Department of Revenue

FY 2009-10
Supplemental/Budget Amendment Submission

January 2, 2009

DEPARTMENT OF REVENUE
FY 2009-10 SUPPLEMENTAL/BUDGET AMENDMENT SUBMISSION
January 2, 2009

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Colorado Department of Revenue
FY 2009-10 Budget Cycle
Schedule 2

(1) Executive Director's Office

Total Expenditures / Appropriation / Request	FY 2006-07 Actuals	FTE	FY 2007-08 Actuals	FTE	FY 2008-09 Appropriated	FTE	FY 2008-09 Estimate	FTE	FY 2009-10 Request	FTE
Total Funds	$15,235,875	42.4	$16,927,312	40.7	$31,260,935	48.7	$18,600,704	48.7	$31,497,908	48.8
General Fund	$8,947,198		$10,539,715		$18,745,460		$11,486,297		$18,704,494	
HUTF	$889,578		$811,847		$2,153,772		$867,468		$2,158,457	
Cash Funds	$1,849,255		$1,678,134		$9,935,824		$5,821,060		$10,066,378	
Cash Funds Exempt / Reappropriated Funds	$3,549,844		$3,897,616		$425,879		$425,879		$568,579	
Federal Funds	$0		$0		$0		$0		$0	

(2) Central Department Operations

Total Expenditures / Appropriation / Request	FY 2006-07 Actuals	FTE	FY 2007-08 Actuals	FTE	FY 2008-09 Appropriated	FTE	FY 2008-09 Estimate	FTE	FY 2009-10 Request	FTE
Total Funds	$11,365,576	105.1	$12,084,237	106.5	$11,480,172	109.9	$12,441,059	109.9	$12,205,125	109.9
General Fund	$10,990,619		$11,349,403		$10,659,191		$11,630,334		$11,404,815	
HUTF	$0		$100,355		$111,017		$116,059		$117,890	
Cash Funds	$65,984		$127,295		$605,494		$590,196		$613,374	
Cash Funds Exempt / Reappropriated Funds	$308,973		$507,184		$104,470		$104,470		$69,046	
Federal Funds	$0		$0		$0		$0		$0	

(3) Information Technology Division

Total Expenditures / Appropriation / Request	FY 2006-07 Actuals	FTE	FY 2007-08 Actuals	FTE	FY 2008-09 Appropriated	FTE	FY 2008-09 Estimate	FTE	FY 2009-10 Request	FTE
Total Funds	$12,538,090	106.0	$12,698,332	104.0	$12,902,998	113.6	$14,038,330	113.6	$13,565,505	113.6
General Fund	$5,458,954		$5,373,879		$5,091,656		$5,988,801		$5,720,851	
HUTF	$0		$427,990		$465,580		$465,580		$357,868	
Cash Funds	$257,376		$445,397		$6,871,910		$7,110,097		$7,079,814	
Cash Funds Exempt / Reappropriated Funds	$6,821,760		$6,451,066		$473,852		$473,852		$406,972	
Federal Funds	$0		$0		$0		$0		$0	

(4) Taxation Business Group

Total Expenditures / Appropriation / Request	FY 2006-07 Actuals	FTE	FY 2007-08 Actuals	FTE	FY 2008-09 Appropriated	FTE	FY 2008-09 Estimate	FTE	FY 2009-10 Request	FTE
Total Funds	$46,170,198	303.2	$48,417,312	302.3	$54,996,221	325.0	$57,884,505	325.0	$56,822,850	335.1
General Fund	$42,859,051		$45,243,793		$51,631,133		$54,489,968		$53,488,544	
HUTF	$0		$0		$0		$0		$0	
Cash Funds	$21,851		$22,563		$2,437,432		$2,466,881		$2,440,918	
Cash Funds Exempt / Reappropriated Funds	$2,611,697		$2,447,839		$201,828		$201,828		$168,594	
Federal Funds	$677,599		$703,117		$725,828		$725,828		$724,794	

(5) Division of Motor Vehicles

Total Expenditures / Appropriation / Request	FY 2006-07 Actuals	FTE	FY 2007-08 Actuals	FTE	FY 2008-09 Appropriated	FTE	FY 2008-09 Estimate	FTE	FY 2009-10 Request	FTE
Total Funds	$27,890,180	367.0	$31,561,364	404.9	$30,903,623	444.3	$34,279,781	444.3	$32,938,002	445.2
General Fund	$17,504,658		$15,423,154		$14,620,758		$17,245,115		$13,407,410	
HUTF	$364,822		$220,538		$206,498		$206,498		$201,794	
Cash Funds	$5,046,911		$10,907,290		$16,076,367		$16,828,168		$19,328,798	
Cash Funds Exempt / Reappropriated Funds	$4,973,789		$5,010,382		$0		$0		$0	
Federal Funds	$0		$0		$0		$0		$0	

(6) Motor Carrier Services Division

Total Expenditures / Appropriation / Request	FY 2006-07 Actuals	FTE	FY 2007-08 Actuals	FTE	FY 2008-09 Appropriated	FTE	FY 2008-09 Estimate	FTE	FY 2009-10 Request	FTE
Total Funds	$8,559,453	137.1	$8,946,307	136.5	$8,520,301	144.2	$9,932,380	144.2	$8,880,111	144.2
General Fund	$549,741		$665,667		$661,634		$773,046		$682,911	
HUTF	$7,122,026		$7,272,126		$6,802,221		$8,088,525		$7,123,309	
Cash Funds	$235,174		$214,666		$236,430		$250,793		$244,277	
Cash Funds Exempt / Reappropriated Funds	$0		$60,780		$74,246		$74,246		$83,844	
Federal Funds	$652,512		$733,068		$745,770		$745,770		$745,770	

(7) Enforcement Business Group

Total Expenditures / Appropriation / Request	FY 2006-07 Actuals	FTE	FY 2007-08 Actuals	FTE	FY 2008-09 Appropriated	FTE	FY 2008-09 Estimate	FTE	FY 2009-10 Request	FTE
Total Funds	$40,742,585	160.8	$119,657,967	168.3	$42,456,545	183.7	$44,216,142	183.7	$43,299,520	186.7
General Fund	$177,498		$93,596		$165,360		$222,466		$186,735	
HUTF	$0		$0		$0		$0		$0	
Cash Funds	$37,716,676		$116,940,067		$42,179,012		$43,881,503		$43,001,574	
Cash Funds Exempt / Reappropriated Funds	$2,848,411		$2,624,304		$112,173		$112,173		$111,211	
Federal Funds	$0		$0		$0		$0		$0	

(8) State Lottery Division

Total Expenditures / Appropriation / Request	FY 2006-07 Actuals	FTE	FY 2007-08 Actuals	FTE	FY 2008-09 Appropriated	FTE	FY 2008-09 Estimate	FTE	FY 2009-10 Request	FTE
Total Funds	$349,280,015	122.3	$392,257,392	117.8	$429,582,844	126.0	$495,696,200	126.0	$499,256,389	126.0
General Fund	$0		$0		$0		$0		$0	
HUTF	$0		$0		$0		$0		$0	
Cash Funds	$0		$0		$429,582,844		$495,696,200		$499,256,389	
Cash Funds Exempt / Reappropriated Funds	$349,280,015		$392,257,392		$0		$0		$0	
Federal Funds	$0		$0		$0		$0		$0	

Department Total

Total Expenditures / Appropriation / Request	FY 2006-07 Actuals	FTE	FY 2007-08 Actuals	FTE	FY 2008-09 Appropriated	FTE	FY 2008-09 Estimate	FTE	FY 2009-10 Request	FTE
Total Funds	**$511,781,972**	**1,343.9**	**$642,550,223**	**1,381.0**	**$622,103,639**	**1,495.4**	**$687,089,101**	**1,495.4**	**$698,465,410**	**1,509.5**
General Fund	**$86,487,719**		**$88,689,207**		**$101,575,192**		**$101,836,027**		**$103,595,760**	
HUTF	**$8,376,426**		**$8,832,856**		**$9,739,088**		**$9,744,130**		**$9,959,318**	
Cash Funds	**$45,193,227**		**$130,335,412**		**$507,925,313**		**$572,644,898**		**$582,031,522**	
Cash Funds Exempt / Reappropriated Funds	**$370,394,489**		**$413,256,563**		**$1,392,448**		**$1,392,448**		**$1,408,246**	
Federal Funds	**$1,330,111**		**$1,436,185**		**$1,471,598**		**$1,471,598**		**$1,470,564**	

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DEPARTMENT OF REVENUE
FY 2009-10 RECONCILIATION OF DEPARTMENT REQUEST

Department of Revenue Summary

Long Bill Line Item	Total Funds	FTE	General Fund	HUTF	Cash Funds	Reappropriated Funds	Federal Funds	Net General Fund
(1) Executive Director's Office								
FY 2008-09 Total Appropriation (Long Bill plus Special Bills)	$31,260,935	48.7	$18,745,460	$2,153,772	$9,935,824	$425,879	$0	$18,745,460
Prior Year Salary Survey	$125,845	0.0	$125,845	$0	$0	$0	$0	$125,845
Prior Year Performance-based Pay	$38,650	0.0	$38,650	$0	$0	$0	$0	$38,650
SB 07-228 Annualization "Vendor Perform State Contracts"	$5,862	0.1	$5,862	$0	$0	$0	$0	$5,862
HB 07-1020 Annualization "Motor Vehicle Temporary Tag Fraud"	($4,808)	0.0	($4,808)	$0	$0	$0	$0	($4,808)
HB 06-1171 Annualization "Penalties for Drunk Driving"	($7,813)	0.0	($6,010)	$0	($1,803)	$0	$0	($6,010)
HB 08-1353 Annualization Conservation Tax Credit Verification	($6,910)	0.0	($6,910)	$0	$0	$0	$0	($6,910)
FY 09-10 Base Request	**$31,411,761**	**48.8**	**$18,898,089**	**$2,153,772**	**$9,934,021**	**$425,879**	**$0**	**$18,898,089**
FY 2009-10 DPA DI: "Total Compensation"	$703,001	0.0	$404,450	$60,007	$238,544	$0	$0	$404,450
FY 2009-10 Base Performance-based Pay Reduction	($1,151,316)	0.0	($688,768)	($88,740)	($373,808)	$0	$0	($688,768)
FY 2009-10 DPA DI: "Statewide Indirect Costs"	$0	0.0	$74,294	($38,139)	($29,902)	($6,253)	$0	$74,294
FY 2009-10: "Departmental Indirect Costs"	$0	0.0	($277,082)	$42,551	$85,578	$148,953	$0	($277,082)
FY 2009-10 DI#1: "Out-of-State Tax Law Compliance and Enforcement"	$80,000	0.0	$80,000	$0	$0	$0	$0	$80,000
FY 2009-10 DI#2: "Leased Space Funding Mix Adjustment"	$0	0.0	$141,579	$0	($141,579)	$0	$0	$141,579
FY 2009-10 DI#10: "Increase Liquor Enforcement Division Staff"	$12,544	0.0	$0	$0	$12,544	$0	$0	$0
FY 2009-10 DI#12: "Variable Vehicle Base Increase"	$127,623	0.0	$0	$0	$127,623	$0	$0	$0
FY 2009-10 DI#NP: "Worker's Compensation Operating Common Policy"	$1,114	0.0	$687	$92	$335	$0	$0	$687
FY 2009-10 DI#NP: "Variable Vehicle Operating Common Policy"	$243,652	0.0	$51,751	$18,880	$173,021	$0	$0	$51,751
FY 2009-10 DI#NP: "ALJ Services Operating Common Policy"	$353	0.0	$0	$0	$353	$0	$0	$0
FY 2009-10 DI#NP: "Vehicle Lease Payments Operating Common Policy"	$69,176	0.0	$19,494	$10,034	$39,648	$0	$0	$19,494
FY 09-10 November 1 Request	**$31,497,908**	**48.8**	**$18,704,494**	**$2,158,457**	**$10,066,378**	**$568,579**	**$0**	**$18,704,494**
(2) Central Department Operations Division								
FY 2008-09 Total Appropriation (Long Bill plus Special Bills)	$11,480,172	109.9	$10,659,191	$111,017	$605,494	$104,470	$0	$10,659,191
Prior Year Salary Survey	$205,876	0.0	$205,876	$0	$0	$0	$0	$205,876
Prior Year Performance-based Pay	$64,461	0.0	$64,461	$0	$0	$0	$0	$64,461
SB 08-016 9Health Fair Fund Voluntary Donation FY 09-10 Appropriation	$343	0.0	$343	$0	$0	$0	$0	$343
HB 07-1106 Annualization "PTC Eligibility Changes"	$15,274	0.0	$15,274	$0	$0	$0	$0	$15,274
FY 09-10 Base Request	**$11,766,126**	**109.9**	**$10,945,145**	**$111,017**	**$605,494**	**$104,470**	**$0**	**$10,945,145**
FY 2009-10 DPA DI: "Statewide Indirect Costs"	$0	0.0	$42,719	($9,310)	($7,237)	($26,172)	$0	$42,719
FY 2009-10: "Departmental Indirect Costs"	$0	0.0	($22,826)	$10,645	$21,433	($9,252)	$0	($22,826)
FY 2009-10 DI#3: "Data Entry Rate Increase and Data Capture Expansion"	$154,423	0.0	$154,423	$0	$0	$0	$0	$154,423
FY 2009-10 DI#4: "Microfilm Rate Increase"	$61,739	0.0	$61,739	$0	$0	$0	$0	$61,739
FY 2009-10 DI#7: "Department Postage Increase"	$182,143	0.0	$182,921	$5,538	($6,316)	$0	$0	$182,921
FY 2009-10 DI#9: "Document Transport Lease"	$38,000	0.0	$38,000	$0	$0	$0	$0	$38,000
FY 2009-10 DI#NP: "Postage Operating Common Policy"	$2,694	0.0	$2,694	$0	$0	$0	$0	$2,694
FY 09-10 November 1 Request	**$12,205,125**	**109.9**	**$11,404,815**	**$117,890**	**$613,374**	**$69,046**	**$0**	**$11,404,815**
(3) Information Technology Division								
FY 2008-09 Total Appropriation (Long Bill plus Special Bills)	$12,902,998	113.6	$5,091,656	$465,580	$6,871,910	$473,852	$0	$5,091,656
Prior Year Salary Survey	$291,236	0.0	$217,995	$0	$73,241	$0	$0	$217,995
Prior Year Performance-based Pay	$86,400	0.0	$64,215	$0	$22,185	$0	$0	$64,215
Annualization of FY 2008-09 DI#7: "County Office Improvements"	($53,326)	0.0	$0	$0	($53,326)	$0	$0	$0
FY 09-10 Base Request	**$13,227,308**	**113.6**	**$5,373,866**	**$465,580**	**$6,914,010**	**$473,852**	**$0**	**$5,373,866**
FY 2009-10 DPA DI: "Statewide Indirect Costs"	$0	0.0	$220,487	($62,957)	($76,795)	($80,735)	$0	$220,487
FY 2009-10: "Departmental Indirect Costs"	$0	0.0	$126,498	($44,755)	($95,598)	$13,855	$0	$126,498

Department of Revenue Summary

Long Bill Line Item	Total Funds	FTE	General Fund	HUTF	Cash Funds	Reappropriated Funds	Federal Funds	Net General Fund
FY 2009-10 DI#8: "VIPER Update for CSTARS"	$290,820	0.0	$0	$0	$290,820	$0	$0	$0
FY 2009-10 DI#11: "County Office Improvements"	$47,377	0.0	$0	$0	$47,377	$0	$0	$0
FY 09-10 November 1 Request	**$13,565,505**	**113.6**	**$5,720,851**	**$357,868**	**$7,079,814**	**$406,972**	**$0**	**$5,720,851**
(4) Taxation Business Group								
FY 2008-09 Total Appropriation (Long Bill plus Special Bills)	$54,996,221	325.0	$51,631,133	$0	$2,437,432	$201,828	$725,828	$51,631,133
Prior Year Salary Survey	$735,307	0.0	$732,736	$0	$2,571	$0	$0	$732,736
Prior Year Performance-based Pay	$214,938	0.0	$214,192	$0	$746	$0	$0	$214,192
HB 08-1353 Annualization "Conservation Tax Credit Verification"	$0	0.0	$0	$0	$0	$0	$0	$0
Federal Funding Adjustment	($1,034)	0.0	$0	$0	$0	$0	($1,034)	$0
FY 2009-10: "Departmental Indirect Costs"	$0	0.0	$33,065	$0	$169	($33,234)	$0	$33,065
FY 09-10 Base Request	**$55,945,432**	**325.0**	**$52,611,126**	**$0**	**$2,440,918**	**$168,594**	**$724,794**	**$52,611,126**
FY 2009-10 DI#1: "Out-of-State Tax Law Compliance and Enforcement"	$877,418	10.1	$877,418	$0	$0	$0	$0	$877,418
FY 09-10 November 1 Request	**$56,822,850**	**335.1**	**$53,488,544**	**$0**	**$2,440,918**	**$168,594**	**$724,794**	**$53,488,544**
(5) Division of Motor Vehicles								
FY 2008-09 Total Appropriation (Long Bill plus Special Bills)	$30,903,623	444.3	$14,620,758	$206,498	$16,076,367	$0	$0	$14,620,758
Prior Year Salary Survey	$637,366	0.0	$483,153	$0	$154,213	$0	$0	$483,153
Prior Year Performance-based Pay	$210,668	0.0	$157,954	$0	$52,714	$0	$0	$157,954
SB 06-100 Annualization "Kids First License Plate"	($13,400)	0.0	$0	$0	($13,400)	$0	$0	$0
SB 08-101 Annualization "NORAD Commemorative Plate"	($60,720)	0.0	$0	$0	($60,720)	$0	$0	$0
SB 08-178 Annualization "Horse Development Authority Plate"	($75,900)	0.0	$0	$0	($75,900)	$0	$0	$0
SB 08-186 Annualization "Colorado Carbon Fund Plate"	($30,360)	0.0	$0	$0	($30,360)	$0	$0	$0
HB 08-1194 Annualization "Drunk Driving Penalties"	$535,500	0.9	$0	$0	$535,500	$0	$0	$0
Annualization of FY 2008-09 DI#4: "Titles Digital Imaging Storage"	$8,888	0.0	$0	$0	$8,888	$0	$0	$0
FY 2009-10: "Departmental Indirect Costs"	$0	0.0	$11,473	($4,704)	($6,769)	$0	$0	$11,473
FY 09-10 Base Request	**$32,115,665**	**445.2**	**$15,273,338**	**$201,794**	**$16,640,533**	**$0**	**$0**	**$15,273,338**
FY 2009-10 DI#5: "Digital Imaging Storage for Titles and Driver and Vehicle Services"	$152,469	0.0	$0	$0	$152,469	$0	$0	$0
FY 2009-10 DI#13: "Refinance Driver Control"	$155,662	0.0	($1,865,928)	$0	$2,021,590	$0	$0	($1,865,928)
FY 09-10 November 1 Request	**$32,423,796**	**445.2**	**$13,407,410**	**$201,794**	**$18,814,592**	**$0**	**$0**	**$13,407,410**
(6) Motor Carrier Services Division								
FY 2008-09 Total Appropriation (Long Bill plus Special Bills)	$8,520,301	144.2	$661,634	$6,802,221	$236,430	$74,246	$745,770	$661,634
Prior Year Salary Survey	$280,253	0.0	$24,050	$250,096	$6,107	$0	$0	$24,050
Prior Year Performance-based Pay	$79,557	0.0	$6,825	$70,992	$1,740	$0	$0	$6,825
FY 2009-10: "Departmental Indirect Costs"	$0	0.0	($9,598)	$0	$0	$9,598	$0	($9,598)
FY 09-10 Base Request	**$8,880,111**	**144.2**	**$682,911**	**$7,123,309**	**$244,277**	**$83,844**	**$745,770**	**$682,911**
(7) Enforcement Business Group								
FY 2008-09 Total Appropriation (Long Bill plus Special Bills)	$42,456,545	183.7	$165,360	$0	$42,179,012	$112,173	$0	$165,360
Prior Year Salary Survey	$404,424	0.0	$11,967	$0	$392,457	$0	$0	$11,967
Prior Year Performance-based Pay	$137,945	0.0	$4,720	$0	$133,225	$0	$0	$4,720
SB 08-026 Cigarette Ignition Propensity Standards FY 09-10 Appropriation	$33,347	1.0	$0	$0	$33,347	$0	$0	$0
FY 2009-10: "Departmental Indirect Costs"	$0	0.0	$4,688	$0	($3,726)	($962)	$0	$4,688
FY 2009-10: "Gaming Indirect Costs Adjustment"	$52,661	0.0	$0	$0	$52,661	$0	$0	$0
FY 09-10 Base Request	**$43,084,922**	**184.7**	**$186,735**	**$0**	**$42,786,976**	**$111,211**	**$0**	**$186,735**
FY 2009-10 DI#6: "Imaging Costs for Motor Vehicle Dealer Licensing Board"	$86,290	0.0	$0	$0	$86,290	$0	$0	$0

DEPARTMENT OF REVENUE
FY 2009-10 RECONCILIATION OF DEPARTMENT REQUEST

Department of Revenue Summary

Long Bill Line Item	Total Funds	FTE	General Fund	HUTF	Cash Funds	Reappropriated Funds	Federal Funds	Net General Fund
FY 2009-10 DI#10: "Liquor Enforcement Division Staff"	$105,808	2.0	$0	$0	$105,808	$0	$0	$0
FY 09-10 November 1 Request	**$43,277,020**	**186.7**	**$186,735**	**$0**	**$42,979,074**	**$111,211**	**$0**	**$186,735**
(8) State Lottery Division								
FY 2008-09 Total Appropriation (Long Bill plus Special Bills)	$429,582,844	126.0	$0	$0	$429,582,844	$0	$0	$0
Prior Year Salary Survey	$290,212	0.0	$0	$0	$290,212	$0	$0	$0
Prior Year Performance-based Pay	$88,434	0.0	$0	$0	$88,434	$0	$0	$0
Annualization of FY 2008-09 DI#3: "Lottery Advertising Increase"	$3,028,290	0.0	$0	$0	$3,028,290	$0	$0	$0
FY 2009-10: "Lottery Indirect Costs Adjustment"	($13,229)	0.0	$0	$0	($13,229)	$0	$0	$0
FY 09-10 Base Request	**$432,976,551**	**126.0**	**$0**	**$0**	**$432,976,551**	**$0**	**$0**	**$0**
Department of Revenue Summary								
FY 2008-09 Total Appropriation (Long Bill plus Special Bills)	**$622,103,639**	**1,495.4**	**$101,575,192**	**$9,739,088**	**$507,925,313**	**$1,392,448**	**$1,471,598**	**$101,575,192**
FY 2009-10 November 1 Request	**$631,648,866**	**1,509.5**	**$103,595,760**	**$9,959,318**	**$515,214,978**	**$1,408,246**	**$1,470,564**	**$103,595,760**

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Schedule 10
Summary of Change Requests

Department Name: Revenue
Submission Date: 1/02/2009
Total Number of Decision Items: 13
Total Number of Budget Amendments: 4
Total Number of Statewide Decision Items: 5

Priority Number	Revised Priority	IT Request	Title	Total	FTE	GF	HUTF	CF	RF	FF
DI-1	1	No	Out-of-State Tax Law Compliance and Enforcement	$957,418	10.1	$957,418	$0	$0	$0	$0
DI-2	2	No	Leased Space Funding Mix Adjustment	$0	0.0	$141,579	$0	($141,579)	$0	$0
DI-3	3	No	Data Entry Rate Increase and Data Capture Expansion	$154,423	0.0	$154,423	$0	$0	$0	$0
DI-4	4	No	Microfilm Rate Increase	$61,739	0.0	$61,739	$0	$0	$0	$0
DI-5	5	Yes	Digital Imaging Storage for Titles and Driver and Vehicle Services	$152,469	0.0	$0	$0	$152,469	$0	$0
DI-6	6	Yes	Imaging Costs for Motor Vehicle Dealer Licensing Board	$86,290	0.0	$0	$0	$86,290	$0	$0
DI-7	7	No	Department Postage Increase	$182,143	0.0	$182,921	$5,538	($6,316)	$0	$0
BA-1	8	No	Background Checks for Motor Vehicle Dealer Licensing Board	$22,500	0.0	$0	$0	$22,500	$0	$0
DI-8	9	Yes	VIPER Update for CSTARS	$290,820	0.0	$0	$0	$290,820	$0	$0
BA-2	10	No	Increase for License Plate Ordering	$514,206	0.0	$0	$0	$514,206	$0	$0
DI-9	11	Yes	Document Transport Lease	$38,000	0.0	$38,000	$0	$0	$0	$0
BA-3	12	No	Lottery Variable Costs Adjustment	$68,279,838	0.0	$0	$0	$68,279,838	$0	$0
DI-10	13	No	Increase Liquor Enforcement Division Staff	$118,352	2.0	$0	$0	$118,352	$0	$0
DI-11	14	Yes	County Office Improvements	$47,377	0.0	$0	$0	$47,377	$0	$0
DI-12	15	No	Variable Vehicle Base Increase	$127,623	0.0	$0	$0	$127,623	$0	$0
DI-13	16	No	Refinance Driver Control	$155,662	0.0	($1,865,928)	$0	$2,021,590	$0	$0
BA-4	17	No	Lottery Ticket Costs Base Reduction	($2,000,000)	0.0	$0	$0	($2,000,000)	$0	$0
Decision Item Subtotal				**$69,188,860**	**12.1**	**($329,848)**	**$5,538**	**$69,513,170**	**$0**	**$0**
NP		No	Worker's Compensation	$1,114		$687	$92	$335	$0	$0
NP		No	Variable Vehicle	$243,652		$51,751	$18,880	$173,021	$0	$0
NP		No	Administrative Law Judge Services	$353		$0	$0	$353	$0	$0
NP		No	Vehicle Lease Payments	$69,176		$19,494	$10,034	$39,648	$0	$0
NP		No	Postage	$2,694		$2,694	$0	$0	$0	$0
Statewide Decision Item Subtotal				**$316,989**	**0.0**	**$74,626**	**$29,006**	**$213,357**	**$0**	**$0**
TOTAL				**$69,505,849**	**12.1**	**($255,222)**	**$34,544**	**$69,726,527**	**$0**	**$0**

Schedule 11
Summary of Supplemental Requests

Priority Number	Title	Total	FTE	GF	HUTF	CF	FF
Regular Supplementals							
1	Postage Rate Increase	**90,072**	**0.00**	100,328	5,042	(15,298)	0
2	Driver's License Documents Line Increase	**122,755**	**0.00**	96,363	0	26,392	0
3	Background Checks for Motor Vehicle Dealer Licensing Board	**20,700**	**0.00**	0	0	20,700	0
4	Increase for License Plate Ordering	**514,206**	**0.00**	0	0	514,206	0
5	Lottery Variable Costs Adjustment	**68,279,838**	**0.00**	0	0	68,279,838	0
6	Programming Costs for 2008 Session Legislation	**(24,762)**	**0.00**	57,234	0	(81,996)	0
7	Lottery Ticket Costs Base Reduction	**(3,400,000)**	**0.00**	0	0	(3,400,000)	0
8	*Intentionally left blank*	**0**	**0.00**	0	0	0	0
9	Reduction to Driver and Vehicle Services Operating Expenses	**(624,257)**	**0.00**	0	0	(624,257)	0
		0	**0.00**	0	0	0	0
TOTAL		**64,978,552**	**0.00**	**253,925**	**5,042**	**64,719,585**	**0**

Schedule 12
Summary of Budget Amendments

Priority Number	Title	Total	FTE	GF	HUTF	CF	FF
Budget Amendments Associated with Supplementals							
1	Background Checks for AID	**22,500**	**0.0**	0	0	22,500	0
2	License Plate Ordering	**514,206**	**0.0**	0	0	514,206	0
3	Lottery Variable Costs Adjustment	**68,279,838**	**0.0**	0	0	68,279,838	0
4	Lottery Ticket Costs Base Reduction	**(2,000,000)**	**0.0**	0	0	(2,000,000)	0
TOTAL		**66,816,544**	**0.0**	**0**	**0**	**66,816,544**	**0**

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

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

Request Title: Department Postage Increase

Department: Revenue — **Dept. Approval by:** Ricky Huber — **Date:** December 18, 2008

Priority Number: S-1 — **OSPB Approval:** [signature] — **Date:** 12-19-08

	Fund	1 Prior-Year Actual FY 2007-08	2 Appropriation FY 2008-09	3 Supplemental Request FY 2008-09	4 Total Revised Request FY 2008-09	5 Base Request FY 2009-10	6 Decision/ Base Reduction FY 2009-10	7 November 1 Request FY 2009-10	8 Budget Amendment FY 2009-10	9 Total Revised Request FY 2009-10	10 Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total	2,415,697	2,398,337	90,072	2,488,409	2,402,892	184,837	2,587,729	0	2,587,729	184,837
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0.0	0.0
	GF	2156462	2,131,911	100,328	2,232,239	2,143,393	185,615	2,329,008	0	2,329,008	185,615
	HUTF	8371	8,371	5,042	13,413	8,371	5,538		0	13,909	5,538
	CF	31569	258,055	(15,298)	242,757	242,757	(6,316)	236,441	0	236,441	(6,316)
(2) Central Department Operations Division, Postage	Total	2,415,697	2,398,337	90,072	2,488,409	2,402,892	184,837	2,587,729	0	2,587,729	184,837
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	2,156,462	2,131,911	100,328	2,232,239	2,143,393	185,615	2,329,008	0	2,329,008	185,615
	HUTF	8,371	8,371	5,042	13,413	8,371	5,538	13,909	0	13,909	5,538
	CF	31,569	258,055	(15,298)	242,757	242,757	(6,316)	236,441	0	236,441	(6,316)
	CFE/RF	219,295	0	0	0	0	0	0	0	0	0

Non-Line Item Request: None

Letternote Revised Text: [d] Of this amount, $13,413 shall be from the Highway Users Tax Fund pursuant to Section 43-4-201 (3) (a) (III) (C), C.R.S. and $242,757 shall be from various sources of cash funds.

Cash or Federal Fund Name and COFRS Fund Number: HUTF (AIR Account and Revocation Account), Auto Dealers, CSTARS, Gaming, Liquor, Lottery, and Racing

Reappropriated Funds Source, by Department and Line Item Name: None

Approval by OIT? Yes: ☐ No: ☐ N/A: ☑

Schedule 13s from Affected Departments: None

CHANGE REQUEST for FY 2009-10 BUDGET REQUEST CYCLE

Department:	Revenue
Priority Number:	S-1
Change Request Title:	Department Postage Increase

SELECT ONE (click on box):
- ☐ Decision Item FY 2009-10
- ☐ Base Reduction Item FY 2009-10
- ☒ Supplemental Request FY 2008-09
- ☐ Budget Request Amendment FY 2009-10

SELECT ONE (click on box):
Supplemental or Budget Request Amendment Criterion:
- ☐ Not a Supplemental or Budget Request Amendment
- ☐ An emergency
- ☐ A technical error which has a substantial effect on the operation of the program
- ☒ New data resulting in substantial changes in funding needs
- ☐ Unforeseen contingency such as a significant workload change

Short Summary of Request:

The Department requests an additional $90,072 (various sources) in FY 2008-09 for its postage appropriation to account for a United States Postal Service (USPS) rate increase effective May 12, 2008. This request does not include a budget amendment as a decision item was submitted for FY 2009-10.

Background and Appropriation History:

The Department of Revenue processes approximately 5.9 million pieces of out-going mail each year. A wide range of items are mailed to taxpayers and licensees, including tax forms, motor vehicle titles, driver's license renewal applications, reminders to file taxes, bills, refund warrants, inquiry letters, various licenses, motor vehicle hearing notices, driver licenses, and tax booklets.

Beginning in FY 2007-08, the Department of Revenue received a separate appropriation of $2,437,645 for its postage costs. Prior to FY 2007-08, funding for the line item was part of the Central Department Operations' operating expenses appropriation. In FY 2008-09 the appropriation is $2,398,337.

The federal Public Law 109-435, enacted on December 20, 2006, authorizes USPS increases for each class of mailing service that may not exceed increases in the Consumer Price Index for All Urban Consumers (CPI-U) of the prior twelve months. That index level, as reported by the Postal Regulatory Commission (PRC), was 2.9 percent from December 2006 to December 2007. This information resulted in an average rate increase of 2.9 percent in May 2008. The table below shows the latest release of the CPI-U from the PRC, dated September 16, 2008:

12-Month Average Change in CPI-U
Prepared by Postal Regulatory Commission

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2006	3.5%	3.5%	3.5%	3.5%	3.7%	3.8%	3.9%	3.9%	3.7%	3.4%	3.3%	3.2%
2007	3.1%	3.0%	2.9%	2.8%	2.7%	2.6%	2.4%	2.3%	2.3%	2.5%	2.7%	2.9%*
2008	3.0%	3.2%	3.3%	3.4%	3.5%	3.7%	4.0%	4.3%	n/a	n/a	n/a	n/a

* December value will be the cap value for annual mid-May rate adjustments per USPS schedule.

General Description of Request:

The Department mails various documents to taxpayers and others that interact with its programs. Demand is driven by the number of taxpayers (both businesses and individuals) that qualify for refunds and those individuals that receive motor vehicle hearing notices, motor vehicle titles, and billing notices. Many who receive mail from the Department depend on these to fulfill their obligations to comply with Colorado statutes.

Based on federal law, the United States Postal Service (USPS) increased its rates on May 12, 2008. The average rate increase was 2.9 percent. The Department was unable to request this funding during the FY 2008-09 budget cycle, as the USPS had not implemented this increase until after the Long Bill was enacted. The Department is therefore, requesting an increase of $90,072 to its postage appropriation for FY 2008-09 to account for the postage rate increase that occurred after the Department submitted its FY 2008-09 budget request on November 1, 2007. The Department has submitted a change request to fund this rate increase in FY 2009-10 and future years.

Over the last several years, the Department has worked diligently to manage postage costs by reducing volumes and introducing other efficiencies. In fact, the Department mailed 5,924,187 documents in FY 2007-08, which is less than it did in FY 2005-06 (6,406,116 documents). This equates to a decrease of 7.5 percent. The Department does not expect substantial additional efficiencies.

Consequences if Not Funded:

If this request is not funded, the Department will have to reduce mailings in last portion of the fiscal year, which coincides with taxpayer refund mailings. While the Department will attempt to continue to meet its statutory requirements and continue to operate within its appropriation, it will be difficult to accomplish and may significantly reduce revenue and customer service. Last fiscal year, the Department mailed over 35,000 tax refunds in June. Without supplemental funding for FY 2008-09, the Department will be forced to delay some of refunds in FY 2008-09 and as a result may not be in compliance with the refund schedule delineated in Section 39-22-622, C.R.S. (2008).

Failure to comply with this section of statute may result in interest charges that range from the prime rate to prime plus 3 percent (Section 39-21-110.5 C.R.S. (2008)). Pursuant to Section 39-22-622(3), C.R.S. (2008), an additional penalty of 5% of the tax refund will be added. The payment of any penalties and interest would reduce General Fund revenues. For example, during the peak individual income tax season the Department processes between 10,000 and 20,000 refunds per day. If half of the 35,000 refunds in June are delayed, the penalty alone would equate to $344,750 ($394 average refund amount x 17,500 refunds x 5% penalty).

Calculations for Request:

Summary of Request FY 2008-09	Total Funds	General Fund	HUTF	Cash Funds	Reappropriated Funds	Federal Funds
Total Request	$90,072	$100,328	$5,042	($15,298)	$0	$0
Postage	$90,072	$100,328	$5,042	($15,298)	$0	$0

Cash Funds Projections:

Cash Fund Name	Cash Fund Number	FY 2007-08 Expenditures	FY 2007-08 End of Year Cash Balance	FY 2008-09 End of Year Cash Balance Estimate	FY 2009-10 End of Year Cash Balance Estimate	FY 2010-11 End of Year Cash Balance Estimate
HUTF	100	$9,318,716	n/a	n/a	n/a	n/a
AIR Account		$1,303,447	$0	$0	$0	$0
Auto Dealers	192	$2,572,003	$409,329	$92,384	$156,349	$133,766
CSTARS*	404	$10,582,843	$5,628,912	$3,276,717	$689,354	($2,501,617)
Gaming	401	$110,910,146	$1,683,522	$1,871,916	$2,066,245	$2,266,501
Liquor	236	$2,086,195	$555,585	$616,997	$431,377	$129,532
Lottery	503	$510,914,532	$32,320,374	$32,320,374	$32,320,374	$32,320,374
Racing	16V	$1,896,348	$297,131	$249,439	$252,468	$375,805
Revocation Account	405	$5,316,205	$0	$0	$0	$0

*Note: The Department of Revenue is seeking legislation to address fund solvency issues in the CSTARS Account during the 2009 session.

Assumptions for Calculations:

The Department bases its request on the actual postage increase, effective May 12, 2008. As the table below illustrates, the average cost per piece of mail in FY 2007-08 was $0.408. Based on actual volume, the Department reverted approximately $19,000. To forecast need for FY 2008-09, the Department increased the average cost experienced in FY 2007-08 by 2.9 percent (pursuant to the rate increase of May 2008). Thus the estimated average cost per piece of mail is $0.420 in FY 2008-09, which based on the current appropriation and holding volumes constant will result in a deficit of $90,072.

Estimated Postage Volume and Costs for FY 2008-09					
	Mailings	Average Cost	Cost	Base Appropriation	Surplus / (Deficit)
FY 2007-08	5,924,187	$0.408	$2,418,279	$2,415,697	($2,582)
FY 2008-09	5,924,187	$0.420	$2,488,409	$2,398,337	($90,072)

Impact on Other Government Agencies: Not applicable.

Cost Benefit Analysis:

Cost	Benefit
$90,072	The Department will continue to meet its statutory requirements/mandates. The Department is statutorily required to fulfill the forms needs of taxpayers by printing and mailing required documents. Required documents include tax refunds, motor vehicle titles, motor vehicle hearing notices, billing notices, etc. This supplemental request will also allow the Department to avoid up to $345,000 in penalties for delayed tax refunds.

Implementation Schedule: Department will utilize the resources provided in this request as soon as possible.

Statutory and Federal Authority: *24-35-105 C.R.S. (2008) Supplies. The department of revenue shall be provided with suitable quarters, equipment, services, supplies, materials, and other facilities and services as may be necessary to carry out its functions and is authorized to incur necessary expenditures for such facilities and services, subject to the limitation of appropriations and dedicated revenues provided therefor.*

Performance Measures: The Department of Revenue interacts with every Colorado citizen. In its role of collecting tax revenues, the Department strives for quick, accurate refunds and resolution of disputes. It is the Department's goal to reduce wait times and increase accessibility in driver's license offices. The Department believes that quick resolutions for its external and internal customers are paramount for exceptional customer service.

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Appropriation	FY 2009-10 Request
Percent of certified mail, motor vehicle titles, AARAP notices, and business tax documents mailed within 24 hours of receipt in the out-going mailroom or on the scheduled date.	Benchmark	100%	100%	100%	100%
	Actual	93.6%	97.5%	TBD	TBD

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

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

Request Title: Drivers License Documents Line Increase

Department: Department of Revenue

Priority Number: S-2

Dept. Approval by: [illegible] **Date:** December 10, 2008

OSPB Approval: [illegible] **Date:** 12-18-08

	Fund	1 Prior-Year Actual FY 2007-08	2 Appropriation FY 2008-09	3 Supplemental Request FY 2008-09	4 Total Revised Request FY 2008-09	5 Base Request FY 2009-10	6 Decision/ Base Reduction FY 2009-10	7 November 1 Request FY 2009-10	8 Budget Amendment FY 2009-10	9 Total Revised Request FY 2009-10	10 Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total	2,372,080	2,437,320	122,755	2,560,075	2,437,320	0	2,437,320	0	2,437,320	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	1,860,196	1,913,728	96,363	2,010,091	1,913,728	0	1,913,728	0	1,913,728	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	523,592	26,392	549,984	523,592	0	523,592	0	523,592	0
	CFE/RF	511,884	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
(5) Division of Motor Vehicles, (B) Driver and Vehicle Services - Drivers License Documents	Total	2,372,080	2,437,320	122,755	2,560,075	2,437,320	0	2,437,320	0	2,437,320	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	1,860,196	1,913,728	96,363	2,010,091	1,913,728	0	1,913,728	0	1,913,728	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	523,592	26,392	549,984	523,592	0	523,592	0	523,592	0
	CFE/RF	511,884	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0

Non-Line Item Request:

Letternote Revised Text:

Cash or Federal Fund Name and COFRS Fund Number: Identification Security Fund (#414)

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

Approval by OIT? Yes: ☐ No: ☐ N/A: ☑

Schedule 13s from Affected Departments: Not Applicable

CHANGE REQUEST for FY 2009-10 BUDGET REQUEST CYCLE

Department:	Revenue
Priority Number:	S-2
Change Request Title:	Driver's License Document Line Increase

SELECT ONE (click on box):

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

SELECT ONE (click on box):

Supplemental or Budget Request Amendment Criterion:

- ☐ Not a Supplemental or Budget Request Amendment
- ☐ An emergency
- ☐ A technical error which has a substantial effect on the operation of the program
- ☐ New data resulting in substantial changes in funding needs
- ☒ Unforeseen contingency such as a significant workload change

<u>Short Summary of Request</u>:

The Department of Revenue is requesting a total of $122,755 for the Driver's License Documents line item, which is located in the Driver and Vehicle Services section of the Division of Motor Vehicles. This amount is comprised of $96,363 General Fund and $26,392 cash funds from the Identification Security Fund. Expenditures from this line item have fluctuated as much as 20 percent over the last several fiscal years. Program expenditures vary with increases or decreases in the issuance of driver's licenses and ID cards. In the current fiscal year, issuance numbers have exceeded projections and additional resources are necessary to meet demand.

<u>Background and Appropriation History</u>:

The Driver's License Documents line item is primarily used to fund materials costs associated with the production of driver's licenses, instructional permits, and ID cards including related security features such as facial recognition. A majority of the costs in this line item are paid from the General Fund; however, the Identification Security Fund, created in Section 42-1-220 (1), C.R.S. (2008), to fund security enhancements for driver's license and identification card issuance, receives a fee of $0.60 per document issued and defrays a portion of expenses. Since FY 2002-03, expenditures paid from the Driver's

License Documents line item have fluctuated between $2,369,475 in FY 2006-07 to $3,469,471 in FY 2002-03. This is summarized below in Table 1.1.

TABLE 1.1 – DRIVER'S LICENSE DOCUMENTS LINE EXPENDITURES

Fiscal Year	Long Bill Appropriation	Total Expenditures
2002-03	$3,478,361	$3,469,471
2003-04	$3,478,361	$2,773,306
2004-05	$3,478,361	$3,019,952
2005-06	$3,110,000	$2,754,669
2006-07	$2,739,747	$2,369,475
2007-08	$2,426,334	$2,372,080
2008-09	$2,437,320	$2,560,075*

* - Based on projected document issuance numbers.

Fluctuations in these expenditures have been the result of:

- Statutory changes in the term of validity of the various types of documents;
- Population changes such as immigration, birth rates, and aging demographics; and
- Customer convenience improvements that bring more people to driver's license offices for document renewal and replacement.

However, there are a number of factors that would still result in a significant number of customers renewing or replacing documents before they are scheduled to expire. This includes the loss, theft, or destruction of documents; change of name, address, or photo; or travel requirements. In addition, there will be documents issued to those customers who have been reinstated from revocations, suspensions, cancellations and denials. There have also been up to 120,000 customers that come from other jurisdictions and apply for Colorado documents annually.

General Description of Request:

The Department of Revenue is requesting a total of $122,755 for the Driver's License Documents line item, which is located in the Driver and Vehicle Services section of the Division of Motor Vehicles. This amount is comprised of $96,363 General Fund and

$26,392 cash funds from the Identification Security Fund. Expenditures from this line item have fluctuated as much as 20 percent over the last several fiscal years. Program expenditures vary with increases or decreases in the issuance of driver's licenses and ID cards. In the current fiscal year, issuance numbers have exceeded projections. Without this funding the Division of Motor Vehicles could be forced to halt the issuance of permanent photo documents prior to the end of FY 2008-09.

Consequences if Not Funded:

A shortage of funds in the Driver's License Document line item might require the Division of Motor Vehicles to either stop issuing photo documents at some point during FY 2008-09 or reduce other operating expenses. Funding in the Operating Expense line item in the Driver and Vehicle Services section has been designated for other program expenditures.

Calculations for Request:

Summary of Request FY 2008-09	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
Total Request	$122,755	$96,363	$26,392	$0	$0
Division of Motor Vehicles, Driver and Vehicle Services – Drivers License Documents	$122,755	$96,363	$26,392	$0	$0

Summary of Request FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
Total Request	n/a	n/a	n/a	$0	$0

Cash Funds Projections:

Cash Fund Name	Cash Fund Number	FY 2007-08 Expenditures	FY 2007-08 End of Year Balance	FY 2008-09 End of Year Estimate	FY 2009-10 End of Year Estimate	FY 2010-11 End of Year Estimate
Identification Security Fund	414	$610,393	$512,274	$436,278	$0	$0

Assumptions for Calculations: The State's contractor currently charges $2.607 to produce and mail a single photo identification document (i.e., driver's license, temporary instruction permit, ID cards) to an applicant. At this rate, the State can process 934,913 photo documents. Recent projections show the Division will process 960,000 documents at a total cost of $2,502,720 plus charges of $41,000 to participate in Systematic Alienation Verification for Entitlements (SAVE) system and $16,355 for Social Security Number Online Verification (SSOLV). These amounts comprise a total of $2,560,075, which is $122,755 more than the current appropriation to the Drivers License Documents line item.

Impact on Other Government Agencies: Not Applicable.

Cost Benefit Analysis:

Cost	**Benefit**
Net request of $122,755 to sustain the issuance of photo documents through completion of FY 2008-09	Provide citizens with a secure and verifiable means of identity documentation and of substantiating their valid driving privileges. This is required by statute.

Implementation Schedule: Not Applicable.

Statutory and Federal Authority: Section 42-2-101, C.R.S. (2008) Licenses for drivers required.
(1) ". . . No person shall driver any motor vehicle upon a highway in this state unless such person has been issued a curre3ntly valid driver's or minor driver's license or an instruction permit by the department under this article."

Section 42-2-302, C.R.S. (2008) Department may issue.
(1)(a)(I) A person who is a resident of Colorado may be issued an identification cards by the department, attested by the applicant and the department as to true name, date of birth, current address, and other identifying data the department may require.

Performance Measures:

Customer Service: The Department of Revenue interacts with every Colorado citizen. It is the Department's goal to reduce wait times and increase accessibility in driver's license offices. The Department believes that quick resolutions for its external and internal customers are paramount for exceptional customer service.

Critical Performance Measure: Process 75 percent of customer requests through driver's license offices within 35 minutes (and within 7 business days via mail) by June 30, 2010.

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

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

Request Title: Spending Authority for Background Check Fees

Department: Revenue — **Dept. Approval by:** Roxy Huber — **Date:** December 19, 2008

Priority Number: S-3, BA-1 — **OSPB Approval:** MMZ — **Date:** 12-19-08

	Fund	1 Prior-Year Actual FY 2007-08	2 Appropriation FY 2008-09	3 Supplemental Request FY 2008-09	4 Total Revised Request FY 2008-09	5 Base Request FY 2009-10	6 Decision/ Base Reduction FY 2009-10	7 November 1 Request FY 2009-10	8 Budget Amendment FY 2009-10	9 Total Revised Request FY 2009-10	10 Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total	68,086	72,003	20,700	92,703	72,003	0	72,003	22,500	94,503	22,500
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	68,086	72,003	20,700	92,703	72,003	0	72,003	22,500	94,503	22,500
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
(7) Enforcement Business Group, (G) Motor Vehicle Dealer Licensing Board - Operating Expenses	Total	68,086	72,003	20,700	92,703	72,003	0	72,003	22,500	94,503	22,500
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	68,086	72,003	20,700	92,703	72,003	0	72,003	22,500	94,503	22,500
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0

Non-Line Item Request: None

Letternote Revised Text: None

Cash or Federal Fund Name and COFRS Fund Number: Auto Dealer License Fund #192

Reappropriated Funds Source, by Department and Line Item Name: None

Approval by OIT? Yes: ☐ No: ☐ N/A: ☑

Schedule 13s from Affected Departments: Not Applicable

CHANGE REQUEST for FY 2009-10 BUDGET REQUEST CYCLE

Department:	Revenue
Priority Number:	S-3, BA-1
Change Request Title:	Spending Authority for Background Check Fees

SELECT ONE (click on box):

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

SELECT ONE (click on box):

Supplemental or Budget Request Amendment Criterion:

- ☐ Not a Supplemental or Budget Request Amendment
- ☐ An emergency
- ☒ A technical error which has a substantial effect on the operation of the program
- ☐ New data resulting in substantial changes in funding needs
- ☐ Unforeseen contingency such as a significant workload change

Short Summary of Request:

Due to an accounting procedural change, the Department of Revenue is requesting $20,700 Auto Dealers cash funds in FY 2008-09 and $22,500 Auto Dealers cash funds in FY 2009-10 for the Motor Vehicle Dealer Licensing Board, which is managed within the Enforcement Business Group. This additional spending authority will be used to pay criminal background check fees. The Motor Vehicle Dealer Licensing Board has had minimal reversions over the last several fiscal years in its Operating Expenses line item.

Background and Appropriation History:

Section 12-6-118, C.R.S. (2008), states that the Motor Vehicle Dealer Licensing Board can deny, revoke, or suspend many such licenses based on the following: previous felony convictions or pleading *nolo contendere* to any felony; convictions against persons (Title 18, Article 3) or property (Title 18, Article 4); and convictions for fraud (Title 18, Article 5). Additionally, Sections 12-6-118 (6) and (7), C.R.S. (2008), states:

"(6) Any license issued pursuant to this part 1 may be denied, revoked, or suspended if unfitness of such licensee or licensee applicant is shown in the following:

(a) The licensing character or record of the licensee or licensee applicant;

(b) The criminal character or record of the licensee or licensee applicant;

(c) The financial character or record of the licensee or licensee applicant;

(d) Violation of any lawful order of the board.

(7) (a) Any license issued or for which an application has been made pursuant to this part 1 shall be revoked or denied if the licensee or applicant has been convicted of or pleaded no contest to any of the following offenses in this state or any other jurisdiction during the previous ten years:

(I) A felony in violation of article 3, 4, or 5 of title 18, C.R.S., or any similar crime under federal law or the law of any other state; or

(II) A crime involving odometer fraud, salvage fraud, motor vehicle title fraud, or the defrauding of a retail consumer in a motor vehicle sale or lease transaction.

(b) A certified copy of a judgment of conviction by a court of competent jurisdiction of an offense under paragraph (a) of this subsection (7) is conclusive evidence of such conviction in any hearing held pursuant to this article."

The only effective way for the nine members of the Motor Vehicle Dealer Licensing Board to ensure that potential or current industry licensees have not violated Section 12-6-118, C.R.S. (2008), is to perform background checks.

Appropriation History for Program Operating Expenses

The following table summarizes the operating expense appropriations and actual expenditures for the Motor Vehicle Dealer Licensing Board since FY 2004-05. It also includes the total cost of background checks over the same time period.

TABLE 1.1 – OPERATING DATA FOR THE MOTOR VEHICLE DEALER LICENSING BOARD

Operating Budget Data	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09*
Motor Vehicle Dealer Licensing Board:					
Appropriation	$55,768	$55,768	$69,688	$69,688	$72,003
Reversion	$4,781	$452	$742	$1,602	n/a
Background Check Fees	$43,182	$42,164	$7,007	$11,472	$20,700
Percent of Actual/Projected Spending	84.7	76.2	10.2	16.8	28.7

* - Background check fees listed in this column are projections.

General Description of Request:

Previously, the Department was permitted to pay fees pertaining to criminal background checks directly out of the Auto Dealers License Fund. In past fiscal years, the Department has received a fiscal waiver to facilitate payment of these fees. In June 2008, the Department applied for another fiscal waiver to allow the Motor Vehicle Dealer Licensing Board to pay for background checks directly out of revenue earned in the Auto Dealer License Fund. This request was denied. The Department is submitting this supplemental request to establish an appropriation to support background check expenses for the Motor Vehicle Dealer Licensing Board.

Consequences if Not Funded:

The operating expense budget for the Motor Vehicle Dealer Licensing Board is quite small and will be unable to absorb the costs of background checks. These are critical to the statutory mission of the Board and its ability to maintain the integrity of the auto sales industry. If this request is not approved, the Department will have to reduce FY 2008-09 operating expenditures for the Motor Vehicle Dealer Licensing Board by 16.8 percent to accommodate the costs of criminal background check fees. As demonstrated in Table 1.1, this would impact the program's ability to pay for other critical functions.

Calculations for Request:

Summary of Request FY 2008-09	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
Total Request	**$20,700**	**$0**	**$20,700**	**$0**	**$0**
Background Checks – Motor Vehicle Dealer Licensing Board	$20,700	$0	$20,700	$0	$0

Summary of Request FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
Total Request	**$22,500**	**$0**	**$22,500**	**$0**	**$0**
Background Checks – Motor Vehicle Dealer Licensing Board	$22,500	$0	$22,500	$0	$0

Cash Fund Balance Projections:

Fund Name	Fund Number	FY 2007-08 Expenditures	FY 2007-08 End of Year Balance	FY 2008-09 End of Year Estimate	FY 2009-10 End of Year Estimate	FY 2010-11 End of Year Estimate
Auto Dealer License Fund	192	$2,572,003	$409,329	$92,384	$156,349	$133,766

Assumptions for Calculations:

The assumptions for calculating this request are based on previous fiscal year expenditures for background check fees paid directly out of the Auto Dealers License Fund by the Motor Vehicle Dealer Licensing Board. This request also includes projections for these expenses in FY 2008-09. Since this information is already discussed and summarized elsewhere in this document, it has not been duplicated here.

Impact on Other Government Agencies:

Not Applicable.

Cost Benefit Analysis:

This is a programmatic necessity for the Motor Vehicle Dealer Licensing Board. The costs have been previously described and the benefit is the ability for the program to fulfill its statutory mission and maintain the integrity of the auto sales industry.

Implementation Schedule:

Task	Month/Year
Internal Research/Planning Period	June-July 2008
Written Agreement w/ Other State Agencies	Not Applicable
FTE Hired	Not Applicable
Start-Up Date	March 2009

Statutory and Federal Authority:

12-6-118, C.R.S. (2008) Licenses – grounds for denial, suspension, or revocation.
(1) A manufacturer's or distributor's license may be denied, suspended, or revoked on the following grounds:
(a) (Deleted by amendment, L. 92, p. 1857, § 20, effective July 1, 1992.)

(b) Material misstatement in an application for a license;

(c) Willful failure to comply with any provisions of this part 1 or any rule or regulation promulgated by the executive director;

(d) Engaging, in the past or present, in any illegal business practice.

(2) A manufacturer representative's license may be denied, suspended, or revoked on the following grounds:

(a) (Deleted by amendment, L. 92, p. 1857, § 20, effective July 1, 1992.)

(b) Material misstatement in an application for a license;

(c) Willful failure to comply with any provision of this part 1 or any rule or regulation promulgated by the executive director under this part 1;

(d) Having indulged in any unconscionable business practice pursuant to title 4, C.R.S.;

(e) Having coerced or attempted to coerce any motor vehicle dealer to accept delivery of any motor vehicle, parts or accessories therefor, or any other commodities or services which have not been ordered by said dealer;

(f) Having coerced or attempted to coerce any motor vehicle dealer to enter into any agreement to do any act unfair to said dealer by threatening to cause the cancellation of the franchise of said dealer;

(g) Having withheld, threatened to withhold, reduced, or delayed without just cause an order for motor vehicles, parts or accessories therefor, or any other commodities or services which have been ordered by a motor vehicle dealer;

(h) Engaging, in the past or present, in any illegal business practice.

(3) A motor vehicle dealer's, wholesale motor vehicle auction dealer's, wholesaler's, buyer agent's, or used motor vehicle dealer's license may be denied, suspended, or revoked on the following grounds:

(a) (Deleted by amendment, L. 92, p. 1857, § 20, effective July 1, 1992.)

(b) Material misstatement in an application for a license;

(c) Violation of any of the terms and provisions of this part 1 or any rule or regulation promulgated by the board under this part 1;

(d) Having been convicted of or pled nolo contendere to any felony, or any crime pursuant to article 3, 4, or 5 of title 18, C.R.S., or any like crime pursuant to federal law or the law of any other state. A certified copy of the judgment of conviction by a court of

competent jurisdiction shall be conclusive evidence of such conviction in any hearing held pursuant to this article.

(e) Defrauding any buyer, seller, motor vehicle salesperson, or financial institution to such person's damage;

(f) Intentional or negligent failure to perform any written agreement with any buyer or seller;

(g) Failure or refusal to furnish and keep in force any bond required under this part 1;

(h) Having made a fraudulent or illegal sale, transaction, or repossession;

(i) Willful misrepresentation, circumvention, or concealment of or failure to disclose, through whatsoever subterfuge or device, any of the material particulars or the nature thereof required to be stated or furnished to the buyer;

(j) Repealed.

(k) To intentionally publish or circulate any advertising which is misleading or inaccurate in any material particular or which misrepresents any of the products sold or furnished by a licensed dealer;

(l) To knowingly purchase, sell, or otherwise acquire or dispose of a stolen motor vehicle;

(m) For any licensed motor vehicle dealer or used motor vehicle dealer to engage in the business for which such dealer is licensed without at all times maintaining a principal place of business as required by this part 1 during reasonable business hours;

(n) Engaging in such business through employment of an unlicensed motor vehicle salesperson;

(o) To willfully violate any state or federal law respecting commerce or motor vehicles, or any lawful rule or regulation respecting commerce or motor vehicles promulgated by any licensing or regulating authority pertaining to motor vehicles, under circumstances in which the act constituting the violation directly and necessarily involves commerce or motor vehicles;

(p) (Deleted by amendment, L. 92, p. 1857, § 20, effective July 1, 1992.)

(q) Repealed.

(r) Representing or selling as a new and unused motor vehicle any motor vehicle which the dealer or salesperson knows has been used and operated for demonstration purposes or which the dealer or salesperson knows is otherwise a used motor vehicle;

(s) Violating any state or federal statute or regulation issued thereunder dealing with odometers;

(t) (I) Selling to a retail customer a motor vehicle which is not equipped or in proper condition and adjustment as required by part 2 of article 4 of title 42, C.R.S., unless such vehicle is sold as a tow away, not to be driven;

(II) Repealed.

(t.1) Repealed.

(u) Committing a fraudulent insurance act pursuant to section 10-1-128, C.R.S.;

(v) Failure to give notice to a prospective buyer of the acceptance or rejection of a motor vehicle purchase order agreement within a reasonable time period, as determined by the board, when the licensee is working with the prospective buyer on a finance sale or a consignment sale.

(4) A wholesaler's or wholesale motor vehicle auction dealer's license may be denied, suspended, or revoked for the selling, leasing, or offering or attempting to negotiate the sale, lease, or exchange of an interest in motor vehicles by such wholesaler or wholesale motor vehicle auction dealer to persons other than motor vehicle dealers, used motor vehicle dealers, or other wholesalers or wholesale motor vehicle auction dealers.

(5) The license of a motor vehicle salesperson may be denied, revoked, or suspended on the following grounds:

(a) (Deleted by amendment, L. 92, p. 1857, § 20, effective July 1, 1992.)

(b) Material misstatement in an application for a license;

(c) Failure to comply with any provision of this part 1 or any rule or regulation promulgated by the board or executive director under this part 1;

(d) To engage in the business for which such licensee is licensed without having in force and effect a good and sufficient bond with corporate surety as provided in this part 1;

(e) To intentionally publish or circulate any advertising which is misleading or inaccurate in any material particular or which misrepresents any motor vehicle products sold or attempted to be sold by such salesperson;

(f) Having indulged in any fraudulent business practice;

(g) Selling, offering, or attempting to negotiate the sale, exchange, or lease of motor vehicles for any motor vehicle dealer or used motor vehicle dealer for which such salesperson is not licensed; except that negotiation with a motor vehicle dealer for the

sale, exchange, or lease of new and used motor vehicles, except those vehicles defined in section 42-1-102 (55), C.R.S., as motorcycles and section 33-14.5-101 (3), C.R.S., as off-highway vehicles, by a salesperson compensated for said negotiation by the used motor vehicle dealer for which such salesperson is licensed shall not be grounds for denial, revocation, or suspension;

(h) Representing oneself as a salesperson for any motor vehicle dealer or used motor vehicle dealer when such salesperson is not so employed and licensed;

(i) (Deleted by amendment, L. 92, p. 1857, § 20, effective July 1, 1992.)

(j) Having been convicted of or pled nolo contendere to any felony, or any crime pursuant to article 3, 4, or 5 of title 18, C.R.S., or any like crime pursuant to federal law or the law of any other state. A certified copy of the judgment of conviction by a court of competent jurisdiction shall be conclusive evidence of such conviction in any hearing held pursuant to this article.

(k) Having knowingly purchased, sold, or otherwise acquired or disposed of a stolen motor vehicle;

(l) Employing an unlicensed motor vehicle salesperson;

(m) Violating any state or federal statute or regulation issued thereunder dealing with odometers;

(n) Defrauding any retail buyer to such person's damage;

(o) Representing or selling as a new and unused motor vehicle any motor vehicle which the salesperson knows has been used and operated for demonstration purposes or which the salesperson knows is otherwise a used motor vehicle;

(p) (I) Selling to a retail customer a motor vehicle which is not equipped or in proper condition and adjustment as required by part 2 of article 4 of title 42, C.R.S., unless such vehicle is sold as a tow away, not to be driven;

(II) Repealed.

(p.1) Repealed.

(q) Willfully violating any state or federal law respecting commerce or motor vehicles, or any lawful rule or regulation respecting commerce or motor vehicles promulgated by any licensing or regulating authority pertaining to motor vehicles, under circumstances in which the act constituting the violation directly and necessarily involves commerce or motor vehicles;

(r) Improperly withholding, misappropriating, or converting to such salesperson's own use any money belonging to customers or other persons, received in the course of employment as a motor vehicle salesperson.

(6) Any license issued pursuant to this part 1 may be denied, revoked, or suspended if unfitness of such licensee or licensee applicant is shown in the following:

(a) The licensing character or record of the licensee or licensee applicant;

(b) The criminal character or record of the licensee or licensee applicant;

(c) The financial character or record of the licensee or licensee applicant;

(d) Violation of any lawful order of the board.

(7) (a) Any license issued or for which an application has been made pursuant to this part 1 shall be revoked or denied if the licensee or applicant has been convicted of or pleaded no contest to any of the following offenses in this state or any other jurisdiction during the previous ten years:

(I) A felony in violation of article 3, 4, or 5 of title 18, C.R.S., or any similar crime under federal law or the law of any other state; or

(II) A crime involving odometer fraud, salvage fraud, motor vehicle title fraud, or the defrauding of a retail consumer in a motor vehicle sale or lease transaction.

(b) A certified copy of a judgment of conviction by a court of competent jurisdiction of an offense under paragraph (a) of this subsection (7) is conclusive evidence of such conviction in any hearing held pursuant to this article.

Performance Measures:

Regulation, Enforcement, and Education: The Department of Revenue protects Colorado's citizens through the fair enforcement of laws and regulations related to industries that include limited stakes gaming, auto dealers, liquor and tobacco retailers, and motor carriers. The Department seeks to deliver this oversight effectively by completing duties within statutory timeframes and adherence to departmental or federal requirements. It actively identifies methods to achieve its goals by enhancing productivity and educating both providers and consumers in affected industries.

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

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

Request Title: Increase for License Plate Ordering

Department: Department of Revenue — **Dept. Approval by:** Roxy Huber — **Date:** December 19, 2008

Priority Number: S-4, BA-2 — **OSPB Approval:** MMZ — **Date:** 12-19-08

	Fund	1 Prior-Year Actual FY 2007-08	2 Appropriation FY 2008-09	3 Supplemental Request FY 2008-09	4 Total Revised Request FY 2008-09	5 Base Request FY 2009-10	6 Decision/ Base Reduction FY 2009-10	7 November 1 Request FY 2009-10	8 Budget Amendment FY 2009-10	9 Total Revised Request FY 2009-10	10 Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total	5,449,138	5,465,550	514,206	5,979,756	5,422,670	0	5,422,670	514,206	5,936,876	514,206
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	5,449,138	5,465,550	514,206	5,979,756	5,422,670	0	5,422,670	514,206	5,936,876	514,206
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
(5) Division of Motor Vehicles, (B) Driver and Vehicle Services - License Plate Ordering	Total	5,449,138	5,465,550	514,206	5,979,756	5,422,670	0	5,422,670	514,206	5,936,876	514,206
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	5,449,138	5,465,550	514,206	5,979,756	5,422,670	0	5,422,670	514,206	5,936,876	514,206
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0

Non-Line Item Request:
Letternote Revised Text:

Cash or Federal Fund Name and COFRS Fund Number: License Plate Cash Fund (#435)
Reappropriated Funds Source, by Department and Line Item Name: Not Applicable
Approval by OIT? Yes: ☐ No: ☐ N/A: ☑
Schedule 13s from Affected Departments: Not Applicable

CHANGE REQUEST for FY 2009-10 BUDGET REQUEST CYCLE

Department:	Department of Revenue
Priority Number:	S-4, BA-2
Change Request Title:	Increase for License Plate Ordering

SELECT ONE (click on box):

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

SELECT ONE (click on box):

Supplemental or Budget Request Amendment Criterion:

- ☐ Not a Supplemental or Budget Request Amendment
- ☐ An emergency
- ☐ A technical error which has a substantial effect on the operation of the program
- ☒ New data resulting in substantial changes in funding needs
- ☐ Unforeseen contingency such as a significant workload change

Short Summary of Request:

The Department of Revenue requests an additional $514,206 License Plate Cash Fund spending authority in FY 2008-09 and subsequent years for the License Plate Ordering line item in the Division of Motor Vehicles (DMV). This funding is critical to maintaining adequate license plate inventory and meeting the vehicle registration needs of citizens in Colorado's 64 counties. This request has no General Fund impact.

Background and Appropriation History:

The License Plate Ordering program is managed by the DMV through a line item in the Driver and Vehicle Services (DVS) section of the Long Bill. While some a few vehicles are registered and plates issued directly at state DMV offices, the Registrations Section within DVS serves primarily to manage the issuance of registrations and plates through county clerk offices throughout the State's 64 counties. The adoption of 03-272 required that the License Plate Ordering program become wholly cash funded. Plate orders should match plate demand so that revenues offset expenses. The Department of Revenue manages this program through a Memorandum of Understanding (MOU) with the Department of Corrections and Correctional Industries. Fees to cover the costs of plate production and materials are stipulated in Section 42-3-301, C.R.S. (2008).

Table 1.1 summarizes appropriations, expenditures, and reversions pertaining to the License Plate Ordering program. As specified in Section 42-3-301 (1)(b), C.R.S. (2008), any unexpended and unencumbered moneys remaining in the License Plate Cash Fund revert to the Highway Users Tax Fund (HUTF).

TABLE 1.1 – SUMMARY OF LICENSE PLATE ORDERING PROGRAM

Fiscal Year	Long Bill Appropriation and Special Bills*	Total Expenditures	Line Item Reversions
2004-05	$4,909,869	$4,228,668	($681,201)
2005-06	$5,078,822	$4,904,740	($174,082)
2006-07	$5,041,074	$5,041,069	($5)
2007-08	$5,449,178	$5,449,138	($40)

*These amounts are net of supplemental adjustments

Over the last several fiscal cycles, the Department of Revenue has been committed to reducing the State's 'embedded' license plate inventory. In cooperation with Colorado's 64 county clerks, the Department has redistributed thousands of these plates throughout the State. However, many of the remaining excess plates are specialty plates that provide little assistance toward defraying demand for higher-volume plates. The redistribution of 'embedded' plates means that the License Plate Ordering line item has not reflected true statewide demand for several years now. Beginning in FY 2006-07, this started to change and is one of the primary reasons that the Department is requesting a regular supplemental for the License Plate Ordering program.

General Description of Request:

The Department of Revenue requests $514,206 of additional spending authority from the License Plate Cash Fund for the License Plate Ordering line item in the Division of Motor Vehicles (DMV). This funding is critical to maintaining adequate license plate inventory and meeting the vehicle registration needs of citizens in Colorado's 64 counties. This request has no General Fund impact.

The FY 2008-09 Long Bill appropriation for the License Plate Ordering line item was set according to the most recent license plate demand data. However, based on twelve months of actual plate usage data as of August 1, 2008, the Department has determined that the number of plates distributed to vehicle owners in FY 2008-09 will be higher than originally projected. Over the last several fiscal cycles, the Department of Revenue has been committed to reducing the State's 'embedded' license plate inventory. In cooperation with Colorado's 64 county clerks, the Department has redistributed thousands of these plates throughout the State. At this point, many of the remaining excess plates are specialty plates that provide little assistance toward defraying demand for higher-volume plates. The redistribution of 'embedded' plates means that the License Plate Ordering line item has not reflected true statewide demand since the adoption of S.B. 03-272. As demonstrated in Table 1.1, this started to change beginning in FY 2006-07 and is one of the primary reasons that the Department is requesting a regular supplemental for the License Plate Ordering program during the current fiscal year.

In addition, beginning in early 2007, the Department instituted a policy that requires each county to possess one plate of each plate type. This is a departure from the policy that governed license plate production when S.B. 03-272 was first adopted. At that time, there was so much surplus inventory among county offices that redistribution was deemed a more cost effective way to meet license plate demand especially for lower production plate types. While this policy change puts slight upward pressure on license plate production, it is minimal compared to the impact to meet demand for regular passenger plates. The basis for the Department's request is summarized in Table 1.2 below.

TABLE 1.2 – SUMMARY OF SUPPLEMENTAL REQUEST BY PLATE TYPE

Plate Type	Additional Plates	Cost of Materials	Total Gost
Regular	139,730	$3.26	$455,520
Special Group	6,774	$5.08	$34,412
Other	3,661	$3.26	$11,935
Military	2,429	$5.08	$12,339
TOTAL REQUEST			**$514,206**

Since 'embedded' inventory will provide less benefit toward addressing statewide license plate demand going forward, the Department expects the production needs of the License Plate Ordering line item to increase in future fiscal years. Therefore, this supplemental request is also accompanied by a budget amendment for FY 2009-10.

Consequences if Not Funded:

Failure to increase the current funding level of the License Plate Ordering line item will cause a deficit in license plate inventory at county clerk offices. This will likely require the program to manufacture fewer specialty plates in order to meet the demand for standard license plates. Such a shift would decrease specialty plate revenues into both the HUTF and the Licensing Services Cash Fund. Senate Bill 07-241 instituted a $50.00 fee for the issuance and replacement of specialty plates, half of which is deposited into each fund.

Calculations for Request:

Summary of Request FY 2008-09	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
Total Request	$514,206	$0	$514,206	$0	$0
(5) Division of Motor Vehicles, (B) Driver and Vehicle Services – License Plate Ordering	$514,206	$0	$514,206	$0	$0

Summary of Request FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
Total Request	$514,206	$0	$514,206	$0	$0
(5) Division of Motor Vehicles, (B) Driver and Vehicle Services – License Plate Ordering	$514,206	$0	$514,206	$0	$0

Cash Funds Projections:

Cash Fund Name	Cash Fund Number	FY 2007-08 Expenditures	FY 2007-08 End of Year Balance	FY 2008-09 End of Year Estimate	FY 2009-10 End of Year Estimate	FY 2010-11 End of Year Estimate
License Plate Cash Fund	435	$5,449,138	$2,605,358	$2,489,609	$2,679,737	$2,679,737

Note: Year-end balances in this cash fund are 'swept' to the Highway Users Tax Fund (HUTF).

Assumptions for Calculations: The amount of the Department's request is based on deficits in inventory for the entire fiscal year on all plate types in all 64 counties. Additionally, the request reflects the Department's policy that each county clerk office has one plate of every plate type. These costs are compiled in Table 1.2 on page 3.

Impact on Other Government Agencies: Although the Department of Revenue's license plate ordering function is managed through an MOU with the Department of Corrections, this request has no direct impact on funding for Correctional Industries.

Cost Benefit Analysis:

Cost	Benefit
$514,206	Approval of this request will allow the Department to maintain adequate inventories of special plates. Failure to do so will result in the loss of revenue into various funds at both the state and county level. These include those relating to the issuance of special license plates. Senate Bill 07-241 provides an additional $25.00 to the HUTF and $25.00 to the Licensing Services Cash Fund. There are also other taxes and fees supported by the issuance of license plates. These include Specific Ownership Tax, AIR Account, County Clerks Hire Fee, Emergency Medical Services, Pease Officers Standardized Training (POST), Clean Screen, E-470, and Emissions Fees for Counties. These revenues are harder to quantify.

Implementation Schedule: Not Applicable

Statutory and Federal Authority: 42-3-301 License Plate Cash Fund – License Plate Fees C.R.S. (2008).
"(1) (a) In addition to the payment of any fees for motor vehicle registration or for the issuance of license plates, decals, or validating tabs, each owner of a motor vehicle issued a license plate, decal, or validating tab for a motor vehicle pursuant to this article shall also pay a fee to cover the direct costs of such plates, decals, or tabs. The amount of the fee imposed pursuant to this section shall be as specified in paragraph (b) of subsection (2) of this section.

(b) Fees collected pursuant to this section shall be transmitted to the state treasurer, who shall credit the same to the license plate cash fund, which fund is hereby created. The fund shall be administered by the department through June 30, 2005, and by the state treasurer thereafter. Moneys in the fund shall be appropriated by the general assembly for the direct costs incurred by the department in issuing license plates pursuant to this article. At the end of each fiscal year, any unexpended and unencumbered moneys remaining in the fund shall revert to the highway users tax fund created in section 43-4-201 (1) (a), C.R.S., and shall be allocated and expended as specified in section 43-4-205 (5.5) (b), C.R.S.

(2) (a) The fees imposed pursuant to subsection (1) of this section shall be set in an amount necessary to recover only the costs of the production and distribution of any license plates, decals, or validating tabs issued pursuant to this article . . ."

Performance Measures:

Customer Service: The Department interacts with every Colorado citizen. In its role of collecting tax revenues, the Department strives for quick, accurate refunds and resolution of disputes. It is the Department's goal to reduce wait times and increase accessibility in driver's license offices. The Department believes that quick resolutions for its external and internal customers are paramount for exceptional customer service.

There is no specific performance measure pertaining to the issuance of license plates; however, it is critical that the Department maintain a three-month inventory level in all county offices.

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

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

Request Title: Lottery Variable Costs Adjustment

Department: Department of Revenue — **Dept. Approval by:** Roxy Huber — **Date:** December 19, 2008

Priority Number: S-5, BA-3 — **OSPB Approval:** Jh nZ — **Date:** 12-19-08

	Fund	1 Prior-Year Actual FY 2007-08	2 Appropriation FY 2008-09	3 Supplemental Request FY 2008-09	4 Total Revised Request FY 2008-09	5 Base Request FY 2009-10	6 Decision/ Base Reduction FY 2009-10	7 November 1 Request FY 2009-10	8 Budget Amendment FY 2009-10	9 Total Revised Request FY 2009-10	10 Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total	372,158,648	406,651,991	68,279,838	474,931,829	406,651,991	0	406,651,991	68,279,838	474,931,829	68,279,838
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	CF	372,158,648	406,651,991	68,279,838	474,931,829	406,651,991	0	406,651,991	68,279,838	474,931,829	68,279,838
(8) State Lottery Division, Ticket Costs	Total	2,558,910	7,529,350	541,530	8,070,880	7,529,350	0	7,529,350	541,530	8,070,880	541,530
	CF	2,558,910	7,529,350	541,530	8,070,880	7,529,350	0	7,529,350	541,530	8,070,880	541,530
(8) State Lottery Division, Vendor Fees	Total	9,363,475	10,875,511	1,802,338	12,677,849	10,875,511	0	10,875,511	1,802,338	12,677,849	1,802,338
	CF	9,363,475	10,875,511	1,802,338	12,677,849	10,875,511	0	10,875,511	1,802,338	12,677,849	1,802,338
(8) State Lottery Division, Retailer	Total	38,392,178	41,773,750	7,120,410	48,894,160	41,773,750	0	41,773,750	7,120,410	48,894,160	7,120,410
	CF	38,392,178	41,773,750	7,120,410	48,894,160	41,773,750	0	41,773,750	7,120,410	48,894,160	7,120,410
(8) State Lottery Division, Prizes	Total	313,796,805	336,721,380	55,859,560	392,580,940	336,721,380	0	336,721,380	55,859,560	392,580,940	55,859,560
	CF	313,796,805	336,721,380	55,859,560	392,580,940	336,721,380	0	336,721,380	55,859,560	392,580,940	55,859,560
(8) State Lottery Division, Powerball	Total	8,047,280	9,752,000	2,956,000	12,708,000	9,752,000	0	9,752,000	2,956,000	12,708,000	2,956,000
	CF	8,047,280	9,752,000	2,956,000	12,708,000	9,752,000	0	9,752,000	2,956,000	12,708,000	2,956,000

Letternote revised text: Not Applicable

Cash Fund name/number, Federal Fund Grant name: Lottery Fund #503

IT Request: ☐ Yes ☑ No

Request Affects Other Departments: ☐ Yes ☑ No **If Yes, List Other Departments Here:**

CHANGE REQUEST for FY 2009-10 BUDGET REQUEST CYCLE

Department:	Revenue
Priority Number:	S-5, BA-3
Change Request Title:	Lottery Variable Costs Adjustment

SELECT ONE (click on box):

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

SELECT ONE (click on box):

Supplemental or Budget Request Amendment Criterion:

- ☐ Not a Supplemental or Budget Request Amendment
- ☐ An emergency
- ☐ A technical error which has a substantial effect on the operation of the program
- ☒ New data resulting in substantial changes in funding needs
- ☐ Unforeseen contingency such as a significant workload change

Short Summary of Request:

This request is to adjust the variable cost line items in the State Lottery Division (hereafter referred to as "the Lottery") by a total of $68,279,838 cash funds (State Lottery Fund) in FY 2008-09 and FY 2009-10 to ensure adequate spending authority exists to support robust ticket sales. These lines vary directly with ticket sales and include Ticket Costs, Vendor Fees, Retailer Compensation, Prizes, and Powerball Prize Variance.

Background and Appropriation History:

The Lottery's variable cost line items are adjusted every year to reflect the latest sales estimates using the supplemental budget request process. The Prizes and Powerball Prize Variance lines are continuously appropriated by statute, but are included in this request to adjust the appropriation level.

General Description of Request:

This request is to adjust the variable cost line items in the Lottery by a total of $68,279,838 cash funds (State Lottery Fund) in FY 2008-09 and FY 2009-10 to ensure adequate spending authority exists to support robust ticket sales. These lines vary directly with ticket sales and include Ticket Costs, Vendor Fees, Retailer Compensation, Prizes, and Powerball Prize Variance.

Consequences if Not Funded: If this request is not funded, there would be a risk of exceeding spending authority in these lines which could cause a fiscal year-end crisis. The statutory cap for authorized over-expenditures is $1.0 million statewide. In addition, the statutory cap for fiscal year-end transfers is $2.0 million. Due to the magnitude of the variable cost lines, a deficit in any of the Lottery's variable cost lines items could easily exceed both caps.

Calculations for Request:

Summary of Request FY 2008-09 & FY 2009-10	Total Funds	General Fund	Cash Funds	Federal Funds	FTE
Total Request	$68,279,838	$0	$68,279,838	$0	0.0
(8) State Lottery Division-Ticket Costs	$541,530	$0	$541,530	$0	0.0
(8) State Lottery Division-Vendor Fees	$1,802,338	$0	$1,802,338	$0	0.0
(8) State Lottery Division-Retailer Compensation	$7,120,410	$0	$7,120,410	$0	0.0
(8) State Lottery Division-Prizes	$55,859,560	$0	$55,859,560	$0	0.0
(8) State Lottery Division-Powerball Prize Variance	$2,956,000	$0	$2,956,000	$0	0.0

Cash Funds Projections:

Cash Fund Name	Cash Fund Number	FY 2007-08 Expenditures	FY 2007-08 End of Year Cash Balance	FY 2008-09 End of Year Cash Balance Estimate	FY 2009-10 End of Year Cash Balance Estimate	FY 2010-11 End of Year Cash Balance Estimate
Lottery Fund	503	$507.3 million	$2.4 million	$2.4 million	$2.4 million	$2.4 million

Assumptions for Calculations:

A summary of the most recent FY 2008-09 upper-limit forecasted sales, the forecasted variable costs, the FY 2008-09 Long Bill appropriated amount, and the adjustments needed are shown below.

Variable Costs Adjustments Needed For FY 2008-09			
Forceasted Upper-Limit Scratch Sales			$411,200,000
Forceasted Upper-Limit Jackpot Sales			$230,800,000
Forceasted Upper-Limit Total Sales			$642,000,000
Spending Authority Required to Support Forecastd Upper-Limit Sales			
Line Item	**FY 2008-09 Adjusted Forecast**	**Long Bill Appropriation**	**Adjustment**
Ticket Costs	$8,070,880	$7,529,350	$541,530
Vendor Fees	$12,677,849	$10,875,511	$1,802,338
Retailer Compensation	$48,894,160	$41,773,750	$7,120,410
Prizes	$392,580,940	$336,721,380	$55,859,560
Powerball Prize Variance	$12,708,000	$9,752,000	$2,956,000
Total			$68,279,838

The "upper-limit" sales forecasts shown in the table above are based on probable sales times 120%. The variable costs are then computed based on these inflated sales to ensure there is enough spending authority in each line to accommodate 20% higher than expected sales.

Impact on Other Government Agencies:	Not Applicable.
Cost Benefit Analysis:	Not Applicable.
Implementation Schedule:	Not Applicable.
Statutory and Federal Authority:	24-35-210. C.R.S. (2008) Lottery Fund *(1) For the purposes of this section and section 24-35-208, "expenses" do not include amounts expended for lottery prizes. Prizes for the lottery shall be paid only from the lottery fund or from moneys collected from the sale of lottery tickets or shares. Amounts for prizes and expenses are hereby appropriated to the division, except as provided in subsection (2) of this section.* *(2) Expenses of the division shall be paid from the lottery fund only as appropriated by the general assembly.* 24-35-201. C.R.S. (2008) Definitions *(1) "Cash prize" means any prize paid in cash in its entirety, including any expenditures made to fund Colorado or multistate prize reserves.*

Performance Measures:

Revenue Generation

The Department of Revenue seeks to increase the revenue of the state's lottery while maintaining or lowering the ratio of administrative expenses to total sales. As lottery revenues increase, distributions to proceed recipients such as GOCO, the Conservation Trust Fund, and Colorado State Parks also increase. The mission of the Lottery is to maximize revenues for proceeds recipients in a way that demonstrates the integrity appropriate for a state agency.

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Appropriation	FY 2009-10 Request
Net Lottery proceeds for distribution (in millions)	Benchmark	$119.5	$116.7	$121.7	$134.5
	Actual	$119.0	$122.3		

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Appropriation	FY 2009-10 Request
Total Lottery sales excluding Powerball (in millions)	Benchmark	$344.9	$390.2	$407.3	$466.0
	Actual	$354.4	$396.2		

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

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

Request Title: Programming Costs for 2008 Session Legislation
Department: Revenue
Priority Number: S-6

Dept. Approval by: Barry Hulder **Date:** December 10, 2008
OSPB Approval: [signature] **Date:** 12-18-08

		1	2	3	4	5	6	7	8	9	10
	Fund	Prior-Year Actual FY 2007-08	Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2009-10	Decision/ Base Reduction FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total	155,888	226,788	(24,762)	202,026	249,228	0	249,228	0	249,228	0
	FTE	2.2	2.2	0.0	2.2	0.0	0.0	0.0	0.0	0.0	0.0
	GF	89,286	66,846	57,234	124,080	89,286	0	89,286	0	89,286	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	66,602	159,942	(81,996)	77,946	159,942	0	159,942	0	159,942	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
(3) Information Technology Division, (A) Systems Support, Programming Costs for 2008 Session Legislation	Total	155,888	226,788	(24,762)	202,026	249,228	0	249,228	0	249,228	0
	FTE	2.2	2.2	0.0	2.2	0.0	0.0	0.0	0.0	0.0	0.0
	GF	89,286	66,846	57,234	124,080	89,286	0	89,286	0	89,286	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	66,602	159,942	(81,996)	77,946	159,942		159,942	0	159,942	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0

Non-Line Item Request: None
Letternote Revised Text: None
Cash or Federal Fund Name and COFRS Fund Number: Colorado State Titling and Registration System Account (Section 42-1-211 (2), C.R.S.), Fund 404
Reappropriated Funds Source, by Department and Line Item Name:
Approval by OIT? Yes: ☑ No: ☐ N/A: ☐
Schedule 13s from Affected Departments:

CHANGE REQUEST for FY 2009-10 BUDGET REQUEST CYCLE

Department:	Revenue
Priority Number:	S-6
Change Request Title:	Programming Costs for 2008 Session Legislation

SELECT ONE (click on box):
- ☐ Decision Item FY 2009-10
- ☐ Base Reduction Item FY 2009-10
- ☒ Supplemental Request FY 2008-09
- ☐ Budget Request Amendment FY 2009-10

SELECT ONE (click on box):
Supplemental or Budget Request Amendment Criterion:
- ☐ Not a Supplemental or Budget Request Amendment
- ☐ An emergency
- ☐ A technical error which has a substantial effect on the operation of the program
- ☒ New data resulting in substantial changes in funding needs
- ☐ Unforeseen contingency such as a significant workload change

Short Summary of Request: This request will increase General Fund by $57,234 and reduce cash funds by $81,996 to the Information Technology Division in FY 2008-09. It will allow the Department to properly program and implement all legislation adopted during the 2008 session. Funds appropriated to this line item allow programming changes to Department of Revenue systems to occur using current information technology staff rather than contract positions.

Background and Appropriation History: The line item was first instituted in the Department's Long Bill section beginning FY 2001-02 and is intended to capture economies of scale for legislation affecting the Department's computer systems. Since the creation of this line item, the Department of Revenue has not received funding for bills requiring programming adjustments through the legislative appropriation process. Instead funding is provided through the 'Programming Costs for Session Legislation' line item in the Long Bill. Prior to FY 2007-08, after the end of each legislative session, the Department calculated the fiscal impact of enacted legislation and submitted a supplemental to reconcile funding for this line item. This reconciliation method was developed in December 2000 and agreed to by the Department of Revenue, Office of State Planning and Budgeting (OSPB), Joint Budget Committee (JBC) staff, and Colorado Legislative Council Fiscal Staff.

This method also ensures the appropriation for this line item accurately reflects implementation costs of legislation adopted during the most recent session, which potentially saves the State of Colorado money. For example, using FTE within the Department rather than outside contractors is significantly less expensive. Additionally, by combining the impacts of enacted legislation after the session is concluded, the Department can use economies of scale and achieve lower costs for the State.

During figure setting for FY 2007-08, the Joint Budget Committee approved a staff recommendation to reset the base appropriation for this line item from $16,744 General Fund, $78,951 cash funds exempt and 2.2 FTE to $66,846 General Fund, $159,942 cash funds exempt, and 2.2 FTE. This revision was based on supplemental funding provided to the Department for 2006 session legislation in FY 2006-07. It was believed that this approach would avert the need for supplemental appropriations in the future. The Long Bill appropriation for FY 2008-09 reflects the same amount of funding as in FY 2007-08.

General Description of Request:

The FY 2008-09 Long Bill provides total funding of $226,788 to the Department of Revenue to implement programming changes required by legislation adopted during the 2008 session. After compiling the costs to reprogram the computer systems associated with these pieces of legislation, the Department has determined that this line item has a deficit of $57,234 General Fund and a surplus of $81,996 cash funds. The Department requests the calculated adjustments for both General Fund and Cash Funds in order to implement the changes based on the legislation passed and the fiscal notes for each of the identified bills.

Consequences if Not Funded:

The existing FY 2008-09 Long Bill appropriation for the 'Programming Costs for 2008 Session Legislation' line item is not reflective of the legislation adopted during the 2008 legislative session. If this request is not approved, the Department of Revenue would have to prioritize the bills listed in the table on the next page and implement as many as permitted with the resources available in the FY 2008-09 Long Bill.

Calculations for Request:

Bill Number	Title	General Fund	Cash Fund	Reappropiated Funds	Federal Funds	Total
HB 08-1010	Increasing Traffic Fines/Modify Fee Distribution to Favor HUTF	$2,802	$0	$0	$0	$2,802
HB 08-1045	Obsolete and Collector's License Plates	$0	$280	$0	$0	$280
HB 08-1050	Creation of 2 Motorcycle Endorsement Classes	$15,876	$0	$0	$0	$15,876
HB 08-1056	D.L.S. Database: Web-derived Emergency Contact Info to be Added	$14,362	$0	$0	$0	$14,362
HB 08-1127	I.T. Credit for Taxpayers who hire Employees with DD	$18,896	$0	$0	$0	$18,896
HB 08-1136	Stolen Vehicle Verification/County Clerks	$0	$18,219	$0	$0	$18,219
HB 08-1151	Special Military Plates OK for a Trust/"Limited Edition" Boy Scout Centennial Special License Plate	$0	$1,401	$0	$0	$1,401
HB 08-1166	Repeal/Reenactment: Admin. DL DUI Revocation	$2,978	$0	$0	$0	$2,978
HB 08-1175	U.S. Army 4th Infantry License Plate	$0	$1,401	$0	$0	$1,401
HB 08-1194	Increased Rev Period/ Rein Fee/1st Time Penalties/Creation FTDDO account/CDOT Increase Road Screening	$0	$20,142	$0	$0	$20,142
HB 08-1257	Overweight Divisible Loads: Permitting	$0	$701	$0	$0	$701
HB 08-1372	New Income Tax Check-off: CCF (Cord Blood) creation	$54,604	$0	$0	$0	$54,604
SB 08-016	Check-off: New Check-off: 9Health Fair	$54,604	$0	$0	$0	$54,604
SB 08-050	D.L. Remote Renewal: Senior Rule Modifications	$2,102	$0	$0	$0	$2,102

Bill Number	Title	General Fund	Cash Fund	Reappropiated Funds	Federal Funds	Total
SB 08-101	NORAD Special License Plate	$0	$1,401	$0	$0	$1,401
SB 08-105	New Trailer Class: Multipurpose	$0	$3,503	$0	$0	$3,503
SB 08-178	Horse CHDA Special License Plates	$0	$1,401	$0	$0	$1,401
SB 08-186	Special License Plate: CO Carbon Fund	$0	$1,401	$0	$0	$1,401
SB 08-230	Hospital Care Providers: Quasi-Special Districts with Sales-Taxing Powers	$7,000	$33,000	$0	$0	$40,000
HB 01-1125	Measures Preventing the Misuse of Certain Forms of Identification	$0	$0	$0	$0	$0
HB 07-1350	Victim Address Confidentiality Program	$0	$0	$0	$0	$0
Economies of Scale for CSTARS Programming		**$0**	**($4,904)**	**$0**	**$0**	**($4,904)**
Economies of Scale for Income Tax Checkoff Programming		**($49,144)**	**$0**	**$0**	**$0**	**($49,144)**
Total for Legislative Programming		**$124,080**	**$77,946**	**$0**	**$0**	**$202,026**
FY 2007-08 Long Bill Appropriation		**$66,846**	**$159,942**	**$0**	**$0**	**$226,788**
Supplemental Request for FY 2007-08		**$57,234**	**($81,996)**	**$0**	**$0**	**($24,762)**

Cash Funds Projections:

Cash Fund Name	Cash Fund Number	FY 2007-08 Expenditures	FY 2007-08 End of Year Cash Balance	FY 2008-09 End of Year Cash Balance Estimate	FY 2009-10 End of Year Cash Balance Estimate	FY 2010-11 End of Year Cash Balance Estimate
CSTARS	404	$10,582,843	$5,628,912	$3,276,717	$689,354	($2,501,617)

Assumptions for Calculations: Each of the dollar amounts listed in the table above was obtained from the specific fiscal notes for of the legislation. Economies of scale were derived from IT staff.

Impact on Other Government Agencies: This request affects the state's 64 county offices via H.B. 07-1119 and license plate bills. No other executive agencies are affected by this supplemental request.

Cost Benefit Analysis: Although this request is based solely on statutory requirements it should be noted the cost of a Department programmer is significantly cheaper than potential contractors.

Implementation Schedule: The Department will conduct programming changes to implement bills by the respective implementation dates.

Statutory and Federal Authority: See 2008 session legislation referenced above.

Performance Measures: The Department of Revenue will use its support functions to achieve all of its goals and objectives. Official department communication, the reliability of its technology infrastructure, its internal controls followed, and the time it takes to hire new employees all affect how the Department operates and how well it achieves its goals.

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Appropriation	FY 2009-10 Request
Percent of time core department information technology systems are operational.	Benchmark	98.0%	98.0%	98.0%	98.0%
	Actual	99.9%	99.9%	TBD	TBD

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

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

Request Title: Lottery Ticket Costs Base Reduction

Department: Department of Revenue — **Dept. Approval by:** Rayef Sheley — **Date:** December 19, 2008

Priority Number: S-7, BA-4 — **OSPB Approval:** MNK — **Date:** 12-19-08

	Fund	1 Prior-Year Actual FY 2007-08	2 Appropriation FY 2008-09	3 Supplemental Request FY 2008-09	4 Total Revised Request FY 2008-09	5 Base Request FY 2009-10	6 Decision/ Base Reduction FY 2009-10	7 November 1 Request FY 2009-10	8 Budget Amendment FY 2009-10	9 Total Revised Request FY 2009-10	10 Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total	2,558,910	7,529,350	(3,400,000)	4,129,350	7,529,350	0	7,529,350	(2,000,000)	5,529,350	(2,000,000)
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	CF	2,558,910	7,529,350	(3,400,000)	4,129,350	7,529,350	0	7,529,350	(2,000,000)	5,529,350	(2,000,000)
(8) State Lottery Division, Ticket Costs	Total	2,558,910	7,529,350	(3,400,000)	4,129,350	7,529,350	0	7,529,350	(2,000,000)	5,529,350	(2,000,000)
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	CF	2,558,910	7,529,350	(3,400,000)	4,129,350	7,529,350	0	7,529,350	(2,000,000)	5,529,350	(2,000,000)

Non-Line Item Request: Not Applicable
Letternote Revised Text: Not Applicable
Cash or Federal Fund Name and COFRS Fund Number: Lottery Fund #503
Reappropriated Funds Source, by Department and Line Item Name: Not Applicable
Approval by OIT? Yes: ☐ No: ☐ N/A: ☑
Schedule 13s from Affected Departments: Not Applicable

CHANGE REQUEST for FY 2009-10 BUDGET REQUEST CYCLE

Department:	Revenue
Priority Number:	S-7, BA-4
Change Request Title:	Lottery Ticket Costs Base Reduction

SELECT ONE (click on box):
- ☐ Decision Item FY 2009-10
- ☒ Base Reduction Item FY 2009-10
- ☒ Supplemental Request FY 2008-09
- ☒ Budget Request Amendment FY 2009-10

SELECT ONE (click on box):
Supplemental or Budget Request Amendment Criterion:
- ☐ Not a Supplemental or Budget Request Amendment
- ☐ An emergency
- ☐ A technical error which has a substantial effect on the operation of the program
- ☒ New data resulting in substantial changes in funding needs
- ☐ Unforeseen contingency such as a significant workload change

Short Summary of Request:

This request is to reduce the State Lottery Division's (hereafter referred to as "the Lottery") Ticket Costs appropriation by $3.4 million cash funds (State Lottery Fund) in FY 2008-09 and $2.0 million in FY 2009-10 and thereafter. This base reduction is due to the determination to implement the warehousing, packaging and ordering functions of the Lottery's Scratch ticket distribution/inventory management system in-house rather than outsourcing them, based on industry best practices.

Background and Appropriation History:

On August 1, 2007, the Lottery submitted a decision item for FY 2008-09 to increase the Ticket Costs line item by $4.0 million to implement a Scratch ticket distribution/inventory management system. The Lottery estimated that the system would increase annual Scratch ticket sales by $54.3 million and proceeds by $9 million, by eliminating the out-of-stock inventory conditions in Scratch ticket dispensers that its 2,900 retailers experience. The request was based on the assumption that a vendor would provide most, if not all, of the services associated with a distribution/inventory management system, and would be paid a percentage of Scratch sales. The prevailing industry rate for this service was 1%–1.32% of Scratch ticket sales. This request was approved by the Joint Budget Committee in March 2008.

In March 2008, the Lottery contracted with Technical and Business Consulting (TBC) to provide the business process review and improvement analysis. TBC was asked to provide a business process review of the Lottery's operations and develop the system requirements for replacement of the Wang-based back office system. TBC was also asked to focus on best practices from other private sector entities and existing lotteries. After interviewing the Colorado Lottery's personnel and also staff at seven other state lotteries, TBC delivered their final report in June 2008. TBC recommended that the Lottery maintain the Scratch ticket warehousing functions (store, pick and pack) and inventory modeling and control functions (predictive ordering, inventory tracking), and outsource only the shipment aspects (delivering tickets to retailers) to a vendor. TBC stated the following in their report:

While some lotteries have pursued complete outsourcing of their warehousing function including distribution (shipment) of tickets, there appears to be no economic analysis that substantiates the cost of outsourcing. The recommendation is to maintain the warehousing functions, and to outsource the shipment aspects to a local, regional or national vendor based on price point, reliability and technical sophistication.

In January 2008, the Lottery formed a courier task force, including warehouse, sales and project management staff to develop a list of questions to issue a Request for Information to compile quality information in anticipation of developing a Request for Proposal for the Scratch ticket distribution/inventory management system. The task force evaluated its existing infrastructure, observed courier operations in other states, and prepared a report of its findings in July 2008. Based on the Lottery team's analysis and TBC's recommendation, with a focus on industry best practices, the Lottery determined that the most efficient and cost effective system would be to provide in-house warehousing, packaging, and ordering functions, and only outsource the delivery function.

The Lottery estimates that the cost of Scratch ticket delivery to retailers will be only $2.0 million per year. However, the Lottery must implement a back office system migration in order to support the in-house distribution/inventory management functions described above. The Lottery can implement its Scratch ticket distribution/inventory management system by April 2009, which would generate a savings of $3.4 million in the Ticket Costs appropriation.

FY 2008-09 Costs and Savings of Distribution/Inventory Management Systems	
Estimated Annual Scratch Ticket Delivery Costs	$2,000,000
Scratch Ticket Delivery Costs (3 months)	$500,000
One-time Equipment Set-up Costs	$100,000
Total Scratch Ticket Delivery Costs	$600,000
Approved Amount in Ticket Costs Appropriation for Scratch Ticket Distribution/Inventory System	$4,000,000
Less Total Scratch Ticket Delivery Costs	($600,000)
Savings in Ticket Costs Appropriation	$3,400,000

General Description of Request: This request is to reduce the Lottery's Ticket Costs appropriation by $3.4 million cash funds (State Lottery Fund) in FY 2008-09 and $2.0 million in FY 2009-10 and thereafter. This base reduction is due to the determination to implement the warehousing, packaging and ordering functions of the Lottery's Scratch ticket distribution/inventory management system in-house rather than outsourcing them, based on industry best practices.

Consequences if Not Funded: The additional spending authority will be reverted in the Ticket Costs line item.

Calculations for Request:

Summary of Request FY 2008-09	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	($3,400,000)	$0	($3,400,000)	$0	$0	0.0
(8) State Lottery Division, Ticket Costs	($3,400,000)	$0	($3,400,000)	$0	$0	0.0

Summary of Request FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	($2,000,000)	$0	($2,000,000)	$0	$0	0.0
(8) State Lottery Division, Ticket Costs	($2,000,000)	$0	($2,000,000)	$0	$0	0.0

Cash Funds Projections:

Cash Fund Name	Cash Fund Number	FY 2007-08 Expenditures	FY 2007-08 End of Year Cash Balance	FY 2008-09 End of Year Cash Balance Estimate	FY 2009-10 End of Year Cash Balance Estimate	FY 2010-11 End of Year Cash Balance Estimate
Lottery Fund	503	$507.3 million	$2.4 million	$2.4 million	$2.4 million	$2.4 million

Assumptions for Calculations: None

Impact on Other Government Agencies: Not Applicable.

Cost Benefit Analysis: The Lottery's decision to provide in-house warehousing, packaging, and ordering functions for its Scratch ticket distribution/inventory management system results in a $2,000,000 decrease in ticket costs per year.

COST BENEFIT ANALYSIS-RISK MITIGATION	**Benefits**	**Costs**	**Net Benefits**
Total Annual Benefits – Annual Cost Savings	$2,000,000		
Total Annual Cost		$0	
Total Annual Benefits/Costs/Net Benefits	**$2,000,000**	**$0**	**$2,000,000**

Implementation Schedule: Not Applicable.

Statutory and Federal Authority: *24-35-202, C.R.S. (2008) State lottery division - creation – location - enterprise status.*

(1) (a) There is hereby created, within the department of revenue, the state lottery division, the head of which shall be the director of the state lottery division, who shall be appointed and subject to removal by the executive director of the department of revenue in accordance with section 13 of article XII of the state constitution. The state lottery division shall be headquartered in the city of Pueblo in facilities provided at the expense of the lottery division.

(b) The state lottery division and the Colorado lottery commission, created in section 24-35-207, shall constitute an enterprise for the purposes of section 20 of article X of the state constitution, so long as the commission retains the authority to issue revenue bonds and the division receives less than ten percent of its total annual revenues in grants, as defined in section 24-77-102 (7), from all Colorado state and local governments combined. So long as it constitutes an enterprise pursuant to this section, the state lottery division and the Colorado lottery commission shall not be subject to any of the provisions of section 20 of article X of the state constitution.

Performance Measures:

Revenue Generation

As lottery revenues increase, distributions to proceed recipients such as GOCO, the Conservation Trust Fund, and Colorado State Parks also increase. The mission of the Lottery is to maximize revenues for proceeds recipients in a way that demonstrates the integrity appropriate for a state agency.

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Appropriation	FY 2009-10 Request
Net Lottery proceeds for distribution (in millions)	Benchmark	$119.5	$116.7	$121.7	$134.5
	Actual	$119.0	$122.3		

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Appropriation	FY 2009-10 Request
Total Lottery sales excluding Powerball (in millions)	Benchmark	$344.9	$390.2	$407.3	$466.0
	Actual	$354.4	$396.2		

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

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

Request Title: Dispatch Fee Increase

Department: Department of Revenue — **Dept. Approval by:** Rasey Sieder — **Date:** December 19, 2008

Priority Number: S-8, BA-5 Withdrew per Luis 12/22/08 — **OSPB Approval:** MN — **Date:** 12-19-08

	Fund	1 Prior-Year Actual FY 2007-08	2 Appropriation FY 2008-09	3 Supplemental Request FY 2008-09	4 Total Revised Request FY 2008-09	5 Base Request FY 2009-10	6 Decision/ Base Reduction FY 2009-10	7 November 1 Request FY 2009-10	8 Budget Amendment FY 2009-10	9 Total Revised Request FY 2009-10	10 Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total	414,765	433,811	42,408	476,219	433,811	0	433,811	42,408	476,219	42,408
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	31,688	38,045	0	38,045	38,045	0	38,045	0	38,045	0
	HUTF	0	395,766	42,408	438,174	395,766	0	395,766	42,408	438,174	42,408
	CFE/RF	383,077	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
(6) Motor Carrier Services Division - Operating Expenses	Total	414,765	433,811	42,408	476,219	433,811	0	433,811	42,408	476,219	42,408
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	31,688	38,045	0	38,045	38,045	0	38,045	0	38,045	0
	HUTF	0	395,766	42,408	438,174	395,766	0	395,766	42,408	438,174	42,408
	CFE/RF	383,077	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0

Non-Line Item Request:

Letternote Revised Text:

Cash or Federal Fund Name and COFRS Fund Number: Highway Users Tax Fund (Fund 100)

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

Approval by OIT? Yes: ☐ No: ☐ N/A: ☑

Schedule 13s from Affected Departments:

CHANGE REQUEST for FY 2009-10 BUDGET REQUEST CYCLE

Department:	Revenue
Priority Number:	S-8, BA-5
Change Request Title:	Dispatch Fee Increase

SELECT ONE (click on box):

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

SELECT ONE (click on box):

Supplemental or Budget Request Amendment Criterion:

- ☐ Not a Supplemental or Budget Request Amendment
- ☐ An emergency
- ☐ A technical error which has a substantial effect on program operations
- ☒ New data resulting in substantial changes in funding needs
- ☐ Unforeseen contingency such as a significant workload change

Short Summary of Request:

The Department of Revenue is requesting $42,408 of additional cash funds spending authority in FY 2008-09 for the Operating Expenses line item of the Motor Carrier Services (MCS) Division. This increase reflects the Division's larger proportion of costs related to the Dispatch Services Program administered by the Colorado State Patrol. These moneys will be appropriated from the Highway Users Tax Fund (HUTF), which provides 79.8 percent of the Division's operating budget. The Department will also submit a budget amendment for FY 2009-10. The MCS operating budget cannot continue to absorb funding increases for the Dispatch Services Program. Additional spending authority will allow the Department to utilize the MCS Operating Expenses appropriation to perform core program responsibilities and other functions as required by statute pertaining to the Ports of Entry.

Background and Appropriation History:

The Dispatch Services Program is administered by the Colorado State Patrol, which is located within the Department of Public Safety. This program is wholly funded through user fees from other state agencies who utilize these services. Over the last three fiscal years, costs for MCS to participate in the Dispatch Services Program have increased significantly as shown in the table on the next page.

years, costs for MCS to participate in the Dispatch Services Program have increased significantly as shown in the table on the next page.

TABLE 1.1 - MCS DISPATCH SERVICES COSTS

Fiscal Year	Dispatch Services Program Charges	Percentage Increase
FY 2006-07	$59,801	n/a
FY 2007-08	$71,596	19.7%
FY 2008-09	$102,209	42.8%

Between FY 2006-07 and FY 2008-09, these costs have increased 70.9 percent. This has a significant impact on the Division's ability to utilize its operating budget for critical functions including general building maintenance and repairs, janitorial services, snow and ice removal, landscape maintenance, fixed port scale pit cleaning and painting, and equipment for mobile ports. The Department of Public Safety calculates each user agency's portion of the Dispatch Services Program costs based on a rolling average of usage over the previous three fiscal years. However, if the usage of a participating agency decreases, then the percentage billed to other user agencies increases. MCS pays these dispatch fees out of its' 'off the top' HUTF Operating Expenses appropriation as provided in the Long Bill. The Department believes the current MCS operating budget is not sufficient to cover both the continued escalation of dispatch services costs and its other core responsibilities. Ultimately, these additional costs will affect the Ports of Entry program's ability to operate and maintain its network of fixed and mobile ports throughout the state. These facilities are required by Section 42-8-104 (1), C.R.S. (2008) to operate 24 hours a day to enforce size, weight, and safety regulations for motor carriers traveling along Colorado roadways.

<u>General Description of Request</u>:

Through its Dispatch Services Program, the Department of Public Safety, charges federal, state, county, and municipal agencies based on usage projections. For MCS, this includes billing the Ports of Entry for dispatching the Colorado State Patrol to apprehend 'port runners', to pick up drivers with outstanding warrants, to investigate hazardous material spills, to verify driver's licenses as part of safety inspections, and to ensure traffic compliance. As indicated previously, these billings and the related projections have increased significantly since FY 2006-07.

Consequences if Not Funded:

Significant increases in dispatch services fees charged by the Department of Public Safety to the Ports of Entry program will continue to redirect funds from critical functions such as scale repair and maintenance, building repair, fuel, maintenance of vehicles, and other items necessary to operating these facilities 24 hours a day. Ultimately, this could mean reducing work shifts or utilizing fewer mobile units to accommodate lower available operating funds.

Calculations for Request:

Summary of Request FY 2008-09	**Total Funds**	**General Fund**	**Cash Funds**	**HUTF (off-the-top)**	**Reappropriated Funds**	**Federal Funds**
Total Request	$42,408	$0	$0	$42,408	$0	$0
(6) Motor Carrier Services Division - Operating Expenses	$42,408	$0	$0	$42,408	$0	$0

Summary of Request FY 2009-10	**Total Funds**	**General Fund**	**Cash Funds**	**HUTF (off-the-top)**	**Reappropriated Funds**	**Federal Funds**
Total Request	$42,408	$0	$0	$42,408	$0	$0
(6) Motor Carrier Services Division - Operating Expenses	$42,408	$0	$0	$42,408	$0	$0

Cash Funds Projections:

HUTF 'Off-the-Top' is appropriated to MCS according to the provisions of Section 43-4-201, C.R.S. (2008). There is no separate cash fund for this purpose.

Assumptions for Calculations: In FY 2006-07, the Department of Public Safety charged MCS $59,801 for dispatch services. In FY 2008-09, this amount increased to $102,209. The Department of Revenue requests additional spending authority of $42,408, which equates to the difference between these two fiscal years.

Impact on Other Government Agencies: The Department of Public Safety already has been consulted on this request.

Cost Benefit Analysis:

Cost	Benefit
$42,408	Allow MCS to address critical operating issues such as repair and maintenance of scales and buildings, which are necessary to ensure 24 hours a day Port of Entry operations.

Implementation Schedule: This supplemental request is not related to any specific project and serves only to increase the Operating Expenses line item for MCS. Therefore, no implementation schedule is necessary.

Statutory and Federal Authority: 42-8-101, C.R.S. (2008). Legislative Declaration. *In order to facilitate enforcement of the laws of the state of Colorado concerning motor carriers and the owners and operators of motor vehicles; to equally distribute the payments of any fees, licenses, or taxes imposed by the laws of this state on motor carriers and the owners and operators of motor vehicles, and to effect the collection thereof; and to assist motor carriers and the owners and operators of motor vehicles to comply with all tax laws, rules, and regulations pertaining to them, it is declared necessary to establish port of entry weigh stations on the public highways of this state.*

42-8-1-4, C.R.S. (2008) Powers and Duties. "*. . . All permanent port of entry weigh stations established under the authority of this article shall be operated on a twenty-four-hour-a-day basis, except for certain holidays or other times determined by the executive director of the department of revenue . . .*"

Performance Measures:	**Regulation, Enforcement, and Education:** The Department of Revenue protects Colorado's citizens through the fair enforcement of laws and regulations related to industries that include limited stakes gaming, auto dealers, liquor and tobacco retailers, and motor carriers. The Department seeks to deliver this oversight effectively by completing duties within statutory timeframes and adherence to departmental or federal requirements. It actively identifies methods to achieve its goals by enhancing productivity and educating both providers and consumers in affected industries.

Quality Control Checklist for Jan 1 FY 08-09 Supplementals

Change Request Title: Dispatch Fee Increase	
Name of Analyst: Luis	
Schedule 13	**Checked**
1. Does header read "Change Request for FY 2009-10 Budget Request Cycle"?	✓
2. Has the Supplemental box been checked? Also Budget Amendment if applicable?	✓
3. Have you verified that <u>all</u> math is correct? Do tables add?	✓
4. Are Long Bill group and Long Bill name spelled out to match the Long Bill, including the Long Bill line item to match the Long Bill (spot check only)?	✓
5. Are columns 3 and 8 completed?	✓
6. Has the "Cash Fund Name/Number, Federal Fund Grant Name" section been completed (if there are CF, RF, or FF in the table)?	✓
7. Has the OIT box been check if its an IT request?	NA
8. Has the "Request Affects Other Departments" section been updated (only required if other agencies are budgetarily affected)?	NA
9. Has OSPB received all corresponding Schedule 13s from all affected agencies (if applicable)?	NA
Word Document	**Checked**
1. Does header read "*STATE OF COLORADO FY 2009-10 BUDGET REQUEST CYCLE:*" and "CHANGE REQUEST for FY 2009-10 BUDGET REQUEST CYCLE"? Does header include Department name?	✓
2. Do the priority number, title, and dollar amount match the Schedule 13?	✓
3. Have the Supplemental and Budget Amendment box(es) been checked?	✓
4. Is the Short Summary on page one short and succinctly describe the entire request? Do the dollars in the short summary match the Schedule 13 and the summary tables?	✓
5. Have you checked all tables in the "Calculations of Request" section, and ensured that figures tie to the Schedule 13?	✓
6. Does the "Assumptions for Calculations" <u>explain</u> the tables in the "Calculations of Request" section (and does not include <u>more</u> calculations)?	✓
7. Does the "Impact on other Government Agencies" section clearly outline the fiscal impact to other State entities, with a table, if applicable?	✓-DPA
8. Did the Department include only the most pertinent citations of statute and performance measures? (No more than 1-2 pages, typically less than one page)	✓
9. Did you scan for any casual or inappropriate language?	✓

QCer:	Luke Huwa-
Date:	12-19-08

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

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

Request Title: Reduction to Driver and Vehicle Services Operating Expenses Line Item

Department: Department of Revenue | **Dept. Approval by:** Ruby Nuder | **Date:** December 18, 2008

Priority Number: S-9 | **OSPB Approval:** [signature] | **Date:** 12-19-08

	Fund	1 Prior-Year Actual FY 2007-08	2 Appropriation FY 2008-09	3 Supplemental Request FY 2008-09	4 Total Revised Request FY 2008-09	5 Base Request FY 2009-10	6 Decision/ Base Reduction FY 2009-10	7 November 1 Request FY 2009-10	8 Budget Amendment FY 2009-10	9 Total Revised Request FY 2009-10	10 Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total	2,195,205	2,557,401	(624,257)	1,933,144	3,208,685	0	3,208,685	0	3,208,685	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	1,071,604	1,214,937	0	1,214,937	1,214,937	0	1,214,937	0	1,214,937	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	1,121,112	1,342,464	(624,257)	718,207	1,993,748	0	1,993,748	0	1,993,748	0
	CFE/RF	2,489	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
(5) Division of Motor Vehicles, (B) Driver and Vehicle Services - Operating Expenses	Total	2,195,205	2,557,401	(624,257)	1,933,144	3,208,685	0	3,208,685	0	3,208,685	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	1,071,604	1,214,937	0	1,214,937	1,214,937	0	1,214,937	0	1,214,937	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	1,121,112	1,342,464	(624,257)	718,207	1,993,748	0	1,993,748	0	1,993,748	0
	CFE/RF	2,489	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0

Non-Line Item Request: Not Applicable

Letternote Revised Text: These amounts reflect direct program costs from the following sources: ~~$4,894,583~~ $4,270,326 shall be from the Licensing Services Cash Fund, pursuant to Section 42-2-114.5, C.R.S., $339,424 shall be from the Colorado State Titling and Registration Account pursuant to Section 42-1-211 (2), C.R.S., $314,828 shall be from the Driver's License Administrative Revocation Account pursuant to Section 42-2-132 (4) (b), C.R.S., $210,933 shall be from the Outstanding Judgments and Warrants Account as administered under Section 42-2-118 (3) (c), C.R.S., $73,650 shall be from the Penalty Assessment Account as administered under the provisions of Section 42-1-217 (2), C.R.S., $3,842 shall be from the Auto Dealers License Fund pursuant to Section 12-6-123 (1), C.R.S., $3,239 shall be from the Identification Security Fund pursuant to Section 42-1-220 (1), C.R.S., and $2,000 shall be from the Persistent Drunk Driver Cash Fund pursuant to Section 42-3-303 (1), C.R.S.

Cash or Federal Fund Name and COFRS Fund Number: Licensing Services Cash Fund (#437)

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

Approval by OIT? Yes: ☐ No: ☐ N/A: ☑

Schedule 13s from Affected Departments: Not Applicable

CHANGE REQUEST for FY 2009-10 BUDGET REQUEST CYCLE

Department:	Revenue
Priority Number:	S-9
Change Request Title:	Reduction to Driver and Vehicle Services Operating Expenses Line Item

SELECT ONE (click on box):
- ☐ Decision Item FY 2009-10
- ☐ Base Reduction Item FY 2009-10
- ☒ Supplemental Request FY 2008-09
- ☐ Budget Request Amendment FY 2009-10

SELECT ONE (click on box):
Supplemental or Budget Request Amendment Criterion:
- ☐ Not a Supplemental or Budget Request Amendment
- ☐ An emergency
- ☐ A technical error which has a substantial effect on the operation of the program
- ☒ New data resulting in substantial changes in funding needs
- ☐ Unforeseen contingency such as a significant workload change

Short Summary of Request:

On November 3, 2008, the Department submitted a FY 2008-09 capital construction supplemental entitled "Document Management and Facial Recognition Systems Upgrade" to the Office of State Planning and Budgeting (OSPB). The Department is requesting a one-time reduction to the current Driver and Vehicle Services (DVS) Operating Expenses line item by $624,257 Licensing Services Cash Fund to fund a portion of the capital construction supplemental.

Background and Appropriation History:

Senate Bill 07-241 provided $624,257 for the Operating Expenses line item in DVS to encourage counties to establish additional driver's license offices as permitted by Section 42-2-114, C.R.S. (2008). However, many county clerks have indicated that this consideration has less appeal while the Department is operating its facial recognition and document issuance systems on an older technology platform. It is expected that implementation of the project proposed in the capital construction supplemental will encourage more counties to open their own offices as necessitated by customer demand. In the future, this will enable the Department to better utilize the portion of its operating budget set aside for county partnerships.

General Description of Request:

On November 3, 2008, the Department submitted a FY 2008-09 capital construction supplemental entitled "Document Management and Facial Recognition Systems Upgrade" for consideration. Nearly $1.9 million of the total $3.4 million proposal is requested from the Licensing Services Cash Fund as created in Section 42-2-114.5, C.R.S. (2008). Of this cash funds portion, the Department requests that $624,257 be utilized from moneys already appropriated to the Operating Expenses line item in the DVS section of the Division of Motor Vehicles. In future fiscal years, these moneys will be spent on improving service delivery in driver's license offices managed by counties. Currently, there has been little interest in such projects because many features of the present technology are outdated. The Department is requesting a one-time reduction to the current DVS Operating Expenses line item by $624,257 since this will be used to fund the capital construction supplemental. This will avoid a sizeable reversion in FY 2008-09.

Consequences if Not Funded:

If the Department's FY 2008-09 capital construction supplemental is approved, then failure to approve this request will create a significant cash funds reversion of $624,257 in the Operating Expenses line item in DVS. Since few counties are currently interested in partnering with the State to open driver's license offices, such a reversion is very likely.

Calculations for Request:

Summary of Request FY 2008-09	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	($624,257)	$0	($624,257)	$0	$0	0.0
Division of Motor Vehicles, Driver and Vehicle Services – Operating Expenses	($624,257)	$0	($624,257)	$0	$0	0.0

Summary of Request FY 2009-10	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**FTE**
Total Request	$0	$0	$0	$0	$0	0.0
Division of Motor Vehicles, Driver and Vehicle Services – Operating Expenses	$0	$0	$0	$0	$0	0.0

Cash Funds Balance Projections:

Fund Name	**Fund Number**	**FY 2007-08 Expenditures**	**FY 2007-08 End of Year Balance**	**FY 2008-09 End of Year Estimate**	**FY 2009-10 End of Year Estimate**	**FY 2010-11 End of Year Estimate**
Licensing Services Cash Fund	437	$4,982,626	$1,617,941	$626,059	$22,294	$443,529

Assumptions for Calculations: Not Applicable

Impact on Other Government Agencies: Not Applicable

Cost Benefit Analysis: Not Applicable

Implementation Schedule: None Required.

Statutory and Federal Authority: **Section 42-2-114.5, C.R.S. (2008).** This citation creates the Licensing Services Cash Fund and authorizes the Department to spend moneys out of the Fund with approval of the General Assembly.

Performance Measures: Not Applicable.

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

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

Request Title: Hiring Freeze Reduction
Department: Revenue — Dept. Approval by: Kathy Sheder — Date: 1-9.09
Priority Number: S-10 — OSPB Approval: — Date:

	Fund	1 Prior-Year Actual FY 2007-08	2 Appropriation FY 2008-09	3 Supplemental Request FY 2008-09	4 Total Revised Request FY 2008-09	5 Base Request FY 2009-10	6 Decision/ Base Reduction FY 2009-10	7 November 1 Request FY 2009-10	8 Budget Amendment FY 2009-10	9 Total Revised Request FY 2009-10	10 Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total	49,718,196	47,692,999	(604,205)	47,088,794	50,097,283	0	50,097,283	0	50,097,283	0
	FTE	762.5	836.0	0.0	836.0	837.0	0.0	837.0	0.0	837.0	0.0
	GF	23,650,711	21,918,270	(135,258)	21,783,012	23,186,048	0	23,186,048	0	23,186,048	0
	HUTF	813,557	884,025	0	884,025	1,105,570	0	1,105,570	0	1,105,570	0
	CF	8,391,794	23,990,973	(468,947)	23,522,026	24,905,934	0	24,905,934	0	24,905,934	0
	CFE/RF	16,862,134	899,731	0	899,731	899,731	0	899,731	0	899,731	0
	FF	0	0	0	0	0	0	0	0	0	0
(1) Executive Director's Office, Personal Services	Total	3,960,155	3,894,610	(34,711)	3,859,899	4,064,967	0	4,064,967	0	4,064,967	0
	FTE	40.7	48.7	0.0	48.7	48.8	0.0	48.8	0.0	48.8	0.0
	GF	2,307,276	2,208,295	(34,711)	2,173,584	2,378,652	0	2,378,652	0	2,378,652	0
	HUTF	385,567	418,445	0	418,445	418,445	0	418,445	0	418,445	0
	CF	637,112	841,991	0	841,991	841,991	0	841,991	0	841,991	0
	CFE/RF	630,200	425,879	0	425,879	425,879	0	425,879	0	425,879	0
	FF	0	0	0	0	0	0	0	0	0	0
(3) Information Technology Division, (A) Systems Support, Personal Services	Total	6,381,206	6,353,445	(4,892)	6,348,553	6,635,655	0	6,635,655	0	6,635,655	0
	FTE	74.6	79.9	0.0	79.9	79.9	0.0	79.9	0.0	79.9	0.0
	GF	4,638,960	4,300,497	(4,892)	4,295,605	4,582,707	0	4,582,707	0	4,582,707	0
	HUTF	427,990	465,580	0	465,580	465,580	0	465,580	0	465,580	0
	CF	445,397	1,113,516	0	1,113,516	1,113,516	0	1,113,516	0	1,113,516	0
	CFE/RF	868,859	473,852	0	473,852	473,852	0	473,852	0	473,852	0
	FF	0	0	0	0	0	0	0	0	0	0
(3) Information Technology Division, (B) Colorado State Titling and Registration System, Personal Services	Total	2,405,887	2,330,535	(3,811)	2,326,724	2,655,981	0	2,655,981	0	2,655,981	0
	FTE	28.4	31.5	0.0	31.5	31.5	0.0	31.5	0.0	31.5	0.0
	GF	0	0	0	0	0	0	0	0	0	0
	HUTF	0	0	0	0	0	0	0	0	0	0
	CF	0	2,330,535	(3,811)	2,326,724	2,655,981	0	2,655,981	0	2,655,981	0
	CFE/RF	2,405,887	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
(4) Taxation Business Group, (C) Taxpayer Service Division, Personal Services	Total	4,865,575	4,531,838	(23,011)	4,508,827	4,746,481	0	4,746,481	0	4,746,481	0
	FTE	73.4	80.1	0.0	80.1	80.1	0.0	80.1	0.0	80.1	0.0
	GF	4,844,995	4,439,506	(23,011)	4,416,495	4,654,149	0	4,654,149	0	4,654,149	0
	HUTF	0	0	0	0	0	0	0	0	0	0
	CF	20,580	92,332	0	92,332	92,332	0	92,332	0	92,332	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0

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

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

Request Title: Hiring Freeze Reduction
Department: Revenue
Priority Number: S-10

Dept. Approval by: Roxy Huber **Date:**
OSPB Approval: **Date:**

	Fund	1 Prior-Year Actual FY 2007-08	2 Appropriation FY 2008-09	3 Supplemental Request FY 2008-09	4 Total Revised Request FY 2008-09	5 Base Request FY 2009-10	6 Decision/ Base Reduction FY 2009-10	7 November 1 Request FY 2009-10	8 Budget Amendment FY 2009-10	9 Total Revised Request FY 2009-10	10 Change from Base (Column 5) FY 2010-11
(5) Division of Motor Vehicles, (B) Driver and Vehicle Services, Personal Services	Total	17,129,786	16,297,007	(96,878)	16,200,129	16,889,573	0	16,889,573	0	16,889,573	0
	FTE	345.9	382.3	0.0	382.3	383.2	0.0	383.2	0.0	383.2	0.0
	GF	11,859,480	10,969,972	(72,643)	10,897,329	11,570,540	0	11,570,540	0	11,570,540	0
	HUTF	0	0	0	0	0	0	0	0	0	0
	CF	4,336,871	5,327,035	(24,235)	5,302,800	5,319,033	0	5,319,033	0	5,319,033	0
	CFE/RF	933,435	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
(5) Division of Motor Vehicles, (C) Vehicle Emissions, Personal Services	Total	1,039,141	1,016,699	(41,643)	975,056	1,053,283	0	1,053,283	0	1,053,283	0
	FTE	14.8	15.5	0.0	15.5	15.5	0.0	15.5	0.0	15.5	0.0
	GF	0	0	0	0	0	0	0	0	0	0
	HUTF	0	0	0	0	0	0	0	0	0	0
	CF	0	1,016,699	(41,643)	975,056	1,053,283	0	1,053,283	0	1,053,283	0
	CFE/RF	1,039,141	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
(5) Division of Motor Vehicles, (D) Titles, Personal Services	Total	1,834,240	1,603,458	(24,701)	1,578,757	1,672,848	0	1,672,848	0	1,672,848	0
	FTE	32.8	34.5	0.0	34.5	34.5	0.0	34.5	0.0	34.5	0.0
	GF	0	0	0	0	0	0	0	0	0	0
	HUTF	0	0	0	0	0	0	0	0	0	0
	CF	0	1,603,458	(24,701)	1,578,757	1,672,848	0	1,672,848	0	1,672,848	0
	CFE/RF	1,834,240	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
(7) Enforcement Business Group, (C) Liquor Enforcement Division, Personal Services	Total	1,600,917	1,536,236	(110,520)	1,425,716	1,591,725	0	1,591,725	0	1,591,725	0
	FTE	17.3	19.0	0.0	19.0	19.0	0.0	19.0	0.0	19.0	0.0
	GF	0	0	0	0	0	0	0	0	0	0
	HUTF	0	0	0	0	0	0	0	0	0	0
	CF	1,600,917	1,536,236	(110,520)	1,425,716	1,591,725	0	1,591,725	0	1,591,725	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
(7) Enforcement Business Group, (E) Division of Racing Events, Personal Services	Total	1,350,917	1,410,197	(43,715)	1,366,482	1,467,605	0	1,467,605	0	1,467,605	0
	FTE	16.8	18.5	0.0	18.5	18.5	0.0	18.5	0.0	18.5	0.0
	GF	0	0	0	0	0	0	0	0	0	0
	HUTF	0	0	0	0	0	0	0	0	0	0
	CF	1,350,917	1,410,197	(43,715)	1,366,482	1,467,605	0	1,467,605	0	1,467,605	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0

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

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

Request Title: Hiring Freeze Reduction

Department: Revenue | **Dept. Approval by:** Roxy Huber | **Date:**

Priority Number: S-10 | **OSPB Approval:** | **Date:**

	Fund	1 Prior-Year Actual FY 2007-08	2 Appropriation FY 2008-09	3 Supplemental Request FY 2008-09	4 Total Revised Request FY 2008-09	5 Base Request FY 2009-10	6 Decision/ Base Reduction FY 2009-10	7 November 1 Request FY 2009-10	8 Budget Amendment FY 2009-10	9 Total Revised Request FY 2009-10	10 Change from Base (Column 5) FY 2010-11
(8) State Lottery Division, Personal Services	Total	9,150,372	8,718,974	(220,322)	8,498,652	9,097,620	0	9,097,620	0	9,097,620	0
	FTE	117.8	126.0	0.0	126.0	126.0	0.0	126.0	0.0	126.0	0.0
	GF	0	0	0	0	0	0	0	0	0	0
	HUTF	0	0	0	0	0	0	0	0	0	0
	CF	0	8,718,974	(220,322)	8,498,652	9,097,620	0	9,097,620	0	9,097,620	0
	CFE/RF	9,150,372	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0

Non-Line Item Request: N/A

Letternote Revised Text: (5) Division of Motor Vehicles, (B) Driver and Vehicle Services: (a) These amounts reflect direct program costs from the following sources: ~~$4,894,583~~ $4,870,348 shall be from the Licensing Services Cash Fund, pursuant to Section 42-2-114.5, C.R.S., $339,424 shall be from the Colorado State Titling and Registration Account pursuant to Section 42-1-211 (2), C.R.S., $314,828 shall be from the Driver's License Administrative Revocation Account pursuant to Section 42-2-132 (4) (b), C.R.S., $210,933 shall be from the Outstanding Judgments and Warrants Account as administered under Section 42-2-118 (3) (c), C.R.S., $73,650 shall be from the Penalty Assessment Account as administered under the provisions of Section 42-1-217 (2), C.R.S., $3,842 shall be from the Auto Dealers License Fund pursuant to Section 12-6-123 (1), C.R.S., $3,239 shall be from the Identification Security Fund pursuant to Section 42-1-220 (1), C.R.S., and $2,000 shall be from the Persistent Drunk Driver Cash Fund pursuant to Section 42-3-303 (1), C.R.S.

Cash or Federal Fund Name and COFRS Fund Number: Colorado State Titling and Registration Account 404, Licensing Services Cash Fund 437, AIR Account 406, Liquor Enforcement Division and State Licensing Authority Cash Fund 237, Racing Cash Fund 16V, Lottery Fund 503

Reappropriated Funds Source, by Department and Line Item Name: N/A

Approval by OIT? Yes: ☐ No: ☐ N/A: ☑

Schedule 13s from Affected Departments: N/A

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

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

Request Title: Refinance Driver Control Expenses from Driver's License Administration Revocation Account

Department: Revenue **Dept. Approval by:** [illegible] **Date:** 1-9-09

Priority Number: S-11, DI-13 **OSPB Approval:** **Date:**

	Fund	1 Prior-Year Actual FY 2007-08	2 Appropriation FY 2008-09	3 Supplemental Request FY 2008-09	4 Total Revised Request FY 2008-09	5 Base Request FY 2009-10	6 Decision/ Base Reduction FY 2009-10	7 November 1 Request FY 2009-10	8 Budget Amendment FY 2009-10	9 Total Revised Request FY 2009-10	10 Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total	17,129,786	16,297,007	0	16,297,007	16,889,573	155,662	17,045,235	0	17,045,235	0
	FTE	346.3	382.3	0.0	382.3	383.2	0.0	383.2	0.0	383.2	0.0
	GF	11,859,480	10,969,972	(1,114,871)	9,855,101	11,570,540	(1,865,928)	9,704,612	0	9,704,612	(2,021,590)
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	4,336,871	5,327,035	1,114,871	6,441,906	5,319,033	2,021,590	7,340,623	0	7,340,623	2,021,590
	CFE/RF	933,435	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
(5) Division of Motor Vehicles, (B) Driver and Vehicle Services - Personal Services	Total	17,129,786	16,297,007	0	16,297,007	16,889,573	155,662	17,045,235	0	17,045,235	0
	FTE	346.3	382.3	0.0	382.3	383.2	0.0	383.2	0.0	383.2	0.0
	GF	11,859,480	10,969,972	(1,114,871)	9,855,101	11,570,540	(1,865,928)	9,704,612	0	9,704,612	(2,021,590)
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	4,336,871	5,327,035	1,114,871	6,441,906	5,319,033	2,021,590	7,340,623	0	7,340,623	2,021,590
	CFE/RF	933,435	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0

Non-Line Item Request: None

Letternote Revised Text: a These amounts reflect direct program costs from the following sources: $4,894,583 shall be from the Licensing Services Cash Fund, pursuant to Section 42-2-114.5, C.R.S., $339,424 shall be from the Colorado State Titling and Registration Account pursuant to Section 42-1-211(2), C.R.S., ~~$314,828~~ **$1,429,699** shall be from the Driver's License Administration Revocation Account pursuant to Section 42-2-132 (4)(b), C.R.S., $210,933 shall be from the Outstanding Judgments and Warrants Accout as administered under Section 42-2-118 (3)(c), C.R.S., $73,650 shall be from the Penalty Assessment Account as administered under the provisions of Section 42-1-217 (2), C.R.S., $3,842 shall be from the Auto Dealers License Fund pursuant to Section 12-6-123 (1), C.R.S., $3,239 shall be from the Identification Security Fund pursuant to Section 42-1-220 (1), C.R.S., and $2,000 shall be from the Persistent Drunk Driver Cash Fund pursuant to Section 42-3-303 (1), C.R.S.

Cash or Federal Fund Name and COFRS Fund Number: Fund #405 - Driver's License Administration Revocation Account

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

Approval by OIT? Yes: ☐ No: ☐ N/A: ☑

Schedule 13s from Affected Departments: Not Applicable

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

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

Request Title: Refinance Driver's License Program Expenses from Licensing Services Cash Fund

Department: Revenue **Dept. Approval by:** Kathy Sheler **Date:** 1-9-09

Priority Number: S-12, BA-5 **OSPB Approval:** **Date:**

	Fund	1 Prior-Year Actual FY 2007-08	2 Appropriation FY 2008-09	3 Supplemental Request FY 2008-09	4 Total Revised Request FY 2008-09	5 Base Request FY 2009-10	6 Decision/ Base Reduction FY 2009-10	7 November 1 Request FY 2009-10	8 Budget Amendment FY 2009-10	9 Total Revised Request FY 2009-10	10 Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total	17,129,786	16,297,007	0	16,297,007	16,889,573	0	16,889,573	0	16,889,573	0
	FTE	346.3	382.3	0.0	382.3	383.2	0.0	383.2	0.0	383.2	0.0
	GF	11,859,480	10,969,972	(659,509)	10,310,463	11,570,540	0	11,570,540	(2,589,894)	8,980,646	(2,589,894)
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	4,336,871	5,327,035	659,509	5,986,544	5,319,033	0	5,319,033	2,589,894	7,908,927	2,589,894
	CFE/RF	933,435	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
(5) Division of Motor Vehicles, (B) Driver and Vehicle Services - Personal Services	Total	17,129,786	16,297,007	0	16,297,007	16,889,573	0	16,889,573	0	16,889,573	0
	FTE	346.3	382.3	0.0	382.3	383.2	0.0	383.2	0.0	383.2	0.0
	GF	11,859,480	10,969,972	(659,509)	10,310,463	11,570,540	0	11,570,540	(2,589,894)	8,980,646	(2,589,894)
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	4,336,871	5,327,035	659,509	5,986,544	5,319,033	0	5,319,033	2,589,894	7,908,927	2,589,894
	CFE/RF	933,435	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0

Non-Line Item Request: None

Letternote Revised Text: a These amounts reflect direct program costs from the following sources: ~~$4,894,583~~ **$5,554,092** shall be from the Licensing Services Cash Fund, pursuant to Section 42-2-114.5, C.R.S., $339,424 shall be from the Colorado State Titling and Registration Account pursuant to Section 42-1-211(2), C.R.S., $314,828 shall be from the Driver's License Administration Revocation Account pursuant to Section 42-2-132 (4)(b), C.R.S., $210,933 shall be from the Outstanding Judgments and Warrants Accout as administered under Section 42-2-118 (3)(c), C.R.S., $73,650 shall be from the Penalty Assessment Account as administered under the provisions of Section 42-1-217 (2), C.R.S., $3,842 shall be from the Auto Dealers License Fund pursuant to Section 12-6-123 (1), C.R.S., $3,239 shall be from the Identification Security Fund pursuant to Section 42-1-220 (1), C.R.S., and $2,000 shall be from the Persistent Drunk Driver Cash Fund pursuant to Section 42-3-303 (1), C.R.S.

Cash or Federal Fund Name and COFRS Fund Number: Fund #437 - Licensing Services Cash Fund

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

Approval by OIT? Yes: ☐ No: ☐ N/A: ☑

Schedule 13s from Affected Departments: Not Applicable

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

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

Request Title: Refinance Driver's License Program Expenses from Motorist Insurance Identification Account

Department: Revenue — **Dept. Approval by:** Kasey Huber — **Date:** 1-9-09

Priority Number: S-13 — **OSPB Approval:** — **Date:**

	Fund	1 Prior-Year Actual FY 2007-08	2 Appropriation FY 2008-09	3 Supplemental Request FY 2008-09	4 Total Revised Request FY 2008-09	5 Base Request FY 2009-10	6 Decision/ Base Reduction FY 2009-10	7 November 1 Request FY 2009-10	8 Budget Amendment FY 2009-10	9 Total Revised Request FY 2009-10	10 Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total	17,129,786	16,297,007	0	16,297,007	16,889,573	0	16,889,573	0	16,889,573	0
	FTE	346.3	382.3	0.0	382.3	383.2	0.0	383.2	0.0	383.2	0.0
	GF	11,859,480	10,969,972	(765,000)	10,204,972	11,570,540	0	11,570,540	0	11,570,540	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	4,336,871	5,327,035	765,000	6,092,035	5,319,033	0	5,319,033	0	5,319,033	0
	CFE/RF	933,435	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
(5) Division of Motor Vehicles, (B) Driver and Vehicle Services - Personal Services	Total	17,129,786	16,297,007	0	16,297,007	16,889,573	0	16,889,573	0	16,889,573	0
	FTE	346.3	382.3	0.0	382.3	383.2	0.0	383.2	0.0	383.2	0.0
	GF	11,859,480	10,969,972	(765,000)	10,204,972	11,570,540	0	11,570,540	0	11,570,540	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	4,336,871	5,327,035	765,000	6,092,035	5,319,033	0	5,319,033	0	5,319,033	0
	CFE/RF	933,435	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0

Non-Line Item Request: None

Letternote Revised Text: a These amounts reflect direct program costs from the following sources: $4,894,583 shall be from the Licensing Services Cash Fund, pursuant to Section 42-2-114.5, C.R.S., ***$765,000 shall be from the Motorist Insurance Identification Account pursuant to Section 42-3-304 (18)(d)(I), C.R.S.,*** $339,424 shall be from the Colorado State Titling and Registration Account pursuant to Section 42-1-211(2), C.R.S., $314,828 shall be from the Driver's License Administration Revocation Account pursuant to Section 42-2-132 (4)(b), C.R.S., $210,933 shall be from the Outstanding Judgments and Warrants Accout as administered under Section 42-2-118 (3)(c), C.R.S., $73,650 shall be from the Penalty Assessment Account as administered under the provisions of Section 42-1-217 (2), C.R.S., $3,842 shall be from the Auto Dealers License Fund pursuant to Section 12-6-123 (1), C.R.S., $3,239 shall be from the Identification Security Fund pursuant to Section 42-1-220 (1), C.R.S., and $2,000 shall be from the Persistent Drunk Driver Cash Fund pursuant to Section 42-3-303 (1), C.R.S.

Cash or Federal Fund Name and COFRS Fund Number: Fund #405 - Motorist Insurance Identification Account

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

Approval by OIT? Yes: ☐ No: ☐ N/A: ☑

Schedule 13s from Affected Departments: Not Applicable

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

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

Request Title: Refinance Driver and Vehicle Services Expenses from Highway Users Tax Fund "Off-the-Top"
Department: Revenue **Dept. Approval by:** Roxy Huber **Date:** January 12, 2009
Priority Number: S-14 **OSPB Approval:** **Date:**

	Fund	1 Prior-Year Actual FY 2007-08	2 Appropriation FY 2008-09	3 Supplemental Request FY 2008-09	4 Total Revised Request FY 2008-09	5 Base Request FY 2009-10	6 Decision/ Base Reduction FY 2009-10	7 November 1 Request FY 2009-10	8 Budget Amendment FY 2009-10	9 Total Revised Request FY 2009-10	10 Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total	17,129,786	16,297,007	0	16,297,007	16,889,573	0	16,889,573	0	16,889,573	0
	FTE	346.3	382.3	0.0	382.3	383.2	0.0	383.2	0.0	383.2	0.0
	GF	11,859,480	10,969,972	(519,381)	10,450,591	11,570,540	0	11,570,540	0	11,570,540	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	519,381	0	0	0	0	0	0
	HUTF	0		519,381							
	CFE/RF	933,435	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
(5) Division of Motor Vehicles, (B) Driver and Vehicle Services - Personal Services	Total	17,129,786	16,297,007	0	16,297,007	16,889,573	0	16,889,573	0	16,889,573	0
	FTE	346.3	382.3	0.0	382.3	383.2	0.0	383.2	0.0	383.2	0.0
	GF	11,859,480	10,969,972	(519,381)	10,450,591	11,570,540	0	11,570,540	0	11,570,540	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	4,336,871	5,327,035	0	5,327,035	5,319,033	0	5,319,033	0	5,319,033	0
	HUTF	0	0	519,381	519,381	0	0	0	0	0	0
	CFE/RF	933,435	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0

Non-Line Item Request: None

Letternote Revised Text: a These amounts reflect direct program costs from the following sources: $4,894,583 shall be from the Licensing Services Cash Fund, pursuant to Section 42-2-114.5, C.R.S., ***$519,381 shall be from the Highway Users Tax Fund pursuant to Section 43-2-201 (3)(a)(III)(C), C.R.S.,*** $339,424 shall be from the Colorado State Titling and Registration Account pursuant to Section 42-1-211(2), C.R.S., $314,828 shall be from the Driver's License Administration Revocation Account pursuant to Section 42-2-132 (4)(b), C.R.S., $210,933 shall be from the Outstanding Judgments and Warrants Accout as administered under Section 42-2-118 (3)(c), C.R.S., $73,650 shall be from the Penalty Assessment Account as administered under the provisions of Section 42-1-217 (2), C.R.S., $3,842 shall be from the Auto Dealers License Fund pursuant to Section 12-6-123 (1), C.R.S., $3,239 shall be from the Identification Security Fund pursuant to Section 42-1-220 (1), C.R.S., and $2,000 shall be from the Persistent Drunk Driver Cash Fund pursuant to Section 42-3-303 (1), C.R.S.

Cash or Federal Fund Name and COFRS Fund Number: Fund #100 - Highway Users Tax Fund (HUTF)

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

Approval by OIT? Yes: ☐ No: ☐ N/A: ☑

Schedule 13s from Affected Departments: Not Applicable

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

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

Request Title: OIT Common Policy - Management & Administration of OIT
Department: Revenue — **Dept. Approval by:** Rafy Kleber — **Date:** 1-13-2009
Priority Number: NP — **OSPB Approval:** — **Date:**

	Fund	1 Prior-Year Actual FY 2007-08	2 Appropriation FY 2008-09	3 Supplemental Request FY 2008-09	4 Total Revised Request FY 2008-09	5 Base Request FY 2009-10	6 Decision/ Base Reduction FY 2009-10	7 November 1 Request FY 2009-10	8 Budget Amendment FY 2009-10	9 Total Revised Request FY 2009-10	10 Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total	6,381,206	6,353,445	175,672	6,529,117	6,635,655	0	6,635,655	163,886	6,799,541	163,886
	FTE	74.6	79.9	0.0	79.9	75.4	0.0	75.4	0.0	75.4	0.0
	GF	4,638,960	4,300,497	175,672	4,476,169	4,929,692	0	4,929,692	163,886	5,093,578	163,886
	HUTF	427,990	465,580	0	465,580	357,868	0	357,868	0	357,868	0
	CF	445,397	1,113,516	0	1,113,516	941,123	0	941,123	0	941,123	0
	CFE/RF	868,859	473,852	0	473,852	406,972	0	406,972	0	406,972	0
(1) Executive Director's Office, Management and Administration of OIT	Total	0	0	423,821	423,821	0	0	0	444,804	444,804	444,804
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	0	0	423,821	423,821	0	0	0	444,804	444,804	444,804
	HUTF	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
(3) Information Technology Division; (A) Systems Support, Personal Services	Total	6,381,206	6,353,445	(248,149)	6,105,296	6,635,655	0	6,635,655	(280,918)	6,354,737	(280,918)
	FTE	74.6	79.9	0.0	79.9	75.4	0.0	75.4	0.0	75.4	0.0
	GF	4,638,960	4,300,497	(248,149)	4,052,348	4,929,692	0	4,929,692	(280,918)	4,648,774	(280,918)
	HUTF	427,990	465,580	0	465,580	357,868	0	357,868	0	357,868	0
	CF	445,397	1,113,516	0	1,113,516	941,123	0	941,123	0	941,123	0
	CFE/RF	868,859	473,852	0	473,852	406,972	0	406,972	0	406,972	0

Non-Line Item Request: None
Letternote Revised Text: Letternote c will be updated upon completion of all statewide supplementals that affect central POTS appropriations.
Cash or Federal Fund Name and COFRS Fund Number: None
Reappropriated Funds Source, by Department and Line Item Name: None
Approval by OIT? Yes: ☑ No: ☐ N/A: ☑
Schedule 13s from Affected Departments: