,286,600 0 1,995,934 12,209,842 0	0 0.0 0 0 0 0 0	20,492,376 130.1 6,286,600 0 1,995,934 12,209,842 0	20,980,450 129.1 6,540,665 0 1,995,934 12,443,851 0	0 (0.0) 0 0 0 0 0	20,980,450 129.1 6,540,665 0 1,995,934 12,443,851 0	0 0.0 0 0 0 0 0	20,980,450 129.1 6,540,665 0 1,995,934 12,443,851 0	0 (0.0) 0 0 0 0 0									
(1) Executive Director's Office, (A) Departmental Administration, Personal Services (new line)	Total FTE 0.0 GF 0 GFE 0 CF 0 CFE/RF 0 FF 0		0 0.0 0 0 0 0 0	0 0.0 0 0 0 0 0	0 0.0 0 0 0 0 0	0 0.0 0 0 0 0 0	1,819,883 21.5 0 0 0 0 0	1,819,883 21.5 0 0 0 0 0	0 0.0 0 0 0 0 0	1,819,883 21.5 0 0 0 0 0	1,819,883 21.5 0 0 0 0 0									
(1) Executive Director's Office, (A) Departmental Administration, Health, Life and Dental (new line)	Total FTE 0.0 GF 0 GFE 0 CF 0 CFE/RF 0 FF 0		0 0.0 0 0 0 0 0	0 0.0 0 0 0 0 0	0 0.0 0 0 0 0 0	0 0.0 0 0 0 0 0	1,847,890 0.0 646,399 0 0 0 0	1,847,890 0.0 646,399 0 0 0 0	0 0.0 0 0 0 0 0	1,847,890 0.0 646,399 0 0 0 0	2,124,061 0.0 617,961 0 0 0 0									
(1) Executive Director's Office, (A) Departmental Administration, Short-term Disability (new line)	Total FTE 0.0 GF 0 GFE 0 CF 0 CFE/RF 0 FF 0		0 0.0 0 0 0 0 0	0 0.0 0 0 0 0 0	0 0.0 0 0 0 0 0	0 0.0 0 0 0 0 0	28,704 0.0 3,661 0 0 0 0	28,704 0.0 3,661 0 0 0 0	0 0.0 0 0 0 0 0	28,704 0.0 3,661 0 0 0 0	29,653 0.0 11,012 0 0 0 0									
(1) Executive Director's Office, (A) Departmental Administration, S.B. 04-257 Amortization Equalization Disbursement (new line)	Total FTE 0.0 GF 0 GFE 0 CF 0 CFE/RF 0 FF 0		0 0.0 0 0 0 0 0	0 0.0 0 0 0 0 0	0 0.0 0 0 0 0 0	0 0.0 0 0 0 0 0	352,343 0.0 44,125 0 0 0 0	352,343 0.0 44,125 0 0 0 0	0 0.0 0 0 0 0 0	352,343 0.0 44,125 0 0 0 0	458,024 0.0 170,086 0 0 0 0									

**Schedule 13
Change Request for FY 2009-10 Budget Request Cycle**

Decision Item FY 2009-10 **F** Base Reduction Item FY 2009-10 **F** Supplemental FY 2008-09 **F** Budget Amendment FY 2009-10 **F**

Request Title: FY 2009-10 Long Bill Realignment

Department: Personnel and Administration

Priority Number: DI-13

Dept. Approval by: **OSP/B Approval:**

Date: November 1, 2008

Date:

	1		2		3		4		5		6		7		8		9		10	
	Prior-Year Actual FY 2007-08	Fund	Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2009-10	Decision/ Base Reduction FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11									
(1) Executive Director's Office, (A) Departmental Administration, S.B. 06-235 Supplemental Amortization Equalization Disbursement (new line)	Total	0	0	0	0	0	164,427	164,427	0	164,427	286,264									
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0										
	GF	0	0	0	0	0	19,950	19,950	0	19,950	106,580									
	GFE	0	0	0	0	0	0	0	0	0										
(1) Executive Director's Office, (A) Departmental Administration, Salary Survey and Senior Executive Service (new line)	CF	0	0	0	0	0	144,477	144,477	0	144,477	179,684									
	CFE/RF	0	0	0	0	0	0	0	0	0										
	FF	0	0	0	0	0	0	0	0	0										
	Total	0	0	0	0	0	831,885	831,885	0	831,885	547,015									
(1) Executive Director's Office, (A) Departmental Administration, Performance-based Pay Awards (new line)	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0										
	GF	0	0	0	0	0	389,908	389,908	0	389,908	190,146									
	GFE	0	0	0	0	0	0	0	0	0										
	CF	0	0	0	0	0	0	0	0	0										
(1) Executive Director's Office, (A) Departmental Administration, Shift Differential (new line)	CFE/RF	0	0	0	0	0	441,977	441,977	0	441,977	356,869									
	FF	0	0	0	0	0	0	0	0	0										
	Total	0	0	0	0	0	325,410	325,410	0	325,410	0									
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0										
(1) Executive Director's Office, (A) Departmental Administration, Workers' Compensation (new line)	GF	0	0	0	0	0	141,466	141,466	0	141,466	0									
	GFE	0	0	0	0	0	0	0	0	0										
	CF	0	0	0	0	0	0	0	0	0										
	CFE/RF	0	0	0	0	0	183,944	183,944	0	183,944	0									
(1) Executive Director's Office, (A) Departmental Administration, Shift Differential (new line)	FF	0	0	0	0	0	0	0	0	0										
	Total	0	0	0	0	0	39,126	39,126	0	39,126	39,126									
	FTE	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										
(1) Executive Director's Office, (A) Departmental Administration, Workers' Compensation (new line)	GFE	0	0	0	0	0	0	0	0	0										
	CF	0	0	0	0	0	0	0	0	0										
	CFE/RF	0	0	0	0	0	39,126	39,126	0	39,126	0									
	FF	0	0	0	0	0	0	0	0	0										
(1) Executive Director's Office, (A) Departmental Administration, Workers' Compensation (new line)	Total	0	0	0	0	0	205,462	205,462	0	205,462	205,462									
	FTE	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										
	GFE	0	0	0	0	0	61,346	61,346	0	61,346	61,346									
(1) Executive Director's Office, (A) Departmental Administration, Workers' Compensation (new line)	CF	0	0	0	0	0	0	0	0	0										
	CFE/RF	0	0	0	0	0	144,116	144,116	0	144,116	144,116									
	FF	0	0	0	0	0	0	0	0	0										
	Total	0	0	0	0	0	144,116	144,116	0	144,116	144,116									

**Schedule 13
Change Request for FY 2009-10 Budget Request Cycle**

Decision Item FY 2009-10 FY 2009-10 Long Bill Realignment Base Reduction Item FY 2009-10 Supplemental FY 2008-09 Budget Amendment FY 2009-10

Request Title: FY 2009-10 Long Bill Realignment

Department: Personnel and Administration

Priority Number: DI-13

Dept. Approval by: **OSPB Approval:**

Date: November 1, 2008

Date:

	1	2	3	4	5	6	7	8	9	10
	Prior-Year Actual FY 2007-08	Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2009-10	Decision/ Base Reduction FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11
(1) Executive Director's Office, (A) Departmental Administration, Operating Expenses (new line)	Total	0	0	0	0	99,842	99,842	0	99,842	99,842
	FTE	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
	GFE	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0
CFE/R/F	0	0	0	0	0	99,842	99,842	0	99,842	99,842
FF	0	0	0	0	0	0	0	0	0	0
(1) Executive Director's Office, (A) Departmental Administration, Legal Services for 4,026 hours (new line)	Total	0	0	0	0	296,270	296,270	0	296,270	296,270
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	0	0	0	0	0	246,803	0	246,803	246,803
	GFE	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0
CFE/R/F	0	0	0	0	0	49,467	49,467	0	49,467	49,467
FF	0	0	0	0	0	0	0	0	0	0
(1) Executive Director's Office, (A) Departmental Administration, Administrative Law Judge Services (new line)	Total	0	0	0	0	2,633	2,633	0	2,633	2,633
	FTE	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
	GFE	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0
CFE/R/F	0	0	0	0	0	2,633	2,633	0	2,633	2,633
FF	0	0	0	0	0	0	0	0	0	0
(1) Executive Director's Office, (A) Departmental Administration, Purchase of Services from the Computer Center (new line)	Total	0	0	0	0	2,294,353	2,294,353	0	2,294,353	2,294,353
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	0	0	0	0	0	947,875	0	947,875	947,875
	GFE	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0
CFE/R/F	0	0	0	0	0	1,346,478	1,346,478	0	1,346,478	1,346,478
FF	0	0	0	0	0	0	0	0	0	0
(1) Executive Director's Office, (A) Departmental Administration, Multituse Network Payments (new line)	Total	0	0	0	0	67,547	67,547	0	67,547	67,547
	FTE	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
	GFE	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0
CFE/R/F	0	0	0	0	0	67,547	67,547	0	67,547	67,547
FF	0	0	0	0	0	0	0	0	0	0

**Schedule 13
Change Request for FY 2009-10 Budget Request Cycle**

Decision Item FY 2009-10 FY 2009-10 Long Bill Realignment Base Reduction Item FY 2009-10 Supplemental FY 2008-09 Budget Amendment FY 2009-10

Request Title: FY 2009-10 Long Bill Realignment

Department: Personnel and Administration

Priority Number: DI-13

Dept. Approval by: OSPB Approval:

Date: November 1, 2008

Date:

	1		2		3		4		5		6		7		8		9		10		
	Prior-Year Actual FY 2007-08	Fund	Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2009-10	Decision/ Base Reduction FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11										
(1) Executive Director's Office, (A) Departmental Administration, Payment to Risk Management and Property Funds (new line)	Total	0	0	0	0	0	651,845	651,845	0	651,845	651,845	0.0	0.0	194,582	0	0	194,582	0	0	457,263	457,263
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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	194,582	194,582	0	194,582	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CFE/RF	0	0	0	0	0	0	457,263	457,263	0	457,263	457,263	0	0	0	0	0	0	0	0	0	0
FF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(1) Executive Director's Office, (A) Departmental Administration, Vehicle Lease Payments (new line)	Total	0	0	0	0	0	43,315	43,315	0	43,315	43,315	0.0	0.0	2,118	0	0	2,118	0	0	41,197	41,197
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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	2,118	2,118	0	2,118	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CFE/RF	0	0	0	0	0	0	41,197	41,197	0	41,197	41,197	0	0	0	0	0	0	0	0	0	0
FF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(1) Executive Director's Office, (A) Departmental Administration, Leased Space (new line)	Total	0	0	0	0	0	1,313,306	1,313,306	0	1,313,306	1,313,306	0.0	0.0	434,813	0	0	434,813	0	0	17,163	17,163
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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	434,813	434,813	0	434,813	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	17,163	17,163	0	17,163	0	0	0	0	0	0	0	0	0	0
CFE/RF	0	0	0	0	0	0	861,330	861,330	0	861,330	861,330	0	0	0	0	0	0	0	0	0	0
FF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(1) Executive Director's Office, (A) Departmental Administration, Capitol Complex Leased Space (new line)	Total	0	0	0	0	0	809,098	809,098	0	809,098	809,098	0.0	0.0	559,100	0	0	559,100	0	0	249,998	249,998
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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	559,100	559,100	0	559,100	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	249,998	249,998	0	249,998	0	0	0	0	0	0	0	0	0	0
CFE/RF	0	0	0	0	0	0	249,998	249,998	0	249,998	249,998	0	0	0	0	0	0	0	0	0	0
FF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(1) Executive Director's Office, (A) Departmental Administration, Communications Services Payments (new line)	Total	0	0	0	0	0	887	887	0	887	887	0.0	0.0	887	0	0	887	0	0	887	887
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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	887	887	0	887	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CFE/RF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

**Schedule 13
Change Request for FY 2009-10 Budget Request Cycle**

Decision Item FY 2009-10 **FY 2009-10 Long Bill Realignment** Base Reduction Item FY 2009-10 Supplemental FY 2008-09 Budget Amendment FY 2009-10

Request Title: **FY 2009-10 Long Bill Realignment**

Department: **Personnel and Administration**

Priority Number: **DI-13**

Dept. Approval by: **OSP/B Approval:**

Date: **November 1, 2008**

Date: _____

	1	2	3	4	5	6	7	8	9	10
	Prior-Year Actual FY 2007-08	Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2009-10	Decision/ Base Reduction FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11
(1) Executive Director's Office, (A) Departmental Administration, Health Insurance Portability and Accountability Act of 1996 - Security Remediation (new line)	Total	0	0	0	0	202,769	202,769	0	202,769	202,769
	FTE	0.0	0.0	0.0	0.0	1.0	1.0	0.0	1.0	1.0
	GF	0	0	0	0	82,651	82,651	0	82,651	82,651
	GFE	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0
CFE/RF	0	0	0	0	0	120,118	120,118	0	120,118	120,118
FF	0	0	0	0	0	0	0	0	0	0
(1) Executive Director's Office, (B)(1) Statewide Special Purpose, Colorado State Employees Assistance Program, Personal Services (new line)	Total	0	0	0	0	631,347	631,347	0	631,347	631,347
	FTE	0.0	0.0	0.0	0.0	10.0	10.0	0.0	10.0	10.0
	GF	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0
CFE/RF	0	0	0	0	0	631,347	631,347	0	631,347	631,347
FF	0	0	0	0	0	0	0	0	0	0
(1) Executive Director's Office, (B)(1) Statewide Special Purpose, Colorado State Employees Assistance Program, Operating Expenses (new line)	Total	0	0	0	0	52,825	52,825	0	52,825	52,825
	FTE	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
	GFE	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0
CFE/RF	0	0	0	0	0	52,825	52,825	0	52,825	52,825
FF	0	0	0	0	0	0	0	0	0	0
(1) Executive Director's Office, (B)(1) Statewide Special Purpose, Colorado State Employees Assistance Program, Indirect Cost Assessment (new line)	Total	0	0	0	0	162,295	162,295	0	162,295	162,295
	FTE	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
	GFE	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0
CFE/RF	0	0	0	0	0	162,295	162,295	0	162,295	162,295
FF	0	0	0	0	0	0	0	0	0	0
(1) Executive Director's Office, (B)(2) Statewide Special Purpose, Office of the State Architect (new line)	Total	0	0	0	0	557,471	557,471	0	557,471	557,471
	FTE	0.0	0.0	0.0	0.0	6.0	6.0	0.0	6.0	6.0
	GF	0	0	0	0	557,471	557,471	0	557,471	557,471
	GFE	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0
CFE/RF	0	0	0	0	0	0	0	0	0	
FF	0	0	0	0	0	0	0	0	0	0

**Schedule 13
Change Request for FY 2009-10 Budget Request Cycle**

Decision Item FY 2009-10 **F** Base Reduction Item FY 2009-10 Supplemental FY 2008-09 Budget Amendment FY 2009-10

Request Title: FY 2009-10 Long Bill Realignment

Department: Personnel and Administration

Priority Number: DI-13

Dept. Approval by:

OSP/B Approval:

Date: November 1, 2008

Date:

	Fund	1	2	3	4	5	6	7	8	9	10
		Prior-Year Actual FY 2007-08	Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2009-10	Decision/ Base Reduction FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11
(1) Executive Director's Office, (B)(3) Statewide Special Purpose, Colorado State Archives, Personal Services (new line)	Total	0	0	0	0	0	538,085	538,085	0	538,085	538,085
	FTE	0.0	0.0	0.0	0.0	0.0	8.5	8.5	0.0	8.5	8.5
	GF	0	0	0	0	0	433,373	433,373	0	433,373	433,373
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	93,811	93,811	0	93,811	93,811
CFE/RF	0	0	0	0	0	10,901	10,901	0	10,901	10,901	
FF	0	0	0	0	0	0	0	0	0	0	
(1) Executive Director's Office, (B)(3) Statewide Special Purpose, Colorado State Archives, Operating Expenses (new line)	Total	0	0	0	0	0	56,794	56,794	0	56,794	56,794
	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	56,794	56,794	0	56,794	56,794
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
CFE/RF	0	0	0	0	0	0	0	0	0	0	
FF	0	0	0	0	0	0	0	0	0	0	
(1) Executive Director's Office, (B)(4) Statewide Special Purpose, Other Statewide Special Purpose, Test Facility Lease (new line)	Total	0	0	0	0	0	119,842	119,842	0	119,842	119,842
	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	119,842	119,842	0	119,842	119,842
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
CFE/RF	0	0	0	0	0	0	0	0	0	0	
FF	0	0	0	0	0	0	0	0	0	0	
(1) Executive Director's Office, (B)(4) Statewide Special Purpose, Other Statewide Special Purpose, Employment Security Contract Payment (new line)	Total	0	0	0	0	0	17,400	17,400	0	17,400	17,400
	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	10,889	10,889	0	10,889	10,889
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	6,511	6,511	0	6,511	6,511
CFE/RF	0	0	0	0	0	0	0	0	0	0	
FF	0	0	0	0	0	0	0	0	0	0	
(1) Executive Director's Office, (B)(4) Statewide Special Purpose, Other Statewide Special Purpose, Employment Emeritus Retirement (new line)	Total	0	0	0	0	0	11,370	11,370	0	11,370	11,370
	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	11,370	11,370	0	11,370	11,370
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
CFE/RF	0	0	0	0	0	0	0	0	0	0	
FF	0	0	0	0	0	0	0	0	0	0	

**Schedule 13
Change Request for FY 2009-10 Budget Request Cycle**

Decision Item FY 2009-10 **F** Base Reduction Item FY 2009-10 Supplemental FY 2008-09 Budget Amendment FY 2009-10
 Request Title: FY 2009-10 Long Bill Realignment
 Department: Personnel and Administration Dept. Approval by: _____ Date: November 1, 2008
 Priority Number: DI-13 OSPB Approval: _____ Date: _____

	1		2		3		4		5		6		7		8		9		10	
	Prior-Year Actual FY 2007-08	Fund	Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2009-10	Decision/ Base Reduction FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11									
(3) Constitutionally Independent Entities, (A) Personnel Board, Operating Expenses (new line)	Total	0	0	0	0	0	485,891	485,891	0	485,891	485,891	4.8	0	0	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	4.8	4.8	0.0	4.8	4.8	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	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CFE/RF	0	0	0	0	0	0	484,695	484,695	0	484,695	484,695	1,196	0	0	0	0	0	0	0	0
FF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(3) Constitutionally Independent Entities, (A) Personnel Board, Operating Expenses (new line)	Total	0	0	0	0	0	29,033	29,033	0	29,033	29,033	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	FTE	0.0	0.0	0.0	0.0	0.0	1.8	1.8	0.0	1.8	1.8	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	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CFE/RF	0	0	0	0	0	0	29,033	29,033	0	29,033	29,033	0	0	0	0	0	0	0	0	0
FF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(3) Constitutionally Independent Entities, (B) Independent Ethics Commission (new line)	Total	0	0	0	0	0	91,191	91,191	0	91,191	91,191	1.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	FTE	0.0	0.0	0.0	0.0	0.0	1.8	1.8	0.0	1.8	1.8	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	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CFE/RF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(5) Office of the State Controller, Personal Services (new line)	Total	0	0	0	0	0	2,449,912	2,449,912	0	2,449,912	2,449,912	27.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	FTE	0.0	0.0	0.0	0.0	0.0	27.5	27.5	0.0	27.5	27.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	0	0	0	0	0	1,368,375	1,368,375	0	1,368,375	1,341,375	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GFE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CFE/RF	0	0	0	0	0	0	971,382	971,382	0	971,382	1,855,218	0	0	0	0	0	0	0	0	0
FF	0	0	0	0	0	0	110,155	110,155	0	110,155	(746,681)	0	0	0	0	0	0	0	0	0
(5) Office of the State Controller, Operating Expenses (new line)	Total	0	0	0	0	0	115,676	115,676	0	115,676	115,676	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CFE/RF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
FF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

**Schedule 13
Change Request for FY 2009-10 Budget Request Cycle**

Decision Item FY 2009-10 **F** Base Reduction Item FY 2009-10 **F** Supplemental FY 2008-09 **F** Budget Amendment FY 2009-10 **F**

Request Title: FY 2009-10 Long Bill Realignment

Department: Personnel and Administration

Priority Number: DI-13

Dept. Approval by: OSPB Approval:

Date: November 1, 2008

Date: November 1, 2008

	1		2		3		4		5		6		7		8		9		10	
	Prior-Year Actual FY 2007-08	Fund	Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2009-10	Decision/ Base Reduction FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11									
(6) Finance and Procurement, (A) State Purchasing Office, Personal Services (new line)	Total	0	0	0	0	0	856,836	856,836	0	856,836	856,836	9.0	0	0	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	9.0	9.0	0.0	9.0	9.0	0.0	0	0	0	0	0	0	0	0
	GF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(6) Finance and Procurement, (A) State Purchasing Office, Operating Expenses (new line)	Total	0	0	0	0	0	27,000	27,000	0	27,000	27,000	0.0	0	0	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	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	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(1) Executive Director's Office, Personal Services	Total	1,825,505	1,707,188	0	1,707,188	1,819,883	(1,819,883)	0	0	0	(1,819,883)	0	0	0	0	0	0	0	0	0
	FTE	18.6	21.5	0.0	21.5	21.5	(21.5)	0.0	0.0	0.0	(21.5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	176,910	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(1) Executive Director's Office, Health, Life and Dental	Total	1,943,979	1,847,890	0	1,847,890	1,847,890	(1,847,890)	0	0	0	(1,847,890)	0	0	0	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0	0	0	0	0	0
	GF	427,606	646,399	0	646,399	646,399	(646,399)	0	0	0	(646,399)	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(1) Executive Director's Office, Short-term Disability	Total	0	28,704	0	28,704	28,704	(28,704)	0	0	0	(28,704)	0	0	0	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0	0	0	0	0	0
	GF	0	3,661	0	3,661	3,661	(3,661)	0	0	0	(3,661)	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

**Schedule 13
Change Request for FY 2009-10 Budget Request Cycle**

Decision Item FY 2009-10 Base Reduction Item FY 2009-10 Supplemental FY 2008-09 Budget Amendment FY 2009-10

Request Title: FY 2009-10 Long Bill Realignment

Department: Personnel and Administration

Priority Number: DI-13

Dept. Approval by: OSPB Approval:

Date: November 1, 2008

Date:

	1		2		3		4		5		6		7		8		9		10	
	Prior-Year Actual FY 2007-08	Fund	Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2009-10	Decision/ Base Reduction FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11									
(1) Executive Director's Office, S.B. 04-257 Amortization Equalization Disbursement	Total		352,343	0	352,343	352,343	(352,343)	0	0	(458,024)										
	FTE		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0										
	GF		44,125	0	44,125	44,125	(44,125)	0	0	(170,086)										
	GFE		0	0	0	0	0	0	0	0										
(1) Executive Director's Office, S.B. 06-235 Supplemental Amortization Equalization Disbursement	Total		164,427	0	164,427	164,427	(164,427)	0	0	(286,264)										
	FTE		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0										
	GF		19,950	0	19,950	19,950	(19,950)	0	0	(106,580)										
	GFE		0	0	0	0	0	0	0	0										
(1) Executive Director's Office, Salary Survey and Senior Executive Service	Total		831,885	0	831,885	831,885	(831,885)	0	0	(547,015)										
	FTE		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0										
	GF		389,908	0	389,908	389,908	(389,908)	0	0	(190,146)										
	GFE		0	0	0	0	0	0	0	0										
(1) Executive Director's Office, Performance-based Pay Awards	Total		441,977	0	441,977	441,977	(441,977)	0	0	(356,869)										
	FTE		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0										
	GF		141,466	0	141,466	141,466	(141,466)	0	0	0										
	GFE		0	0	0	0	0	0	0	0										
(1) Executive Director's Office, Shift Differential	Total		39,126	0	39,126	39,126	(39,126)	0	0	(39,126)										
	FTE		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										
	GFE		0	0	0	0	0	0	0	0										

**Schedule 13
Change Request for FY 2009-10 Budget Request Cycle**

Decision Item FY 2009-10 **IV** Base Reduction Item FY 2009-10 Supplemental FY 2008-09 Budget Amendment FY 2009-10
 Request Title: FY 2009-10 Long Bill Realignment
 Department: Personnel and Administration
 Priority Number: DI-13
 Dept. Approval by: OSPB Approval:
 Date: November 1, 2008
 Date:

	1		2		3		4		5		6		7		8		9		10	
	Prior-Year Actual FY 2007-08	Fund	Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2009-10	Decision/ Base Reduction FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11									
(1) Executive Director's Office, Workers' Compensation	Total	229,279	205,462	0	205,462	205,462	(205,462)	0	0	0	(205,462)									
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0									
	GF	58,979	61,346	0	61,346	61,346	(61,346)	0	0	0	(61,346)									
	GFE	0	0	0	0	0	0	0	0	0	0									
(1) Executive Director's Office, Operating Expenses	CF	1,268	0	0	0	0	0	0	0	0	0									
	CFE/RF	169,032	144,116	0	144,116	144,116	(144,116)	0	0	0	(144,116)									
	FF	0	0	0	0	0	0	0	0	0	0									
	Total	99,698	99,842	0	99,842	99,842	(99,842)	0	0	0	(99,842)									
(1) Executive Director's Office, Legal Services for 4,026 hours	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0									
	GF	316,357	246,803	0	246,803	246,803	(246,803)	0	0	0	(246,803)									
	GFE	0	0	0	0	0	0	0	0	0	0									
	CF	0	0	0	0	0	0	0	0	0	0									
(1) Executive Director's Office, Administrative Law Judge Services	CFE/RF	45,008	49,467	0	49,467	49,467	(49,467)	0	0	0	(49,467)									
	FF	0	0	0	0	0	0	0	0	0	0									
	Total	2,511	2,633	0	2,633	2,633	(2,633)	0	0	0	(2,633)									
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0									
(1) Executive Director's Office, Purchase of Services from the Computer Center	GF	0	0	0	0	0	0	0	0	0	0									
	GFE	0	0	0	0	0	0	0	0	0	0									
	CF	0	0	0	0	0	0	0	0	0	0									
	CFE/RF	695,857	1,346,478	0	1,346,478	1,346,478	(1,346,478)	0	0	0	(1,346,478)									
(1) Executive Director's Office, Purchase of Services from the Computer Center	FF	0	0	0	0	0	0	0	0	0	0									
	Total	3,053,344	2,294,353	0	2,294,353	2,294,353	(2,294,353)	0	0	0	(2,294,353)									
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0									
	GF	2,357,487	947,875	0	947,875	947,875	(947,875)	0	0	0	(947,875)									

CHANGE REQUEST for FY 2009-10 BUDGET REQUEST CYCLE

Department:	Personnel and Administration
Priority Number:	DI-13
Change Request Title:	FY 2009-10 Long Bill Realignment

SELECT ONE (click on box):

- Decision Item FY 2009-10
- Base Reduction Item FY 2009-10
- Supplemental Request FY 2008-09
- Budget Request Amendment FY 2009-10

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:

To promote greater transparency in the Department's organizational lines of authority, this request relocates the appropriations for the following: 1) the State's Information and Archival Services program (Archives), Real Estate Services Program, the Colorado State Employees Assistance Program as well as various miscellaneous statewide EDO line items into a new "Statewide Special Purpose" long bill group in the Executive Director's Office (EDO); 2) splits the appropriation that contains both the State Controller's Office (SCO) and State Procurement Office (SPO) into distinct long bill groups; and 3) separates out the Independent Ethics Commission (IEC) from the Office of Administration Courts (OAC) and places it into a new "Constitutionally Independent Entities" long bill group along with the Personnel Board. There is no funding impact as a result of this request (\$0 and 0.0 FTE) as it simply rearranges current funding in the Long Bill.

Background and Appropriation History:

1) Statewide Special Purpose Programs

Senate Bill 08-155 “Centralize IT Management in OIT” (Cadman/Kerr) essentially “orphaned” the State Archives program in the sense that it was the only section left in DPA after the other programs in the Division of Information Technology were transferred to the Governor’s Office of Information Technology. It is now represented as a division in the Long Bill made up only of Archive’s appropriations; however, the Department believes that Archives should not be represented as a distinct and separate division.

Similarly, by virtue of reporting lines directly to the EDO, the Colorado State Employee Assistance Program (CSEAP) and the Real Estate Services Program (RESP) are orphaned in their respective divisions; the Division of Human Resources and Finance and Procurement respectively. This gives the appearance of a reporting structure that is not based in the reality of current organizational alignments.

These three programs, given their special relationship to the Executive Director’s Office, are not accurately portrayed to policy makers and the public in the current Long Bill.

2) State Controller's Office and Procurement Services

The Long Bill currently presents combined amounts for personal services and operating expenses of the Office of the State Controller and Procurement Services. However, these two offices have completely separate management structures and have little in common in their respective operations. Previously, these separate units were managed as a single division first by the State Controller and later by a distinct division director. This span of control of the first reporting structure proved to be too broad given the extensive statewide responsibilities of the State Controller. The second reporting structure proved to be inappropriate given the nature of the Office of the State Controller and its need for

independence. As a result, the State Controller operationally did not report through the Division Director.

While not ideal, a combined budget was workable with a single manager under the prior administration; however, it no longer efficient nor effective given that there are now two managers at the same level operating independently within the same budget under the current structure. The current administration has formalized the reporting structure and separated the Office of the State Controller from Procurement Services, and they both now report directly to the Executive Director.

3) Independent Ethics Commission and Personnel Board

Senate Bill 07-210 placed the newly created Independent Ethics Commission (IEC) in the Office of Administrative Courts (OAC) line item group. However, the IEC is constitutionally independent from the Department of Personnel and Administration, and does not report to, nor is affected by, the DPA Executive Director Office, let alone the OAC. Of primary concern, is that the current structure incorrectly implies a reporting relationship from the IEC to the OAC. As identified above, a combined budget is not efficient or effective with two managers operating independently within the same budget, especially given that one is Constitutionally independent from the Department. Ultimately, the IEC operates similarly to the State Personnel Board, which has its own Long Bill group.

General Description of Request:

1) Statewide Special Purpose Programs

The organizational alignment and lines of authority represented in the current Long Bill (HB08-1375) are at odds with the functional lines of leadership exercised currently by the Department's administration. This is due to several reasons, including new legislation in the 2008 session, and the separation of control from divisional leadership despite current appropriation structures.

The Department is requesting that a separate long bill group is created within the EDO and entitled "Statewide Special Purpose." Within this group three programs and the entirety of their funding and FTE would be transferred from other sections of the Long Bill: CSEAP from the Division of Human Resources, the Real Estate Services Program from the Finance and Procurement Division, and the Information and Archival Services program from the former Division of Information Technologies.

This new Long Bill group would also include the Test Facility Lease, Employee Security Contract Payment, and the Employee Emeritus Retirement line items currently located in the EDO. These three additional line items or not directly related to the EDO or DPA specifically, but rather have a statewide focus. Therefore, it would be more accurate to have them placed within the new Statewide Special Purpose line item group as well.

Please note that the remaining EDO Long Bill line items would need to be grouped together under a new Long Bill group under the EDO entitled "Departmental Administration" in order to accurately differentiate these lines from the Statewide Special Purpose lines.

2) State Controller's Office and Procurement Services

The Department is requesting that the current Controller's Office and Procurement Services line item in the Finance and Procurement Division, be split between the two into two separate and distinct functions and incorporated as two new long bill groups: the Office of the State Controller with its funding and FTE and a separate Office of State Procurement Services with its associated resources.

Under the new administration, the organizational and reporting structure changed so that the Office of the State Controller operates separately from Procurement Services. As such, the budget should reflect this reality. Each of the managers in these two offices require individual operational budgets that are under their individual programmatic control, and know that they will not be influenced or compromised by decisions made by

the other office. In addition, a one-time segregation of the budget will reduce the time and effort expended in negotiating an allocation of the resources between the two offices each fiscal year.

3) Independent Ethics Commission and Personnel Board

Because of its constitutionally independent status, the Department believes that the IEC should also be clearly separated in all budgetary aspects. Therefore, the Department requests placing both the IEC and the State Personnel Board in their own Long Bill Group entitled “Constitutionally Independent Entities.” This more accurately reflects the status and reporting structure of both programs within the Department’s budget.

Consequences if Not Funded:

If the request is not funded, there will not be clarity and transparency afforded to policymakers and the public with regards to the current functional alignment of the Department.

Calculations for Request:

This request will create two Long Bill groups within the Executive Director’s Office (EDO): (A) Departmental Administration, and (B) Statewide Special Purpose. All line items in the current EDO Long Bill group will move to the new Departmental Administration group except the Test Facility Lease, Employee Security Contract Payment, and the Employee Emeritus Retirement line items. These three line items will move to the Statewide Special Purpose Long Bill group under the newly created (4) Other Statewide Special Purpose sub-group.

In addition, the following table outlines the other specific changes to various line items throughout the Department:

Summary of Request FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
Total Request	\$0	\$0	\$0	\$0	0.0
<i>Part 1A</i>					
From: (1) Executive Director's Office, Personal Services	(\$1,707,188)	\$0	\$0	(\$1,707,188)	(21.5)
To: (1) Executive Director's Office, (A) Departmental Administration, Personal Services	\$1,707,188	\$0	\$0	\$1,707,188	21.5
From: (1) Executive Director's Office, Health, Life, and Dental	(\$1,847,890)	(\$646,399)	\$0	(\$1,201,491)	0.0
To: (1) Executive Director's Office, (A) Departmental Administration, Health, Life, and Dental	\$1,847,890	\$646,399	\$0	\$1,201,491	0.0
From: (1) Executive Director's Office, Short-term Disability	(\$28,704)	(\$3,661)	\$0	(\$25,043)	0.0
To: (1) Executive Director's Office, (A) Departmental Administration, Short-term Disability	\$28,704	\$3,661	\$0	\$25,043	0.0
From: (1) Executive Director's Office, S.B. 04-257 Amortization Equalization Disbursement	(\$352,343)	(\$44,125)	\$0	(\$308,218)	0.0
To: (1) Executive Director's Office, (A) Departmental Administration, S.B. 04-257 Amortization Equalization Disbursement	\$352,343	\$44,125	\$0	\$308,218	0.0
From: (1) Executive Director's Office, S.B. 06-235 Supplemental Amortization Equalization Disbursement	(\$164,427)	(\$19,950)	\$0	(\$144,477)	0.0

STATE OF COLORADO FY 2009-10 BUDGET REQUEST CYCLE: Personnel and Administration

Summary of Request FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
To: (1)Executive Director's Office, (A) Departmental Administration, S.B. 06-235 Supplemental Amortization Equalization Disbursement	\$164,427	\$19,950	\$0	\$144,477	0.0
From: (1) Executive Director's Office, Salary Survey and Senior Executive Service	(\$831,885)	(\$389,908)	\$0	(\$441,977)	0.0
To: (1)Executive Director's Office, (A) Departmental Administration, Salary Survey and Senior Executive Service	\$831,885	\$389,908	\$0	\$441,977	0.0
From: (1) Executive Director's Office, Performance-based Pay Awards	(\$325,410)	(\$141,466)	\$0	(\$183,944)	0.0
To: (1)Executive Director's Office, (A) Departmental Administration, Performance-based Pay Awards	\$325,410	\$141,466	\$0	\$183,944	0.0
From: (1) Executive Director's Office, Shift Differential	(\$39,126)	\$0	\$0	(\$39,126)	0.0
To: (1)Executive Director's Office, (A) Departmental Administration, Shift Differential	\$39,126	\$0	\$0	\$39,126	0.0
From: (1) Executive Director's Office, Workers' Compensation	(\$205,462)	(\$61,346)	\$0	(\$144,116)	0.0
To: (1)Executive Director's Office, (A) Departmental Administration, Workers' Compensation	\$205,462	\$61,346	\$0	\$144,116	0.0
From: (1) Executive Director's Office, Operating Expenses	(\$99,842)	\$0	\$0	(\$99,842)	0.0
To: (1)Executive Director's Office, (A) Departmental Administration, Operating Expenses	\$99,842	\$0	\$0	\$99,842	0.0

STATE OF COLORADO FY 2009-10 BUDGET REQUEST CYCLE: Personnel and Administration

Summary of Request FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
From: (1) Executive Director's Office, Legal Services for 3,495 hours	(\$296,270)	(\$246,803)	\$0	(\$49,467)	0.0
To: (1) Executive Director's Office, (A) Departmental Administration, Legal Services for 3,495 hours	\$296,270	\$246,803	\$0	\$49,467	0.0
From: (1) Executive Director's Office, Administrative Law Judge Services	(\$2,633)	\$0	\$0	(\$2,633)	0.0
To: (1) Executive Director's Office, (A) Departmental Administration, Administrative Law Judge Services	\$2,633	\$0	\$0	\$2,633	0.0
From: (1) Executive Director's Office, Purchase of Services from Computer Center	(\$2,294,353)	(\$947,875)	\$0	(\$1,346,478)	0.0
To: (1) Executive Director's Office, (A) Departmental Administration, Purchase of Services from Computer Center	\$2,294,353	\$947,875	\$0	\$1,346,478	0.0
From: (1) Executive Director's Office, Multiuse Network Payments	(\$67,547)	\$0	\$0	(\$67,457)	0.0
To: (1) Executive Director's Office, (A) Departmental Administration, Multiuse Network Payments	\$67,547	\$0	\$0	\$67,457	0.0
From: (1) Executive Director's Office, Payment to Risk Management and Property Funds	(\$651,845)	(\$194,582)	\$0	(\$457,263)	0.0
To: (1) Executive Director's Office, (A) Departmental Administration, Payment to Risk Management and Property Funds	\$651,845	\$194,582	\$0	\$457,263	0.0
From: (1) Executive Director's Office, Vehicle Lease Payments	(\$43,315)	(\$2,118)	\$0	(\$41,197)	0.0

STATE OF COLORADO FY 2009-10 BUDGET REQUEST CYCLE: Personnel and Administration

Summary of Request FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
To: (1)Executive Director's Office, (A) Departmental Administration, Vehicle Lease Payments	\$43,315	\$2,118	\$0	\$41,197	0.0
From: (1) Executive Director's Office, Leased Space	(\$1,313,306)	(\$434,813)	(\$17,163)	(\$861,330)	0.0
To: (1)Executive Director's Office, (A) Departmental Administration, Leased Space	\$1,313,306	\$434,813	\$17,163	\$861,330	0.0
From: (1) Executive Director's Office, Capitol Complex Leased Space	(\$809,098)	(\$559,100)	\$0	(\$249,998)	0.0
To: (1)Executive Director's Office, (A) Departmental Administration, Capitol Complex Leased Space	\$809,098	\$559,100	\$0	\$249,998	0.0
From: (1) Executive Director's Office, Communications Services Payments	(\$887)	(\$877)	\$0	\$0	0.0
To: (1)Executive Director's Office, (A) Departmental Administration, Communications Services Payments	\$887	\$877	\$0	\$0	0.0
From: (1) Executive Director's Office, Health Insurance Portability and Accountability Act of 1996 – Security Remediation	(\$227,638)	(\$72,520)	\$0	(\$155,118)	(1.0)
To: (1)Executive Director's Office, (A) Departmental Administration	\$227,638	\$72,520	\$0	\$155,118	1.0
Part 1B					
From: DHR, Colorado State Employee Assistance Program	(\$846,467)	\$0	\$0	(\$846,467)	(10.0)
To: EDO, Statewide Special Purpose, Colorado State Employee Assistance Program	\$846,467	\$0	\$0	\$846,467	10.0

STATE OF COLORADO FY 2009-10 BUDGET REQUEST CYCLE: Personnel and Administration

Summary of Request FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
From: DFP, Real Estate Services Program	(\$557,471)	(\$557,471)	\$0	\$0	(6.0)
To: EDO, Statewide Special Purpose, Real Estate Services Program	\$557,471	\$557,471	\$0	\$0	6.0
From: Information and Archival Services (<i>post-SB08-155</i>)	(\$594,879)	(\$490,167)	(\$93,811)	(\$10,901)	(8.5)
To: EDO, Statewide Special Purpose, Information and Archival Services	\$594,879	\$490,167	\$93,811	\$10,901	8.5
From: EDO, Test Facility Lease	(\$119,842)	(\$119,842)	\$0	\$0	0.0
To: EDO, Statewide Special Purpose, Test Facility Lease	\$119,842	\$119,842	\$0	\$0	0.0
From: EDO, Employment Security Contract Payment	(\$17,400)	(\$10,889)	\$0	(\$6,511)	0.0
To: EDO, Statewide Special Purpose, Employment Security Contract Payment	\$17,400	\$10,889	\$0	\$6,511	0.0
From: EDO, Employees Emeritus Retirement	(\$11,370)	(\$11,370)	\$0	\$0	0.0
To: EDO, Statewide Special Purpose, Employees Emeritus Retirement	\$11,370	\$11,370	\$0	\$0	0.0
Part 2					
From: DFP, Office of the State Controller and Procurement Services (total Long Bill group funding)	(\$3,259,754)	(\$1,294,381)	(\$1,855,218)	(\$110,155)	(36.5)
To: Office of the State Controller, Personal Services	\$2,260,242	\$1,178,705	\$971,382	\$110,155	27.5
To: Office of the State Controller, Operating Expenses	\$115,676	\$115,676	\$0	\$0	0.0
To: DFP, Office of State Procurement Services, Personal Services	\$856,836	\$0	\$856,836	\$0	9.0

STATE OF COLORADO FY 2009-10 BUDGET REQUEST CYCLE: Personnel and Administration

Summary of Request FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
To: DFP, Office of State Procurement Services, Operating Expenses	\$27,000	\$0	\$27,000	\$0	0.0
Part 3					
From: Personnel Board (total Long Bill group funding)	(\$485,978)	\$0	(\$1,196)	(\$484,782)	(4.8)
To: Constitutionally Independent Entities, Personnel Board, Personal Services	\$465,945	\$0	\$1,196	\$455,749	4.8
To: Constitutionally Independent Entities, Personnel Board, Operating Expenses	\$29,033	\$0	\$0	\$29,033	0.0
From: Administrative Courts, Personal Services	(\$80,856)	(\$80,856)	\$0	\$0	(1.8)
To: Constitutionally Independent Entities, Independent Ethics Commission, Personal Services	\$80,856	\$80,856	\$0	\$0	1.8
From: Administrative Courts, Operating Expenses	(\$11,144)	(\$11,144)	\$0	\$0	0.0
To: Constitutionally Independent Entities, Independent Ethics Commission, Operating Expenses	\$11,144	\$11,144	\$0	\$0	0.0

Summary of Request FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
Total Request	\$0	\$0	\$0	\$0	0.0
Part 1A					
From: (1) Executive Director's Office, Personal Services	(\$1,707,188)	\$0	\$0	(\$1,707,188)	(21.5)

STATE OF COLORADO FY 2009-10 BUDGET REQUEST CYCLE: Personnel and Administration

Summary of Request FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
To: (1)Executive Director's Office, (A) Departmental Administration, Personal Services	\$1,707,188	\$0	\$0	\$1,707,188	21.5
From: (1) Executive Director's Office, Health, Life, and Dental	(\$1,847,890)	(\$646,399)	\$0	(\$1,201,491)	0.0
To: (1)Executive Director's Office, (A) Departmental Administration, Health, Life, and Dental	\$1,847,890	\$646,399	\$0	\$1,201,491	0.0
From: (1) Executive Director's Office, Short-term Disability	(\$28,704)	(\$3,661)	\$0	(\$25,043)	0.0
To: (1)Executive Director's Office, (A) Departmental Administration, Short-term Disability	\$28,704	\$3,661	\$0	\$25,043	0.0
From: (1) Executive Director's Office, S.B. 04-257 Amortization Equalization Disbursement	(\$352,343)	(\$44,125)	\$0	(\$308,218)	0.0
To: (1)Executive Director's Office, (A) Departmental Administration, S.B. 04-257 Amortization Equalization Disbursement	\$352,343	\$44,125	\$0	\$308,218	0.0
From: (1) Executive Director's Office, S.B. 06-235 Supplemental Amortization Equalization Disbursement	(\$164,427)	(\$19,950)	\$0	(\$144,477)	0.0
To: (1)Executive Director's Office, (A) Departmental Administration, S.B. 06-235 Supplemental Amortization Equalization Disbursement	\$164,427	\$19,950	\$0	\$144,477	0.0
From: (1) Executive Director's Office, Salary Survey and Senior Executive Service	(\$831,885)	(\$389,908)	\$0	(\$441,977)	0.0

STATE OF COLORADO FY 2009-10 BUDGET REQUEST CYCLE: Personnel and Administration

Summary of Request FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
To: (1)Executive Director's Office, (A) Departmental Administration, Salary Survey and Senior Executive Service	\$831,885	\$389,908	\$0	\$441,977	0.0
From: (1) Executive Director's Office, Performance-based Pay Awards	(\$325,410)	(\$141,466)	\$0	(\$183,944)	0.0
To: (1)Executive Director's Office, (A) Departmental Administration, Performance-based Pay Awards	\$325,410	\$141,466	\$0	\$183,944	0.0
From: (1) Executive Director's Office, Shift Differential	(\$39,126)	\$0	\$0	(\$39,126)	0.0
To: (1)Executive Director's Office, (A) Departmental Administration, Shift Differential	\$39,126	\$0	\$0	\$39,126	0.0
From: (1) Executive Director's Office, Workers' Compensation	(\$205,462)	(\$61,346)	\$0	(\$144,116)	0.0
To: (1)Executive Director's Office, (A) Departmental Administration, Workers' Compensation	\$205,462	\$61,346	\$0	\$144,116	0.0
From: (1) Executive Director's Office, Operating Expenses	(\$99,842)	\$0	\$0	(\$99,842)	0.0
To: (1)Executive Director's Office, (A) Departmental Administration, Operating Expenses	\$99,842	\$0	\$0	\$99,842	0.0
From: (1) Executive Director's Office, Legal Services for 3,495 hours	(\$296,270)	(\$246,803)	\$0	(\$49,467)	0.0
To: (1)Executive Director's Office, (A) Departmental Administration, Legal Services for 3,495 hours	\$296,270	\$246,803	\$0	\$49,467	0.0
From: (1) Executive Director's Office, Administrative Law Judge Services	(\$2,633)	\$0	\$0	(\$2,633)	0.0

STATE OF COLORADO FY 2009-10 BUDGET REQUEST CYCLE: Personnel and Administration

Summary of Request FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
To: (1)Executive Director's Office, (A) Departmental Administration, Administrative Law Judge Services	\$2,633	\$0	\$0	\$2,633	0.0
From: (1) Executive Director's Office, Purchase of Services from Computer Center	(\$2,294,353)	(\$947,875)	\$0	(\$1,346,478)	0.0
To: (1)Executive Director's Office, (A) Departmental Administration, Purchase of Services from Computer Center	\$2,294,353	\$947,875	\$0	\$1,346,478	0.0
From: (1) Executive Director's Office, Multiuse Network Payments	(\$67,547)	\$0	\$0	(\$67,457)	0.0
To: (1)Executive Director's Office, (A) Departmental Administration, Multiuse Network Payments	\$67,547	\$0	\$0	\$67,457	0.0
From: (1) Executive Director's Office, Payment to Risk Management and Property Funds	(\$651,845)	(\$194,582)	\$0	(\$457,263)	0.0
To: (1)Executive Director's Office, (A) Departmental Administration, Payment to Risk Management and Property Funds	\$651,845	\$194,582	\$0	\$457,263	0.0
From: (1) Executive Director's Office, Vehicle Lease Payments	(\$43,315)	(\$2,118)	\$0	(\$41,197)	0.0
To: (1)Executive Director's Office, (A) Departmental Administration, Vehicle Lease Payments	\$43,315	\$2,118	\$0	\$41,197	0.0
From: (1) Executive Director's Office, Leased Space	(\$1,313,306)	(\$434,813)	(\$17,163)	(\$861,330)	0.0
To: (1)Executive Director's Office, (A) Departmental Administration, Leased Space	\$1,313,306	\$434,813	\$17,163	\$861,330	0.0

STATE OF COLORADO FY 2009-10 BUDGET REQUEST CYCLE: Personnel and Administration

Summary of Request FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
From: (1) Executive Director's Office, Capitol Complex Leased Space	(\$809,098)	(\$559,100)	\$0	(\$249,998)	0.0
To: (1)Executive Director's Office, (A) Departmental Administration, Capitol Complex Leased Space	\$809,098	\$559,100	\$0	\$249,998	0.0
From: (1) Executive Director's Office, Communications Services Payments	(\$887)	(\$877)	\$0	\$0	0.0
To: (1)Executive Director's Office, (A) Departmental Administration, Communications Services Payments	\$887	\$877	\$0	\$0	0.0
From: (1) Executive Director's Office, Health Insurance Portability and Accountability Act of 1996 – Security Remediation	(\$227,638)	(\$72,520)	\$0	(\$155,118)	(1.0)
To: (1)Executive Director's Office, (A) Departmental Administration	\$227,638	\$72,520	\$0	\$155,118	1.0
<i>Part 1B</i>					
From: DHR, Colorado State Employee Assistance Program	(\$846,467)	\$0	\$0	(\$846,467)	(10.0)
To: EDO, Statewide Special Purpose, Colorado State Employee Assistance Program	\$846,467	\$0	\$0	\$846,467	10.0
From: DFP, Real Estate Services Program	(\$557,471)	(\$557,471)	\$0	\$0	(6.0)
To: EDO, Statewide Special Purpose, Real Estate Services Program	\$557,471	\$557,471	\$0	\$0	6.0
From: Information and Archival Services (<i>post-SB08-155</i>)	(\$594,879)	(\$490,167)	(\$93,811)	(\$10,901)	(8.5)
To: EDO, Statewide Special Purpose, Information and Archival Services	\$594,879	\$490,167	\$93,811	\$10,901	8.5

STATE OF COLORADO FY 2009-10 BUDGET REQUEST CYCLE: Personnel and Administration

Summary of Request FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
From: EDO, Test Facility Lease	(\$119,842)	(\$119,842)	\$0	\$0	0.0
To: EDO, Statewide Special Purpose, Test Facility Lease	\$119,842	\$119,842	\$0	\$0	0.0
From: EDO, Employment Security Contract Payment	(\$17,400)	(\$10,889)	\$0	(\$6,511)	0.0
To: EDO, Statewide Special Purpose, Employment Security Contract Payment	\$17,400	\$10,889	\$0	\$6,511	0.0
From: EDO, Employees Emeritus Retirement	(\$11,370)	(\$11,370)	\$0	\$0	0.0
To: EDO, Statewide Special Purpose, Employees Emeritus Retirement	\$11,370	\$11,370	\$0	\$0	0.0
Part 2					
From: DFP, Office of the State Controller and Procurement Services (total Long Bill group funding)	(\$3,259,754)	(\$1,294,381)	(\$1,855,218)	(\$110,155)	(36.5)
To: Office of the State Controller, Personal Services	\$2,260,242	\$1,178,705	\$971,382	\$110,155	27.5
To: Office of the State Controller, Operating Expenses	\$115,676	\$115,676	\$0	\$0	0.0
To: DFP, Office of State Procurement Services, Personal Services	\$856,836	\$0	\$856,836	\$0	9.0
To: DFP, Office of State Procurement Services, Operating Expenses	\$27,000	\$0	\$27,000	\$0	0.0
Part 3					
From: Personnel Board (total Long Bill group funding)	(\$485,978)	\$0	(\$1,196)	(\$484,782)	(4.8)
To: Constitutionally Independent Entities, Personnel Board, Personal Services	\$465,945	\$0	\$1,196	\$455,749	4.8

Summary of Request FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
To: Constitutionally Independent Entities, Personnel Board, Operating Expenses	\$29,033	\$0	\$0	\$29,033	0.0
From: Administrative Courts, Personal Services	(\$80,856)	(\$80,856)	\$0	\$0	(1.8)
To: Constitutionally Independent Entities, Independent Ethics Commission, Personal Services	\$80,856	\$80,856	\$0	\$0	1.8
From: Administrative Courts, Operating Expenses	(\$11,144)	(\$11,144)	\$0	\$0	0.0
To: Constitutionally Independent Entities, Independent Ethics Commission, Operating Expenses	\$11,144	\$11,144	\$0	\$0	0.0

Cash Funds Projections:

Not applicable. This technical request simply shifts existing appropriations within the Long Bill.

Assumptions for Calculations:

The FY 2008-09 Long Bill, HB08-1375, and the OIT Consolidation bill, SB08-155 were used as the basis for the appropriations in this request. From payroll projections used by the Department, the separation of the Personal Services appropriation for the OSC and SPO is determined by the fraction of the whole budget used to fund the individual offices in FY 2008-09. To separate the Operating Expenses appropriation, historic levels of their individual budgets are used as implemented in the prior three fiscal years.

Impact on Other Government Agencies:

This Long Bill Realignment request affects only divisions within the Department of Personnel and Administration, and has no impact on other State agencies.

Cost Benefit Analysis:

Not applicable for this request.

Implementation Schedule: Effective upon signature of the Governor as appropriated in the FY 2009-10 Long Bill.

Statutory and Federal Authority: *24-1-107, C.R.S. (2008) Internal organization of department - allocation and reallocation of powers, duties, and functions - limitations. In order to promote economic and efficient administration and operation of a principal department and notwithstanding any other provisions of law, except as provided in section 24-1-105, the head of a principal department, with the approval of the governor, may establish, combine, or abolish divisions, sections, and units other than those specifically created by law and may allocate and reallocate powers, duties, and functions to divisions, sections, and units under the principal department, but no substantive function vested by law in any officer, department, institution, or other agency within the principal department shall be removed from the jurisdiction of such officer, department, institution, or other agency under the provisions of this section.*

24-1-128, C.R.S. (2008) Department of personnel - creation. (1) Pursuant to the provisions of section 14 of article XII of the state constitution, there is hereby created a department of personnel, the head of which shall be the state personnel director, also referred to as the executive director of personnel, who shall be appointed by the governor, with the consent of the senate, and who shall serve at the pleasure of the governor.

Performance Measures: Not applicable for this technical request.

**Schedule 13
Change Request for FY 2009-10 Budget Request Cycle**

Decision Item FY 2009-10 Base Reduction Item FY 2009-10 Supplemental FY 2008-09 Budget Amendment FY 2009-10

Request Title: Central Collections Services Annual Temporary Staffing
 Department: Personnel and Administration
 Priority Number: DI-14

Dept. Approval by: *[Signature]*
 OSPB Approval: *[Signature]*
 Date: November 1, 2008
 Date: 10-19-08

	1	2	3	4	5	6	7	8	9	10
	Prior-Year Actual FY 2007-08	Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2009-10	Decision/ Base Reduction FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total 898,008	894,144	0	894,144	923,019	15,658	938,677	0	938,677	15,658
	FTE	20.0	0.0	20.0	20.0	0.0	20.0	0.0	20.0	0.0
	GF	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0
	CF	589,808	596,614	596,614	596,614	15,658	612,272	0	612,272	15,658
	CFE/RF	308,200	297,530	297,530	326,405	0	326,405	0	326,405	0
	FF	0	0	0	0	0	0	0	0	0
(5)(C) Finance and Procurement, Collection Services, Personal	Total	898,008	894,144	894,144	923,019	15,658	938,677	0	938,677	15,658
	FTE	15.2	20.0	20.0	20.0	0.0	20.0	0.0	20.0	0.0
	GF	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0
	CF	589,808	596,614	596,614	596,614	15,658	612,272	0	612,272	15,658
	CFE/RF	308,200	297,530	297,530	326,405	0	326,405	0	326,405	0
	FF	0	0	0	0	0	0	0	0	0

Non-Line Item Request: None
 Letternote Revised Text: None
 Cash or Federal Fund Name and COFRS Fund Number: Debt Collection Fund (COFRS 604)
 Reappropriated Funds Source, by Department and Line Item Name: Not applicable
 Approval by OIT? Yes: No: N/A:
 Schedule 13s from Affected Departments: None

CHANGE REQUEST for FY 2009-10 BUDGET REQUEST CYCLE

Department:	Personnel and Administration
Priority Number:	DI-14
Change Request Title:	Central Collections Services Annual Temporary Staffing

SELECT ONE (click on box):

- Decision Item FY 2009-10
- Base Reduction Item FY 2009-10
- Supplemental Request FY 2008-09
- Budget Request Amendment FY 2009-10

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:

The Division of Finance and Procurement is requesting Personal Services funds to bring in four outside temporary staff to assist with tax-offset calls for six weeks each. Central Collections Services has utilized temporary staffing services for several years to assist with the increased call volume after tax offset notices are mailed and during the tax season when refunds are offset. This has been funded through vacancy savings in the past; however, the unit does not anticipate having sufficient vacancy savings to cover this expense in the coming years. Currently the collections unit is fully staffed. The request is for \$15,658 Cash Funds for the Personal Services appropriation in FY 2009-10, and FY 2010-11.

Background and Appropriation History:

This Division was created in the 2000 Long Bill (H.B. 00-1451) by combining the Accounts and Control Division with the procurement functions from the Purchasing and State Buildings Division. This Division includes the State Purchasing Office, which administers the statewide procurement program and utilizes resources including the Bid Information and Distribution System (BIDS) to meet the product and service needs of State agencies. A key function of the State Purchasing Office is negotiating contracts and price agreements for acceptable goods and services in order to maximize the purchasing

power of the State. The Division also manages the financial affairs of all departments through the Office of the State Controller via the Colorado Financial Reporting System (COFRS). This includes statewide financial reporting, policy and procedural guidance, contract management, and the development of a statewide indirect cost allocation plan. In addition, the Division includes Collections Services, which is statutorily responsible for providing debt collection services to State agencies and political subdivisions, and the Office of the State Architect, which includes the Real Estate Services Program, coordination of capital construction and controlled maintenance requests and building lease review, among other functional responsibilities.

Central Collection Services (CCS) is statutorily responsible for providing debt collection services to State agencies and political sub-divisions through delegation by the Office of the State Controller. CCS provides this service at a fixed commission rate. CCS has a number of unique capabilities, including the state income tax and vendor intercept programs, access to wage and employment information through the Department of Labor and Employment, as well as access to Department of Revenue Motor Vehicle information, none of which are afforded to private collection companies. The Unit is also responsible for the distribution and management of State debts to awarded private collection companies and private collection counsel for the State. Statute requires the referral of debt to CCS at 30 days past due and debts are subsequently assigned to private collection companies at 120 days old if no repayment arrangements have been made with debtors. This partnership increases the opportunity for collection.

General Description of Request:

The Central Collection Services (CCS) Unit has been the subject of several reviews and related scrutiny in recent years, including an internal audit, a state performance audit, a task force review, an internal management restructuring, and a legislative change. As a result, several initiatives are underway to update and improve internal processes to improve the effectiveness of the unit. In addition, these reviews have concluded that the unit is understaffed given the portfolio of delinquent accounts managed by Central Collections. Despite this limitation, CCS collection statistics remain reasonably commensurate with the industry standards. The Department is pursuing additional

personal services funds to offset the increased workload during tax season. If the request is approved, this will result in additional recovery of debts for State agency clients.

One of the ways CCS collects is through the Tax Offset program. By State statute, CCS is required to notify debtors of the intent to offset their Colorado State Income Tax Refund and advise them of their right to request a Tax Offset hearing. Each fall, CCS mails out approximately 80,000 notices to debtors advising them of the intent to offset by sending out 5,000 to 10,000 notices every two weeks. The phone calls generated from these mailings are overwhelming to the staff, which each have a full workload of responsibilities they are expected to keep up with as well. Then, during the spring, taxpayers receive a notice from the Department of Revenue advising of the offset occurring, which generates a similar volume of phone calls once again inquiring about the debt and/or the offset of their taxes. Being able to bring in a Temporary employee to assist with the sheer volume of phone calls makes an incredible difference in the callers being able to reach someone when they call. The staff is still required to assist with the volume of calls, as well as being expected to keep up with the increased activity generated by the increased number of contacts and the handling of their own responsibilities, but having the Temp as a first contact makes such a great difference in being able to keep up with the volume of calls.

CCS has instituted a number of changes over the years to streamline and make the process more efficient, however, the volume of phone calls is beyond any control and utilizing temporary services has been a beneficial resource.

Consequences if Not Funded:

Without the additional Personal Services funds for temporary services, it will be difficult to collect debt in a timely manner. Collectors will have to shift to responding to tax related calls. This will impact the successful rate of collections during the tax season.

Calculations for Request:

Summary of Request FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	\$15,658	\$0	\$15,658	\$0	\$0	0.0
Personal Services (Temporary Services)	\$15,658	\$0	\$15,658	\$0	\$0	0.0

Summary of Request FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	\$15,658	\$0	\$15,658	\$0	\$0	0.0
Personal Services (Temporary Services)	\$15,658	\$0	\$15,658	\$0	\$0	0.0

Cost of Temporary Services	
Number of Temporaries	4
Hours Per Week	40
Number of Weeks	6
Hourly Rate	\$16.31
Total needed (4 x 40 x 6 x \$16.31)	\$15,658

Cash Funds Projections:

Cash Fund Name	Cash Fund Number	FY 2007-08 Expenditures	FY 2007-08 End of Year Cash Balance	FY 2008-09 End of Year Cash Balance Estimate	FY 2009-10 End of Year Cash Balance Estimate	FY 2010-11 End of Year Cash Balance Estimate
Debt Collection Fund	604	\$2,341,967	\$407,281	\$195,927	\$40,812	\$1,157,027

Assumptions for Calculations:

Temporary hourly rate is based on average paid to Temporary Services in FY 2007-08.

Number of weeks needed is based on prior years' busiest times and need.

Impact on Other Government Agencies: Not applicable.

Cost Benefit Analysis:

Cost-Benefit Calculations		
Average Collections Per FTE	FY08 Front Line Collections/FY08 FTE	\$364,080
Number of Temps	Per Request	4
Number of Weeks Worked	Per Request	6
Hours per Week	Per Request	40
Hours For Temp Services	Number of temps x weeks worked x hours per week	960
FTE Equivalent of Temp Services	Temp Hours/2080	0.46 FTE
Additional Collections	FTE Equivalent x Average Collections Per FTE	\$167,477
Total Additional Collections	At normal temp efficiency rate (*75%)	\$125,608

Cost	Benefit
Total temp services purchased: \$15,658	Additional Collections made: \$125,608
Cost Benefit Ratio: 1:8 (rounded)	

Implementation Schedule:

Task	Month/Year
Temporary Services Hired	September 2009, March-April, 2009

Statutory and Federal Authority: 24-30-202.4 (1) C.R.S. (2008): *The state controller shall advise and assist the various state agencies concerning the collection of debts due the state through such agencies, in*

accordance with rules promulgated by the executive director of the department of personnel, to achieve the prompt collection of debts due such agencies. The controller may delegate the responsibility for the collection of debts to the central collection services section of the division of finance and procurement, or any successor section, in the department.

Performance Measures:

As this request explains, approval of this Decision Item will increase collections by freeing up agents to continue their collections work instead of answering phones during busy times of the year. Therefore, approval of this request directly affects the performance measure and ability to achieve the benchmark below.

Objective: Enhance Collection processes to increase collection revenue and maintain industry standard collection ratio.	Outcome	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Approp.	FY 09-10 Request
Maintain net recoveries in terms of dollars collected. Benchmark is prior year actual.	Benchmark	\$12,546,496	\$12,644,684	\$15,173,779	\$15,173,779
	Actual	\$12,644,684	\$15,173,779		