



Department of Regulatory Agencies Q1 FY2016 Performance Evaluation (October 2015)

Strategic Policy Initiatives

The Department of Regulatory Agencies has identified five Strategic Policy Initiatives for FY 2015-16 and beyond. For this performance evaluation, the Department has updated progress on the initiatives identified in the FY2016 Performance Plan that capture the Department's strategic and operational priorities, and reflect the overall direction as identified by Department leadership. The updates reflect data as of October 1, 2015. Additional detail for these Strategic Policy Initiatives is available in the Department's Performance Plan, which may be accessed [here](#).

Strategic Policy Initiative I

Increase Public Trust and Confidence Through Reasonable and Conscientious Regulation (i.e., Reducing Unnecessary Regulatory Burdens). *The Department is a recognized leader in the creation and sustainment of a fair, competitive and business friendly regulatory environment, including acting in the public interest in and for Colorado.* Goals include reducing "red-tape" and regulatory burdens by streamlining and simplifying processes, and migrating legacy systems to automated or "enterprise" on-line platforms and portals; establishing transparent regulatory and legislative agendas; setting fees that are the minimum necessary and understandable; maintaining a customer centric, easily navigable web-site that enables on-line transactions and is built with customer input; and creating savings and efficiencies for customers, including regulated professionals and businesses.

Strategic Policy Initiative II

Improve Public Protection Through Effective Regulation. *DORA brings value to the marketplace, and regulatory program processes are streamlined, standardized, consistently improve, and leverage technology.* Goals aim to shift mind-sets away from rigid "discipline and enforcement" including development of collaborative, cross-division "core" best practices, resources and training and communication of common practice violations; reduced complaint response and resolution times; expanded internal and external partnerships that broaden outreach, including to specific at-risk communities, and further combat predatory practices; more efficient investigation, inspection and institutional examination processes; and increased use of mediation, conciliation, alternative dispute resolution, "pre-analysis" screening processes, and the expedited settlement model, to reduce time and expenses of enforcement programs.

Strategic Policy Initiative III

Ensure that Regulatory Activities Support Economic Development. *The Department builds and maintains professional partnerships, and engages regulatory professionals and industry to reduce unnecessary regulatory burdens, positioning government to promote entrepreneurship and business growth and more to positively influence the Colorado economy.* Goals include demonstrating clear, institutionalized mechanisms for regulatory reform and reducing unnecessary regulatory burdens; empaneling industry stakeholder groups to solicit and utilize feedback in reviews of rules and regulations and identifying impediments to business and workforce/occupational growth; strengthening strategic partnerships to more positively influence implementation of the Colorado Blueprint and the state's economy; and tracking and "touting" savings and tangible economic benefits to the marketplace in relation to investments made to support the regulatory programs managed by DORA.



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Strategic Policy Initiative IV

Assure DORA is Accessible and Responsive. *DORA enhances professional development for a high quality, customer centric workforce that understands how every role supports and aligns with the consumer protection mission. DORA creates opportunities and networks throughout the state for customers to “help themselves.” DORA’s culture is one of continuous improvement, consistently utilizing Lean (or similar strategies) and customer feedback in attaining its goals that include defining, establishing and sustaining a “platinum level” customer experience; modernizing communication strategies and access; ensuring employees have the resources to improve their careers to further establish a culture of service – that ultimately equates to expanded access, responsiveness and high performance.*

Strategic Policy Initiative V

Expand Outreach to and Engagement With the Public. *DORA works closely with the public, including industry and regulated professionals, and appropriate private organizations in executing its statewide outreach plan and targeted educational programs. Citizens are protected and informed of their rights, and know where to go with issues, concerns or complaints; and DORA provides opportunities to engage public and stakeholder groups. DORA recognizes and leverages the value of preventative measures by providing training, educational materials and information regarding laws, trending issues and timely matters including consumer choices and rights, and avoiding scams, fraud and wrongdoing. DORA works closely with federal and local agencies and community based, non-profit organizations, businesses, Chambers of Commerce and economic development organizations in identifying areas of focus to reduce excessive regulatory burdens and attain the mission of consumer protection. Communications and outreach efforts are enhanced and expanded, and include representing the department as a unified face, targeted campaigns, tangible compliance assistance tools, and opportunities for face-to-face interaction in urban and rural areas.*

Operational Measures

Increase Public Trust and Confidence Through Reasonable and Conscientious Regulation

Licensing/Permitting: The Department processes applications for licensure for more than 50 professions, including individuals and businesses/companies; aiming to achieve a 10% efficiency gain in occupational and business licensing functions and services (e.g., reduce documentation requirements, decrease turnaround times, increase licensing specialist productivity, etc.). *Process – Divisions receive an application, conduct a quality and substance review, in some cases provide industry notice and responses, and issue the permit/license.*

Measure	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Actual	Q1 FY16	1-Year Goal	3-Year Goal
Streamlining Licensing Processes*							
Professions & Occupations: Licenses issued within 15 days	33,004	27,614	30,691	35,571-100%	100%	100%	100%
Real Estate: Licenses issued within 3 days	4,076	5,647	6,600	8,217-100%	93%	100%	100%
Securities: Licenses issued within 30 days	38,103	35,950	36,023	22,266-99%	9,994 (99%)	99%	99%
Migrating Additional Functions to On-line Platforms					2	3	4



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* These numbers are a mere sample, and include newly issued licenses only, not renewals. DORA’s licensing function touches over 740,000 licensees including individuals, businesses and institutions. In further support of this measure, DORA has established a more stable license fee structure and increased consumer awareness about the importance of checking the status of licensed professionals. On July 28, the White House released its report “Occupational Licensing: A Framework for Policymakers,” identifying Colorado in the top 20 percent of states keeping burdens low for occupational licensing. In migrating additional functions to on-line platforms, the Department expanded utilization of e-License (an enterprise solution that provides more expedient and readily accessible, on-line licensing transactions, and greater direct access to our licensed population) through the Division of Real Estate, and the Division of Banking eliminated the burden of submitting hard-copy Suspicious Activity Reports (SAR’s) through access to on-line resources – and feedback from industry has been immediate and very positive.

Improve Public Protection Through Effective Regulation

Measure 1-Institutional Examinations: DORA protects consumers by conducting examinations of state-chartered financial institutions and insurance companies under its supervision to preserve public trust in the regulated financial industries. Process – The Department establishes examination schedules and reviews records, documentation, systems and processes; conducts interviews; communicates results and completes the examination.

Measure 2-Regulatory Program Administration: The Department resolves complaints/charges received and conducts proactive enforcement/compliance oriented investigations and other resolution processes that do not necessitate an investigation. Process – Divisions gather information on complaints/allegations, determine jurisdiction, open a case file, conduct the investigation, make a determination and issue a formal decision.

Measure 1	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Actual	Q1 FY16	1-Year Goal	3-Year Goal
Increasingly Efficient Institutional Examinations							
Banking and Financial Services: Examinations completed within 12-18 months	100%	100%	100%	100%	100%	100%	100%
Securities: Examinations completed within 270 days	100%	100%	100%	100%	100% *	100%	100%
Measure 2	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Actual	Q1 FY16	1-Year Goal	3-Year Goal
Reduced Expenses of Regulatory and Enforcement Programs							
Real Estate: Investigations dismissed due to pre-analysis	192	282	476	330 (43%)	(204) 70%	500	500
Professions & Occupations: % of cases resolved internally	91.4%	91.5%	93.6%	91%	90%	95%	95%
Civil Rights: % of cases resolved internally	84%	84%	83%	85%	86%	90%	100%

Measure 1 includes examples illustrative of DORA’s commitment to assuring the financial viability of Colorado’s state chartered financial institutions. Through these examinations, DORA verifies compliance with state and federal laws, rules and regulations, and sound operating practices across a wide variety of fiduciary services. Statutes dictate the completion time for examinations, depending on the financial institution and industry. Institutional examinations, completed within the statutorily mandated timeframes, contribute to greater trust and protection from making uninformed decisions, wrong-doing, scams and fraud.

** Utilizing Lean, the Securities Division established standard examination processes, standard communication forms and formats, and general parameters for closing examinations in connection with the issuance of a deficiency letter; thereby decreasing the examination cycle time from a 230 day average, to 90 days.*



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Measure 2 includes examples of investigations and formal complaint resolution processes that are resolved not only well within the prescribed statutory timeframes, but quicker, by conducting an early, pre-analysis of the case to expedite processing or resolution; or internally utilizing an Expedited Settlement (or similar) Program. DORA aims to resolve, dismiss or expedite 85% of investigations or cases via the use of mediation/ADR, pre-analysis screening or internal resolution processes, and/or collaborative investigatory models.

Ensure that Regulatory Activities Support Economic Development

Economic Regulation: The Department analyzes fees, as well as rates, terms and conditions of service offerings to grant or change existing authorities or certifications, and to determine compliance with state regulations. Process – The Department conducts scheduled fee setting to determine licensing fees; and the Divisions of Insurance and PUC regularly receive requests to analyze and/or change rates. Staff analyze fees; and rate filings, and present analyses for decision.

Measure 1: By utilizing efficiency processes such as Lean, reducing operating expenses, leveraging a shared service model and more fully integrating technology, the **Division of Professions and Occupations** completed fee setting, and announced of the 66 fees set, 95% were reduced or held constant, compared to just 66% as recently as FY 13. Professional licensees will see more than \$2 million in fee savings over the next two years. Fees to renew a psychologist’s license dropped from \$147 to \$37, an approximately 75 percent decrease; while renewal fees for chiropractors were reduced by 64 percent from \$543 to \$195. Registered nurses saw a smaller decrease of \$5, to a new fee of \$87.

Measure 2	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Actual	Q1 FY16	1-Year Goal	3-Year Goal
Rate Case Resolution/Rate Approvals							
Insurance rate cases finalized within 90 days	7,042	7,948,	9,420,	4406 (75%)	1828 (~70%)	10,000	10,000
PUC rate cases finalized with 14 or 30 days (tariff filings allowed to become effective without a hearing)	539	578	463	304 (98.5%)	(63) 100%	400	350
Office of Consumer Counsel – Percentage of rate increases avoided due to OCC involvement	60.0%	60.0%	60.0%	52%	52%	30.0%	30.0%

Colorado citizens must have just, reasonable, and fair rates for adequate, reliable, responsive, safe and timely utilities such as electricity, gas, water, common carrier transportation services, and insurance options that are not excessive, inadequate or unfairly discriminatory. These measures support DORA’s mission by assuring fees and rates are timely reviewed, and as low as possible and in the public interest, without compromising the economic viability and sustainability of service providers. Consumers save money, and are further assured that providers comply with applicable laws, rules and regulations, and meet standards of safety, competence and quality of service. When requests for rate increases are submitted by the utilities and evaluated by the PUC, the OCC helps consumers by providing representing residential, small business and agricultural consumers, to lower or eliminate utility rate increases; and to the ensure that utility rates, regulations and policies are more equitable for represented entities.

Measure 3	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Actual	Q1 FY16	1-Year Goal	3-Year Goal
% of DORA Divisions Empaneled Industry Stakeholder Groups					78%	75%	100%



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Assure DORA is Accessible and Responsive

The Department’s customer service culture, and internal and external communications mechanisms and strategies are improved, including “platinum level customer experience” formal and informal training for the DORA workforce; the launch and deployment of a customer centric web-site and presence, increasing information related to customers via this mechanism and platform by 15%; expanded consumer alerts; and a quarterly newsletter to industry. **Process – The Department identifies opportunities to enhance its customer service mechanisms to better ensure the public is being fully served and assisted promptly; and provides career development and formal and informal training to the workforce; and deploys associated tools and resources.**

Measure	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Actual	Q1 FY16	1-Year Goal	3-Year Goal
Insurance - Complaints/inquiries processed within 90 days	2,730	2,714	2,490	90%	87%	95%	95%
PUC – Complaints/Inquiries resolved within 15 days					99.2%	95%	95%
Executive Director’s Office – Number of DORA staff participating in DORA’s formal training courses	464	414	468	85%	33%	475	475

Outreach to and Engagement with the Public

Outreach, Education, and Training: The Department works closely with federal and local counterparts, and engages in efforts to proactively inform consumers of their rights regarding regulated occupations and professions in order to serve a more informed consumer base, decreasing regulatory violations and ensuring public awareness. **Process – The Department collaborates with other jurisdiction and business “partners” to identify issues/topics to communicate, the audience, and message; responds to specific requests for information or training; delivers the message through a maximized method and then evaluates the process outcome.**

Measure 1: The Civil Rights Division exceeded its target in Equal Employment Opportunity (EEOC) cases, and was awarded an upward modification of 57 cases (\$50,000) to its EEOC contract, which has never been granted to the Division before. Additionally, CCRD investigators now investigate all types of discrimination complaints (employment, housing and places of public accommodation). Prior to August 2015, investigators specialized in investigating a specific type of claim. Cross-training and combining caseloads allow for more streamlined processes by utilizing personnel resources more efficiently and effectively.

Measure 2	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Actual	Q1 FY16	1-Year Goal	3-Year Goal
Scheduling/Delivering Outreach							
DORA-% scheduled/delivered within 3 days of request	100%	100%	100%	100%	100%	100%	100%