

Schedule 13

Department of Regulatory Agencies

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-01 Division of Securities Operating Expenses Adjustment

Dept. Approval By:		_____	Supplemental FY 2018-19
OSPB Approval By:		_____	Budget Amendment FY 2019-20
		X	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$58,999	\$0	\$58,999	\$40,000	\$40,000
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$58,999	\$0	\$58,999	\$40,000	\$40,000
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$58,999	\$0	\$58,999	\$40,000	\$40,000
	FTE	0.0	0.0	0.0	0.0	0.0
10. Division of Securities, (A) Division of Professions and Occupations, (1) Division of Professions and Occupations - Operating Expenses	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$58,999	\$0	\$58,999	\$40,000	\$40,000
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Regulatory Agencies Prioritized Request	Interagency Approval or Related Schedule 13s:	No Other Agency Impact



COLORADO

Department of
Regulatory Agencies

Priority: R-01
Division of Securities Operating Expenses Adjustment
FY 2019-20 Change Request

Cost and FTE

- The Department requests an ongoing increase of \$40,000 in Cash Funds for the Division of Securities operating expense appropriation, an increase of 68%, in order to align ongoing operating expenses with an increased demand in examinations.

Current Program

- The Division of Securities exists to protect investors and maintain confidence in the securities market, while avoiding unreasonable burdens on the marketplace by licensing securities professionals, enforcing securities law violations, and helping Coloradans become more informed investors.
- The current operating expense appropriation for the division is \$58,999.

Problem or Opportunity

- The Division's Operating Expenses appropriation is extremely small relative to its work load and staff size.
- The Division conducted an average of 57 examinations annually from FY 2005-06 through FY 2011-12, which has recently increased by more than 250%, to 146 annually.
- On a per-FTE basis, the Division's operating line item is 50% less than peer Divisions, while the Department-wide average is more than 250% larger than this Division.
- Critical needs have emerged for which there are not adequate appropriations nor the ability to manage current expenses to support. This includes training/certifications for Division staff (who serve as expert witnesses in litigation); required travel for in-state and out-of-state examinations/investigations; and systems license cost for important regulatory tools including software to bolster investigation of digital currency transactions.

Consequences of Problem

- Without a reasonable increase to its Operating Expenses appropriation, little funding exists for necessary training/certification for staff, required examination travel, and systems/license costs. This puts the Division at risk of having less credibility during litigation, missed instances of wrong-doing by remotely operated firms, and the inability to leverage financial regulatory tools to enhance investigatory techniques required by new digital currency offerings.

Proposed Solution

- The Department proposes increasing the Division's Operating Expenses line item by \$40,000 cash funds to resolve these important funding needs, bring the Division closer to other regulatory entities in the Department, and remove any barriers or bottlenecks to small expenses related to the regulatory and enforcement process,



COLORADO

Department of Regulatory
Agencies

John W. Hickenlooper
Governor

Marguerite Salazar
Executive Director

FY 2019-20 Funding Request | November 1, 2018

Department Priority: R-01

Request Detail: Division of Securities Operating Expenses Adjustment

Summary of Incremental Funding Change for FY 2019-20	Total Funds	General Fund
Division of Securities Operating Expenses Adjustment	\$40,000	\$0

Problem or Opportunity:

Background: Division of Securities. The Division of Securities exists to protect investors and maintain confidence in the securities market, while avoiding unreasonable burdens on the marketplace by licensing securities professionals, enforcing securities law violations, and helping Coloradans become more informed investors. More specifically, the Division is comprised of two primary sections: an Examination Section, and an Enforcement Section.

Examination Section

The strategic goal of the Examination Section of the Division of Securities is to serve as an early warning system for investors by ensuring that securities firms are complying within the law and to prevent dishonest and unethical sales practices. The Division accomplishes this mission through the licensing and examination of securities professionals, and the investigation and prosecution of securities fraud claims. Specifically, the Examination Section activities include the licensure of securities broker-dealers, investment advisers, investment adviser representatives, and sales representatives, and conducting on-site examinations of broker-dealers and investment advisers.

Enforcement Section

The strategic goal of the Enforcement Section of the Division of Securities is to protect citizens by deterring investment fraud activity through timely and thorough investigations and enforcement action. The Enforcement Section seeks to protect the investing public from unethical and unlawful activities, including:

- Those committing securities fraud;
- Dishonest and unethical sales practices by licensed securities professionals;
- Sales of unregistered, nonexempt securities; and
- Sales of securities by unlicensed securities professionals.

The Enforcement Section reviews complaints and referrals, open cases, investigates the cases, refers some for enforcement action, and closes the others. The range of enforcement actions includes issuing a warning letter, obtaining a cease and desist order from the Securities Commissioner, obtaining

injunctive relief and monetary damages from the Denver District Court, and referring the case to criminal prosecutors for criminal sanctions.

Recent Actual Expenditures. Staffing for the Division of Securities primarily consists of Criminal Investigators and Financial/Credit Examiners. The following table shows recent actual expenditures:

Division of Securities					
Recent Actual Expenditures	FY 15-16	FY 16-17	FY 17-18	Average	Percent
Personal Services	2,460,699	2,455,790	2,824,404	2,580,298	52.6%
Operating Expenses	64,537	62,587	65,810	64,311	1.3%
Legal Services	618,076	865,152	953,279	812,169	16.6%
Securities Fraud Prosecution*	937,897	937,823	1,004,100	959,940	19.6%
Other Expenses	526,041	385,727	542,162	484,643	9.9%
Total	4,607,251	4,707,078	5,389,756	4,901,362	100.0%

**Note: This funding is independently appropriated and spent in Department of Law*

Operating Expense appropriations have not kept pace with regulatory growth and are not comparable with other Divisions. Although only 1.3% of the Division’s actual expenditures, operating expense appropriations are often the only source of funding for incidental and discretionary expenditures related to program workload, and in the case of this Division, important examinations and enforcement work. The following table shows average operating expenditures by major category over the last three fiscal years:

Operating Expenses by Major Category	Actual FY 15-16	Actual FY 16-17	Actual FY 17-18	Average	Percent
Communication Charges	18,842	15,885	18,035	17,588	27.3%
Travel	250	1,857	1,091	1,066	1.7%
Postage/Printing	7,223	8,260	8,173	7,885	12.3%
Capital (Furniture/other)	1,726	8,847	9,386	6,653	10.3%
Office Supplies/Materials	4,577	4,408	2,510	3,832	6.0%
Document storage/shredding	5,023	5,295	5,735	5,351	8.3%
Building Maintenance	5,896	1,414	7,232	4,847	7.5%
Books/Periodicals/Subscriptions	7,043	8,651	6,815	7,503	11.7%
Registration Fees	7,113	10	0	2,374	3.7%
Dues/Memberships	3,346	3,220	410	2,325	3.6%
Miscellaneous/All other	3,498	4,740	6,423	4,887	7.6%
Total	64,537	62,587	65,810	64,311	100.0%

As the table above shows, although no single expense category is the primary expenditure, communications charges (mobile and landline phones as well as long distance charges) represent the largest expense, followed by numerous typical operating charges including postage, office supplies, capital expenses, subscriptions, and other routine expenses.

While no growth has occurred in the Division’s base operating expenses appropriation since FY 2011-12, the Division has performed three times as many firm examinations. On average, the Division examined 57 firms annually during fiscal years FY 2005-06 through FY 2011-12, and has since increased this work to

146 firm examinations annually. This increased examination activity is attributable to increased examiner staff (with modest associated operating expenses per-FTE) during this time, as well as increased jurisdiction related to the 2009 federal Dodd-Frank Act, which increased the threshold at which the State has jurisdiction over regulated investment advisor firms, from those having \$25 million or less in activity to those having \$100 million or less. This increased the number of firms under the jurisdiction of the Division by 20%, as well as increased the population of broker-dealers by several thousand.

Additionally, although a very small percentage of the Division’s overall budget footprint, the Division’s Operating Expenses appropriation is extremely small relative to its staff size, and is entirely consumed each year. On a per-appropriated FTE-basis, the Division is far below all other DORA Divisions, as follows:

	FY 18-19 Appropriated Operating Expenses	FY 18-19 Appropriated FTE	Operating Expenses per Appropriated FTE
Division of Securities	58,999	24.0	2,458
Department-wide average	380,720	60.8	6,265
Average, Divisions Less than 30 FTE	104,599	19.8	5,276

This dynamic makes it comparatively more difficult for the Division to manage expenses to meet emerging priorities, even as regulatory growth continues.

Critical Needs Include training/certifications, Required Investigatory Travel, and Systems Licenses. Meanwhile, critical needs have emerged for which there are not adequate appropriations nor the ability to manage current expenses to support. This includes the following major items:

- Training/certifications for Staff. Securities regulation is a complex undertaking involving litigated proceedings in which Division staff are called to testify as expert witnesses. Presently, almost no outside training opportunity for staff exists due to lack of budget availability, including specialized certifications relevant to enforcement (such as Certified Fraud Examiner qualifications). The lack of ability to have staff trained appropriately and more importantly receive professional certifications works against the overall credibility and capability of the Division.

The Division seeks \$15,000 in order to financially support its staff’s qualifications and training as follows:

- license fees, professional certifications, continued education, and Quickbooks subscriptions for three staff members who are Certified Public Accountants (Auditor IV, Auditor II, and Criminal Investigator III) who must have these items in order to serve as expert witness, at a cost of \$5,000;
- Testing, training, and memberships in the Association of Certified Fraud Examiners for staff Criminal Investigators and Auditors at a cost of \$5,000;
- Funding for periodic annual training/conferences and various FINRA e-learning courses covering a wide range of compliance topics (from Anti-Money Laundering and Fraud Detection to Securities Products and Trading Practices), at a cost of approximately \$5,000

These costs, if fully funded each year, represent an increase of \$15,000.

- Required Travel. As a part of conducting field examinations of Investment Advisor firms outside the metro area, lack of funding for in-state travel prompts performing “desk examinations” remotely over the phone. The Division is doing everything possible to have examiners and investigators on site anywhere in Colorado. Having said that, additional budget availability allows the Division to have a robust presence anywhere in the state.

The Division seeks \$15,000 to do the following:

- The Division examines 5-6 firms each year (when funds are available) for approximately \$500 of travel expenses per exam. The Division’s goal is to conduct 25 exams per year given the number of Investment Adviser firms (65) and Broker Dealer branches (2,509) outside of the metro area. An increase of \$10,000 would ensure capacity for an additional 20 exams annually, and allow the Division to meet its annual goal.
- The Division licenses 125 out-of-state Investment Advisor firms, and has never been financially capable of traveling to examine these firms. The Division seeks minimal funding in order to conduct “for cause” exams, meaning there is a strong indication that violations are occurring. The Division estimates the need to conduct 5 “for cause” exams each year at about \$1,000 per exam, or \$5,000.

These costs, if fully funded, would represent an increase of \$15,000.

- Systems/License Costs. On-line investigative tools and information are critical elements of an investigator’s toolbox. Presently, only a few personnel possess licenses, and the Division would like to expand the usability of such resources to additional staff members.

The Division seeks \$10,000 to accomplish the following:

- The Division currently maintains three software licenses to do background research with Thompson Reuters CLEAR (Citizen’s Law Enforcement Analysis and Reporting), at an annual cost of \$3,660 combined. The Division would like to ensure that at least half of its eight investigators possess such a license, which would require an additional \$1,200.
- Last and most critically, Chainalysis is a software program that would allow the Division to investigate the source and destination of suspicious transactions involving initial coin offerings and digital currency, which is a burgeoning area in the financial industry. The Division recently created an internal ICO Task Force to deal with the growing fraud the Division is seeing with initial coin offerings. The software program will allow us to track the transfer of monies and digital currencies, which is essential in any investigation. The license is expected to cost approximately \$8,800 per license annually.

These costs, if fully funded, would represent an increase of \$10,000.

All told, the Division requests a \$40,000 increase in its Operating Expenses appropriation.

Given the nature of operating expense line items, the Division expects to manage all emerging needs and prioritize its resources in doing so. As such, in addition to the above items, the Division intends to bolster outreach activities, managing its existing appropriation as much as possible to create resources for this expense.

It is worth noting, the Division's request would also place its resources in line with other regulatory divisions and agencies, at approximately \$4,125 per appropriated FTE. Importantly, this request is well under the average of Divisions having less than 30 FTE (\$5,276)

Proposed Solution:

To meet the specific goals of the Division for training/certifications, required investigatory travel, and systems/license costs, as well as to bring the Division closer to the Department-wide per-FTE average operating expenses appropriation of \$5,985 per FTE, the Department requests that the Division's operating expenses appropriation be adjusted upwards by \$40,000, to achieve a \$4,000 per-FTE operating expenses appropriation and support the specific expenditures discussed above.

This solution is expected to remove any barriers or bottlenecks to discretionary small expenses related to training, travel, and outreach that enhance the Division's ability to protect consumers. Simultaneously, this adjustment will keep the Division's overall operating expenses appropriation to less than 2% of its most recent 3-year average expense of \$4.9 million. This adjustment is expected to future-proof the need to adjust operating expenses in the future, keeping pace with the continual growth in the industry.

Anticipated Outcomes:

It is expected that adjusting the appropriation will enable a significant increase in training and outreach, enhancing the Division's ability to protect consumers and reduce any minor administrative barriers to improve regulatory and enforcement outcomes. This outcome directly links to the overall statutory mission of protecting consumers, as increased examiner presence in the field will detect additional wrongdoing as well signifying to industry that Division resources are sufficiently robust as to enable examiners to travel anywhere there is need on behalf of protecting consumers. Additionally, the request links to certain measures within the Department's Performance Plan, most specifically that examinations/enforcement both represent required statutory workload directly protecting consumers.

Assumptions and Calculations:

The specific items requested above total \$40,000 in ongoing expenses to the operations appropriation. Adding this figure to the current appropriation of \$58,999 results in a revised appropriation of \$98,999, or an increase of 68%.

Change Request Amount	Current Appropriation	Revised Appropriation	Percent Increase
40,000	58,999	98,999	67.7%

Supplemental, 1331 Supplemental or Budget Amendment Criteria:

N/A

Schedule 13

Department of Regulatory Agencies

Funding Request for The FY 2019-20 Budget Cycle

Request Title

NP-01 Annual Fleet Vehicle Request

Dept. Approval By:

[Signature] 10/30/19

Supplemental FY 2018-19

OSPB Approval By:

[Signature]

Budget Amendment FY 2019-20

X

Change Request FY 2019-20

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$244,643	\$0	\$244,643	\$27,592	\$0
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$244,643	\$0	\$244,643	\$27,592	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$244,643	\$0	\$244,643	\$27,592	\$0
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office and Administrative Services, (A) Executive Director's Office and Administrative Services, (1) Executive Director's Office and Administrative Services - Vehicle Lease Payments	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$244,643	\$0	\$244,643	\$27,592	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data

Requires Legislation? NO

Type of Request?

Department of Regulatory Agencies
Non-Prioritized Request

Interagency Approval or
Related Schedule 13s:

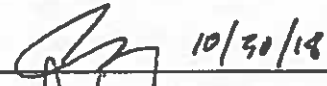
Impacts DPA

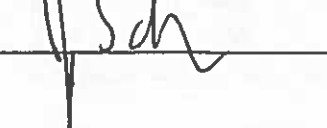
Schedule 13

Department of Regulatory Agencies

Funding Request for The FY 2019-20 Budget Cycle

Request Title
 NP-02 Integrated Document Solutions Increased Input Costs

Dept. Approval By:  10/30/18 _____ **Supplemental FY 2018-19**

OSPB Approval By:  _____ **Budget Amendment FY 2019-20**

_____ **X** _____ **Change Request FY 2019-20**

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$3,773,862	\$0	\$3,760,109	\$2,830	\$6,917
FTE		0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$65,973	\$0	\$65,973	\$159	\$333
	CF	\$3,553,485	\$0	\$3,539,732	\$2,613	\$5,462
	RF	\$111,228	\$0	\$111,228	\$58	\$122
	FF	\$43,178	\$0	\$43,178	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$210,344	\$0	\$210,344	\$58	\$122
01, Executive Director's Office and Administrative Services	FTE	0.0	0.0	0.0	0.0	0.0
(A) Executive Director's Office and Administrative Services	GF	\$3,689	\$0	\$3,689	\$0	\$0
(1) Executive Director's Office and Administrative Services - Operating Expenses	CF	\$95,427	\$0	\$95,427	\$0	\$0
	RF	\$111,228	\$0	\$111,228	\$58	\$122
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$490,703	\$0	\$490,703	\$49	\$103
	FTE	0.0	0.0	0.0	0.0	0.0
02. Division of Banking, (A) Division of Banking, (1) Division of Banking - Operating Expenses	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$490,703	\$0	\$490,703	\$49	\$103
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	Total	\$105,480	\$0	\$105,480	\$159	\$333
	FTE	0.0	0.0	0.0	0.0	0.0
03. Civil Rights Division, (A) Civil Rights Division, (1) Civil Rights Division - Operating Expenses	GF	\$62,284	\$0	\$62,284	\$159	\$333
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$43,176	\$0	\$43,176	\$0	\$0
	Total	\$55,787	\$0	\$55,787	\$44	\$92
	FTE	0.0	0.0	0.0	0.0	0.0
04. Office of Consumer Counsel, (A) Office of Consumer Counsel, (1) Office of Consumer Counsel - Operating Expenses	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$55,787	\$0	\$55,787	\$44	\$92
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	Total	\$145,921	\$0	\$145,921	\$67	\$140
	FTE	0.0	0.0	0.0	0.0	0.0
05. Division of Financial Services, (A) Division of Financial Services, (1) Division of Financial Services - Operating Expenses	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$145,921	\$0	\$145,921	\$67	\$140
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	Total	\$296,894	\$0	\$296,894	\$623	\$1,303
	FTE	0.0	0.0	0.0	0.0	0.0
06. Division of Insurance, (A) Division of Insurance, (1) Division of Insurance - Operating Expenses	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$296,894	\$0	\$296,894	\$623	\$1,303
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2018-19	FY 2019-20		FY 2020-21	
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$594,473	\$0	\$594,473	\$579	\$1,211
	FTE	0.0	0.0	0.0	0.0	0.0
07. Public Utilities Commission, (A) Public Utilities Commission, (1) Public Utilities Commission - Operating Expenses	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$594,473	\$0	\$594,473	\$579	\$1,211
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	Total	\$204,557	\$0	\$204,557	\$245	\$511
	FTE	0.0	0.0	0.0	0.0	0.0
08. Division of Real Estate, (A) Division of Real Estate, (1) Division of Real Estate - Operating Expenses	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$204,557	\$0	\$204,557	\$245	\$511
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	Total	\$1,610,724	\$0	\$1,596,971	\$899	\$1,880
	FTE	0.0	0.0	0.0	0.0	0.0
09. Division of Professions and Occupations, (A) Division of Professions and Occupations, (1) Division of Professions and Occupations - Operating Expenses	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$1,610,724	\$0	\$1,596,971	\$899	\$1,880
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	Total	\$58,999	\$0	\$58,999	\$107	\$222
	FTE	0.0	0.0	0.0	0.0	0.0
10. Division of Securities, (A) Division of Professions and Occupations, (1) Division of Professions and Occupations - Operating Expenses	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$58,999	\$0	\$58,999	\$107	\$222
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data

Requires Legislation? NO

Type of Request? Department of Regulatory Agencies Non-Prioritized Request Interagency Approval or Related Schedule 13s: Impacts DPA



Schedule 13

Department of Regulatory Agencies

Funding Request for The FY 2019-20 Budget Cycle

Request Title

NP-03 OIT_DI1 Essential Database Support

Dept. Approval By:

 10/30/19

Supplemental FY 2018-19

OSPB Approval By:



Budget Amendment FY 2019-20

X

Change Request FY 2019-20

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$3,552,758	\$0	\$3,095,809	\$80,653	\$0
FTE		0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$139,324	\$0	\$128,002	\$3,338	\$0
	CF	\$3,413,434	\$0	\$2,967,807	\$77,315	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$3,552,758	\$0	\$3,095,809	\$80,653	\$0
01, Executive Director's Office and Administrative Services	FTE	0.0	0.0	0.0	0.0	0.0
(A) Executive Director's Office and Administrative Services	GF	\$139,324	\$0	\$128,002	\$3,338	\$0
(1) Executive Director's Office and Administrative Services - Payments to OIT	CF	\$3,413,434	\$0	\$2,967,807	\$77,315	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data

Requires Legislation? NO

Type of Request? Department of Regulatory Agencies Non-Prioritized Request Interagency Approval or Related Schedule 13s: Requires OIT Approval

Schedule 13

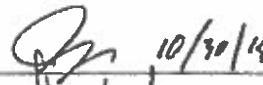
Department of Regulatory Agencies

Funding Request for The FY 2019-20 Budget Cycle

Request Title

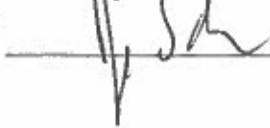
NP-04 OIT_D12 Securing IT Operations

Dept. Approval By:

 10/30/19

Supplemental FY 2018-19

OSPB Approval By:



Budget Amendment FY 2019-20

X

Change Request FY 2019-20

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$3,552,758	\$0	\$3,095,809	\$226,512	\$0
FTE		0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$139,324	\$0	\$128,002	\$9,375	\$0
	CF	\$3,413,434	\$0	\$2,967,807	\$217,137	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$3,552,758	\$0	\$3,095,809	\$226,512	\$0
FTE		0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office and Administrative Services, (A) Executive Director's Office and Administrative Services, (1) Executive Director's Office and Administrative Services - Payments to OIT	GF	\$139,324	\$0	\$128,002	\$9,375	\$0
	CF	\$3,413,434	\$0	\$2,967,807	\$217,137	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Regulatory Agencies Non-Prioritized Request	Interagency Approval or Related Schedule 13s:	Requires OIT Approval

Schedule 13

Department of Regulatory Agencies

Funding Request for The FY 2019-20 Budget Cycle

Request Title

NP-05 OIT_D14 Application Refresh and Consolidation

Dept. Approval By:  10/30/18 Supplemental FY 2018-19

OSPB Approval By:  Budget Amendment FY 2019-20

X Change Request FY 2019-20

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$3,552,758	\$0	\$3,095,809	\$52,060	\$0
FTE		0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$139,324	\$0	\$128,002	\$2,155	\$0
	CF	\$3,413,434	\$0	\$2,967,807	\$49,905	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$3,552,758	\$0	\$3,095,809	\$52,060	\$0
01, Executive Director's Office and Administrative Services	FTE	0.0	0.0	0.0	0.0	0.0
(A) Executive Director's Office and Administrative Services	GF	\$139,324	\$0	\$128,002	\$2,155	\$0
(1) Executive Director's Office and Administrative Services - Payments to OIT	CF	\$3,413,434	\$0	\$2,967,807	\$49,905	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data

Requires Legislation? NO

Type of Request? Department of Regulatory Agencies Non-Prioritized Request Interagency Approval or Related Schedule 13s: Requires OIT Approval

Schedule 13

Department of Regulatory Agencies

Funding Request for The FY 2019-20 Budget Cycle

Request Title

NP-06 OIT_D15 Optimize Self-Service Capabilities

Dept. Approval By: _____

[Signature] 12/30/19

Supplemental FY 2018-19

OSPB Approval By: _____

[Signature]

Budget Amendment FY 2019-20

X

Change Request FY 2019-20

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$3,552,758	\$0	\$3,095,809	\$6,369	\$0
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$139,324	\$0	\$128,002	\$264	\$0
	CF	\$3,413,434	\$0	\$2,967,807	\$6,105	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$3,552,758	\$0	\$3,095,809	\$6,369	\$0
01. Executive Director's Office and Administrative Services,	FTE	0.0	0.0	0.0	0.0	0.0
(A) Executive Director's Office and Administrative Services,	GF	\$139,324	\$0	\$128,002	\$264	\$0
(1) Executive Director's Office and Administrative Services -	CF	\$3,413,434	\$0	\$2,967,807	\$6,105	\$0
Payments to OIT	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Regulatory Agencies Non-Prioritized Request	Interagency Approval or Related Schedule 13s:	Requires OIT Approval

Schedule 13

Department of Regulatory Agencies

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-01 Division of Securities Operating Expenses Adjustment

Dept. Approval By: 	Supplemental FY 2018-19
OSPB Approval By: 	Budget Amendment FY 2019-20
	X Change Request FY 2019-20

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$58,999	\$0	\$58,999	\$40,000	\$40,000
FTE		0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$58,999	\$0	\$58,999	\$40,000	\$40,000
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$58,999	\$0	\$58,999	\$40,000	\$40,000
FTE		0.0	0.0	0.0	0.0	0.0
10. Division of Securities, (A) Division of Professions and Occupations, (1) Division of Professions and Occupations - Operating Expenses	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$58,999	\$0	\$58,999	\$40,000	\$40,000
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Regulatory Agencies Prioritized Request	Interagency Approval or Related Schedule 13s:	No Other Agency Impact



COLORADO

Department of
Regulatory Agencies

Priority: R-01
Division of Securities Operating Expenses Adjustment
FY 2019-20 Change Request

Cost and FTE

- The Department requests an ongoing increase of \$40,000 in Cash Funds for the Division of Securities operating expense appropriation, an increase of 68%, in order to align ongoing operating expenses with an increased demand in examinations.

Current Program

- The Division of Securities exists to protect investors and maintain confidence in the securities market, while avoiding unreasonable burdens on the marketplace by licensing securities professionals, enforcing securities law violations, and helping Coloradans become more informed investors.
- The current operating expense appropriation for the division is \$58,999.

Problem or Opportunity

- The Division's Operating Expenses appropriation is extremely small relative to its work load and staff size.
- The Division conducted an average of 57 examinations annually from FY 2005-06 through FY 2011-12, which has recently increased by more than 250%, to 146 annually.
- On a per-FTE basis, the Division's operating line item is 50% less than peer Divisions, while the Department-wide average is more than 250% larger than this Division.
- Critical needs have emerged for which there are not adequate appropriations nor the ability to manage current expenses to support. This includes training/certifications for Division staff (who serve as expert witnesses in litigation); required travel for in-state and out-of-state examinations/investigations; and systems license cost for important regulatory tools including software to bolster investigation of digital currency transactions.

Consequences of Problem

- Without a reasonable increase to its Operating Expenses appropriation, little funding exists for necessary training/certification for staff, required examination travel, and systems/license costs. This puts the Division at risk of having less credibility during litigation, missed instances of wrong-doing by remotely operated firms, and the inability to leverage financial regulatory tools to enhance investigatory techniques required by new digital currency offerings.

Proposed Solution

- The Department proposes increasing the Division's Operating Expenses line item by \$40,000 cash funds to resolve these important funding needs, bring the Division closer to other regulatory entities in the Department, and remove any barriers or bottlenecks to small expenses related to the regulatory and enforcement process,



COLORADO

Department of Regulatory
Agencies

John W. Hickenlooper
Governor

Marguerite Salazar
Executive Director

FY 2019-20 Funding Request | November 1, 2018

Department Priority: R-01

Request Detail: Division of Securities Operating Expenses Adjustment

Summary of Incremental Funding Change for FY 2019-20	Total Funds	General Fund
Division of Securities Operating Expenses Adjustment	\$40,000	\$0

Problem or Opportunity:

Background: Division of Securities. The Division of Securities exists to protect investors and maintain confidence in the securities market, while avoiding unreasonable burdens on the marketplace by licensing securities professionals, enforcing securities law violations, and helping Coloradans become more informed investors. More specifically, the Division is comprised of two primary sections: an Examination Section, and an Enforcement Section.

Examination Section

The strategic goal of the Examination Section of the Division of Securities is to serve as an early warning system for investors by ensuring that securities firms are complying within the law and to prevent dishonest and unethical sales practices. The Division accomplishes this mission through the licensing and examination of securities professionals, and the investigation and prosecution of securities fraud claims. Specifically, the Examination Section activities include the licensure of securities broker-dealers, investment advisers, investment adviser representatives, and sales representatives, and conducting on-site examinations of broker-dealers and investment advisers.

Enforcement Section

The strategic goal of the Enforcement Section of the Division of Securities is to protect citizens by deterring investment fraud activity through timely and thorough investigations and enforcement action. The Enforcement Section seeks to protect the investing public from unethical and unlawful activities, including:

- Those committing securities fraud;
- Dishonest and unethical sales practices by licensed securities professionals;
- Sales of unregistered, nonexempt securities; and
- Sales of securities by unlicensed securities professionals.

The Enforcement Section reviews complaints and referrals, open cases, investigates the cases, refers some for enforcement action, and closes the others. The range of enforcement actions includes issuing a warning letter, obtaining a cease and desist order from the Securities Commissioner, obtaining

injunctive relief and monetary damages from the Denver District Court, and referring the case to criminal prosecutors for criminal sanctions.

Recent Actual Expenditures. Staffing for the Division of Securities primarily consists of Criminal Investigators and Financial/Credit Examiners. The following table shows recent actual expenditures:

Division of Securities					
Recent Actual Expenditures	FY 15-16	FY 16-17	FY 17-18	Average	Percent
Personal Services	2,460,699	2,455,790	2,824,404	2,580,298	52.6%
Operating Expenses	64,537	62,587	65,810	64,311	1.3%
Legal Services	618,076	865,152	953,279	812,169	16.6%
Securities Fraud Prosecution*	937,897	937,823	1,004,100	959,940	19.6%
Other Expenses	526,041	385,727	542,162	484,643	9.9%
Total	4,607,251	4,707,078	5,389,756	4,901,362	100.0%

**Note: This funding is independently appropriated and spent in Department of Law*

Operating Expense appropriations have not kept pace with regulatory growth and are not comparable with other Divisions. Although only 1.3% of the Division’s actual expenditures, operating expense appropriations are often the only source of funding for incidental and discretionary expenditures related to program workload, and in the case of this Division, important examinations and enforcement work. The following table shows average operating expenditures by major category over the last three fiscal years:

Operating Expenses by Major Category	Actual FY 15-16	Actual FY 16-17	Actual FY 17-18	Average	Percent
Communication Charges	18,842	15,885	18,035	17,588	27.3%
Travel	250	1,857	1,091	1,066	1.7%
Postage/Printing	7,223	8,260	8,173	7,885	12.3%
Capital (Furniture/other)	1,726	8,847	9,386	6,653	10.3%
Office Supplies/Materials	4,577	4,408	2,510	3,832	6.0%
Document storage/shredding	5,023	5,295	5,735	5,351	8.3%
Building Maintenance	5,896	1,414	7,232	4,847	7.5%
Books/Periodicals/Subscriptions	7,043	8,651	6,815	7,503	11.7%
Registration Fees	7,113	10	0	2,374	3.7%
Dues/Memberships	3,346	3,220	410	2,325	3.6%
Miscellaneous/All other	3,498	4,740	6,423	4,887	7.6%
Total	64,537	62,587	65,810	64,311	100.0%

As the table above shows, although no single expense category is the primary expenditure, communications charges (mobile and landline phones as well as long distance charges) represent the largest expense, followed by numerous typical operating charges including postage, office supplies, capital expenses, subscriptions, and other routine expenses.

While no growth has occurred in the Division’s base operating expenses appropriation since FY 2011-12, the Division has performed three times as many firm examinations. On average, the Division examined 57 firms annually during fiscal years FY 2005-06 through FY 2011-12, and has since increased this work to

146 firm examinations annually. This increased examination activity is attributable to increased examiner staff (with modest associated operating expenses per-FTE) during this time, as well as increased jurisdiction related to the 2009 federal Dodd-Frank Act, which increased the threshold at which the State has jurisdiction over regulated investment advisor firms, from those having \$25 million or less in activity to those having \$100 million or less. This increased the number of firms under the jurisdiction of the Division by 20%, as well as increased the population of broker-dealers by several thousand.

Additionally, although a very small percentage of the Division’s overall budget footprint, the Division’s Operating Expenses appropriation is extremely small relative to its staff size, and is entirely consumed each year. On a per-appropriated FTE-basis, the Division is far below all other DORA Divisions, as follows:

	FY 18-19 Appropriated Operating Expenses	FY 18-19 Appropriated FTE	Operating Expenses per Appropriated FTE
Division of Securities	58,999	24.0	2,458
Department-wide average	380,720	60.8	6,265
Average, Divisions Less than 30 FTE	104,599	19.8	5,276

This dynamic makes it comparatively more difficult for the Division to manage expenses to meet emerging priorities, even as regulatory growth continues.

Critical Needs Include training/certifications, Required Investigatory Travel, and Systems Licenses. Meanwhile, critical needs have emerged for which there are not adequate appropriations nor the ability to manage current expenses to support. This includes the following major items:

- Training/certifications for Staff. Securities regulation is a complex undertaking involving litigated proceedings in which Division staff are called to testify as expert witnesses. Presently, almost no outside training opportunity for staff exists due to lack of budget availability, including specialized certifications relevant to enforcement (such as Certified Fraud Examiner qualifications). The lack of ability to have staff trained appropriately and more importantly receive professional certifications works against the overall credibility and capability of the Division.

The Division seeks \$15,000 in order to financially support its staff’s qualifications and training as follows:

- license fees, professional certifications, continued education, and Quickbooks subscriptions for three staff members who are Certified Public Accountants (Auditor IV, Auditor II, and Criminal Investigator III) who must have these items in order to serve as expert witness, at a cost of \$5,000;
- Testing, training, and memberships in the Association of Certified Fraud Examiners for staff Criminal Investigators and Auditors at a cost of \$5,000;
- Funding for periodic annual training/conferences and various FINRA e-learning courses covering a wide range of compliance topics (from Anti-Money Laundering and Fraud Detection to Securities Products and Trading Practices), at a cost of approximately \$5,000

These costs, if fully funded each year, represent an increase of \$15,000.

- Required Travel. As a part of conducting field examinations of Investment Advisor firms outside the metro area, lack of funding for in-state travel prompts performing “desk examinations” remotely over the phone. The Division is doing everything possible to have examiners and investigators on site anywhere in Colorado. Having said that, additional budget availability allows the Division to have a robust presence anywhere in the state.

The Division seeks \$15,000 to do the following:

- The Division examines 5-6 firms each year (when funds are available) for approximately \$500 of travel expenses per exam. The Division’s goal is to conduct 25 exams per year given the number of Investment Adviser firms (65) and Broker Dealer branches (2,509) outside of the metro area. An increase of \$10,000 would ensure capacity for an additional 20 exams annually, and allow the Division to meet its annual goal.
- The Division licenses 125 out-of-state Investment Advisor firms, and has never been financially capable of traveling to examine these firms. The Division seeks minimal funding in order to conduct “for cause” exams, meaning there is a strong indication that violations are occurring. The Division estimates the need to conduct 5 “for cause” exams each year at about \$1,000 per exam, or \$5,000.

These costs, if fully funded, would represent an increase of \$15,000.

- Systems/License Costs. On-line investigative tools and information are critical elements of an investigator’s toolbox. Presently, only a few personnel possess licenses, and the Division would like to expand the usability of such resources to additional staff members.

The Division seeks \$10,000 to accomplish the following:

- The Division currently maintains three software licenses to do background research with Thompson Reuters CLEAR (Citizen’s Law Enforcement Analysis and Reporting), at an annual cost of \$3,660 combined. The Division would like to ensure that at least half of its eight investigators possess such a license, which would require an additional \$1,200.
- Last and most critically, Chainalysis is a software program that would allow the Division to investigate the source and destination of suspicious transactions involving initial coin offerings and digital currency, which is a burgeoning area in the financial industry. The Division recently created an internal ICO Task Force to deal with the growing fraud the Division is seeing with initial coin offerings. The software program will allow us to track the transfer of monies and digital currencies, which is essential in any investigation. The license is expected to cost approximately \$8,800 per license annually.

These costs, if fully funded, would represent an increase of \$10,000.

All told, the Division requests a \$40,000 increase in its Operating Expenses appropriation.

Given the nature of operating expense line items, the Division expects to manage all emerging needs and prioritize its resources in doing so. As such, in addition to the above items, the Division intends to bolster outreach activities, managing its existing appropriation as much as possible to create resources for this expense.

It is worth noting, the Division's request would also place its resources in line with other regulatory divisions and agencies, at approximately \$4,125 per appropriated FTE. Importantly, this request is well under the average of Divisions having less than 30 FTE (\$5,276)

Proposed Solution:

To meet the specific goals of the Division for training/certifications, required investigatory travel, and systems/license costs, as well as to bring the Division closer to the Department-wide per-FTE average operating expenses appropriation of \$5,985 per FTE, the Department requests that the Division's operating expenses appropriation be adjusted upwards by \$40,000, to achieve a \$4,000 per-FTE operating expenses appropriation and support the specific expenditures discussed above.

This solution is expected to remove any barriers or bottlenecks to discretionary small expenses related to training, travel, and outreach that enhance the Division's ability to protect consumers. Simultaneously, this adjustment will keep the Division's overall operating expenses appropriation to less than 2% of its most recent 3-year average expense of \$4.9 million. This adjustment is expected to future-proof the need to adjust operating expenses in the future, keeping pace with the continual growth in the industry.

Anticipated Outcomes:

It is expected that adjusting the appropriation will enable a significant increase in training and outreach, enhancing the Division's ability to protect consumers and reduce any minor administrative barriers to improve regulatory and enforcement outcomes. This outcome directly links to the overall statutory mission of protecting consumers, as increased examiner presence in the field will detect additional wrongdoing as well signifying to industry that Division resources are sufficiently robust as to enable examiners to travel anywhere there is need on behalf of protecting consumers. Additionally, the request links to certain measures within the Department's Performance Plan, most specifically that examinations/enforcement both represent required statutory workload directly protecting consumers.

Assumptions and Calculations:

The specific items requested above total \$40,000 in ongoing expenses to the operations appropriation. Adding this figure to the current appropriation of \$58,999 results in a revised appropriation of \$98,999, or an increase of 68%.

Change Request Amount	Current Appropriation	Revised Appropriation	Percent Increase
40,000	58,999	98,999	67.7%

Supplemental, 1331 Supplemental or Budget Amendment Criteria:

N/A

Schedule 13


Department of Regulatory Agencies

Funding Request for The FY 2019-20 Budget Cycle

Request Title


NP-01 Annual Fleet Vehicle Request

Dept. Approval By:

 10/30/12

Supplemental FY 2018-19

OSPB Approval By:



Budget Amendment FY 2019-20

X

Change Request FY 2019-20

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$244,643	\$0	\$244,643	\$27,592	\$0
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$244,643	\$0	\$244,643	\$27,592	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$244,643	\$0	\$244,643	\$27,592	\$0
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office and Administrative Services, (A) Executive Director's Office and Administrative Services, (1) Executive Director's Office and Administrative Services - Vehicle Lease Payments	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$244,643	\$0	\$244,643	\$27,592	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data

Requires Legislation? NO

Type of Request?

Department of Regulatory Agencies
Non-Prioritized Request

Interagency Approval or
Related Schedule 13s:

Impacts DPA


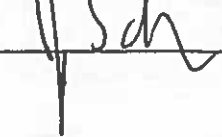
Schedule 13

Department of Regulatory Agencies

Funding Request for The FY 2019-20 Budget Cycle

Request Title

NP-02 Integrated Document Solutions Increased Input Costs

Dept. Approval By:  10/30/18 _____ Supplemental FY 2018-19
 OSPB Approval By:  _____ Budget Amendment FY 2019-20
 _____ X _____ Change Request FY 2019-20

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$3,773,862	\$0	\$3,760,109	\$2,830	\$6,917
FTE		0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$65,973	\$0	\$65,973	\$159	\$333
	CF	\$3,553,485	\$0	\$3,539,732	\$2,613	\$5,462
	RF	\$111,228	\$0	\$111,228	\$58	\$122
	FF	\$43,178	\$0	\$43,178	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$210,344	\$0	\$210,344	\$58	\$122
01, Executive Director's Office and Administrative Services	FTE	0.0	0.0	0.0	0.0	0.0
(A) Executive Director's Office and Administrative Services	GF	\$3,689	\$0	\$3,689	\$0	\$0
(1) Executive Director's Office and Administrative Services - Operating Expenses	CF	\$95,427	\$0	\$95,427	\$0	\$0
	RF	\$111,228	\$0	\$111,228	\$58	\$122
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$490,703	\$0	\$490,703	\$49	\$103
	FTE	0.0	0.0	0.0	0.0	0.0
02. Division of Banking, (A) Division of Banking, (1) Division of Banking - Operating Expenses	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$490,703	\$0	\$490,703	\$49	\$103
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	Total	\$105,480	\$0	\$105,480	\$159	\$333
	FTE	0.0	0.0	0.0	0.0	0.0
03. Civil Rights Division, (A) Civil Rights Division, (1) Civil Rights Division - Operating Expenses	GF	\$62,284	\$0	\$62,284	\$159	\$333
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$43,176	\$0	\$43,176	\$0	\$0
	Total	\$55,787	\$0	\$55,787	\$44	\$92
	FTE	0.0	0.0	0.0	0.0	0.0
04. Office of Consumer Counsel, (A) Office of Consumer Counsel, (1) Office of Consumer Counsel - Operating Expenses	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$55,787	\$0	\$55,787	\$44	\$92
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	Total	\$145,921	\$0	\$145,921	\$67	\$140
	FTE	0.0	0.0	0.0	0.0	0.0
05. Division of Financial Services, (A) Division of Financial Services, (1) Division of Financial Services - Operating Expenses	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$145,921	\$0	\$145,921	\$67	\$140
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	Total	\$296,894	\$0	\$296,894	\$623	\$1,303
	FTE	0.0	0.0	0.0	0.0	0.0
06. Division of Insurance, (A) Division of Insurance, (1) Division of Insurance - Operating Expenses	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$296,894	\$0	\$296,894	\$623	\$1,303
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2018-19	FY 2019-20		FY 2020-21	
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$594,473	\$0	\$594,473	\$579	\$1,211
	FTE	0.0	0.0	0.0	0.0	0.0
07. Public Utilities Commission, (A) Public Utilities Commission, (1) Public Utilities Commission - Operating Expenses	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$594,473	\$0	\$594,473	\$579	\$1,211
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	Total	\$204,557	\$0	\$204,557	\$245	\$511
	FTE	0.0	0.0	0.0	0.0	0.0
08. Division of Real Estate, (A) Division of Real Estate, (1) Division of Real Estate - Operating Expenses	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$204,557	\$0	\$204,557	\$245	\$511
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	Total	\$1,610,724	\$0	\$1,596,971	\$899	\$1,880
	FTE	0.0	0.0	0.0	0.0	0.0
09. Division of Professions and Occupations, (A) Division of Professions and Occupations, (1) Division of Professions and Occupations - Operating Expenses	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$1,610,724	\$0	\$1,596,971	\$899	\$1,880
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	Total	\$58,999	\$0	\$58,999	\$107	\$222
	FTE	0.0	0.0	0.0	0.0	0.0
10. Division of Securities, (A) Division of Professions and Occupations, (1) Division of Professions and Occupations - Operating Expenses	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$58,999	\$0	\$58,999	\$107	\$222
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data

Requires Legislation? NO

Type of Request? Department of Regulatory Agencies Non-Prioritized Request Interagency Approval or Related Schedule 13s: Impacts DPA



Schedule 13

Department of Regulatory Agencies

Funding Request for The FY 2019-20 Budget Cycle

Request Title

NP-03 OIT_DI1 Essential Database Support

Dept. Approval By: _____

[Signature] 10/30/19

Supplemental FY 2018-19

OSPB Approval By: _____

[Signature]

Budget Amendment FY 2019-20

X

Change Request FY 2019-20

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$3,552,758	\$0	\$3,095,809	\$80,653	\$0
FTE		0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$139,324	\$0	\$128,002	\$3,338	\$0
	CF	\$3,413,434	\$0	\$2,967,807	\$77,315	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$3,552,758	\$0	\$3,095,809	\$80,653	\$0
01, Executive Director's Office and Administrative Services, (A) Executive Director's Office and Administrative Services, (1) Executive Director's Office and Administrative Services - Payments to OIT	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$139,324	\$0	\$128,002	\$3,338	\$0
	CF	\$3,413,434	\$0	\$2,967,807	\$77,315	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data

Requires Legislation? **NO**

Type of Request? **Department of Regulatory Agencies Non-Prioritized Request**

Interagency Approval or Related Schedule 13s:

Requires OIT Approval

Schedule 13

Department of Regulatory Agencies

Funding Request for The FY 2019-20 Budget Cycle

Request Title

NP-04 OIT_D12 Securing IT Operations

Dept. Approval By: _____

[Signature] 10/30/19

Supplemental FY 2018-19

OSPB Approval By: _____

[Signature]

Budget Amendment FY 2019-20

X

Change Request FY 2019-20

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$3,552,758	\$0	\$3,095,809	\$226,512	\$0
FTE		0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$139,324	\$0	\$128,002	\$9,375	\$0
	CF	\$3,413,434	\$0	\$2,967,807	\$217,137	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$3,552,758	\$0	\$3,095,809	\$226,512	\$0
FTE		0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office and Administrative Services, (A) Executive Director's Office and Administrative Services, (1) Executive Director's Office and Administrative Services - Payments to OIT	GF	\$139,324	\$0	\$128,002	\$9,375	\$0
	CF	\$3,413,434	\$0	\$2,967,807	\$217,137	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data

Requires Legislation? NO

Type of Request? Department of Regulatory Agencies Non-Prioritized Request

Interagency Approval or Related Schedule 13s:

Requires OIT Approval

Schedule 13

Department of Regulatory Agencies

Funding Request for The FY 2019-20 Budget Cycle

Request Title

NP-05 OIT_D14 Application Refresh and Consolidation

Dept. Approval By:  10/30/12 _____ Supplemental FY 2018-19

OSPB Approval By:  _____ Budget Amendment FY 2019-20

_____ X _____ Change Request FY 2019-20

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$3,552,758	\$0	\$3,095,809	\$52,060	\$0
FTE		0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$139,324	\$0	\$128,002	\$2,155	\$0
	CF	\$3,413,434	\$0	\$2,967,807	\$49,905	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$3,552,758	\$0	\$3,095,809	\$52,060	\$0
01, Executive Director's Office and Administrative Services	FTE	0.0	0.0	0.0	0.0	0.0
(A) Executive Director's Office and Administrative Services	GF	\$139,324	\$0	\$128,002	\$2,155	\$0
(1) Executive Director's Office and Administrative Services - Payments to OIT	CF	\$3,413,434	\$0	\$2,967,807	\$49,905	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data

Requires Legislation? NO

Type of Request? Department of Regulatory Agencies Non-Prioritized Request Interagency Approval or Related Schedule 13s: Requires OIT Approval

Schedule 13

Department of Regulatory Agencies

Funding Request for The FY 2019-20 Budget Cycle

Request Title

NP-06 OIT_D15 Optimize Self-Service Capabilities

Dept. Approval By: _____

[Signature] 12/30/19

Supplemental FY 2018-19

OSPB Approval By: _____

[Signature]

Budget Amendment FY 2019-20

X

Change Request FY 2019-20

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$3,552,758	\$0	\$3,095,809	\$6,369	\$0
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$139,324	\$0	\$128,002	\$264	\$0
	CF	\$3,413,434	\$0	\$2,967,807	\$6,105	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$3,552,758	\$0	\$3,095,809	\$6,369	\$0
01. Executive Director's Office and Administrative Services,	FTE	0.0	0.0	0.0	0.0	0.0
(A) Executive Director's Office and Administrative Services,	GF	\$139,324	\$0	\$128,002	\$264	\$0
(1) Executive Director's Office and Administrative Services -	CF	\$3,413,434	\$0	\$2,967,807	\$6,105	\$0
Payments to OIT	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data

Requires Legislation? NO

Type of Request?

Department of Regulatory Agencies
Non-Prioritized Request

Interagency Approval or
Related Schedule 13s:

Requires OIT Approval

