



Colorado

**Department of Personnel
& Administration**

FY 2020-21 LINE ITEM DESCRIPTION

NOVEMBER 1, 2019

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(1) EXECUTIVE DIRECTOR'S OFFICE**(A) DEPARTMENT ADMINISTRATION****PERSONAL SERVICES**

This line has existed since the inception of the Executive Director's Office, and was originally placed in the Department of Personnel & Administration in HB 95-1362, which merged the Departments of Personnel and Administration. This line item and the associated appropriations of Full Time Equivalent (FTE) and personal services funding support the Executive Office staff and management functions, including management direction, policy formulation and core internal functions in the areas of financial services, human resources, communications and legislative relations. This line item also supports the state Ombuds Program which was established in May 2007 as 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 resolution of these issues. The appropriation supports all salaries and wages including those paid to full-time, part-time, or temporary employees of the State, and includes the State's contribution to the Public Employees' Retirement Fund. Also, the funding supports contractual services, consisting of services rendered or performed by firms or individuals other than for employment compensation as an employee of the state and approved tuition for employee workshops. This appropriation is supported by the Disability Investigational and Pilot Support Fund and user fees from state agencies and from statewide indirect cost recoveries or the Indirect Costs Excess Recovery Fund created in Section 24-75-1401 (2), C.R.S., annually per Long Bill annotation.

HEALTH, LIFE, AND DENTAL

This line was first placed in the Department of Personnel & Administration in HB 95-1362, which merged the Departments of Personnel and Administration. The line item appropriation addresses the State's employer contribution for the health, life and dental insurance benefits for the Department's classified employees. The calculated annual appropriation is based upon recommendations contained in the annual Total Compensation Report and associated guidance from OSPB, and is calculated based upon employee benefits enrollment selections. This appropriation is supported by the General Fund, various sources of cash and reappropriated funds including, but not limited to, the Group Benefit Plans Reserve Fund, the Archives and Public Records Cash Fund, the Professional Development Center Cash Fund, The Risk Management Fund, the Self-Insured Property Fund, the State Employee Workers' Compensation Account, The Department of Personnel Revolving Fund, the Supplier Database Cash Fund, the Debt Collections Fund, the Administrative Courts Cash Fund and fees from user agencies as well as statewide indirect cost recoveries or the Indirect Costs Excess Recovery Fund created in Section 24-75-1401 (2), C.R.S, per Long Bill annotation.

SHORT-TERM DISABILITY

This line was first placed in the Department of Personnel & Administration in HB 95-1362, which merged the Departments of Personnel and Administration. The line item appropriation is for the purpose of providing partial payment of an employee's salary in the event that individual becomes disabled and cannot perform his or her work duties. This benefit is calculated on an annual basis in accordance with OSPB Common Policy Instructions. This appropriation is supported by the General Fund, various sources of cash and reappropriated funds including, but not limited to, the Group Benefit Plans Reserve Fund, the Archives and Public Records Cash Fund, the Professional Development Center Cash Fund, The Risk Management Fund, the Self-Insured Property Fund, the State Employee Workers' Compensation Account, The Department of Personnel Revolving Fund, the Supplier Database Cash Fund, the Debt Collections Fund, the Administrative Courts Cash Fund and fees from user agencies as well as statewide indirect cost recoveries or the Indirect Costs Excess Recovery Fund created in Section 24-75-1401 (2), C.R.S, per Long Bill annotation.

SB 04-257 AMORTIZATION EQUALIZATION DISBURSEMENT

This line was first created in SB 04-257, in which Amortization Equalization Disbursement was formed. The Amortization Equalization Disbursement (AED) increases the employer contribution to the PERA Trust Fund to amortize the unfunded liability in the Trust Fund beginning in January 2006. The request for this line is computed in accordance with OSPB Common Policy Instructions and is calculated using the sum of base salaries, salary survey and range adjustments for employees eligible for State retirement benefits. The AED rate is statutorily capped at five percent. This appropriation is supported by the General Fund, various sources of cash and reappropriated funds including, but not limited to, the Group Benefit Plans Reserve Fund, the Archives and Public Records Cash Fund, the Professional Development Center Cash Fund, The Risk Management Fund, the Self-Insured Property Fund, the State Employee Workers' Compensation Account, The Department of Personnel Revolving Fund, the Supplier Database Cash Fund, the Debt Collections Fund, the Administrative Courts Cash Fund and fees from user agencies as well as statewide indirect cost recoveries or the Indirect Costs Excess Recovery Fund created in Section 24-75-1401 (2), C.R.S, per Long Bill annotation.

SB 06-235 SUPPLEMENTAL AMORTIZATION EQUALIZATION DISBURSEMENT

This line was first created in SB 06-235, in which the Supplemental Amortization Equalization Disbursement (SAED) further increased the employer contribution to the PERA Trust Fund to amortize the unfunded liability in the Trust Fund. The rate is statutorily capped at five percent. This appropriation is supported by the General Fund, various sources of cash and reappropriated funds including, but not limited to, the Group Benefit Plans Reserve Fund, the Archives and Public Records Cash Fund, the Professional Development Center Cash Fund, The Risk Management Fund, the Self-Insured Property Fund, the State Employee Workers' Compensation Account, The Department of Personnel Revolving Fund, the Supplier Database Cash Fund, the Debt Collections Fund, the Administrative Courts Cash

Fund and fees from user agencies as well as statewide indirect cost recoveries or the Indirect Costs Excess Recovery Fund created in Section 24-75-1401 (2), C.R.S, per Long Bill annotation.

PERA DIRECT DISTRIBUTION

This line was created as a result of the passage of SB 18-200. The bill makes changes to the hybrid defined benefit plan administered by PERA with the goal of eliminating, with a high probability, the unfunded actuarial accrued liability of each of PERA's divisions and thereby reach a 100% funded ratio for each division within the next 30 years. The bill modifies benefits, increases contributions, ensures alignment of contributions, service credit, and benefits, and makes other modifications. This line item acts as a placeholder for the Department's share of the \$225 million annual transfer made by the State Treasurer on July 1. This appropriation is supported by the General Fund, various sources of cash and reappropriated funds including, but not limited to, the Group Benefit Plans Reserve Fund, the Archives and Public Records Cash Fund, the Professional Development Center Cash Fund, The Risk Management Fund, the Self-Insured Property Fund, the State Employee Workers' Compensation Account, The Department of Personnel Revolving Fund, the Supplier Database Cash Fund, the Debt Collections Fund, the Administrative Courts Cash Fund and fees from user agencies as well as statewide indirect cost recoveries or the Indirect Costs Excess Recovery Fund created in Section 24-75-1401 (2), C.R.S, per Long Bill annotation.

SALARY SURVEY

This line was first placed in the Department of Personnel & Administration in HB 95-1362, and included Salary Survey, Anniversary Increases, and Shift Differential. The line was split from Shift Differential and included only Salary Survey and Senior Executive Service in the FY 2000-01 Long Bill and was changed again in the FY 2013-14 Long Bill to Salary Survey. The Salary Survey appropriation reflects the amounts necessary for the Department to cover the cost of salary increases based on the Total Compensation Survey performed annually by the Department. The annual request for this line item is calculated based upon the annual Total Compensation recommendations from the State Personnel Director, along with guidance provided via the OSPB Common Policy Instructions. Occasionally, funding for this line item is not appropriated due to statewide revenue limits. This appropriation is supported by the General Fund, various sources of cash and reappropriated funds including, but not limited to, the Group Benefit Plans Reserve Fund, the Archives and Public Records Cash Fund, the Professional Development Center Cash Fund, The Risk Management Fund, the Self-Insured Property Fund, the State Employee Workers' Compensation Account, The Department of Personnel Revolving Fund, the Supplier Database Cash Fund, the Debt Collections Fund, the Administrative Courts Cash Fund and fees from user agencies as well as statewide indirect cost recoveries or the Indirect Costs Excess Recovery Fund created in Section 24-75-1401 (2), C.R.S, per Long Bill annotation.

MERIT PAY

After several years in which the Joint Budget Committee adopted a Common Policy of no performance-based pay awards, funding for Merit Pay was restored in the FY 2013-14 Long Bill. Merit Pay represents the annual amount appropriated for periodic salary increases for State employees based on demonstrated and documented ability of each employee to satisfy standards related to quantity and quality of work. It also gives greater percentage increases to classified employees at the lower end of pay ranges for job classes. Occasionally, funding for this line item is not appropriated due to statewide revenue limits, however, when appropriated, it is supported by the General Fund, various sources of cash and reappropriated funds including, but not limited to, the Group Benefit Plans Reserve Fund, the Archives and Public Records Cash Fund, the Professional Development Center Cash Fund, The Risk Management Fund, the Self-Insured Property Fund, the State Employee Workers' Compensation Account, The Department of Personnel Revolving Fund, the Supplier Database Cash Fund, the Debt Collections Fund, the Administrative Courts Cash Fund and fees from user agencies as well as statewide indirect cost recoveries or the Indirect Costs Excess Recovery Fund created in Section 24-75-1401 (2), C.R.S, per Long Bill annotation.

SHIFT DIFFERENTIAL

This line was first placed in the Department of Personnel & Administration in HB 95-1362, which merged the Departments of Personnel and Administration, and consisted of Salary Survey, Anniversary Increases, and Shift Differential. The line was separated as of the FY 2000-01 Long Bill. This Common Policy based line item addresses the adjustment necessary to compensate employees for work performed outside of normal work schedules (i.e. second and third shift workers whose scheduled work hours fall outside of the regular Monday through Friday, 8:00 am to 5:00 pm work schedule). Essentially, Shift Differential payments provide higher wages for evening, night, and weekend shifts. The request for this line item is calculated annually per OSPB Common Policy Instructions. This appropriation is supported by user fees from state agencies and from statewide indirect cost recoveries or the Indirect Costs Excess Recovery Fund created in Section 24-75-1401 (2), C.R.S., annually per Long Bill annotation.

WORKERS' COMPENSATION

This line was first placed in the Department of Personnel & Administration in HB 95-1362, which merged the Departments of Personnel and Administration. This line item is an operating Common Policy allocation that provides funding to state agencies for payments made to the Department of Personnel & Administration to support the State's self-insured Workers' Compensation program. In addition, this specific line item in the DPA budget represents the allocation for DPA as an agency, not the appropriations required to support the administration of the state Workers' Compensation program, which are part of the Division of Human Resources program appropriations. This appropriation is supported by the General Fund, various sources of cash and reappropriated funds including, but

not limited to, the Group Benefit Plans Reserve Fund, the Archives and Public Records Cash Fund, the Professional Development Center Cash Fund, The Risk Management Fund, the Self-Insured Property Fund, the State Employee Workers' Compensation Account, The Department of Personnel Revolving Fund, the Supplier Database Cash Fund, the Debt Collections Fund, the Administrative Courts Cash Fund and fees from user agencies as well as statewide indirect cost recoveries or the Indirect Costs Excess Recovery Fund created in Section 24-75-1401 (2), C.R.S, per Long Bill annotation.

OPERATING EXPENSES

This line has existed since the inception of the Executive Director's Office, and was first placed in the Department of Personnel & Administration in HB 95-1362, which merged the Departments of Personnel and Administration. The line item supports the annual operating expenses of the Executive Office, its staff, and required functions. Allowable operating expenditures are defined in the Long Bill headnotes, and actual expenditures are identified by object code in the Schedule 14. This appropriation is supported by the Disability Investigational and Pilot Support Fund and user fees from state agencies and from statewide indirect cost recoveries or the Indirect Costs Excess Recovery Fund created in Section 24-75-1401 (2), C.R.S., annually per Long Bill annotation

LEGAL SERVICES

This line was first placed in the Department of Personnel & Administration in HB 95-1362, which merged the Departments of Personnel and Administration. This line item appears in most departments' Executive Director's Offices, with some exceptions. Funding is appropriated so each department can purchase necessary legal services from the Department of Law. The Department of Law uses a cost allocation billing methodology for Legal Services and calculates the departmental allocations for State agency customers based upon historical expended legal service hours and historical litigation costs. This appropriation is supported by the General Fund, various sources of cash and reappropriated funds including, but not limited to, the Group Benefit Plans Reserve Fund, the Archives and Public Records Cash Fund, the Professional Development Center Cash Fund, The Risk Management Fund, the Self-Insured Property Fund, the State Employee Workers' Compensation Account, The Department of Personnel Revolving Fund, the Supplier Database Cash Fund, the Debt Collections Fund, the Administrative Courts Cash Fund and fees from user agencies as well as statewide indirect cost recoveries or the Indirect Costs Excess Recovery Fund created in Section 24-75-1401 (2), C.R.S, per Long Bill annotation.

ADMINISTRATIVE LAW JUDGE SERVICES

This line item is a Common Policy based appropriation which allocates funding to State agencies for the purchase of administrative law judge and paralegal services. The Department uses a cost allocation billing methodology for Administrative Law Judge Services and calculates the Departmental allocations for State agency customers based upon their share of total recoverable program costs for

providing Administrative Law Judge 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 administrative law judge services to State agencies. This appropriation is supported by the General Fund, various sources of cash and reappropriated funds including, but not limited to, the Group Benefit Plans Reserve Fund, the Archives and Public Records Cash Fund, the Professional Development Center Cash Fund, The Risk Management Fund, the Self-Insured Property Fund, the State Employee Workers' Compensation Account, The Department of Personnel Revolving Fund, the Supplier Database Cash Fund, the Debt Collections Fund, the Administrative Courts Cash Fund and fees from user agencies as well as statewide indirect cost recoveries or the Indirect Costs Excess Recovery Fund created in Section 24-75-1401 (2), C.R.S, per Long Bill annotation.

PAYMENT TO RISK MANAGEMENT AND PROPERTY FUNDS

This line was first placed in the Department of Personnel & Administration in HB 95-1362, which merged the Departments of Personnel and Administration. This line item is an operating Common Policy allocation that represents each department's share of the statewide cost of property and liability insurance coverage. In addition, this specific line item in the DPA budget represents the allocation for DPA as an agency, not the appropriations required to support the administration of the state Liability and Property programs within the Division of Human Resources program appropriations. This appropriation is supported by the General Fund, various sources of cash and reappropriated funds including, but not limited to, the Group Benefit Plans Reserve Fund, the Archives and Public Records Cash Fund, the Professional Development Center Cash Fund, The Risk Management Fund, the Self-Insured Property Fund, the State Employee Workers' Compensation Account, The Department of Personnel Revolving Fund, the Supplier Database Cash Fund, the Debt Collections Fund, the Administrative Courts Cash Fund and fees from user agencies as well as statewide indirect cost recoveries or the Indirect Costs Excess Recovery Fund created in Section 24-75-1401 (2), C.R.S, per Long Bill annotation.

VEHICLE LEASE PAYMENTS

This line was first placed in the Department of Personnel & Administration in HB 95-1362, which merged the Departments of Personnel and Administration. This Common Policy based line item represents the amounts necessary for State agencies to make vehicle lease payments to the Motor Pool Services and State Fleet Management Program that are sufficient to recover the annual costs of program administration and lease purchase installment payments. This appropriation is supported by the General Fund, various sources of cash and reappropriated funds including, but not limited to, the Group Benefit Plans Reserve Fund, the Archives and Public Records Cash Fund, the Professional Development Center Cash Fund, The Risk Management Fund, the Self-Insured Property Fund, the State Employee Workers' Compensation Account, The Department of Personnel Revolving Fund, the Supplier Database Cash Fund, the Debt

Collections Fund, the Administrative Courts Cash Fund and fees from user agencies as well as statewide indirect cost recoveries or the Indirect Costs Excess Recovery Fund created in Section 24-75-1401 (2), C.R.S, per Long Bill annotation.

LEASED SPACE

This line was first placed in the Department of Personnel & Administration in HB 95-1362, which merged the Departments of Personnel and Administration. The line item is necessary to pay for the Department's obligations for leases of private office space and other facilities that are not State-owned. This appropriation is supported by the General Fund, various sources of cash and reappropriated funds including, but not limited to, the Group Benefit Plans Reserve Fund, the Archives and Public Records Cash Fund, the Professional Development Center Cash Fund, The Risk Management Fund, the Self-Insured Property Fund, the State Employee Workers' Compensation Account, The Department of Personnel Revolving Fund, the Supplier Database Cash Fund, the Debt Collections Fund, the Administrative Courts Cash Fund and fees from user agencies as well as statewide indirect cost recoveries or the Indirect Costs Excess Recovery Fund created in Section 24-75-1401 (2), C.R.S, per Long Bill annotation.

CAPITOL COMPLEX LEASED SPACE

This line was first placed in the Department of Personnel & Administration in HB 95-1362, which merged the Departments of Personnel and Administration. This Common Policy based line item represents allocations and subsequent billings to departments occupying space in the Capitol Complex (including North Campus and 1881 Pierce Street), the Grand Junction State Services Building and Camp George West. The annual allocation to agencies is calculated by the Department based upon total recoverable program costs and overhead associated with the maintenance and property management functions provided by the Division of Central Services, Facilities Maintenance on behalf of State agency tenants in the Capitol Complex, Grand Junction and Camp George West. This appropriation is supported by the General Fund, various sources of cash and reappropriated funds including, but not limited to, the Group Benefit Plans Reserve Fund, the Archives and Public Records Cash Fund, the Professional Development Center Cash Fund, The Risk Management Fund, the Self-Insured Property Fund, the State Employee Workers' Compensation Account, The Department of Personnel Revolving Fund, the Supplier Database Cash Fund, the Debt Collections Fund, the Administrative Courts Cash Fund and fees from user agencies as well as statewide indirect cost recoveries or the Indirect Costs Excess Recovery Fund created in Section 24-75-1401 (2), C.R.S, per Long Bill annotation.

PAYMENTS TO OIT

This common policy line was introduced in the FY 2014-15 Long Bill as a result of the General Assembly's approval to house billings for Office of Information Technology (OIT) services in one line item rather than the Department's five previously utilized line items in

conjunction with the approved restructuring of OIT's Long Bill. OIT provides services to State agencies on a cost reimbursement basis. This line item represents the Department's allocation for its share of utilization of the State's Data Center, high-speed broadband access, overhead related to the State's public safety communications infrastructure and cyber security awareness, monitoring and defense. This appropriation is supported by the General Fund, various sources of cash and reappropriated funds including, but not limited to, the Group Benefit Plans Reserve Fund, the Archives and Public Records Cash Fund, the Professional Development Center Cash Fund, The Risk Management Fund, the Self-Insured Property Fund, the State Employee Workers' Compensation Account, The Department of Personnel Revolving Fund, the Supplier Database Cash Fund, the Debt Collections Fund, the Administrative Courts Cash Fund and fees from user agencies as well as statewide indirect cost recoveries or the Indirect Costs Excess Recovery Fund created in Section 24-75-1401 (2), C.R.S, per Long Bill annotation.

CORE OPERATIONS

As a result of the General Assembly's approval to transfer the Colorado Operations Resource Engine (CORE) to the Office of the State Controller within the Department of Personnel & Administration in the FY 2015-16 Long Bill, this new common policy based line item replaces the previous COFRS Modernization line item that existed at the Governor's Office of Information Technology to fund the Colorado Operations Resource Engine (CORE) system implementation in addition to the ongoing costs of operating the CORE system for the benefit of State agencies. This line encompasses each participating department's share of the ongoing costs of operating the CORE system for the benefit of State agencies. This appropriation is supported by the General Fund, various sources of cash and reappropriated funds including, but not limited to, the Group Benefit Plans Reserve Fund, the Archives and Public Records Cash Fund, the Professional Development Center Cash Fund, The Risk Management Fund, the Self-Insured Property Fund, the State Employee Workers' Compensation Account, The Department of Personnel Revolving Fund, the Supplier Database Cash Fund, the Debt Collections Fund, the Administrative Courts Cash Fund and fees from user agencies as well as statewide indirect cost recoveries or the Indirect Costs Excess Recovery Fund created in Section 24-75-1401 (2), C.R.S, per Long Bill annotation.

ANNUAL DEPRECIATION – LEASE EQUIVALENT PAYMENTS

This line item was established as part of the process created in SB 15-211 to annually set aside an amount equal to the calculated depreciation of a capital asset funded through the capital construction section of the Long Bill. Under SB 15-211, if a state department project is paid in whole or part from a cash fund source, the state department is required to calculate the depreciable cost of the project and, once the depreciation period begins, to set aside an amount equal to the calculated depreciation in a capital reserve account created within the cash fund. SB 15-211 was amended by HB 17-1144 changes how depreciation equivalent payments from cash fund sources are recorded by state departments going forward. It requires these payments to be appropriated to a capital reserve account within the

cash fund through the operating section of the Long Bill. This line is supported by the General Fund and the Legislative Department Cash Fund.

GOVERNOR'S TRANSITION

This is a line item that requires an appropriation every four years, or each time that a new Governor could take office - it is a statutory requirement, per 24-8-105 C.R.S. The relevant portion of the statute is reflected below:

“At the regular session in each year in which there is a general election to elect a new governor, the general assembly shall appropriate to the department of personnel a sum of not less than ten thousand dollars to pay the necessary expenses of the governor-elect incurred between the general election and the inauguration, including, but not limited to, office supplies, postage, actual and necessary travel expenses, and compensation of administrative, secretarial, and clerical personnel. Any unexpended balance of such appropriation remaining after the payment of such expenses shall revert to the general fund.”

An appropriation for this line item appeared in the Long Bill was FY 2006-07. It was a one-time appropriation of \$10,000. An emergency supplemental appropriation of \$12,650 for FY 2010-11 was approved by the JBC in September 2010. Because it was unknown whether the incumbent Governor would run for a second term at the time the Department's FY 2010-11 budget request was submitted, the need for funding for a new Governor was unforeseeable, and therefore could not be included in the FY 2010-11 Long Bill at the time of figure setting. Knowing a new governor's term would begin January 2019, the Department requested and the General Assembly approved an appropriation of \$25,000 for inclusion in the FY 2018-19 Long Bill.

(B) STATEWIDE SPECIAL PURPOSE

(1) COLORADO STATE EMPLOYEES ASSISTANCE PROGRAM

PERSONAL SERVICES

C.R.S. 24-50-604 provides the statutory authorization for the Program. The Program is pursuant to Section 24-50-604 (1) (k) (I), C.R.S. House Bill 02-1226 granted the authority of the State Personnel Director to create a State Employee Assistance Program (C-SEAP). This line item and the associated appropriations of FTE and personal services funding support the C-SEAP staff within the Executive Director's Office. C-SEAP functions include administration of the State Employees Mediation Program (SEMP) to provide a collaborative, non-adversarial method of resolving workplace disputes; the Managerial Emotional Intelligence Program to increase employee retention and enhance vital relationships at work; and the Drug-Free Workplace Program to guide training/policy development

and assure statewide compliance with the Drug-Free Workplace Act. C-SEAP is also responsible for the overall coordination of the State Psychological Fitness for Duty evaluation process when an employee poses a direct threat to themselves, to other employees, to the State, and/or to the public. C-SEAP offers counseling/coaching to all State employees regarding workplace issues such as absenteeism, performance concerns, conflict, sexual harassment, perceptions of bullying and retaliation, substance abuse, violence in the workplace, and domestic violence affecting the workplace, as well as any emotional, mental, or personal problem which may be affecting an employee's ability to perform at work. In addition, the program provides consultation to departmental supervisors, managers, and HR/RM professionals to address these workplace issues; workshops on topics like anger education and conflict resolution; on-site facilitated groups and other organizational assistance; and workplace crisis response. The State Employees Mediation Program (SEMP) is administered through C-SEAP to provide a collaborative, non-adversarial method of resolving workplace disputes. Personal services supports all salaries and wages including those paid to full-time, part-time, or temporary employees of the State, and includes the State's contribution to the Public Employees' Retirement Fund. Also, the funding supports contractual services, consisting of services rendered or performed by firms or individuals other than for employment compensation as an employee of the state and approved tuition for employee workshops. This appropriation is supported by an amount set forth by the Department in the program procedures adopted pursuant to Section 24-50-604(1)(k)(IV), C.R.S., and may include, but need not be limited to, funds from the Group Benefit Plans Reserve Fund created in Section 24-50-613(1), C.R.S., the Risk Management Fund created in Section 24-30-1510(1), C.R.S., and any interest derived from said funds, per Long Bill annotation.

OPERATING EXPENSES

C.R.S. 24-50-604 provides the statutory authorization for the Program. The Program is pursuant to Section 24-50-604 (1) (k) (I), C.R.S. House Bill 02-1226 granted the authority of the State Personnel Director to create a state employee assistance program. This line item supports the operating expenses of the C-SEAP and Ombuds Programs, including supplies for staff and travel expenses. This appropriation is supported by an amount set forth by the Department in the program procedures adopted pursuant to Section 24-50-604(1)(k)(IV), C.R.S., and may include, but need not be limited to, funds from the Group Benefit Plans Reserve Fund created in Section 24-50-613(1), C.R.S., the Risk Management Fund created in Section 24-30-1510(1), C.R.S., and any interest derived from said funds, per Long Bill annotation.

INDIRECT COST ASSESSMENT

C.R.S. 24-50-604 provides the statutory authorization for the Program. The Program is pursuant to Section 24-50-604 (1) (k) (I), C.R.S. House Bill 02-1226 granted the authority of the State Personnel Director to create a state employee assistance program. Indirect costs are the overhead costs associated with the operation of general government functions and departmental administrative duties. Indirect cost recoveries are intended to offset these overhead costs, that otherwise would have been supported by the General Fund, from cash-

and federally-funded sources. Recoveries from cash and federally-funded programs are calculated for statewide and departmental overhead costs. This appropriation is supported by an amount set forth by the Department in the program procedures adopted pursuant to Section 24-50-604(1)(k)(IV), C.R.S., and may include, but need not be limited to, funds from the Group Benefit Plans Reserve Fund created in Section 24-50-613(1), C.R.S., the Risk Management Fund created in Section 24-30-1510(1), C.R.S., and any interest derived from said funds, per Long Bill annotation.

(2) OFFICE OF THE STATE ARCHITECT

OFFICE OF THE STATE ARCHITECT

This Office previously resided in the Division of Finance and Procurement which 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. For the 2009-10 Long Bill, Decision Item #13 – FY 2009-10 Long Bill Realignment was approved, resulting in the transfer of the Office of the State Architect (previously named the Real Estate Services Program) from the Accounts and Control Division to the Executive Director’s Office (JBC figure setting document for DPA, March 11, 2009, p. 40). S.B. 15-270 created the “Office of the State Architect” in the Department of Personnel & Administration. Although the office existed in practice, it did not exist in law. The bill reassigned duties from the Department to the office and created new responsibilities for the office associated with statewide planning for capital construction. The Office of the State Architect (OSA) integrates statutory oversight responsibilities with comprehensive design, construction and real estate expertise in order to provide assistance and training to State agencies and institutions relating to State owned and leased assets. Specific responsibilities include:

- Establishing policies and procedures and providing oversight associated with the State’s capital construction process (including controlled maintenance and Energy Management) for each State agency and institution of higher education. This process includes solicitation and procurement of professional design and construction services; establishing standard contract language; establishing project management guidelines including cost management; establishing the minimum building codes and compliance requirements; and administering the controlled maintenance program by establishing a statewide system to annually measure and report to the Capital Development Committee (CDC) the condition of State owned facilities and recommending the statewide prioritized list of controlled maintenance projects.
- Providing comprehensive project administration services to those State agencies and institutions of higher education that do not have technical staff experienced in project design and construction management.
- Establishing policies and procedures and providing oversight for State leases and other real estate contracts for each State agency and institution of higher education. This process includes: statutory approval of all leases, coordination with the State’s contracted real estate brokers, maintaining and annually reporting to the CDC on the inventory of State property (including all improvements),

developing performance criteria and real property management strategies, and development and administration of office space standards for leased space.

This line item supports both the personal services and operating needs of the Office of the State Architect, and the programs and functions identified above. This appropriation is supported by the General Fund.

STATEWIDE PLANNING SERVICES

The “Office of the State Architect” in the Department of Personnel & Administration appeared for the first time in S.B. 15-270. Although the office existed in practice, it did not exist in law. The bill reassigned duties from the Department to the office and created new responsibilities for the office associated with statewide planning for capital construction. This line item was created in the FY 2015-16 Long Bill for the purpose of paying for technical consulting related to master planning for state agencies intended as an ongoing, annual, base funding appropriation. This appropriation is supported by the General Fund.

(3) OTHER STATEWIDE SPECIAL PURPOSE

TEST FACILITY LEASE

In 1970, the State agreed to lease 33,492 acres of land free of charge for 150 years to the U.S. Transportation Department, Federal Railroad Commission (FRC), for a high speed train test site in order to boost economic development in that region. The appropriation to this line item supports a lease payment to the State Land Board for a Federal Railroad Commission testing facility in Pueblo, Colorado. The land is leased from the State Land Board to the Department of Personnel & Administration and is sub-leased to the Federal Railroad Commission free of charge. The site presently employs approximately 450 people, and the original 50-year lease agreement will expire on August 1, 2020. This appropriation is supported by the General Fund.

EMPLOYMENT SECURITY CONTRACT PAYMENT

This line item was created in order for the State to enter into employment security contracts. This line was first placed in the Department of Personnel & Administration in HB 95-1362, which merged the Departments of Personnel and Administration. This appropriation supports a contract with a private company that is responsible for reviewing and challenging unemployment insurance claims filed against the State, excluding institutions of higher education. This appropriation is supported by the General Fund and fees from user agencies per Long Bill annotation.

DISABILITY FUNDING COMMITTEE

This long bill line was created in SB 13-276 which moved and renamed the Coordinated Care for People with Disabilities Fund from the Department of Health Care Policy and Financing to the Disability Investigational and Pilot Support (DIPS) Fund within DPA. Originally located within the State Purchasing Office, the General Assembly approved a reorganization of several of the Department's line items in the FY 2015-16 Long Bill and transferred this line item to the Executive Director's Office. The DIPS fund was managed by the renamed Disability-Benefit Support Contract Committee, which was established under HB 11-1216. SB 13-276 also amended the committee's size and composition. The committee accepts and reviews proposals to fund projects or programs that study or pilot new and innovative ideas that will lead to an improved quality of life or increased independence for persons with disabilities. HB 16-1362 revised the committee composition, renamed the committee to Colorado Disability Funding Committee and the DIPS Fund to the Disability Investigational and Pilot Support Fund.

(2) DIVISION OF HUMAN RESOURCES**(A) HUMAN RESOURCE SERVICES****(1) STATE AGENCY SERVICES****PERSONAL SERVICES**

This line has existed since the inception of State Agency Services. This line item and the associated appropriations of FTE and personal services funding support the State Agency Services in the Division of Human Resources staff and management functions, which include providing interpretation of applicable rules and regulations; handling appeals to the State Personnel Director from employees; providing policy guidance for State benefits, including the Performance Based Pay Plan and the annual compensation survey; creating and maintaining job evaluation systems; developing compensation and leave policies; and providing direct human resources services to the following non-decentralized state agencies: the Office of the Governor, the Department of Treasury, and certain institutions of higher education. Personal services supports all salaries and wages including those paid to full-time, part-time, or temporary employees of the state, and includes the state's contribution to the Public Employees' Retirement Fund. Also, the funding supports contractual services, consisting of services rendered or performed by firms or individuals other than for employment compensation as an employee of the state and approved tuition for employee workshops. This appropriation is supported by the General Fund, per Long Bill annotation.

OPERATING EXPENSES

This line has existed since the inception of State Agency Services, and supports the operating expenses for the DHR “Director’s Office”, which includes those expenses most generally associated with statewide human resources services. Allowable operating expenditures are defined in the Long Bill headnotes, and actual expenditures are identified by object code in the Schedule 14. This appropriation is supported by the General Fund, per Long Bill annotation.

TOTAL COMPENSATION AND EMPLOYEE ENGAGEMENT SURVEYS

This line item was amended in the FY 2014-15 Long Bill to reflect an alternating biennial appropriation. In even numbered fiscal years, the appropriation to this line provides for the resources needed to support the administration of a statewide survey designed to evaluate and manage important components of the State’s key performance metrics. These can range from service to safety, innovation to high-potential retention or quality to sales effectiveness. The Employee Engagement Survey is an opportunity to receive insight and feedback on improving service delivery and business practices of state government through the review of trends identified in ongoing surveys as well as a means of identifying trends relating to overall job satisfaction of the state’s workforce. In odd numbered fiscal years, the appropriation to this line provides for the resources needed to conduct a custom compensation market study and benefit market analysis. This appropriation is supported by the General Fund, per Long Bill annotation.

(2) TRAINING SERVICES**TRAINING SERVICES**

Pursuant to Section 24-50-122, C.R.S., this program provides training courses that includes topics such as supervision, project management, leadership, diversity, conflict resolution, business writing, computer skills, change management, customer service, financial fitness (pre-retirement), violence prevention, and performance management to state employees. On July 11, 2005, the Department of Personnel & Administration began a partnership with the Colorado State University’s Division of Continuing Education to provide training programs for State employees. This line item and the associated appropriations of FTE and personal services funding support Training Services in the Division of Human Resources staff and management functions. Personal services supports all salaries and wages including those paid to full-time, part-time, or temporary employees of the state, and includes the state’s contribution to the Public Employees’ Retirement Fund. Also, the funding supports contractual services, consisting of services rendered or performed by firms or individuals other than for employment compensation as an employee of the state and approved tuition for employee workshops. Funding included in this line also supports the annual operating expenses of the Training Services unit. This appropriation is supported

by training revenue from non-state agencies and training revenue from state agencies, per Long Bill annotation. After three years as separate personal services and operating line item appropriations, the lines were consolidated in the FY 2015-16 Long Bill.

INDIRECT COST ASSESSMENT

Authority for the Training program is found in Section 24-50-122, C.R.S. Indirect costs are the overhead costs associated with the operation of general government functions and departmental administrative duties. Indirect cost recoveries are intended to offset these overhead costs, that otherwise would have been supported by the General Fund, from cash- and federally-funded sources. Recoveries from cash and federally-funded programs are calculated for statewide and departmental overhead costs. Statewide indirect cost recoveries are designed to offset costs of operating general government functions that support the activities of all departments but for which no fee is charged. These costs are calculated by the State Controller's Office and approved by the Joint Budget Committee. As a result of annual changes in the allocation of costs, departments may have an increase or a decrease in indirect costs assessed against them. This appropriation is supported by training revenue from state agencies, per previous Long Bill annotation.

(B) EMPLOYEE BENEFITS SERVICES

PERSONAL SERVICES

The authority for this program is found in C.R.S. 24-50-601 through 604. This line was first placed in the Department of Personnel & Administration in HB 95-1362, which merged the Departments of Personnel and Administration, and was housed in the Executive Director's Office. It was moved to the Division of Human Services as of the FY 1995-96 Long Bill. This line item and the associated appropriations of FTE and personal services funding collectively support the Employee Benefits Services staff within the Division of Human Resources and accounting unit in the Executive Director's Office, and the administration of the employee group benefits plans. The Unit provides the initial design of the employee benefit programs as well as the subsequent contractual, administrative and financial management of these benefits programs. The appropriation supports all salaries and wages including those paid to full-time, part-time, or temporary employees of the State, and includes the State's contribution to the Public Employees' Retirement Fund. Also, the funding supports contractual services, consisting of services rendered or performed by firms or individuals other than for employment compensation as an employee of the State and approved tuition for employee workshops. This appropriation is supported by the Group Benefit Plans Reserve Fund created in Section 24-50-613(1), C.R.S., per Long Bill annotation.

OPERATING EXPENSES

This line was first placed in the Department of Personnel & Administration in HB 95-1362, which merged the Departments of Personnel and Administration. This line item supports the operating expenses for Employee Benefits Services, which administers the State's employee benefit programs, including medical and dental plan options, basic and optional life insurance plans (including accidental death and dismemberment), short-term and optional long-term disability, Section 125 pretax premiums and two flexible spending accounts (dependent and health care). This appropriation is supported by the Group Benefit Plans Reserve Fund created in Section 24-50-613(1), C.R.S., per Long Bill annotation.

UTILIZATION REVIEW

The authority for this line is found in C.R.S. 24-50-604. This line was first placed in the Department of Personnel & Administration in HB 95-1362, which merged the Departments of Personnel and Administration. This appropriation supports the audits of benefits plans administered by the State to ensure that they are financially sound and accurate. This appropriation is supported by the Group Benefit Plans Reserve Fund created in Section 24-50-613(1), C.R.S., per Long Bill annotation.

HB 07-1335 SUPPLEMENTAL STATE CONTRIBUTION FUND

This line item was initiated based on HB 07-1335, which provides money used to supplement the monthly employee contribution to medical benefits for low-income state employees with children. It also required the Department to establish a one-year (FY 2008-09) pilot disease management program for asthma using money from the Short-term Innovative Health Program Grant Fund established in S.B. 07-097. Senate Bill 07-097 established a fund to be administered by the Department beginning in FY 2007-08. This appropriation has been supported by the Supplemental State Contribution Fund created in Section 24-50-609(5), C.R.S., per Long Bill annotation and is continuously appropriated.

INDIRECT COST ASSESSMENT

This line represents the Indirect Cost Assessment for Employee Benefits Services unit. Indirect costs are the overhead costs associated with the operation of general government functions and departmental administrative duties. Indirect cost recoveries are intended to offset these overhead costs, that otherwise would have been supported by the General Fund, from cash- and federally-funded sources. Recoveries from cash- and federally-funded programs are calculated for statewide and departmental overhead costs. Statewide indirect

cost recoveries are designed to offset costs of operating general government functions that support the activities of all departments but for which no fee is charged. These costs are calculated by the State Controller's Office and approved by the Joint Budget Committee. As a result of annual changes in the allocation of costs, departments may have an increase or a decrease in indirect costs assessed against them. This appropriation is supported by the Group Benefit Plans Reserve Fund created in Section 24-50-613(1), C.R.S., per Long Bill annotation.

(C) RISK MANAGEMENT SERVICES

Services are provided to all state department and higher education institutions except the University of Colorado system, Colorado State University at Fort Collins, and the University of Northern Colorado. Effective July 1, 2010, Mesa State College and Fort Lewis College no longer participate in the Workers' Compensation Fund. Effective July 1, 2017, Colorado School of Mines no longer participates in the Risk Management Program (Liability, Property, and Workers' Compensation).

- Workers' Compensation Fund--provides the workers' compensation coverage for state employees. Workers' compensation is self-funded and claims are administered by a third party administrator (TPA).
- The Liability Fund--provides self-funded general liability coverage for tort and federal claims. Claims are administered internally through oversight of third-party adjusters and advice from the Attorney General's Office.
- Property Fund--provides property casualty loss coverage for state assets, including 9,000 state vehicles and 5,000 state buildings. Coverage is provided through a commercial casualty insurance policy.
- Loss Control--provides loss prevention training and related services in all three fund areas (workers' compensation, liability and property).

Liability claims and lawsuits arise from allegations of state negligence related to such occurrences as auto accidents, employment discrimination, and road maintenance. Most of the 2,200 liability claims presented against the State each year are denied, as they are subject to protection found in the Colorado Governmental Immunity Act (CGIA). Most of the payment dollars are related to federal law, where the focus is on civil rights and employment.

Workers' compensation benefits for state employees (over 5,000 claims per year) are administered on a self-funded basis. The costs in the self-funded liability and workers' compensation programs are allocated to state agencies and participating institutions of higher education based on pro-rata claims history.

Property exposures (e.g., floods, wind, fires, and theft) are covered by commercial casualty insurance with broad all-risk coverage. Risk Management Services administers large policy deductibles, and pursuant to statute, state agencies and institutions of higher education pay the first \$1,000 per claim. Policy premiums are allocated to state agencies and institutions of higher education based on pro-rata building and content values.

(1) RISK MANAGEMENT PROGRAM ADMINISTRATIVE COST**PERSONAL SERVICES**

This line item and the associated appropriations of FTE and personal services support the collective personal services needs of Risk Management Services. Risk Management Services protects the State's human resource and property assets through the administration of liability, property, workers' compensation and loss control programs. Services provided include, but are not limited to, accident investigation, legal defense, safety training, hazard mitigation, building inspections, contract review, insurance procurement, property valuation, risk financing, claim evaluation, seminar presentation, workers' compensation medical management, statistical analysis, data collection and premium assessment. Personal services include all salaries and wages including those paid to full-time, part-time, or temporary employees of the state, including the State's contribution to the Public Employees' Retirement Fund. Also, contractual services, consisting of services rendered or performed by firms or individuals other than for employment compensation as an employee of the State and tuition for employee workshops that are approved by personnel system regulations. The annual funding source for this appropriation is reserves in the Risk Management Fund pursuant to Section 24-30-1510(3), C.R.S., the Self-Insured Property Fund pursuant to Section 24-30-1510.5(3), C.R.S., and the State Employee Workers' Compensation Account pursuant to Section 24-30-1510.7(2), C.R.S., as identified by Long Bill annotation.

OPERATING EXPENSES

This line has existed since the inception of Risk Management Services and supports the operating expenses for Risk Management Services. The annual funding source for this appropriation is reserves in the Risk Management Fund pursuant to Section 24-30-1510(3), C.R.S., the Self-Insured Property Fund pursuant to Section 24-30-1510.5(3), C.R.S., and the State Employee Workers' Compensation Account pursuant to Section 24-30-1510.7(2), C.R.S., as identified by Long Bill annotation.

ACTUARIAL AND BROKER SERVICES

This line item was introduced in the FY 2013-14 Long Bill as part of the reorganization of the Risk Management Program and funds actuarial and broker services for risk management programs that were previously included within Liability Premiums, Property Premiums and Workers' compensation Premiums lines. The annual funding source for this appropriation is reserves in the Risk Management Fund pursuant to Section 24-30-1510(3), C.R.S., the Self-Insured Property Fund pursuant to Section 24-30-1510.5(3), C.R.S., and the State Employee Workers' Compensation Account pursuant to Section 24-30-1510.7(2), C.R.S., as identified by Long Bill annotation.

RISK MANAGEMENT INFORMATION SYSTEM

This line item was introduced in the FY 2013-14 Long Bill as part of the reorganization of the Risk Management Program. This line item funds the risk management information system service fees that were previously equally allocated to Liability Premiums, Property Premiums and Workers' Compensation Premiums lines. The system tracks claims for the three insurance programs. The annual funding source for this appropriation is reserves in the Risk Management Fund pursuant to Section 24-30-1510(3), C.R.S., the Self-Insured Property Fund pursuant to Section 24-30-1510.5(3), C.R.S., and the State Employee Workers' Compensation Account pursuant to Section 24-30-1510.7(2), C.R.S., as identified by Long Bill annotation.

INDIRECT COST ASSESSMENT

This line represents the Indirect Cost Assessment for Risk Management. Indirect costs are the overhead costs associated with the operation of general government functions and departmental administrative duties. Indirect cost recoveries are intended to offset these overhead costs that otherwise would have been supported by the General Fund, from cash- and federally-funded sources. Recoveries from cash- and federally-funded programs are calculated for statewide and departmental overhead costs. Statewide indirect cost recoveries are designed to offset costs of operating general government functions that support the activities of all departments but for which no fee is charged. These costs are calculated by the State Controller's Office and approved by the Joint Budget Committee. As a result of annual changes in the allocation of costs, departments may have an increase or a decrease in indirect costs assessed against them. The annual funding source for this appropriation is reserves in the Risk Management Fund pursuant to Section 24-30-1510(3), C.R.S., the Self-Insured Property Fund pursuant to Section 24-30-1510.5(3), C.R.S., and the State Employee Workers' Compensation Account pursuant to Section 24-30-1510.7(2), C.R.S., as identified by Long Bill annotation.

(2) LIABILITY**LIABILITY CLAIMS**

This line was created pursuant to Section 24-30-1510, C.R.S. The Liability Program is used to pay liability claims and expenses brought against the State. The program provides coverage to state agencies and employees for tort and federal claims, including those arising out of the scope of employment. The State is self-insured for the Liability Program. Judgments for liabilities that do not involve federal law are limited by the Governmental Immunity Act pursuant to Section 24-10-114, C.R.S. This act limits judgments to \$150,000 per person and \$600,000 per occurrence. This act does not apply to liabilities that pertain to federal law (Americans with Disabilities Act, age discrimination, gender discrimination, racial discrimination, etc.). Therefore, there is no damage limit for these awards.

The level of the premium is determined annually as part of the Risk Management and Workers' Compensation Common Policy per OSPB Budget Instructions. The annual funding source for this appropriation is from appropriations to other state agencies for the Risk Management Fund created in Section 24-30-1510(1), C.R.S., as identified by Long Bill annotation. The Risk Management Fund receives revenues from two primary sources: payments from State agencies and interest. The General Assembly appropriates spending authority for program costs in the Long Bill. However, payments from the "Liability" section of the Long Bill are continuously appropriated for purposes other than the direct and indirect administrative costs of operating the Risk management system pursuant to Section 24-30-1510 (1), C.R.S.

LIABILITY EXCESS POLICY

This line item was introduced in the FY 2013-14 Long Bill as part of the reorganization of the Risk Management Program. Premiums paid through this line are for excess insurance policies to limit the exposure to loss in the Risk Management Fund that were previously included in the Liability Premiums line. Payments from the "Liability" section of the Long Bill are continuously appropriated for purposes other than the direct and indirect administrative costs of operating the Risk management system pursuant to Section 24-30-1510 (1), C.R.S.

LIABILITY LEGAL SERVICES

The statutory authority for this line item is found in Section 24-30-1507, C.R.S. Funds in the Liability Program are continuously appropriated for this line item pursuant to Section 24-30-1510 (1) and Section 24-30-1510 (3) (a), C.R.S. This line item addresses legal expenses associated with the Liability Program purchased through the Department of Law. The Department of Law uses a cost allocation billing methodology for Legal Services and calculates the departmental allocations for State agency customers, including the Liability Program, based upon historical expended legal service hours and historical litigation costs. The General Assembly appropriates spending authority for program costs in the Long Bill. Payments from the "Liability" section of the Long Bill are continuously appropriated for purposes other than the direct and indirect administrative costs of operating the Risk management system pursuant to Section 24-30-1510 (1), C.R.S.

(3) PROPERTY

PROPERTY POLICIES

The Property Program pays for commercial insurance and associated deductibles to cover State properties and assets. The program provides property loss coverage for State assets, including building and contents value. The Property Program is funded by

appropriations from the Self-Insured Property Fund created pursuant to Section 24-30-1510.5, C.R.S. The Property Fund receives revenue from two primary sources: payments from state agencies and interest. The General Assembly appropriates spending authority for program costs in the Long Bill. However, payments made from the "Property Premiums" line item for property premiums, deductibles, and claims are continuously appropriated pursuant to Section 24-30-1510.5 (1), C.R.S.

The level of the premium is determined annually as part of the Risk Management and Workers' Compensation Common Policy per OSPB Budget Instructions. The Property Fund receives revenue from two primary sources: payments from state agencies and interest. The General Assembly appropriates spending authority for program costs in the Long Bill. However, payments made from the "Property" section of the Long Bill for property premiums, deductibles, and claims are continuously appropriated for purposes other than the direct and indirect administrative costs of operating the Risk management system pursuant to Section 24-30-1510.5 (1), C.R.S.

PROPERTY DEDUCTIBLES AND PAYOUTS

This line item was introduced in the FY 2013-14 Long Bill as part of the reorganization of the Risk Management Program and funds the payment of deductibles and residuals as required by the property policies for the State's property insurance program. With the exception of extreme loss, the State is self-funded for the majority of claims filed under the property program. Payments made from the "Property" section of the Long Bill for property premiums, deductibles, and claims are continuously appropriated for purposes other than the direct and indirect administrative costs of operating the Risk management system pursuant to Section 24-30-1510.5 (1), C.R.S.

(4) WORKERS' COMPENSATION

WORKERS' COMPENSATION CLAIMS

The Workers' Compensation Program is used to pay workers' compensation benefits to State employees. Like the Liability Program, the State is self-insured for workers' compensation claims. Unlike the Liability Program, the Governmental Immunity Act does not apply to workers' compensation claims. There are two broad categories of workers' compensation payments: medical payments and indemnity payments. Indemnity benefits include settlements for permanent injuries and lost wages. The maximum workers' compensation benefits for lost wages are established by the Department of Labor and Employment pursuant to Section 8-47-106, C.R.S., and there is no maximum for medical benefits. The State's ultimate liability for any one claim could be significant if a severely injured employee lives for a long period of time.

The level of the premium is determined annually as part of the Risk Management and Workers' Compensation Common Policy per OSPB Budget Instructions. The Workers' Compensation Program is funded by appropriations from the State Employee Workers'

Compensation Account, a separate account within the Risk Management Fund pursuant to Section 24-30-1510.7, C.R.S. Similar to the Liability Program, the fund receives revenue from payments from State agencies and interest. Payments made from the "Workers' Compensation" section of the Long Bill are continuously appropriated for purposes other than the direct and indirect administrative costs of operating the Risk management system, including legal services, litigation expenses, and third-party administrator expenses, pursuant to Section **24-30-1510.7 (1), C.R.S.**

WORKERS' COMPENSATION TPA FEES AND LOSS CONTROL

This line item was introduced in the FY 2013-14 Long Bill as part of the reorganization of the Risk Management Program and funds the third party administrator fees and safety and loss control incentives that were previously included within the workers' compensation premium line. Payments made from the "Workers' Compensation" section of the Long Bill are continuously appropriated for purposes other than the direct and indirect administrative costs of operating the Risk management system, including legal services, litigation expenses, and third-party administrator expenses, pursuant to Section **24-30-1510.7 (1), C.R.S.**

WORKERS' COMPENSATION EXCESS POLICY

This line item was introduced in the FY 2013-14 Long Bill as part of the reorganization of the Risk Management Program. Premiums paid through this line are for excess insurance policies to limit the exposure to loss in the Workers' Compensation Fund that limits the State's exposure in any one occurrence to \$10 million and covers the next \$50 million. Payments made from the "Workers' Compensation" section of the Long Bill are continuously appropriated for purposes other than the direct and indirect administrative costs of operating the Risk management system, including legal services, litigation expenses, and third-party administrator expenses, pursuant to Section **24-30-1510.7 (1), C.R.S.**

WORKERS' COMPENSATION LEGAL SERVICES

This line item was introduced in the FY 2013-14 Long Bill as part of the reorganization of the Risk Management Program and funds the payment of litigation costs purchased through the Department of Law and represents the amount the Department anticipates spending to have legal representation at workers' compensation hearings, as well as for expert opinions. The Department of Law uses a cost allocation billing methodology for Legal Services and calculates the departmental allocations for State agency customers, including the Liability Program, based upon historical expended legal service hours and historical litigation costs. Payments made from the "Workers' Compensation" section of the Long Bill are continuously appropriated for purposes other than the direct and indirect administrative costs of operating the Risk management system, including legal services, litigation expenses, and third-party administrator expenses, pursuant to Section **24-30-1510.7 (1), C.R.S.**

(3) CONSTITUTIONALLY INDEPENDENT ENTITIES**(A) PERSONNEL BOARD****PERSONAL SERVICES**

This line was created as a result of Article XII, Sections 13 through 15, of the Colorado Constitution, and is pursuant to Section 24-50-103, C.R.S. This line was placed in the Department of Personnel & Administration in HB 95-1362, which merged the Department of Personnel and the Department of Administration. This line item and the associated appropriations of FTE and personal services funding support the State Personnel Board staff and functions. The Board adjudicates employment disputes within the state classified system and is responsible for promulgating rules to ensure that state employment is based on merit. The Board conducts administrative hearings, promulgates rules under the authority of the State Administrative Procedures Act, and facilitates dispute resolution. The Board also provides guidance in achieving and maintaining a sound, comprehensive, and uniform system of human resource management. Personal Services include all salaries and wages including those paid to full-time, part-time, or temporary employees of the State, including the State's contribution to the Public Employees' Retirement Fund. Also, contractual services, consisting of services rendered or performed by firms or individuals other than for employment compensation as an employee of the State and tuition for employee workshops that are approved by personnel system regulations. This line is supported by the General Fund, per Long Bill annotation.

OPERATING EXPENSES

This line has existed since the inception of the Personnel Board, originating from Article XII, Sections 13 through 15, of the Colorado Constitution, and is pursuant to Section 24-50-103, C.R.S. This line supports the operating expenses for the Board. This line is supported by the General Fund, per Long Bill annotation.

LEGAL SERVICES

This line was first placed in the Department of Personnel & Administration in SB 09-196, when the Joint Budget Committee voted to split out the Personnel Board's share of legal services allocation from the departmental appropriation in the Executive Director's Office. Funding is appropriated to allow the Personnel Board to purchase necessary legal services from the Department of Law. The Department of Law uses a cost allocation billing methodology for Legal Services and calculates the departmental allocations for State agency customers, including Personnel Board, based upon historical expended legal service hours and historical litigation costs. This line is supported by the General Fund.

(4) CENTRAL SERVICES**(A) ADMINISTRATION****PERSONAL SERVICES**

The statutory authority for Central Services is found in C.R.S. 24-30-1101 through 1117. This line item and the associated appropriations of FTE and personal services funding support the administration in the Division of Central Services staff and management functions. This section provides administrative support and management oversight for the centralized services provided to all state agencies by the Division of Central Services including, but not limited to executive management, management analysis, contract administration, strategic planning, project coordination, and accounting support. Personal Services include all salaries and wages including those paid to full-time, part-time, or temporary employees of the State, including the State's contribution to the Public Employees' Retirement Fund. Also, contractual services, consisting of services rendered or performed by firms or individuals other than for employment compensation as an employee of the State and tuition for employee workshops that are approved by personnel system regulations. This appropriation is supported by fees from user agencies deposited in the Department of Personnel Revolving Fund created in Section 24-30-1108(1), C.R.S., as identified by Long Bill annotation.

OPERATING EXPENSES

The statutory authority for Central Services is found in C.R.S. 24-30-1101 through 1117. This line item supports the operating expenses for the Administration unit. This appropriation is supported by fees from user agencies deposited in the Department of Personnel Revolving Fund created in Section 24-30-1108(1), C.R.S., as identified by Long Bill annotation.

INDIRECT COST ASSESSMENT

The statutory authority for Central Services is found in C.R.S. 24-30-1101 through 1117. This line represents the Indirect Cost Assessment of the Administrative unit in the Division of Central Services. Indirect costs are the overhead costs associated with the operation of general government functions and departmental administrative duties. Indirect cost recoveries are intended to offset these overhead costs, that otherwise would have been supported by the General Fund, from cash- and federally-funded sources. Recoveries from cash and federally-funded programs are calculated for statewide and departmental overhead costs. Statewide indirect cost recoveries are designed to offset costs of operating general government functions that support the activities of all departments but for which no fee is charged. These costs are calculated by the State Controller's Office and approved by the Joint Budget Committee. As a

result of annual changes in the allocation of costs, departments may have an increase or a decrease in indirect costs assessed against them. This appropriation is supported by fees from user agencies deposited in the Department of Personnel Revolving Fund created in Section 24-30-1108(1), C.R.S., as identified by Long Bill annotation.

(B) INTEGRATED DOCUMENT SOLUTIONS

PERSONAL SERVICES

The statutory authority for Central Services exists in C.R.S. 24-30-1101 through 1117. Commencing in the FY 2012-13 Long Bill, this line item was consolidated to include Reprographics Services, Document Solutions, and Mail Services.

This line item and the associated appropriations of FTE and personal services funding support the Reprographics Services staff functions, the Document Solutions staff and functions, and the Mail Services staff and functions in Central Services. The Reprographics Services staff specializes in comprehensive commercial and graphic art services, offset printing, and high volume digitalized copying, and also manages the rental of office copiers for low volume operations to other state agencies. The Document Solutions staff offers state agencies a full range of micrographic and document imaging services and data entry operations. These services include document conversion, data manipulation, document preservation and image storage. IDS offers 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 U.S. Post Offices and processing the mail according to customer specifications before delivery by opening, sorting, date stamping, and perforating; and mail pick-up and delivery of interdepartmental and United States Postal Service mail and printed materials for state offices located in the metro area. Personal Services includes all salaries and wages including those paid to full-time, part-time, or temporary employees of the State, including the State's contribution to the Public Employees' Retirement Fund. Also, contractual services, consisting of services rendered or performed by firms or individuals other than for employment compensation as an employee of the State and tuition for employee workshops that are approved by personnel system regulations. This appropriation is supported by fees from non-state agencies and from user agencies deposited in the Department of Personnel Revolving Fund created in Section 24-30-1108(1), C.R.S., as identified by Long Bill annotation.

OPERATING EXPENSES

The statutory authority for Central Services exists in C.R.S. 24-30-1101 through 1117. Commencing in the FY 2012-13 Long Bill, this line item was consolidated to include Reprographics Services, Document Solutions, and Mail Services.

This line item supports the operating expenses for Reprographics Services, including all costs to perform printing, copier service, and normal office operations. This appropriation is supported by fees from user agencies deposited in the Department of Personnel Revolving Fund created in Section 24-30-1108(1), C.R.S., as identified by Long Bill annotation. Additionally, this line item supports the operating expenses for the Document Solutions Group. This section offers state agencies a full range of micrographic and document imaging services and data entry operations. These services include document conversion, data manipulation, document preservation and image storage (Electronic Document Warehouse). Scanning costs have been previously reported to be up to 60 percent lower than those provided by private entities. Finally, this line item also supports the operating expenses for Mail Services, including mail processing, including postage application, automated document inserting, electronic address processing, inkjet printing, automated postal pre-sorting and bar-coding, overnight shipping; mail sorting, which includes picking up mail for State agencies and from U.S. Post Offices and processing the mail according to customer specifications before delivery; mail pick-up and delivery of interdepartmental and United States Postal Service mail and printed materials for state offices located in the metro area. This appropriation is supported by fees from non-state agencies and fees from user agencies deposited in the Department of Personnel Revolving Fund created in Section 24-30-1108(1), C.R.S., as identified by Long Bill annotation.

COMMERCIAL PRINT PAYMENTS

This line item was introduced in the FY 2015-16 Supplemental Bill. IDS has an extensive roster of commercial printing resources to meet virtually any printing need. IDS leverages volume-based buying to secure the best possible value for the customer base. This line item supports the pass-through payments for outsourced commercial print services. This appropriation is supported by fees from non-state agencies and fees from user agencies deposited in the Department of Personnel Revolving Fund created in Section 24-30-1108(1), C.R.S., as identified by Long Bill annotation.

IDS POSTAGE

This line item supports the postage costs for operations. IDS mail operations is a work partner with the U.S. Postal Service and works to obtain postage efficiencies for any government mailer. This appropriation is supported by fees from non-state agencies and fees from user agencies deposited in the Department of Personnel Revolving Fund created in Section 24-30-1108(1), C.R.S., as identified by Long Bill annotation.

UTILITIES

This line item supports the utility costs associated with the operations of the Document Solutions Group in Pueblo. This section offers State agencies a full range of micrographic and document imaging services and data entry operations. This appropriation is supported

by fees from user agencies deposited in the Department of Personnel Revolving Fund created in Section 24-30-1108(1), C.R.S., as identified by Long Bill annotation.

ADDRESS CONFIDENTIALITY PROGRAM

House Bill 11-1080, which was signed by the Governor and took effect on June 2, 2011, transferred the existing Address Confidentiality Program from the Office of the Secretary of State to the Department of Personnel & Administration, including \$128,823 Cash Funds. The Address Confidentiality Program was established in the Department of State in 2007. The purpose of the program is to establish a confidential substitute address for a program participant to be used by state and local government agencies whenever possible; to provide agencies access to the participant's actual address, when appropriate; to establish a mail forwarding system for program participants; and to ensure there is adequate funding to pay the program costs for everyone who applies. Program participants are victims of domestic violence, sexual offenses, or stalking. A one-time surcharge is levied on all offenders convicted of stalking or offenses for which the underlying factual basis is domestic violence. Of the surcharge revenue collected, 95 percent is deposited into the Address Confidentiality Program Surcharge Fund and the remaining 5 percent is deposited into the Judicial Stabilization Cash Fund. Appropriations to this line item fund the personal services and operating costs of the program. This program is supported by the General Fund and from offender fees deposited in the Address Confidentiality Program Surcharge Fund created in Section 24-30-2114(4)(a), C.R.S., as identified by Long Bill annotation.

INDIRECT COST ASSESSMENT

The statutory authority for Central Services exists in C.R.S. 24-30-1101 through 1117. Reprographics Services performs its duties pursuant to Section 24-30-1104, C.R.S. Also, as a result of a FY 2007-08 Decision Item, appropriations were recalibrated by reducing the appropriated spending authority in the Mail Services Operating Expenses line item, and reallocating amongst several of the other IDS line items (and the Department's Leased Space line item) in a cost neutral request. This line supports the Indirect Cost Assessment for the Reprographics unit. Indirect costs are the overhead costs associated with the operation of general government functions and departmental administrative duties. Indirect cost recoveries are intended to offset these overhead costs, that otherwise would have been supported by the General Fund, from cash- and federally-funded sources. Recoveries from cash and federally-funded programs are calculated for statewide and departmental overhead costs. Statewide indirect cost recoveries are designed to offset costs of operating general government functions that support the activities of all departments but for which no fee is charged. These costs are calculated by the State Controller's Office and approved by the Joint Budget Committee. As a result of annual changes in the allocation of costs, departments may have an increase or a decrease in indirect costs assessed against them. This appropriation is supported by fees from user agencies deposited in the Department of Personnel Revolving Fund created in Section 24-30-1108(1), C.R.S., as identified by Long Bill annotation.

(C) COLORADO STATE ARCHIVES**PERSONAL SERVICES**

This line originally existed prior to FY 2009-10 in the Long Bill section: Division of Information Technology. Senate Bill 08-155 (IT Consolidation) transferred the division to the Governor's Office of Information Technology, leaving only the Colorado State Archives program in DPA. As part of the FY 2018-19 Long Bill, the General Assembly approved a reorganization within the Department of Personnel & Administration moving the Archives Program from the "Statewide Special Purpose" section within the Executive Director's Office to Central Services in order to reflect the new organizational structure of the Central Services Long Bill group. C.R.S. 24-80-101 through 109 provides the statutory authorization for the Program. Colorado State Archives plans, manages, operates and implements the State's archival and records management program to protect, preserve and maintain the legal documents for Colorado territorial and State government. This unit develops and approves record retention policies and destruction schedules for all State agencies, counties, cities, school districts, and special districts as regards preservation and management of records. These records are a valuable business asset to the State, and are recorded in a variety of forms from paper to electronic formats. The unit also provides citizen and agency access to the records in its custody for legal and research purposes. This line item and the associated appropriations of Full Time Equivalent (FTE) and personal services funding support the Colorado State Archives staff and management functions. The appropriation supports all salaries and wages including those paid to full-time, part-time, or temporary employees of the State, and includes the State's contribution to the Public Employees' Retirement Fund. Also, the funding supports contractual services, consisting of services rendered or performed by firms or individuals other than for employment compensation as an employee of the state and approved tuition for employee workshops. This line is funded by General Fund, and user fees deposited in the Archives and Public Records Cash Fund created in Section 24-30-102(10)(a), C.R.S. as identified by Long Bill annotation.

OPERATING EXPENSES

This line originally existed prior to FY 2009-10 in the Long Bill section: Division of Information Technology. Senate Bill 08-155 (IT Consolidation) transferred the division to the Governor's Office of Information Technology, leaving only the Colorado State Archives program in DPA. As part of the FY 2018-19 Long Bill, the General Assembly approved a reorganization within the Department of Personnel & Administration moving the Archives Program from the "Statewide Special Purpose" section within the Executive Director's Office to Central Services in order to reflect the new organizational structure of the Central Services Long Bill group. The line item supports the annual operating expenses of the Colorado State Archives program, its staff, and required functions. This line is funded by General Fund, and user fees deposited in the Archives and Public Records Cash Fund created in Section 24-30-102(10)(a), C.R.S. as identified by Long Bill annotation.

(5) DIVISION OF ACCOUNTS AND CONTROLS

Initially titled the Division of Accounts and Controls--Controller in the FY 2009-10 Long Bill (SB 09-259), this Long Bill group was renamed in the FY 2015-16 Long Bill (SB 15-234) to the Division of Accounts and Controls. In July 2014, the State of Colorado transitioned its financial, procurement and budget functions from the Colorado Financial Reporting System (COFRS) and other legacy systems to the Colorado Operations Resource Engine (CORE). As a part of a FY 2015-16 Budget Amendment to restructure the Office of the State Controller to better meet the needs of supporting CORE, the Department requested the reorganization to reflect new functional groups most effectively. The Office of the State Controller was previously included in the (5) Finance and Procurement, State Controller's Office and Procurement Services Long Bill group, however, the Department requested through a FY 2009-10 Decision Item that it be identified independent of Procurement Services in order to mirror the operational structure of the Department. The formerly named Division of Finance and Procurement had been created in the 2000 Long Bill (HB 00-1451) by combining the Accounts and Control Division with the procurement functions from the Purchasing and State Buildings Division. The Division of Finance and Procurement was renamed the Division of Accounts and Controls – Controller, in the FY 2009-10 Long Bill, and State Buildings (renamed the Office of the State Architect) was transferred to the Executive Director's Office.

(A) FINANCIAL OPERATIONS AND REPORTING

(1) FINANCIAL OPERATIONS AND REPORTING

PERSONAL SERVICES

In accordance with Section 24-30-201 through 24-30-207, C.R.S., the State Controller is statutorily charged with managing the financial affairs of the State, which includes statewide financial reporting and policy and procedural guidance for financial administration and internal control consulting for state agencies including integrating procedures in a unified financial system, the Colorado Operations Resource Engine. The Office of the State Controller implements the Legislative budget, maintains budgetary control, issues warrants for the State, provides specialized accounting services to state agencies, manages statewide central payroll operations, prepares the annual statewide indirect cost allocation plans (federal plan and budget/cash fees plan), and manages the Recovery Audit Program and the Contract Management System. A primary responsibility of the State Controller is to approve directly, or through delegation all state expenditures prior to the obligation being incurred. The Controller must determine that prices or rates paid for statutorily authorized expenditures are fair and reasonable. The State Controller also promulgates the Fiscal Rules, which govern financial transactions. This line item and the associated appropriations of FTE and personal services funding support the Office of the State Controller staff and management functions. Personal services includes all salaries and wages, including salary survey and performance based pay, including

the State's contribution to the Public Employees' Retirement Association, the amortization equalization disbursement, supplemental amortization equalization disbursement, short-term disability insurance, and the State's share of federal Medicare tax paid for state employees; professional services, including, but not limited to, accounting, consulting, architectural, engineering, physician, nurse, specialized computer, and construction management services; and temporary services, including clerical, administrative, and casual labor rendered or performed by firms or individuals for the State other than for employment compensation as an employee of the State. Some of the items in the prior sentence are appropriated to the Department of Personnel & Administration and are allocated among the Department's divisions and offices. This appropriation is supported by General Fund and rebates received from the Procurement Card Program, as identified by Long Bill annotation.

OPERATING EXPENSES

In accordance with Section 24-30-201 through 24-30-207, C.R.S., the State Controller is statutorily charged with managing the financial affairs of the State, which includes statewide financial reporting, policy and procedural guidance for financial administration, and internal control consulting for all State agencies including integrating procedures in a unified financial system, the Colorado Operations Resource Engine. The Office of the State Controller implements the Legislative budget, maintains budgetary control, authorizes all State contracts through delegation or direct reviews, issues warrants for the State, provides specialized accounting services to state agencies, manages statewide central payroll operations, prepares the annual statewide indirect cost allocation plans (federal plan and budget/cash fees plan), and manages the Recovery Audit Program and the Contracts Management System. A primary responsibility of the State Controller is to approve directly or through delegation all state expenditures prior to the obligation being incurred. The Controller must determine that prices or rates paid for statutorily authorized expenditures are fair and reasonable. The State Controller also promulgates the Fiscal Rules, which govern financial transactions. This line item supports the operating expenses associated with the Office of the State Controller. Funding for this recently separated line was not appropriated solely to the Office of the State Controller prior to FY 2009-10. This appropriation is supported by rebates received from the Procurement Card Program, as identified by Long Bill annotation.

RECOVERY AUDIT PROGRAM DISBURSEMENTS

The cash funds spending authority within this line item serves as a proxy in order to comply with the requirements of HB 10-1176 "Require Government Recovery Audits." The spending authority allows the Department to enter into a contingency-based contract with a recovery audit vendor, reimburse state agencies for costs associated with the recovery audits, and reimburse federal agencies in accordance with federal statute, rules and regulations. HB 13-1286 suspended recovery audits through FY 2016-17 and the appropriation in this line was temporarily reduced to a placeholder amount. In FY 2017-18 when recovery audits resumed, the General Assembly

approved additional appropriations to this line item. In FY 2018-19 the appropriation returned to a placeholder amount. This Long Bill appropriation is supported by the Recovery Audit Cash Fund.

(2) COLLECTIONS SERVICES

PERSONAL SERVICES

The formerly named Division of Finance and Procurement was created in the FY 2019-00 Long Bill (HB 00-1451) by combining the Accounts and Control Division with the procurement functions from the Purchasing and State Buildings Division. Central Collection Services is statutorily responsible for providing debt collection services to state agencies and political sub-divisions through delegation by the Office of the State Controller. Central Collections Services provides this service at a fixed commission rate. Central Collections Services has a number of unique capabilities, including the state income tax refund 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 Central Collections Services at 30 days past due and debts are subsequently assigned to private collection companies at 180 days old if no repayment arrangements have been made with debtors. This partnership increases the opportunity for collection. This line item and the associated appropriations of FTE and personal services funding support the Collections Services staff and management functions. Personal services includes all salaries and wages, including salary survey and performance based pay, including the State's contribution to the Public Employees' Retirement Association, the amortization equalization disbursement, supplemental amortization equalization disbursement, short-term disability insurance, and the State's share of federal Medicare tax paid for state employees; professional services, including, but not limited to, accounting, consulting, architectural, engineering, physician, nurse, specialized computer, and construction management services; and temporary services, including clerical, administrative, and casual labor rendered or performed by firms or individuals for the State other than for employment compensation as an employee of the State. This appropriation is supported by collection fees and receipts deposited in the Debt Collection Fund, as identified by Long Bill annotation.

OPERATING EXPENSES

The formerly named Division of Finance and Procurement was created in the FY 2019-00 Long Bill (HB 00-1451) by combining the Accounts and Control Division with the procurement functions from the Purchasing and State Buildings Division. This line has existed since the inception of Collections Services. This line item supports the operating expenses associated with Collections Services. This appropriation is supported by collection fees and receipts deposited in the Debt Collection Fund, as identified by Long Bill annotation.

PRIVATE COLLECTION AGENCY FEES

The formerly named Division of Finance and Procurement was created in the FY 2019-00 Long Bill (HB 00-1451) by combining the Accounts and Control Division with the procurement functions from the Purchasing and State Buildings Division. This line item was added to the Department's budget through the FY 2005-06 supplemental process. The Department had requested this be done in order to reflect more accurately the payment of private collection agency fees and out of pocket legal expenses incurred in the collection of debts owed to the State. This appropriation is supported by collection fees and receipts deposited in the Debt Collection Fund, as identified by Long Bill annotation.

INDIRECT COST ASSESSMENT

The formerly named Division of Finance and Procurement was created in the FY 2019-00 Long Bill (HB 00-1451) by combining the Accounts and Control Division with the procurement functions from the Purchasing and State Buildings Division. This line supports the Indirect Cost Assessment for Central Collections Services. Indirect costs are the overhead costs associated with the operation of general government functions and departmental administrative duties. Indirect cost recoveries are intended to offset these overhead costs, that otherwise would have been supported by the General Fund, from cash- and federally-funded sources. Recoveries from cash and federally-funded programs are calculated for statewide and departmental overhead costs. Statewide indirect cost recoveries are designed to offset costs of operating general government functions that support the activities of all departments but for which no fee is charged. These costs are calculated by the State Controller's Office and approved by the Joint Budget Committee. As a result of annual changes in the allocation of costs, departments may have an increase or a decrease in indirect costs assessed against them. This appropriation is supported by collection fees and receipts deposited in the Debt Collection Fund, as identified by Long Bill annotation.

(B) PROCUREMENT AND CONTRACTS**PERSONAL SERVICES**

Previously titled the Division of Accounts and Controls--Controller in the FY 2009-10 Long Bill (SB 09-259), this Long Bill group was renamed in the FY 2015-16 Long Bill (SB 15-234) to the Division of Accounts and Controls. In July 2014, the State of Colorado transitioned its financial, procurement and budget functions from the Colorado Financial Reporting System (COFRS) and other legacy systems to the Colorado Operations Resource Engine (CORE). As a part of a FY 2015-16 Budget Amendment to restructure the Office of the State Controller to better meet the needs of supporting CORE, the Department requested the reorganization to effectively reflect

new functional groups and placed the functions of the State Purchasing Office within Procurement and Contracts. The State Purchasing Office was previously included in the (5) Finance and Procurement, State Controller's Office and Procurement Services Long Bill group, however, the Department requested through a FY 2009-10 Decision Item that it be identified independent of Procurement Services in order to mirror the operational structure of the Department. The Statewide Travel Management Program (STMP), created in the FY 2013-14 Long Bill, was previously included in the division of Central Services (A) Administration Personal Services line item. The functions of STMP have been absorbed by the Procurements and Contracts unit. Certain roles and responsibilities from the Supplier Database e-Procurement program in addition to functions of the central contracts unit which authorizes all State contracts through delegation or direct reviews have also been placed in Procurement and Contracts.

In accordance with Section 24-101-101, et. seq. (Colorado Procurement Code), C.R.S., Procurement Services, manages and oversees state procurement policy and processes. This line item and the associated appropriations of FTE and personal services funding support the Procurement and Contracts staff and management functions. Personal services includes all salaries and wages, including salary survey and performance based pay, including the State's contribution to the Public Employees' Retirement Association, the amortization equalization disbursement, supplemental amortization equalization disbursement, short-term disability insurance, and the State's share of federal Medicare tax paid for state employees; professional services, including, but not limited to, accounting, consulting, architectural, engineering, physician, nurse, specialized computer, and construction management services; and temporary services, including clerical, administrative, and casual labor rendered or performed by firms or individuals for the State other than for employment compensation as an employee of the State. This appropriation is supported by the General Fund and with rebates received from the Procurement Card Program, as identified by Long Bill annotation.

OPERATING EXPENSES

Previously titled the Division of Accounts and Controls--Controller in the FY 2009-10 Long Bill (SB 09-259), this Long Bill group was renamed in the FY 2015-16 Long Bill (SB 15-234) to the Division of Accounts and Controls. In July 2014, the State of Colorado transitioned its financial, procurement and budget functions from the Colorado Financial Reporting System (COFRS) and other legacy systems to the Colorado Operations Resource Engine (CORE). As a part of a FY 2015-16 Decision Item to restructure the Office of the State Controller to better meet the needs of supporting CORE, the Department requested the reorganization to effectively reflect new functional groups and functions of the State Purchasing Office within Procurement and Contracts. The State Purchasing Office was previously included in the (5) Finance and Procurement, State Controller's Office and Procurement Services Long Bill group, however, the Department requested through a FY 2009-10 Decision Item that it be identified independent of Procurement Services in order to mirror the operational structure of the Department. The Statewide Travel Management Program (STMP), created in the FY 2013-14 Long Bill, was previously included in the division of Central Services (A) Administration Personal Services line item. The functions of STMP have been absorbed by the Procurements and Contracts unit. Certain roles and responsibilities from the Supplier Database e-

Procurement program in addition to functions of the central contracts unit which authorizes all State contracts through delegation or direct reviews have also been placed in Procurement and Contracts.

In accordance with Section 24-101-101, et. seq. (Colorado Procurement Code), C.R.S., Procurement Services, manages and oversees state procurement policy and processes as defined above. This line item supports the operating expenses associated with Procurement and Contracts. This appropriation is supported by rebates received from the Procurement Card Program, as identified by Long Bill annotation.

(C) CORE OPERATIONS

PERSONAL SERVICES

Previously titled the Division of Accounts and Controls--Controller in the FY 2009-10 Long Bill (SB 09-259), this Long Bill group was renamed in the FY 2015-16 Long Bill (SB 15-234) to the Division of Accounts and Controls. In July 2014, the State of Colorado transitioned its financial, procurement and budget functions from the Colorado Financial Reporting System (COFRS) and other legacy systems to the Colorado Operations Resource Engine (CORE). As a part of a FY 2015-16 Budget Amendment to restructure the Office of the State Controller to better meet the needs of supporting CORE, the Department requested the reorganization to effectively reflect new functional groups replacing the Supplier Database and e-Procurement program with the CORE Operations program. This program provides strategic direction, execution, and maintenance of CORE as well as migration of legacy systems (e.g., BIDS, COMPASS). This line item and the associated appropriations of FTE and personal services funding support the CORE Operations staff and management functions. Personal services includes all salaries and wages, including salary survey and performance based pay, including the State's contribution to the Public Employees' Retirement Association, the amortization equalization disbursement, supplemental amortization equalization disbursement, short-term disability insurance, and the State's share of federal Medicare tax paid for state employees; professional services, including, but not limited to, accounting, consulting, architectural, engineering, physician, nurse, specialized computer, and construction management services; and temporary services, including clerical, administrative, and casual labor rendered or performed by firms or individuals for the State other than for employment compensation as an employee of the State. This appropriation is supported by user fees from state agencies for CORE Operations and fees deposited into the Supplier Database Cash Fund created in Section 24-102-202.5(2)(a), C.R.S., as identified by Long Bill annotation.

OPERATING EXPENSES

Previously titled the Division of Accounts and Controls--Controller in the FY 2009-10 Long Bill (SB 09-259), this Long Bill group was renamed in the FY 2015-16 Long Bill (SB 15-234) to the Division of Accounts and Controls. In July 2014, the State of Colorado transitioned its financial, procurement and budget functions from the Colorado Financial Reporting System (COFRS) and other legacy

systems to the Colorado Operations Resource Engine (CORE). As a part of a FY 2015-16 Budget Amendment to restructure the Office of the State Controller to better meet the needs of supporting CORE, the Department requested the reorganization to effectively reflect new functional groups replacing the Supplier Database and e-Procurement program with the CORE Operations program. This program provides strategic direction, execution, and maintenance of CORE as well as migration of legacy systems (BIDS, COMPASS). This line item supports the operating expenses for the CORE Operations program. This appropriation is supported by user fees from state agencies for CORE Operations and fees deposited into the Supplier Database Cash Fund created in Section 24-102-202.5(2)(a), C.R.S., as identified by Long Bill annotation.

PAYMENTS FOR CORE AND SUPPORT MODULES

Previously titled the Division of Accounts and Controls--Controller in the FY 2009-10 Long Bill (SB 09-259), this Long Bill group was renamed in the FY 2015-16 Long Bill (SB 15-234) to the Division of Accounts and Controls. In July 2014, the State of Colorado transitioned its financial, procurement and budget functions from the Colorado Financial Reporting System (COFRS) and other legacy systems to the Colorado Operations Resource Engine (CORE). As a part of a FY 2015-16 Budget Amendment to restructure the Office of the State Controller to better meet the needs of supporting CORE, the Department requested the relocation of the COFRS Modernization common policy to DPA. This common policy line item, renamed Payments for CORE and Support Modules, encompasses the COFRS Modernization common policy which existed at OIT to fund CORE implementation in addition to the ongoing costs of operating the system. This appropriation is supported by user fees from state agencies for CORE Operations deposited into the Statewide Financial Information Technology Systems Cash Fund created in Section 24-30-209(2)(a), C.R.S. and fees deposited into the Supplier Database Cash Fund created in Section 24-102-202.5(2)(a), C.R.S., as identified by Long Bill annotation.

CORE LEASE PURCHASE PAYMENTS

In July 2014, the State of Colorado transitioned its financial, procurement and budget functions from the Colorado Financial Reporting System (COFRS) and other legacy systems to the Colorado Operations Resource Engine (CORE). In FY 2015-16 at the time of the transfer of operations of the CORE system from the Office of Information Technology to DPA, any lease purchase payments located in the capital budget for the development of CORE were moved to the operating budget. Funds in this common policy line item are supported by user fees from all state agencies for CORE Lease Purchase Payments and fees deposited into the Supplier Database Cash Fund created in Section 24-102-202.5(2)(a), C.R.S., as identified by Long Bill annotation.

INDIRECT COST ASSESSMENT

This line supports the Indirect Cost Assessment for CORE Operations program. Indirect costs are the overhead costs associated with the operation of general government functions and departmental administrative duties and was created as part of the Statewide Indirect Cost Recoveries Common Policy for the FY 2017-18 Long Bill. Indirect cost recoveries are intended to offset these overhead costs, that otherwise would have been supported by the General Fund, from cash- and federally-funded sources. Recoveries from cash and federally-funded programs are calculated for statewide and departmental overhead costs. Statewide indirect cost recoveries are designed to offset costs of operating general government functions that support the activities of all departments but for which no fee is charged. These costs are calculated by the State Controller's Office and approved by the Joint Budget Committee. As a result of annual changes in the allocation of costs, departments may have an increase or a decrease in indirect costs assessed against them. This appropriation is supported by user fees from state agencies for CORE Operations deposited into the Supplier Database Cash Fund created in Section 24-102-202.5(2)(a), C.R.S., as identified by Long Bill annotation.

(6) ADMINISTRATIVE COURTS

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 Administrative Law Judges in the United States, and provides administrative law hearings to over 50 State agencies, counties and other entities out of its three offices (Denver, Colorado Springs and Grand Junction). The OAC conducts all workers' compensation merit hearings for the entire State; all public benefits cases (food stamps, Colorado Works/TANF, Medicaid, etc.); all professional licensing board work involving the denial, revocation, suspension or other discipline of holders of a professional license (such as doctors, nurses, architects, real estate brokers, engineers, etc.); teacher dismissal cases, and all Secretary of State cases where a citizen has filed a complaint under the Fair Campaign Practices Act. In addition, the OAC conducts mediations and settlement conferences. Prior to FY 2009-10, the Independent Ethics Commission (IEC) appropriation resided in the OAC Long Bill group. FY 2009-10 Decision Item #13 – FY 2009-10 Long Bill Realignment transferred the IEC to a newly created Long Bill group, “Constitutionally Independent Entities.”

PERSONAL SERVICES

This line item and the associated appropriations of FTE and personal services funding support the Administrative Courts staff and management functions. Personal services includes all salaries and wages, including salary survey and performance based pay, including the State's contribution to the Public Employees' Retirement Association (PERA), the amortization equalization disbursement (AED),

supplemental AED (SAED), short-term disability (STD) insurance, and the State's share of federal Medicare tax paid for state employees; professional services, including, but not limited to, accounting, consulting, architectural, engineering, physician, nurse, specialized computer, and construction management services; and temporary services, including clerical, administrative, and casual labor rendered or performed by firms or individuals for the State other than for employment compensation as an employee of the State. This appropriation is supported by user fees from state agencies and non-state agencies deposited in the Administrative Courts Cash Fund created in Section 24-30-1001 (3), C.R.S., as identified by Long Bill annotation.

OPERATING EXPENSES

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 Administrative Law Judges (ALJ's) in the United States, and provides administrative law hearings to over 50 State agencies, counties and other entities out of its three offices (Denver, Colorado Springs and Grand Junction). Prior to FY 2009-10, the Independent Ethics Commission (IEC) appropriation resided in the OAC Long Bill group. FY 2009-10 Decision Item #13 – FY 2009-10 Long Bill Realignment transferred the IEC to a newly created Long Bill group, "Constitutionally Independent Entities."

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

This line item supports the operating expenses associated with the Office of Administrative Courts. This appropriation is supported by user fees from state agencies and non-state agencies deposited in the Administrative Courts Cash Fund created in Section 24-30-1001 (3), C.R.S., as identified by Long Bill annotation.

INDIRECT COST ASSESSMENT

The line supports the Indirect Cost Assessment for the Office of Administrative Courts. Indirect costs are the overhead costs associated with the operation of general government functions and departmental administrative duties. Indirect cost recoveries are intended to offset these overhead costs, that otherwise would have been supported by the General Fund, from cash- and federally-funded sources. Recoveries from cash and federally-funded programs are calculated for statewide and departmental overhead costs. Statewide indirect cost recoveries are designed to offset costs of operating general government functions that support the activities of all departments but for which no fee is charged. These costs are calculated by the State Controller's Office and approved by the Joint Budget Committee.

As a result of annual changes in the allocation of costs, departments may have an increase or a decrease in indirect costs assessed against them. This appropriation is supported by user fees from state agencies and non-state agencies deposited in the Administrative Courts Cash Fund created in Section 24-30-1001 (3), C.R.S., as identified by Long Bill annotation.

(7) DIVISION OF CAPITAL ASSETS

(A) ADMINISTRATION

PERSONAL SERVICES

As part of an FY 2018-19 Decision Item to reflect a new organizational structure within the Department, the State Fleet Management (SFM) and the Facilities Maintenance - Capitol Complex (known colloquially as CCLS) programs were consolidated into a single working group named the Division of Capital Assets. This request was approved by the General Assembly and the Capital Assets long bill group appears for the first time in the FY 2018-19 Long Bill. This line item and the associated appropriations of FTE and personal services funding support the administration in the Division of Capital Assets staff and management functions. This section provides administrative support and management oversight for the centralized services provided to all state agencies by the Division of Capital Assets including, but not limited to executive management, management analysis, contract administration, strategic planning, project coordination, and accounting support. Personal Services include all salaries and wages including those paid to full-time, part-time, or temporary employees of the State, including the State's contribution to the Public Employees' Retirement Fund. Also, contractual services, consisting of services rendered or performed by firms or individuals other than for employment compensation as an employee of the State and tuition for employee workshops that are approved by personnel system regulations. This appropriation is supported by fees from user agencies deposited in the Department of Personnel Revolving Fund created in Section 24-30-1108(1), C.R.S., and the Motor Fleet Management Fund created in Section 24-30-1115(1), C.R.S., as identified by Long Bill annotation.

OPERATING EXPENSES

As part of an FY 2018-19 Decision Item to reflect a new organizational structure within the Department, the State Fleet Management (SFM) and the Facilities Maintenance - Capitol Complex (known colloquially as CCLS) programs were consolidated into a single working group named the Division of Capital Assets. This request was approved by the General Assembly and the Capital Assets long bill group appears for the first time in the FY 2018-19 Long Bill. This line item supports the operating expenses for the Administration unit. This appropriation is supported by fees from user agencies deposited in the Department of Personnel Revolving Fund created in Section 24-30-1108(1), C.R.S., and the Motor Fleet Management Fund created in Section 24-30-1115(1), C.R.S., as identified by Long Bill annotation.

INDIRECT COST ASSESSMENT

As part of an FY 2018-19 Decision Item to reflect a new organizational structure within the Department, the State Fleet Management (SFM) and the Facilities Maintenance - Capitol Complex (known colloquially as CCLS) programs were consolidated into a single working group named the Division of Capital Assets. This request was approved by the General Assembly and the Capital Assets long bill group appears for the first time in the FY 2018-19 Long Bill. This line represents the Indirect Cost Assessment of the Administrative unit in the Division of Capital Assets. Indirect costs are the overhead costs associated with the operation of general government functions and departmental administrative duties. Indirect cost recoveries are intended to offset these overhead costs, that otherwise would have been supported by the General Fund, from cash- and federally-funded sources. Recoveries from cash and federally-funded programs are calculated for statewide and departmental overhead costs. Statewide indirect cost recoveries are designed to offset costs of operating general government functions that support the activities of all departments but for which no fee is charged. These costs are calculated by the State Controller's Office and approved by the Joint Budget Committee. As a result of annual changes in the allocation of costs, departments may have an increase or a decrease in indirect costs assessed against them. This appropriation is supported by fees from user agencies deposited in the Department of Personnel Revolving Fund created in Section 24-30-1108(1), C.R.S., and the Motor Fleet Management Fund created in Section 24-30-1115(1), C.R.S., as identified by Long Bill annotation.

(B) FACILITIES MAINTENANCE – CAPITOL COMPLEX**PERSONAL SERVICES**

As part of an FY 2018-19 Decision Item to reflect a new organizational structure within the Department, the State Fleet Management (SFM) and the Facilities Maintenance - Capitol Complex (known colloquially as CCLS) programs were consolidated into a single working group named the Division of Capital Assets. This request was approved by the General Assembly and the Capital Assets long bill group appears for the first time in the FY 2018-19 Long Bill. This line item and the associated appropriations of FTE and personal services funding support staff of Capitol Complex Facilities. This unit performs asset and property management functions for the State. It maintains the grounds and buildings in the Capitol Complex encompassing approximately 900,000 square feet of office space serving thousands of state employees. This section is responsible for providing housekeeping, grounds maintenance, and property management functions for the Capitol Complex, the State Capitol Building, 1881 Pierce Street, the Kipling “campus”, and North Campus as well as various other facilities. Personal services includes all salaries and wages, including salary survey and performance based pay, including the State’s contribution to the Public Employees’ Retirement Association (PERA), the amortization equalization disbursement (AED), supplemental AED (SAED), short-term disability (STD) insurance, and the State’s share of federal Medicare tax paid for state employees; professional services, including, but not limited to, accounting, consulting, architectural, engineering, physician, nurse,

specialized computer, and construction management services; and temporary services, including clerical, administrative, and casual labor rendered or performed by firms or individuals for the State other than for employment compensation as an employee of the State. This appropriation is supported by user fees deposited into the Department of Personnel Revolving Fund created in Section 24-30-1108(1), C.R.S., as identified by Long Bill annotation.

OPERATING EXPENSES

As part of an FY 2018-19 Decision Item to reflect a new organizational structure within the Department, the State Fleet Management (SFM) and the Facilities Maintenance - Capitol Complex (known colloquially as CCLS) programs were consolidated into a single working group named the Division of Capital Assets. This request was approved by the General Assembly and the Capital Assets long bill group appears for the first time in the FY 2018-19 Long Bill. This line item supports the operating expenses for Capitol Complex Facilities, including expenses associated with providing building maintenance including HVAC, plumbing, electrical, elevators, lights, general maintenance, day and evening custodial services (in-house and contractor), grounds maintenance and building security. This appropriation is supported by user fees deposited into the Department of Personnel Revolving Fund created in Section 24-30-1108(1), C.R.S., as identified by Long Bill annotation.

CAPITOL COMPLEX REPAIRS

As part of an FY 2018-19 Decision Item to reflect a new organizational structure within the Department, the State Fleet Management (SFM) and the Facilities Maintenance - Capitol Complex (known colloquially as CCLS) programs were consolidated into a single working group named the Division of Capital Assets. This request was approved by the General Assembly and the Capital Assets long bill group appears for the first time in the FY 2018-19 Long Bill. This appropriation supports Capitol Complex repairs not funded in the base operating expenses appropriation. In FY 1999-2000, the General Assembly created a separate line and appropriated additional base funding for routine HVAC repairs in the Capitol Complex. This appropriation is supported by user fees deposited into the Department of Personnel Revolving Fund created in Section 24-30-1108(1), C.R.S., as identified by Long Bill annotation.

CAPITOL COMPLEX SECURITY

As part of an FY 2018-19 Decision Item to reflect a new organizational structure within the Department, the State Fleet Management (SFM) and the Facilities Maintenance - Capitol Complex (known colloquially as CCLS) programs were consolidated into a single working group named the Division of Capital Assets. This request was approved by the General Assembly and the Capital Assets long bill group appears for the first time in the FY 2018-19 Long Bill. This line item pays for a portion of the security related to the Capitol Complex. The Department collects funds through the rental rate it charges agencies in the Denver Campus of Capitol Complex. These funds are then transferred to the Department of Public Safety, which is the department responsible for the Executive Security Unit. This

appropriation is supported by user fees deposited into the Department of Personnel Revolving Fund created in Section 24-30-1108(1), C.R.S., as identified by Long Bill annotation.

UTILITIES

As part of an FY 2018-19 Decision Item to reflect a new organizational structure within the Department, the State Fleet Management (SFM) and the Facilities Maintenance - Capitol Complex (known colloquially as CCLS) programs were consolidated into a single working group named the Division of Capital Assets. This request was approved by the General Assembly and the Capital Assets long bill group appears for the first time in the FY 2018-19 Long Bill. This line item addresses utilities costs for the Capitol Complex. The Department has contracted with Chevron Energy Solutions to perform performance-based contracting services throughout the Capitol Complex and associated buildings, Grand Junction, the three Lakewood buildings and North Campus. The goal of this project is to conserve energy through tenant awareness and the replacement or upgrading of older, inefficient systems. This project began in the spring of 2002 with an energy audit of all the Capitol Complex buildings. This audit identified energy savings projects which included the replacement of lights and toilets, new boilers and chillers, and the installation of new energy management computerized controls. These improvements were financed through the projected energy savings directly related to the individual project over a predetermined period of time. As a result, the Department has been able to facilitate the most optimal levels of Utilities costs in the Capitol Complex, even during times when the costs of such commodities have routinely increased for all. This appropriation is supported by user fees deposited into the Department of Personnel Revolving Fund created in Section 24-30-1108(1), C.R.S., as identified by Long Bill annotation.

INDIRECT COST ASSESSMENT

As part of an FY 2018-19 Decision Item to reflect a new organizational structure within the Department, the State Fleet Management (SFM) and the Facilities Maintenance - Capitol Complex (known colloquially as CCLS) programs were consolidated into a single working group named the Division of Capital Assets. This request was approved by the General Assembly and the Capital Assets long bill group appears for the first time in the FY 2018-19 Long Bill. This appropriation supports the Indirect Cost Assessment for the Capitol Complex. Indirect costs are the overhead costs associated with the operation of general government functions and departmental administrative duties. Indirect cost recoveries are intended to offset these overhead costs, that otherwise would have been supported by the General Fund, from cash- and federally-funded sources. Recoveries from cash and federally-funded programs are calculated for statewide and departmental overhead costs. Statewide indirect cost recoveries are designed to offset costs of operating general government functions that support the activities of all departments but for which no fee is charged. These costs are calculated by the State Controller's Office and approved by the Joint Budget Committee. As a result of annual changes in the allocation of costs, departments may have an increase or a decrease in indirect costs assessed against them. This appropriation is supported by user fees

deposited into the Department of Personnel Revolving Fund created in Section 24-30-1108(1), C.R.S., as identified by Long Bill annotation.

(C) FLEET MANAGEMENT PROGRAM AND MOTOR POOL SERVICES

PERSONAL SERVICES

This line has existed since the inception of the Fleet Management Program and Motor Pool Services, and was originally placed in the Department of Personnel & Administration through HB 95-1362, which created the Department by merging the Department of Personnel and the Department of Administration. As part of an FY 2018-19 Decision Item to reflect a new organizational structure within the Department, the State Fleet Management (SFM) and the Facilities Maintenance - Capitol Complex (known colloquially as CCLS) programs were consolidated into a single working group named the Division of Capital Assets. This request was approved by the General Assembly and the Capital Assets long bill group appears for the first time in the FY 2018-19 Long Bill. SFM performs three major roles for 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. Personal services includes all salaries and wages, including salary survey and performance based pay, including the State's contribution to the Public Employees' Retirement Association (PERA), the amortization equalization disbursement (AED), supplemental AED (SAED), short-term disability (STD) insurance, and the State's share of federal Medicare tax paid for state employees; professional services, including, but not limited to, accounting, consulting, architectural, engineering, physician, nurse, specialized computer, and construction management services; and temporary services, including clerical, administrative, and casual labor rendered or performed by firms or individuals for the State other than for employment compensation as an employee of the State. This appropriation is supported by fees from user agencies deposited in the Motor Fleet Management Fund created in Section 24-30-1115, C.R.S., as identified by Long Bill annotation.

OPERATING EXPENSES

This line has existed since the inception of the Fleet Management Program and Motor Pool Services, and was originally placed in the Department of Personnel & Administration through HB 95-1362, which created the Department by merging the Department of Personnel and the Department of Administration. As part of an FY 2018-19 Decision Item to reflect a new organizational structure within the Department, the State Fleet Management (SFM) and the Facilities Maintenance - Capitol Complex (known colloquially as CCLS) programs were consolidated into a single working group named the Division of Capital Assets. This request was approved by the General

Assembly and the Capital Assets long bill group appears for the first time in the FY 2018-19 Long Bill. This operating expenses line item supports general day-to-day operating costs for the State Fleet Management program. 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 SB 06-015, all vehicles regardless of size were to be enrolled in the State Fleet Management Program during FY 2006-07. This added an additional 400+ specialized vehicles with a 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.

MOTOR POOL VEHICLE LEASE AND OPERATING EXPENSES

This line item was introduced in the FY 2016-17 Long Bill and supports the motor pool vehicle lease and operating expenses for the State Motor Pool program. As part of an FY 2018-19 Decision Item to reflect a new organizational structure within the Department, the State Fleet Management (SFM) and the Facilities Maintenance - Capitol Complex (known colloquially as CCLS) programs were consolidated into a single working group named the Division of Capital Assets. This request was approved by the General Assembly and the Capital Assets long bill group appears for the first time in the FY 2018-19 Long Bill. These costs were previously included in the Fleet Operating Expenses line. Fleet's Motor Pool provides quality service to state employees in need of a vehicles for a few hours or up to a month at competitive daily rates that include fuel, insurance, mileage, maintenance and roadside assistance. Options exist for renting hybrid, CNG sedans or E85 flexible fuel vehicles. The Department of Personnel & Administration is responsible for the lease payments for all vehicles in the state's fleet including motor pool vehicles. This appropriation is supported by fees from user agencies deposited in the Motor Fleet Management Fund created in Section 24-30-1115, C.R.S., as identified by Long Bill annotation.

FUEL AND AUTOMOTIVE SUPPLIES

This line item was introduced in the FY 2013-14 Long Bill and supports fuel costs and automotive supplies for the state fleet. As part of an FY 2018-19 Decision Item to reflect a new organizational structure within the Department, the State Fleet Management (SFM) and the Facilities Maintenance - Capitol Complex (known colloquially as CCLS) programs were consolidated into a single working group named the Division of Capital Assets. This request was approved by the General Assembly and the Capital Assets long bill group appears for the first time in the FY 2018-19 Long Bill. These costs were previously included in the Fleet Operating Expenses line. 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. For reference, because the State fleet uses approximately four million gallons of fuel per year, each \$.10 increase in fuel price creates a \$400,000 increase in annual expense.

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, and the impact of vehicle replacements as it relates to pressure on maintenance costs. This appropriation is supported by fees from user agencies deposited in the Motor Fleet Management Fund created in Section 24-30-1115, C.R.S., as identified by Long Bill annotation.

VEHICLE REPLACEMENT LEASE/PURCHASE

This line has existed since the inception of the Fleet Management Program and Motor Pool Services, and was originally placed in the Department of Personnel & Administration through HB 95-1362, which created the Department by merging the Department of Personnel and the Department of Administration. The Department of Personnel & Administration is responsible for the lease payments for all vehicles in the state's fleet. The appropriation for this line item is impacted each budget cycle by the annual Statewide Fleet Replacements Decision Item. The final annual appropriation is dependent upon the JBC action on this annual request. This appropriation is supported by fees from user agencies deposited in the Motor Fleet Management Fund created in Section 24-30-1115, C.R.S., as identified by Long Bill annotation.

INDIRECT COST ASSESSMENT

This line has existed since the inception of the Fleet Management Program and Motor Pool Services, and was originally placed in the Department of Personnel & Administration through HB 95-1362, which created the Department by merging the Department of Personnel and the Department of Administration. This line supports the Indirect Cost Assessment for State Fleet Management. Indirect costs are the overhead costs associated with the operation of general government functions and departmental administrative duties. Indirect cost recoveries are intended to offset these overhead costs, that otherwise would have been supported by the General Fund, from cash- and federally-funded sources. Recoveries from cash and federally-funded programs are calculated for statewide and departmental overhead costs. Statewide indirect cost recoveries are designed to offset costs of operating general government functions that support the activities of all departments but for which no fee is charged. These costs are calculated by the State Controller's Office and approved by the Joint Budget Committee. As a result of annual changes in the allocation of costs, departments may have an increase or a decrease in indirect costs assessed against them. This appropriation is supported by fees from user agencies deposited in the Motor Fleet Management Fund created in Section 24-30-1115, C.R.S., as identified by Long Bill annotation.