

Schedule 13

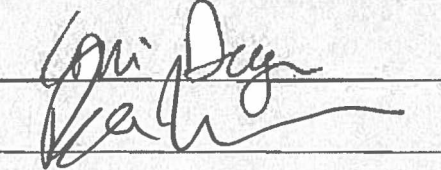
Department of Revenue

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-01 AID Fingerprinting Services

Dept. Approval By:



Supplemental FY 2019-20

OSPB Approval By:



Budget Amendment FY 2020-21

X

Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$152,691	\$0	\$138,691	\$200,000	\$200,000
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$152,691	\$0	\$138,691	\$200,000	\$200,000
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$152,691	\$0	\$138,691	\$200,000	\$200,000
	FTE	0.0	0.0	0.0	0.0	0.0
05. Enforcement Business Group, (E) Auto Industry Division, (1) Motor Vehicle Dealer Licensing Board - Operating Expenses	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$152,691	\$0	\$138,691	\$200,000	\$200,000
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data

Requires Legislation? NO

Type of Request?

Department of Revenue Prioritized Request

Interagency Approval or Related Schedule 13s:

No Other Agency Impact



Department Priority: R-01
Auto Industry Division Fingerprinting Services

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	\$0	\$200,000	\$200,000
FTE			
General Fund			
Cash Funds		\$200,000	\$200,000
Reappropriated Funds			
Federal Funds			

Summary of Request:

The Department of Revenue requests an operating increase for the Auto Industry Division (AID) of \$200,000 cash funds from the Auto Dealers License Fund for payment to the Colorado Bureau of Investigation (CBI). These payments represent existing payments to the CBI for fingerprinting services, and this request will modify how those payments appear on the Long Bill to conform to best accounting practices. Currently, AID collects the fee for fingerprinting as part of the total transaction cost of license applications and passes on the revenues from applicants directly to CBI, instead of recording the full transaction cost as revenue to AID and separately recording payments to CBI as expenses. This practice is not consistent with any other Departmental fingerprinting services payments, nor does it conform to accounting best practices. This proposal simply corrects this inconsistency and does not represent any change in existing services to customers, change to the cost of fingerprinting, or change in the fees charged for licensing services. This request is ongoing with no change to FTE.

Current Program:

The AID regulates motor and powersports vehicle salespersons, dealers (new and used), wholesalers, wholesale auction dealers, manufacturers/distributors, and manufacturer representatives. In general, AID protects consumers and helps maintain the integrity of the free market by ensuring that persons working in the industry are fair, honest, and of good character. To ensure the suitability of licensees, AID conducts comprehensive background checks on all new applicants. During FY 2017-18, AID completed 850 background investigations, 994 investigations, and processed 1,035 consumer complaint investigations. AID also issued 21,811 total licenses in 2018.

Problem or Opportunity:

Currently, AID charges an application fee as part of the licensing process. This application fee is not currently broken down by dollar amount for the background check and dollar amount for the application

fee for the Division's expenses. The Division currently passes the revenue on to CBI as payment for the background checks CBI performs. Using this structure, the Department did not require any additional spending authority to make these payments. However, this method is not consistent with how these payments are handled by other sections of the enforcement group, nor is it consistent with accounting best practices.

Proposed Solution:

AID currently passes revenue through to CBI to pay for the background checks. If the Division were to use an external vendor for the background checks, this payment for a service would be considered an expense. The Division proposes to treat the service provided by CBI the same as it would for an external vendor in the Long Bill. The AID's operating appropriation for FY 2019-20 is \$138,691. Therefore, an increase of \$200,000 cash funds would appear as an increase of 144% to the Long Bill line.

Anticipated Outcomes:

This request would enable the Division to achieve best accounting practices and have consistency within the enforcement group. Within the enforcement group, liquor and marijuana enforcement both report background check fees paid to CBI as expenses. This change would create consistency across the enforcement group and lead to the correct use of revenues and expenditures in line with accounting best practices.

Assumptions and Calculations:

The total cost calculation is based on the average fingerprinting services revenue collected in FY 2018-19.

Average Fingerprinting Services Revenue per month: \$15,000

Annualized cost with an estimated variance: \$200,000

The cash fund affected in this request is Auto Dealers License Fund (1920).

Schedule 13

Department of Revenue

Funding Request for The FY 2020-21 Budget Cycle

Request Title

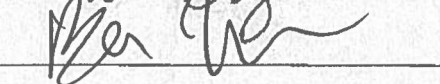
R-02 Utilization Reduction-Product Materials

Dept. Approval By:



Supplemental FY 2019-20

OSPB Approval By:



Budget Amendment FY 2020-21

X

Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$2,976,145	\$0	\$3,050,407	(\$28,646)	(\$28,646)
	FTE	32.5	0.0	32.5	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$182,659	\$0	\$187,193	\$0	\$0
	CF	\$2,793,486	\$0	\$2,863,214	(\$28,646)	(\$28,646)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$2,821,117	\$0	\$2,895,379	(\$26,817)	(\$26,817)
	FTE	32.5	0.0	32.5	0.0	0.0
05. Enforcement Business Group, (C) Liquor and Tobacco Enforcement Division, (1) Liquor and Tobacco Enforcement Division - Personal Services	GF	\$175,694	\$0	\$180,228	\$0	\$0
	CF	\$2,645,423	\$0	\$2,715,151	(\$26,817)	(\$26,817)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$155,028	\$0	\$155,028	(\$1,829)	(\$1,829)
	FTE	0.0	0.0	0.0	0.0	0.0
05. Enforcement Business Group, (C) Liquor and Tobacco Enforcement Division, (1) Liquor and Tobacco Enforcement Division - Operating Expenses	GF	\$6,965	\$0	\$6,965	\$0	\$0
	CF	\$148,063	\$0	\$148,063	(\$1,829)	(\$1,829)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data**Requires Legislation?** NO**Type of Request?** Department of Revenue Prioritized Request**Interagency Approval or
Related Schedule 13s:**

No Other Agency Impact



Department Priority: R-02
Utilization Reduction – Product Materials

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	\$0	- \$28,646	-\$28,646
FTE			
General Fund			
Cash Funds		-\$28,646	-\$28,646
Reappropriated Funds			
Federal Funds			

Summary of Request:

The Department of Revenue (DOR) requests an ongoing reduction in spending authority of \$28,646 from the Cigarette Ignition Propensity Standards Cash Fund. This reduction is proposed as the revenues collected are not currently able to sustain the level of spending authority provided in the Long Bill. This request will align the Long Bill with the Department's actual spending.

Current Program:

The Liquor Enforcement Division at DOR is tasked with enforcing Federal and State tobacco laws and overseeing the licensing of the Colorado Liquor Industry, enforcing Colorado's liquor laws, and enforcing Colorado tobacco laws in compliance with federal mandates.

Problem or Opportunity:

The Cigarette Ignition Propensity Standards Cash Fund has not generated sufficient revenue to support expenditures from the fund at the level appropriated for at least five years. Workload is managed by existing staff with minimal impact to stakeholders, and all licensing and compliance requirements are being met.

Proposed Solution:

DOR is proposing an ongoing cash fund reduction of \$28,646 to align spending authority with revenues. Of this amount, \$26,817 is identified in the personal services appropriation and \$1,829 in the operating expenses appropriation.

Anticipated Outcomes:

No impact to stakeholders is anticipated with the proposed reduction since the division has been operating without these funds for the past five years.

Assumptions and Calculations:

The reduction assumes \$26,817 in personal services and \$1,829 in associated operating costs. The cash fund affected is Cigarette Ignition Propensity Standards (22N0).

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Department of Revenue

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-03 Budget Efficiencies-Taxation and Compliance Division

Dept. Approval By:

[Signature]

Supplemental FY 2019-20

OSP Approval By:

[Signature]

Budget Amendment FY 2020-21

X

Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$19,693,798	\$0	\$20,129,531	(\$310,466)	(\$310,466)
	FTE	235.3	0.0	235.3	(5.0)	(5.0)
Total of All Line Items Impacted by Change Request	GF	\$18,286,722	\$0	\$18,785,183	\$0	\$0
	CF	\$1,152,991	\$0	\$1,190,283	(\$310,466)	(\$310,466)
	RF	\$154,085	\$0	\$154,085	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$18,519,726	\$0	\$19,047,568	(\$300,000)	(\$300,000)
	FTE	235.3	0.0	235.3	(5.0)	(5.0)
03. Taxation Business Group, (B) Taxation and Compliance Division, (1) Taxation and Compliance Division - Personal Services	GF	\$17,236,846	\$0	\$17,727,396	\$0	\$0
	CF	\$1,128,795	\$0	\$1,166,087	(\$300,000)	(\$300,000)
	RF	\$154,085	\$0	\$154,085	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$1,074,072	\$0	\$1,081,963	(\$10,466)	(\$10,466)
	FTE	0.0	0.0	0.0	0.0	0.0
03. Taxation Business Group, (B) Taxation and Compliance Division, (1) Taxation and Compliance Division - Operating Expenses	GF	\$1,049,876	\$0	\$1,057,767	\$0	\$0
	CF	\$24,196	\$0	\$24,196	(\$10,466)	(\$10,466)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data**Requires Legislation?** NO**Type of Request?** Department of Revenue Prioritized Request**Interagency Approval or
Related Schedule 13s:**

No Other Agency Impact



Department Priority: R-03
Budget Efficiencies – Taxation and Compliance Division

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	\$0	-\$310,466	-\$310,466
FTE		-5.0	-5.0
General Fund			
Cash Funds		-\$310,466	-\$310,466
Reappropriated Funds			
Federal Funds			

Summary of Request:

The Department of Revenue (DOR) requests an ongoing reduction of \$310,466 from two cash funds from the Taxation and Compliance Division (TAC): the Marijuana Tax Cash Fund and the Tobacco Tax Enforcement Fund. The revenues collected in the Tobacco Tax Enforcement Fund are not able to sustain the spending authority on that fund. In addition, recruitment challenges have resulted in the inability to fill positions and retain employees in the Division. This request would align the Long Bill with the Division's actual spending.

Current Program:

TAC utilizes various methods to assist in the collection of monies due the State such as: filing bankruptcy claims; recording and releasing tax liens and judgments; garnishment of wages and bank accounts; income tax distraint warrants; resolution of taxpayer disputes; and the utilization of private collection agencies. TAC also audits and examines Colorado tax returns both at the Department through its Discovery Program and at business locations through its Field Audit program. Audits are also conducted for the purpose of ascertaining whether royalties have been properly submitted to the State from operating and royalty mineral interests in Colorado.

Problem or Opportunity:

A reduction opportunity is derived from the lack of revenue generated in the Tobacco Tax Enforcement cash fund to allow spending the full appropriation and an ongoing inability to attract and recruit employees for these positions in TAC.

Proposed Solution:

DOR is offering a total cash fund reduction of \$310,466 due to lack of revenue collected to sustain the full spending authority of the current appropriation and through unfilled positions in the division. Of this amount, \$300,000 is identified in personal services, (\$255,000 from Cash Fund 15RS – Marijuana Tax Cash Fund and \$45,000 from Cash Fund 24B0 – Tobacco Tax Enforcement Cash Fund), and \$10,466 in operating from Cash Fund 24B0 (Tobacco Tax Enforcement Cash Fund).

Anticipated Outcomes:

No impact to stakeholders is expected with the proposed reduction since duties have been absorbed through other FTE to meet TAC's needs. The Tobacco Tax Enforcement Fund has been unable to provide adequate funds to support this appropriation for the past 2 years.

Assumptions and Calculations:

The reduction assumes \$300,000 in personal services and \$10,466 in operating costs. The cash funds affected are 15RS – Marijuana Tax Cash Fund and 24B0 – Tobacco Tax Enforcement Cash Fund.

Schedule 13

Department of Revenue

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-04 Budget Efficiencies-Taxpayer Services Division

Dept. Approval By:

Coni Dry

Supplemental FY 2019-20

OSP Approval By:

OSP

Budget Amendment FY 2020-21

X

Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$29,043,814	\$0	\$29,613,514	(\$70,500)	(\$70,500)
	FTE	390.2	0.0	388.3	(1.0)	(1.0)
Total of All Line Items Impacted by Change Request	GF	\$27,344,160	\$0	\$27,854,978	\$0	\$0
	CF	\$1,545,589	\$0	\$1,604,451	(\$70,500)	(\$70,500)
	RF	\$154,085	\$0	\$154,085	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$18,519,726	\$0	\$19,047,568	(\$12,000)	(\$12,000)
	FTE	235.3	0.0	235.3	(0.2)	(0.2)
03. Taxation Business Group, (B) Taxation and Compliance Division, (1)	GF	\$17,236,846	\$0	\$17,727,396	\$0	\$0
Taxation and Compliance Division - Personal Services	CF	\$1,128,795	\$0	\$1,166,087	(\$12,000)	(\$12,000)
	RF	\$154,085	\$0	\$154,085	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$9,972,286	\$0	\$10,040,318	(\$58,000)	(\$58,000)
	FTE	154.9	0.0	153.0	(0.8)	(0.8)
03. Taxation Business Group, (C) Taxpayer Service Division, (1)	GF	\$9,569,580	\$0	\$9,607,657	\$0	\$0
Taxpayer Service Division - Personal Services	CF	\$402,706	\$0	\$432,661	(\$58,000)	(\$58,000)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$551,802	\$0	\$525,828	(\$500)	(\$500)
	FTE	0.0	0.0	0.0	0.0	0.0
03. Taxation Business Group, (C) Taxpayer Service Division, (1)	GF	\$537,734	\$0	\$519,925	\$0	\$0
Taxpayer Service Division - Operating Expenses	CF	\$14,068	\$0	\$5,703	(\$500)	(\$500)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

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



Department Priority: R-04
Budget Efficiencies – Taxpayer Services Division

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	\$0	-\$70,500	-\$70,500
FTE		-1.0	-1.0
General Fund			
Cash Funds		-\$70,500	-\$70,500
Reappropriated Funds			
Federal Funds			

Summary of Request:

The Department of Revenue (DOR) requests an ongoing reduction of \$70,500 from two cash funds from the Taxpayer Services Division (TPS). First, the Department offers a reduction to the spending authority on the Private Letter Ruling Fund as the revenues collected are not able to sustain the spending authority of the fund. Next, the Department offers a reduction to the spending authority on the Marijuana Tax Cash Fund as TPS has a historical vacancy rate of 9% on positions, due to recruitment challenges. These changes would align the Long Bill with the Division's actual spending.

Current Program:

TPS is responsible for processing all income (individual, corporate, partnership, and fiduciary), severance, sales and use, withholding, and excise (alcohol, marijuana, cigarette, tobacco, and fuel) tax returns, various fees, and issuing their associated refunds and bills. It operates a call center devoted to first call resolution of taxpayer issues for all tax types, technical issues with payments and website assistance, and general taxpayer information, and it operates five walk in customer service centers located in Denver, Ft. Collins, Colorado Springs, Pueblo, and Grand Junction.

Problem or Opportunity:

The Department proposes this reduction due to a lack of revenue generated in the 20A0 fund to meet the spending authority appropriation, and vacancy savings due to recruitment challenges in TPS. Of this amount, \$70,000 is identified in personal services, (\$58,000 from the Private Letter Ruling Fund and \$12,000 from the Marijuana Tax Cash Fund), and \$500 in operating expenses from the Private Letter Ruling Fund.

Proposed Solution:

DOR is proposing a total cash fund reduction of \$70,500 due to lack of revenue collected to sustain the full spending authority within the current appropriation in the 20A0 fund and historical vacancy savings in TPS.

Anticipated Outcomes:

No impact to stakeholders is expected with the proposed reduction since duties have been absorbed through other FTE to meet TPS's needs. Revenues from the Private Letter Ruling Fund have been unable to support the appropriation for the last four fiscal years.

Assumptions and Calculations:

The reduction assumes \$70,000 in personal services and \$500 in associated operating expenses. The cash funds affected are 20A0 – Private Letter Ruling Fund and 15RS – Marijuana Tax Cash Fund.

Schedule 13

Department of Revenue

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-05 Budget Efficiencies-Gaming Division

Dept. Approval By:

Coni Dug

Supplemental FY 2019-20

OSPB Approval By:

Bu

Budget Amendment FY 2020-21

X

Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$9,685,025	\$0	\$8,772,464	(\$450,000)	(\$450,000)
	FTE	101.6	0.0	90.0	(3.0)	(3.0)
Total of All Line Items Impacted by Change Request	GF	\$1,118,477	\$0	\$0	\$0	\$0
	CF	\$8,566,548	\$0	\$8,772,464	(\$450,000)	(\$450,000)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$8,437,077	\$0	\$7,744,354	(\$400,000)	(\$400,000)
	FTE	101.6	0.0	90.0	(3.0)	(3.0)
05. Enforcement Business Group, (B) Limited Gaming Division, (1) Limited Gaming Division - Personal Services	GF	\$898,639	\$0	\$0	\$0	\$0
	CF	\$7,538,438	\$0	\$7,744,354	(\$400,000)	(\$400,000)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$1,247,948	\$0	\$1,028,110	(\$50,000)	(\$50,000)
	FTE	0.0	0.0	0.0	0.0	0.0
05. Enforcement Business Group, (B) Limited Gaming Division, (1) Limited Gaming Division - Operating Expenses	GF	\$219,838	\$0	\$0	\$0	\$0
	CF	\$1,028,110	\$0	\$1,028,110	(\$50,000)	(\$50,000)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data**Requires Legislation?** NO**Type of Request?** Department of Revenue Prioritized Request**Interagency Approval or Related Schedule 13s:**

No Other Agency Impact



Department Priority: R-05
Budget Efficiencies – Gaming Division

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	\$0	-\$450,000	-\$450,000
FTE		-3.0	-3.0
General Fund			
Cash Funds		-\$450,000	-\$450,000
Reappropriated Funds			
Federal Funds			

Summary of Request:

The Department of Revenue requests an ongoing reduction of \$450,000 from the Gaming Division Cash Fund appropriation for the Division of Gaming. This reduction is to remove funding for 3.0 FTEs and other personal services funding for temporary positions and contracting within the division that have been vacant for the past year.

Current Program:

The Gaming Division is responsible for the regulation and enforcement of limited gaming in the state of Colorado. In order to fulfill its regulatory duty, the division employs a staff of 90 highly-skilled individuals with expertise in various gaming disciplines, including investigators, auditors, accountants, administrators and support personnel. This request represents a 3% reduction in FTE at the Gaming Division.

Problem or Opportunity:

The Department offers this reduction due to vacancy savings Gaming has experienced over the past year. Historically, the Gaming Division has experienced difficulties in hiring and retaining Criminal Investigator I and Auditor II positions. These positions primarily perform on-site underage gaming checks and audits.

Proposed Solution:

The Gaming Division is proposing a total cash fund reduction in spending authority of \$450,000 that supports 3.0 unfilled FTEs as well as funding for temporary positions and contracting. Of this amount, \$400,000 is attributable to personal services and \$50,000 to operating.

Anticipated Outcomes:

Limited impacts to stakeholders are expected with the proposed reduction since duties have been absorbed through other FTE to meet Gaming's needs.

Assumptions and Calculations:

The reduction assumes 3.0 FTEs and \$400,000 in personal services and \$50,000 in operating from the Gaming Division Fund.

Schedule 13

Department of Revenue

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-06 Resource Efficiencies-License Plate Services

Dept. Approval By:

[Signature]

Supplemental FY 2019-20

OSPB Approval By:

[Signature]

Budget Amendment FY 2020-21

X

Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$10,272,271	\$0	\$10,323,012	(\$2,000,000)	(\$2,000,000)
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$216,315	\$0	\$216,315	\$0	\$0
	CF	\$10,055,956	\$0	\$10,106,697	(\$2,000,000)	(\$2,000,000)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$10,272,271	\$0	\$10,323,012	(\$2,000,000)	(\$2,000,000)
	FTE	0.0	0.0	0.0	0.0	0.0
04. Division of Motor Vehicles, (C) Vehicle Services, (1) Vehicle Services - License Plate Ordering	GF	\$216,315	\$0	\$216,315	\$0	\$0
	CF	\$10,055,956	\$0	\$10,106,697	(\$2,000,000)	(\$2,000,000)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data

Requires Legislation? NO

Type of Request?

Department of Revenue Prioritized Request

Interagency Approval or Related Schedule 13s:

No Other Agency Impact



Department Priority: R-06
Resource Efficiencies – License Plate Services

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	\$0	-\$2,000,000	-\$2,000,000
FTE			
General Fund			
Cash Funds		-\$2,000,000	-\$2,000,000
Reappropriated Funds			
Federal Funds			

Summary of Request:

The Department of Revenue is requesting an ongoing reduction of \$2,000,000 from the License Plate Cash Fund at the Division of Motor Vehicles (DMV). This reduction is being proposed because revenues collected cannot currently sustain the spending authority and the DMV currently holds a larger inventory of license plates than internal program operational targets require.

Current Program:

The DMV provides services used by nearly every citizen of the State. Colorado citizens utilize identification, driver, and vehicle services at State and County offices to obtain identification cards, driver licenses, vehicle registrations, titles, and other related services. Additionally, the DMV licenses and provides oversight of private businesses and government organizations that provide driver and emission testing services. Finally, the division works closely with other state agencies and programs to provide information and education to serve the public and encourage voluntary compliance. Currently, the DMV is allowed to spend up to \$10.3 million for license plate ordering.

Problem or Opportunity:

The Department proposes this reduction as the revenue being generated in the fund is insufficient to allow spending on the full appropriation within the license plate ordering line item. In FY 2018-19, the License Plate Cash Fund (4350) generated \$5.7 million, roughly in line with revenue from the past three fiscal years, but had an appropriation of \$10.3 million.

Proposed Solution:

DOR is offering a total Cash Fund Reduction of \$2 million due to the lack of sufficient revenue collections to sustain the full spending authority within the current appropriation. The requested reduction will reduce excess spending authority, while maintaining a sufficient appropriation to absorb any unforeseen influx of registrations and license plates requiring more spending on plate manufacturing.

Anticipated Outcomes:

Currently, the standard internal program practice is to have a nine-month inventory of plates on hand for distribution. At the end of FY 2018-19, DMV had one year of inventory on hand. Following this reduction, DMV operations will lower the amount of inventory purchased and held in a given year. DOR believes that this inventory level is sufficient to meet demand and absorb potential future production delays.

Assumptions and Calculations:

The assumption is a \$2,000,000 reduction to License Plate Cash Fund (4350) operations.

Schedule 13

Department of Revenue

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-07 Budget Efficiencies-Tax Conferee Office

Dept. Approval By:

Supplemental FY 2019-20

OSPB Approval By:

Budget Amendment FY 2020-21

X

Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$1,743,555	\$0	\$1,774,018	(\$200,000)	(\$200,000)
	FTE	13.6	0.0	13.6	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$1,646,272	\$0	\$1,676,735	(\$200,000)	(\$200,000)
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$97,283	\$0	\$97,283	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$1,743,555	\$0	\$1,774,018	(\$200,000)	(\$200,000)
	FTE	13.6	0.0	13.6	0.0	0.0
03. Taxation Business Group, (D) Tax Conferee, (1) Tax Conferee - Personal Services	GF	\$1,646,272	\$0	\$1,676,735	(\$200,000)	(\$200,000)
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$97,283	\$0	\$97,283	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data

Requires Legislation? NO

Type of Request?

Department of Revenue Prioritized Request

Interagency Approval or Related Schedule 13s:

No Other Agency Impact



Department Priority: R-07
Budget Efficiencies – Tax Conferee Office

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	\$0	- \$200,000	-\$200,000
FTE			
General Fund	\$0	- \$200,000	-\$200,000
Cash Funds			
Reappropriated Funds			
Federal Funds			

Summary of Request:

The Department of Revenue (DOR) requests an ongoing General Fund reduction of \$200,000 from the Tax Conferee budget. The reductions requested are partially achieved by eliminating temporary staff hired during high volume periods.

Current Program:

The Tax Conferee is an internal office that hears informal taxpayer appeals in a non-judicial context, with an eye towards avoiding litigation which is costly for both taxpayers and the State.

Problem or Opportunity:

DOR has changed business practices and has identified workload optimizations that will allow for the elimination of annual temporary hires by distributing that workload across its current workforce.

Proposed Solution:

DOR is offering a total General Fund reduction of \$200,000. DOR's (and by extension, the Tax Conferee's) workload is highly cyclical, but by coordinating expectations with this reality, operational efficiencies that can be gained by distributing office workload out during the year. Through this change, DOR will no longer need to hire temporary workers during high-volume tax season, without impacting customer service performance.

Anticipated Outcomes:

DOR may experience minor delays in the processing of taxpayer claims through the Conferee process, as workload currently performed by temporary workers will be transferred to other staff throughout the year. However, as management acclimatizes to the new staffing level, DOR anticipates these impacts to be short-term and intermittent.

Assumptions and Calculations:

DOR does not believe that workload delays will be cumulative, and believes that existing workload can be distributed throughout the year without impacting the overall timeliness of the Conferee process on an annual basis.

Schedule 13

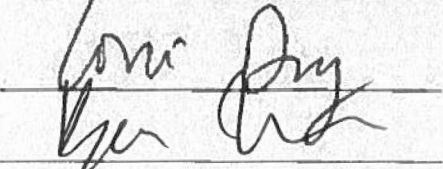
Department of Revenue

Funding Request for The FY 2020-21 Budget Cycle

Request Title

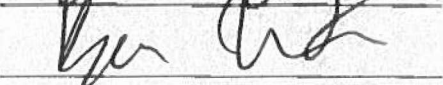
R-08 Budget Efficiencies-Executive Director's Office

Dept. Approval By:



Supplemental FY 2019-20

OSPB Approval By:



Budget Amendment FY 2020-21

X

Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$10,622,055	\$0	\$12,577,418	(\$50,000)	(\$50,000)
	FTE	134.7	0.0	141.3	(1.0)	(1.0)
Total of All Line Items Impacted by Change Request	GF	\$4,670,555	\$0	\$5,938,985	\$0	\$0
	CF	\$594,382	\$0	\$590,309	(\$50,000)	(\$50,000)
	RF	\$5,257,118	\$0	\$6,048,124	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$10,622,055	\$0	\$12,577,418	(\$50,000)	(\$50,000)
	FTE	134.7	0.0	141.3	(1.0)	(1.0)
01 Executive Director's Office, (A)	GF	\$4,670,555	\$0	\$5,938,985	\$0	\$0
Administration and Support, (1)	CF	\$594,382	\$0	\$590,309	(\$50,000)	(\$50,000)
Administration and Support - Personal Services	RF	\$5,257,118	\$0	\$6,048,124	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data

Requires Legislation? NO

Type of Request?

Department of Revenue Prioritized Request

Interagency Approval or Related Schedule 13s:

No Other Agency Impact

**Department Priority: R-08**
Budget Efficiencies – Executive Director’s Office

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds		- \$50,000	-\$50,000
FTE			
General Fund			
Cash Funds		-\$50,000	-\$50,000
Reappropriated Funds			
Federal Funds			

Summary of Request:

The Department of Revenue (DOR) requests an ongoing reduction of \$50,000 from the Executive Director’s Office (EDO) cash fund appropriation. This funding has traditionally been held by the EDO as a contingency fund to provide for unforeseen departmental needs. However, this reduction more closely aligns the Long Bill with the EDO’s actual expenses over the past few years.

Current Program:

The EDO is made up of the Administrative Offices Division (AOD), Office of Budget and Financial Services (OBFS), the Legislative Liaison, Office of Communications, Internal Audit, and the Hearings Division. Each section under the EDO strives to assist the Divisions to deliver efficient, effective and quality services for the people of Colorado.

Problem or Opportunity:

DOR believes that a reduction in unforeseen or emergency temporary staff and/or consulting services capacity within the current appropriation levels is feasible.

Proposed Solution:

DOR is offering a total cash fund reduction of \$50,000 within the current personal services appropriation for the Executive Director’s Office.

Anticipated Outcomes:

Since these funds are used in an “as needed” basis, DOR does not anticipate any impact on ongoing services. However, the EDO will adjust workload expectations through efficiencies to continue to meet the Department’s needs with a reduced budget capacity.

Assumptions and Calculations:

The reduction assumes \$50,000 in personal services from various cash fund sources.

Schedule 13

Department of Revenue

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-09 Shift Spending to Cash Funds-Division of Motor Vehicles

Dept. Approval By:

[Signature]

Supplemental FY 2019-20

OSP Approval By:

[Signature]

Budget Amendment FY 2020-21

X

Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$24,122,001	\$0	\$25,082,779	\$0	\$0
	FTE	444.7	0.0	444.7	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$3,264,481	\$0	\$3,397,300	(\$1,000,000)	(\$1,000,000)
	CF	\$20,740,530	\$0	\$21,564,660	\$1,000,000	\$1,000,000
	RF	\$116,990	\$0	\$120,819	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$24,122,001	\$0	\$25,082,779	\$0	\$0
	FTE	444.7	0.0	444.7	0.0	0.0
04. Division of Motor Vehicles, (B) Driver Services, (1) Driver Services - Personal Services	GF	\$3,264,481	\$0	\$3,397,300	(\$1,000,000)	(\$1,000,000)
	CF	\$20,740,530	\$0	\$21,564,660	\$1,000,000	\$1,000,000
	RF	\$116,990	\$0	\$120,819	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data

Requires Legislation? NO

Type of Request?

Department of Revenue Prioritized Request

Interagency Approval or Related Schedule 13s:

No Other Agency Impact



Department Priority: R-09
Shift Spending to Cash Funds – Division of Motor Vehicles

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	\$0	\$0	\$0
FTE			
General Fund		-\$1,000,000	-\$1,000,000
Cash Funds		\$1,000,000	\$1,000,000
Reappropriated Funds			
Federal Funds			

Summary of Request:

The Department of Revenue requests an ongoing reduction of \$1,000,000 from the General Fund appropriation to the Division of Motor Vehicles (DMV), and an accompanying increase of \$1,000,000 to DMV to the Division's cash fund spending authority. The request maximizes DMV funding from non-General Fund resources to ensure that the services that customers receive are supported by the fees that they pay.

Current Program:

DMV provides services used by nearly every citizen of the State. Colorado citizens utilize identification, driver, and vehicle services at State and County offices to obtain identification cards, driver licenses, vehicle registrations, titles, and other related services. Additionally, the DMV licenses and provides oversight of private businesses and government organizations that provide driver and emission testing services. Finally, the division works closely with other state agencies and programs to provide information and education to serve the public and encourage voluntary compliance.

Problem or Opportunity:

The Department proposes to refinance \$1,000,000 of the Division's General Fund appropriation to cash fund spending authority, as current cash fund resources can support that refinance.

Proposed Solution:

DOR is offering a total General Fund reduction of \$1,000,000 by shifting the appropriation to cash fund spending authority within the Division of Motor Vehicles.

Anticipated Outcomes:

The DMV has found ways to streamline processes and make workload efficiencies in order to meet customer needs within existing cash fund resources. The DMV will continue to deliver superior customer service while keeping fees low by minimizing waste and ineffectiveness.

Assumptions and Calculations:

The reduction assumes shifting \$1,000,000 of General Fund personal services dollars to various cash fund sources for personal services.

Schedule 13

Department of Revenue

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-10 DMV Back Office Cashier Re-Alignment

Dept. Approval By:

[Signature]

Supplemental FY 2019-20

OSPB Approval By:

[Signature]

Budget Amendment FY 2020-21

X

Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$34,644,056	\$0	\$37,660,197	\$0	\$0
	FTE	579.4	0.0	586.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$7,935,036	\$0	\$9,336,285	(\$103,150)	(\$103,150)
	CF	\$21,334,912	\$0	\$22,154,969	\$103,150	\$103,150
	RF	\$5,374,108	\$0	\$6,168,943	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$10,522,055	\$0	\$12,577,418	(\$103,150)	(\$103,150)
	FTE	134.7	0.0	141.3	(2.0)	(2.0)
01. Executive Director's Office, (A)	GF	\$4,670,555	\$0	\$5,938,985	(\$103,150)	(\$103,150)
Administration and Support, (1)	CF	\$594,382	\$0	\$590,309	\$0	\$0
Administration and Support - Personal Services	RF	\$5,257,118	\$0	\$6,048,124	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$24,122,001	\$0	\$25,082,779	\$103,150	\$103,150
	FTE	444.7	0.0	444.7	2.0	2.0
04. Division of Motor Vehicles, (B) Driver Services, (1) Driver Services - Personal Services	GF	\$3,264,481	\$0	\$3,397,300	\$0	\$0
	CF	\$20,740,530	\$0	\$21,564,660	\$103,150	\$103,150
	RF	\$116,990	\$0	\$120,819	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data**Requires Legislation?** NO**Type of Request?** Department of Revenue Prioritized Request**Interagency Approval or
Related Schedule 13s:**

No Other Agency Impact



Department Priority: R-10
DMV Back Office Cashier Re-Alignment

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	\$0	\$0	\$0
FTE	0.0	0.0	0.0
General Fund	\$0	\$0	\$0
Cash Funds	\$0	\$0	\$0
Reappropriated Funds	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0

Summary of Request:

The Department of Revenue (DOR) requests to realign the personal services appropriation for 2.0 FTE from the Executive Director's Office (EDO) to the Division of Motor Vehicles' (DMV) Driver Services section. This request aligns the appropriation with the functional reporting structure and job duties for these 2.0 FTE. This request is a net-zero realignment of the current, existing appropriation.

Current Program:

Before implementation of the DRIVES system in February 2017, mailed-in payments for traffic tickets were processed by a work unit called the "central cashiers", who are appropriated under EDO. After DRIVES was implemented, the process was changed, so that mailed-in payments for traffic tickets are now received and processed by a different unit called the "back-office cashiers", located within the DMV's Driver Services section. To address the workload shift that resulted from this process change, two employees from the central cashiers group (under EDO) were reassigned to the back-office cashiering unit (under DMV). However, the appropriation for these 2.0 FTE remains within EDO.

Problem or Opportunity:

Two employees (2.0 FTE) who work in the "back-office cashiers" group, which is appropriated under DMV, are budgeted for within a different work unit at the Department. This does not match the operational structure, and creates unnecessary administrative work related to tracking expenditures and budgeting for these 2.0 FTE. This request allows for alignment between the operational reality of these two positions and the appropriation, which will increase efficiency and transparency to ensure that these two FTE are budgeted for within the unit in which they actually work.

Proposed Solution:

DOR requests that the personal services appropriation of \$103,150 for 2.0 FTE permanently move from the EDO budget line to the DMV's Driver Services budget line. This is net zero appropriation shift within the Department.

Anticipated Outcomes:

If the request is approved, there will be a workload reduction on Department administrative staff and the appropriation for these 2.0 FTE will be aligned accurately in the program line in which they work.

Assumptions and Calculations:

This request will transfer 2.0 FTE and \$103,150 in personal services from EDO to DMV's Driver Services section.

Schedule 13

Department of Revenue

Funding Request for The FY 2020-21 Budget Cycle

Request Title

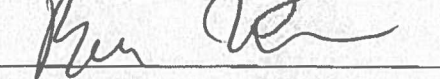
R-11 DMV Training Team Re-Alignment

Dept. Approval By:



Supplemental FY 2019-20

OSPB Approval By:



Budget Amendment FY 2020-21

X

Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$34,198,021	\$0	\$34,752,761	\$0	\$0
	FTE	534.3	0.0	534.5	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$4,619,333	\$0	\$4,770,862	\$0	\$0
	CF	\$29,396,793	\$0	\$29,796,010	\$0	\$0
	RF	\$181,895	\$0	\$185,889	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$2,630,148	\$0	\$2,706,853	\$1,429,773	\$1,429,773
	FTE	32.9	0.0	32.9	17.0	17.0
04. Division of Motor Vehicles, (A) Administration, (1) Administration - Personal Services	GF	\$369,059	\$0	\$370,437	\$0	\$0
	CF	\$2,209,744	\$0	\$2,284,906	\$1,429,773	\$1,429,773
	RF	\$51,345	\$0	\$51,510	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$440,980	\$0	\$440,981	\$114,923	\$114,923
	FTE	0.0	0.0	0.0	0.0	0.0
04. Division of Motor Vehicles, (A) Administration, (1) Administration - Operating Expenses	GF	\$65,317	\$0	\$63,633	\$0	\$0
	CF	\$372,273	\$0	\$373,958	\$114,923	\$114,923
	RF	\$3,390	\$0	\$3,390	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$24,122,001	\$0	\$25,082,779	(\$688,655)	(\$688,655)
	FTE	444.7	0.0	444.7	(8.0)	(8.0)
04. Division of Motor Vehicles, (B) Driver Services, (1) Driver Services - Personal Services	GF	\$3,264,481	\$0	\$3,397,300	\$0	\$0
	CF	\$20,740,530	\$0	\$21,564,660	(\$688,655)	(\$688,655)
	RF	\$116,990	\$0	\$120,819	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	Total	\$3,306,499	\$0	\$2,695,010	(\$57,886)	(\$57,886)
	FTE	0.0	0.0	0.0	0.0	0.0
04. Division of Motor Vehicles, (B) Driver Services, (1) Driver Services - Operating Expense	GF	\$411,155	\$0	\$411,155	\$0	\$0
	CF	\$2,885,174	\$0	\$2,273,685	(\$57,886)	(\$57,886)
	RF	\$10,170	\$0	\$10,170	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	Total	\$3,230,501	\$0	\$3,366,581	(\$741,118)	(\$741,118)
	FTE	56.7	0.0	56.9	(9.0)	(9.0)
04. Division of Motor Vehicles, (C) Vehicle Services, (1) Vehicle Services - Personal Services	GF	\$483,164	\$0	\$502,180	\$0	\$0
	CF	\$2,747,337	\$0	\$2,864,401	(\$741,118)	(\$741,118)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	Total	\$467,892	\$0	\$460,557	(\$57,037)	(\$57,037)
	FTE	0.0	0.0	0.0	0.0	0.0
04. Division of Motor Vehicles, (C) Vehicle Services, (1) Vehicle Services - Operating Expenses	GF	\$26,157	\$0	\$26,157	\$0	\$0
	CF	\$441,735	\$0	\$434,400	(\$57,037)	(\$57,037)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data

Requires Legislation? NO

Type of Request?

Department of Revenue Prioritized
Request

Interagency Approval or
Related Schedule 13s:

No Other Agency Impact



Department Priority: R-11
DMV Training Team Re-Alignment

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	\$0	\$0	\$0
FTE	0.0	0.0	0.0
General Fund	\$0	\$0	\$0
Cash Funds	\$0	\$0	\$0
Reappropriated Funds	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0

Summary of Request:

The Department of Revenue (DOR) requests to consolidate the personal services appropriation within the Division of Motor Vehicles (DMV) for 8.0 FTE from the Driver Services section and 9.0 FTE from the Vehicle Services section into the DMV's administration personal services and operating lines for a total cash fund shift totaling \$1,544,696. This request will align the appropriation with the new management structure for the Training team necessitated by the implementation of the unified driver records database, the Colorado Driver License, Record, Identification and Vehicle Enterprise Solution (Colorado DRIVES) system. This request is a net-zero realignment of the current, existing appropriation.

Current Program:

The DMV Training team supports the State's, counties' and other external stakeholders' training needs, to provide up-to-date training for DRIVES, and other programmatic and systematic areas related to the overall DMV system. This function is outlined by 42-1- 211 (1) C.R.S. that requires the State to provide counties with support and training.

The implementation of the DRIVES vehicle services software solution exposed deficiencies in the centralized training team established in 2018. As part of the strategy to support the training needs of the

State and county end-users of DRIVES, the DMV consolidated all existing training staff from the Driver License, Titles, and Registration and Driver Control sections to support the training requirements of 42-1-211 (1) C.R.S. as a single functional unit. However, funding for these existing positions is currently appropriated across DMV sub-units. Currently, the DMV organizational structure has the training staff funded from the various business sections including Driver License, Titles, and Registration, and Driver Control.

Problem or Opportunity:

The current funding structure does not align with the DMV's operational structure, making it difficult to track and manage the personnel and operational expenditures of the Training team. This structure has impacted the DMV's ability to allocate resources to meet the statewide demand for training services as it has been difficult to accurately identify the budget resources specific to the Training team.

Proposed Solution:

DOR requests an ongoing consolidation of for the DMV training team funding within the administration section of the DMV. This request is a net-zero realignment of the current, existing ~~appropriation~~. This request will make DMV more efficient and effective at managing the budget available to the Training team, allowing the team to be more responsive to its customers and service delivery outcomes by implementing a cohesive annual budget plan that aligns with the DMV and DOR strategic plan around customer service.

Anticipated Outcomes:

This request provides the DMV the opportunity to put the Training team under one appropriation within the administrative unit of the DMV budget. This will improve the accuracy and efficiency of the DMV in administering the training program. Better-trained field staff and stakeholders will improve delivery of services statewide.

Assumptions and Calculations:

There are no additional FTE associated with this request. There is no additional equipment associated with this request.

Schedule 13

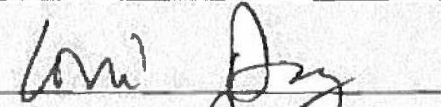
Department of Revenue

Funding Request for The FY 2020-21 Budget Cycle

Request Title

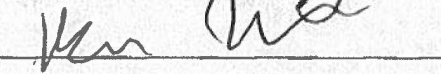
R-12 Lottery Appropriation Re-Alignment

Dept. Approval By:



Supplemental FY 2019-20

OSPB Approval By:



Budget Amendment FY 2020-21

X

Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$16,240,533	\$0	\$16,240,533	\$0	\$0
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$16,240,533	\$0	\$16,240,533	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$1,177,035	\$0	\$1,177,035	\$15,063,498	\$15,063,498
	FTE	0.0	0.0	0.0	0.0	0.0
06. State Lottery Division, (A) State Lottery Division, (1)	GF	\$0	\$0	\$0	\$0	\$0
State Lottery Division - Operating Expenses	CF	\$1,177,035	\$0	\$1,177,035	\$15,063,498	\$15,063,498
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$113,498	\$0	\$113,498	(\$113,498)	(\$113,498)
	FTE	0.0	0.0	0.0	0.0	0.0
06. State Lottery Division, (A) State Lottery Division, (1)	GF	\$0	\$0	\$0	\$0	\$0
State Lottery Division - Travel	CF	\$113,498	\$0	\$113,498	(\$113,498)	(\$113,498)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$14,700,000	\$0	\$14,700,000	(\$14,700,000)	(\$14,700,000)
	FTE	0.0	0.0	0.0	0.0	0.0
06. State Lottery Division, (A) State Lottery Division, (1)	GF	\$0	\$0	\$0	\$0	\$0
State Lottery Division - Marketing and Communications	CF	\$14,700,000	\$0	\$14,700,000	(\$14,700,000)	(\$14,700,000)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$250,000	\$0	\$250,000	(\$250,000)	(\$250,000)
	FTE	0.0	0.0	0.0	0.0	0.0
06. State Lottery Division, (A) State Lottery Division, (1)	GF	\$0	\$0	\$0	\$0	\$0
State Lottery Division - Research	CF	\$250,000	\$0	\$250,000	(\$250,000)	(\$250,000)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

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



Department Priority: R-12
Lottery Appropriation Re-Alignment

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	\$0	\$0	\$0
FTE	0.0	0.0	0.0
General Fund	\$0	\$0	\$0
Cash Funds	\$0	\$0	\$0
Reappropriated Funds	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0

Summary of Request:

The Department of Revenue requests an ongoing consolidation of the line item appropriations for the Operating Expenses, Travel, Marketing and Communications, and Research lines in the Long Bill into a single Operating Expenses appropriation within the State enterprise Lottery Division. This change will conform budgetary practices to departmental norms and allow the Lottery Division more flexibility in responding to market conditions, resulting in more efficient uses of resources. Greater efficiency will lead to greater revenues for lottery beneficiaries including Great Outdoors Colorado (GOCO), the Conservation Trust Fund (CTF), Colorado Parks and Wildlife (CPW), and Building Excellent Schools Today (BEST). This request is a net-zero consolidation of the current, existing appropriations.

Current Program:

The Colorado Lottery is an enterprise of the State that generates revenue through the sale of tickets at more than 3,200 retailers across the state that offer Jackpot games (Powerball, Lotto, Cash 5, Pick 3, Lucky for Life and MegaMillions) and approximately 45 scratch games. In FY 2017-18, the Lottery provided \$140.7 million in proceeds to its beneficiaries, which include Great Outdoors Colorado (GOCO), the Conservation Trust Fund (CTF), Colorado Parks and Wildlife (CPW), and Building Excellent Schools Today (BEST).

Currently, the Lottery has separate line items for Operating Expenses, Travel, Marketing and Communications and Research appropriated in the Long Bill. Jackpots have become increasingly large (FY 2015-16 included a \$1.5 billion Powerball jackpot and FY 2018-19 included a \$1.6 billion MegaMillions jackpot) and sales revenues have continued to increase year over year.

Currently the appropriations for these operational functions are as follows:

- Operating \$1,177,035
- Travel \$113,498
- Marketing \$14,700,000
- Research \$250,000

Problem or Opportunity:

Currently, the Lottery's budget structure leads to inefficiencies and is inconsistent with industry standards and the other divisions of DOR. The other divisions of DOR consolidate travel, marketing, and research into the other operating functions for the budget units. Consolidating these lines in the Long Bill will simplify the budget process and creates consistency with other divisions. This change will also reduce the administrative burden of the Division, increasing efficiencies within both the Division of Lottery and DOR more broadly.

Proposed Solution:

DOR requests consolidation of the Operating, Travel, Marketing, and Research operational appropriations at the Division of Lottery into a single operating appropriation of approximately \$16 million. This change will increase efficiencies and flexibility within the Lottery enterprise, resulting in larger lottery revenues to the other State beneficiaries.

Anticipated Outcomes:

By combining the Operating Expenses, Travel, Marketing and Communications, and Research appropriations into a single appropriation, the Lottery will be able to make the best use of operational spending authority. This, in turn, will maximize profitability and proceeds to beneficiaries. The budget process will be streamlined and consistent with industry best practices and the other divisions of DOR.

Assumptions and Calculations:

This request is a net-zero consolidation of the current, existing appropriations. There are no additional FTE or new funds associated with this request

Schedule 13

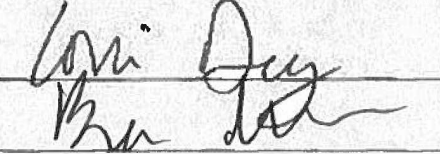
Department of Revenue

Funding Request for The FY 2020-21 Budget Cycle

Request Title

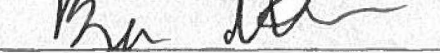
R-13 Departmental Staffing Realignment

Dept. Approval By:



Supplemental FY 2019-20

OSPB Approval By:



Budget Amendment FY 2020-21

X

Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$32,446,878	\$0	\$35,041,702	\$0	\$0
	FTE	370.0	0.0	376.6	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$24,561,738	\$0	\$26,339,962	\$0	\$0
	CF	\$2,473,937	\$0	\$2,499,531	\$0	\$0
	RF	\$5,411,203	\$0	\$6,202,209	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$10,522,055	\$0	\$12,677,418	\$395,472	\$395,472
	FTE	134.7	0.0	141.3	4.0	4.0
01. Executive Director's Office, (A)	GF	\$4,670,555	\$0	\$5,938,985	\$395,472	\$395,472
Administration and Support, (1)	CF	\$594,382	\$0	\$590,309	\$0	\$0
Administration and Support - Personal Services	RF	\$5,257,118	\$0	\$6,048,124	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$2,331,026	\$0	\$2,334,763	\$3,800	\$3,800
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A)	GF	\$1,604,461	\$0	\$1,615,814	\$3,800	\$3,800
Administration and Support, (1)	CF	\$726,564	\$0	\$718,939	\$0	\$0
Administration and Support - Operating Expenses	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2019-20	FY 2020-21	FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request Change Request Continuation
	Total	\$18,519,726	\$0	\$19,047,568 (\$395,472) (\$395,472)
	FTE	235.3	0.0	235.3 (4.0) (4.0)
03. Taxation Business	GF	\$17,236,846	\$0	\$17,727,396 (\$395,472) (\$395,472)
Group, (B) Taxation and	CF	\$1,128,795	\$0	\$1,166,087 \$0 \$0
Compliance Division, (1)	RF	\$154,085	\$0	\$154,085 \$0 \$0
Taxation and	FF	\$0	\$0	\$0 \$0 \$0
Compliance Division -				
Personal Services				

	Total	\$1,074,072	\$0	\$1,081,963 (\$3,800) (\$3,800)
	FTE	0.0	0.0	0.0 0.0 0.0
03. Taxation Business	GF	\$1,049,876	\$0	\$1,057,767 (\$3,800) (\$3,800)
Group, (B) Taxation and	CF	\$24,196	\$0	\$24,196 \$0 \$0
Compliance Division, (1)	RF	\$0	\$0	\$0 \$0 \$0
Taxation and	FF	\$0	\$0	\$0 \$0 \$0
Compliance Division -				
Operating Expenses				

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



November 1, 2019

Department Priority: R-13
Departmental Staffing Realignment

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	\$0	\$0	\$0
FTE	0.0	0.0	0.0
General Fund	\$0	\$0	\$0
Cash Funds	\$0	\$0	\$0
Reappropriated Funds	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0

Summary of Request:

The Department of Revenue (DOR) requests an ongoing reallocation of 4.0 FTE and the supporting funding from the Taxation Business Group to the Executive Director's Office (EDO). This request aligns the appropriation for these 4.0 FTE with the existing operational oversight of these positions. This request is a net-zero realignment of the current, existing appropriation.

Current Program:

DOR oversees the Division of Motor Vehicles, the Enforcement Division, the Colorado Lottery, and the Taxation Division. The Executive Director's Office (EDO) is tasked with providing adequate administrative support so that these programs run efficiently. Over the past several years, there have been an accumulation of new requirements for an increased social presence and new reporting requirements for which the EDO has complied. However, no additional resources have been provided to meet these increasing demands. The EDO has responded by utilizing efficiency-induced vacancies within the Tax and Audit Compliance section of the Taxation Business Group to provide the needed support.

Problem or Opportunity:

Oversight of these positions is provided by the EDO, but the funding and appropriations for these positions are tied to the Taxation Business Group (TAX). The requested change will provide greater transparency in DOR's funding and oversight by aligning the funding and oversight of these positions.

These increases in transparency will not result in any change in workload, inputs, or outputs.

Proposed Solution:

DOR requests a net-neutral offsetting appropriation to EDO from TAX. Specifically, DOR requests an appropriation of \$399,272 and 4.0 FTE to be added to EDO, along with an offsetting reduction of \$399,272 and 4.0 FTE from TAX from General Fund sources.

Anticipated Outcomes:

DOR will be able to more accurately communicate its structure and financial needs to the General Assembly and outside third parties if this measure is implemented. This request will also allow for better budgetary planning and administration within DOR as the budget structure will match operating realities.

Assumptions and Calculations:

The following offsetting budget changes are requested:

Line – Item	Amount (General Fund)
(1) EDO (A) Admin. & Support – Personal Services	\$395,472
(1) EDO (A) Admin. & Support – Personal Services	4.0 FTE
(1) EDO (A) Admin. & Support – Operating Expenses	\$3,800
(3) TBG (B) TAC – Personal Services	-\$395,472
(3) TBG (B) TAC – Personal Services	-4.0 FTE
(3) TBG (B) TAC – Operating Expenses	-\$3,800
Total	\$0

Centralized costs (such as those for leased space and employee benefits) are unchanged under this request, and will continue to be unchanged within the overall EDO budget. Because these positions are currently filled, there will be no General Fund pay shift impact from this proposal, nor any start-up costs that would cause operating expenses to vary from the first to second years of implementation. All appropriations start in FY 2019-20, and are ongoing thereafter.