

Colorado Department of State
Strategic Plan and Budget Request

FY 2006-07



Submitted November 15, 2005

Gigi Dennis
Secretary of State

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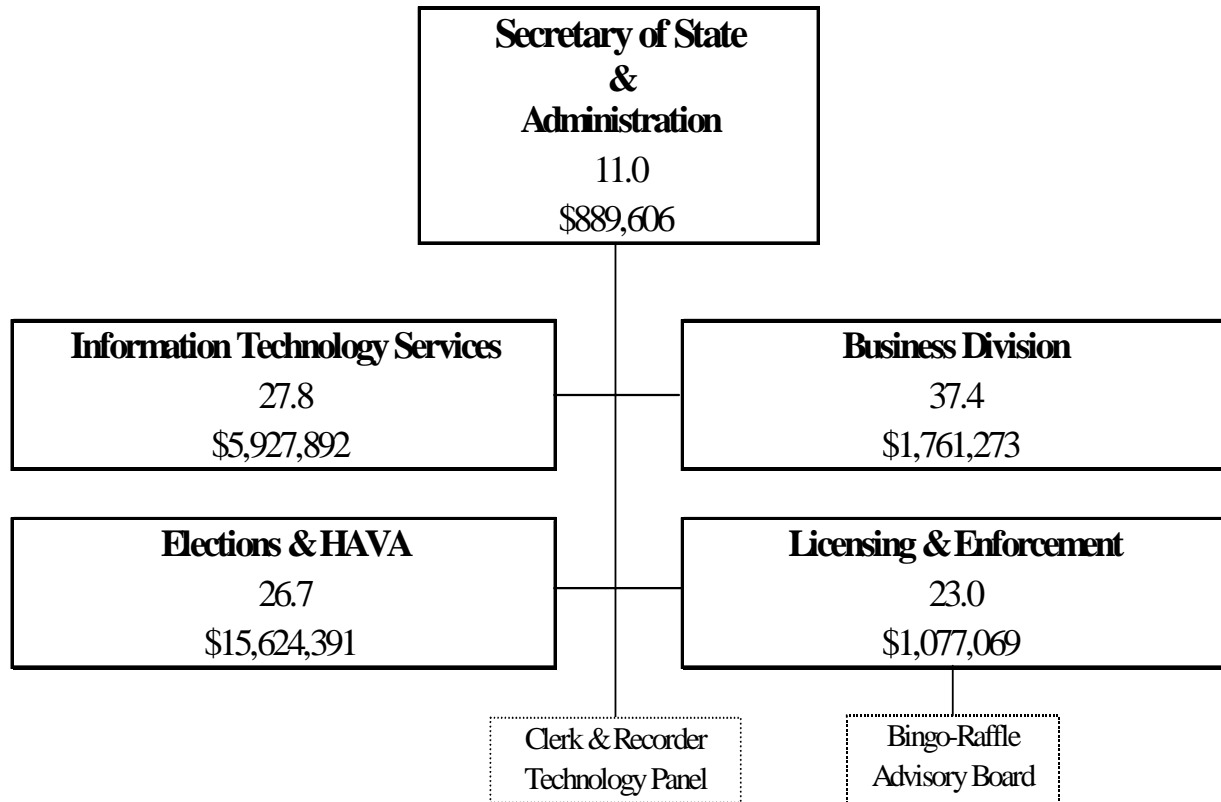
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COLORADO DEPARTMENT OF STATE

Organization Chart

FY 2005-06



Department of State Mission Statement

The mission of the Department of State is to serve the public by performing constitutional and statutory duties of collecting, securing, and communicating information, ensuring the integrity of elections, and enhancing commerce.

Department of State Vision Statement

The vision of the Department of State is to provide accurate and reliable information through improved services to our customers. The Department of State will use technology to increase access, reduce fees, and provide easier and faster service to the public.

**Schedule 2.A
Department Summary**

Department: State

	Actual FY 04		Actual FY 05		Appropriation FY 06		Estimate FY 06		Request FY 07	
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
<i>Administration</i>										
Total	\$ 6,174,175	85.6	\$ 5,911,174	\$ 87.1	\$ 6,544,682	84.2	\$ 6,454,764	84.2	\$ 6,520,268	84.3
GF										
CF	\$ 6,174,175	85.6	\$ 5,911,174	87.1	\$ 6,257,059	84.2	\$ 6,338,023	84.2	\$ 6,427,881	84.3
CFE					\$ 287,623		\$ 116,741		\$ 83,914	
FF									\$ 8,473	
<i>Special Purpose</i>										
Total	\$ 1,668,994		\$ 12,115,961		\$17,456,555	15.0	\$ 17,456,555	15.0	\$ 13,280,997	15.0
GF										
CF	\$ 867,600		\$ 2,995,389		\$ 2,545,389		\$ 2,995,389		\$ 2,995,389	
CFE	\$ 801,394		\$ 9,120,572		\$14,908,166	15.0	\$ 14,993,532	15.0	\$ 10,155,608	15.0
FF							\$ 178,050		\$ 130,000	
<i>Information Technology</i>										
Total	\$ 4,281,837	23.5	\$ 5,746,821	24	\$ 7,684,593	27.5	\$ 8,144,595	27.5	\$ 7,282,592	29.8
GF										
CF	\$ 4,281,837	23.5	\$ 5,746,821	24	\$ 7,677,033	27.5	\$ 8,137,035	27.5	\$ 7,271,750	29.8
CFE					\$ 7,560		\$ 7,560		\$ 10,842	
FF										
Department Total										
Total	\$12,125,006	109.1	\$ 23,773,956	111.1	\$31,685,830	126.7	\$ 32,055,914	126.7	\$ 27,083,857	129.1
GF										
CF	\$11,323,612	109.1	\$ 14,653,384	111.1	\$16,479,481	111.7	\$ 17,470,447	111.7	\$ 16,695,020	114.1
CFE	\$ 801,394		\$ 9,120,572		\$15,203,349	15.0	\$ 15,117,833	15.0	\$ 10,250,364	15.0
FF									\$ 138,473	

**Schedule 4
Source of Funding**

Department: State
Long Bill Group/Division: Administration, Special Purpose, Information Systems

Source of Revenue	Fund Number	Actual FY04	Actual FY05	Approp. FY06	Estimate FY06	Request FY07
Schedule 3 Total		\$ 12,125,551	\$ 18,643,009	\$ 31,561,568	\$ 32,766,330	\$ 27,083,857
GF						
CF		\$ 11,323,612	\$ 12,805,850	\$ 16,479,481	\$ 17,470,447	\$ 16,695,020
CFE			\$ 5,641,486	\$ 15,082,087	\$ 15,117,833	\$ 10,250,364
FF		\$ 801,939	\$ 195,673	\$ -	\$ 178,050	\$ 138,473
Fund Lists						
Cash Funds (List each)						
Dept of State - 24-21-104	200	\$ 11,144,094	\$ 12,350,183	\$ 14,530,354	\$ 15,521,320	\$ 14,663,172
Notary - 12-55-102.5	20N	\$ 161,269	\$ 266,633	\$ 449,127	\$ 449,127	\$ 531,848
Electronic Tech Fund 30-10-422	15N	\$ 18,249	\$ 189,034	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Cash Funds Exempt (HAVA)						
<i>CFE</i>	20P		\$ 5,641,486	\$ 15,082,087	\$ 15,117,833	\$ 10,250,364
<i>FF</i>	20P	\$ 801,939				\$ 8,473
Federal Funds (List each)						
<i>Grant 0303</i>	20P		\$ 178,308			
<i>Grant 0304</i>	20P		\$ 17,365		\$ 128,910	
<i>Grant 0305</i>	20P				\$ 49,140	\$ 130,000

Schedule 5					
Pot Summary Tables					
Health / Life / Dental	Total Funds	General Fund	Cash Funds	Cash Funds Exempt	Federal Funds
Actual FY 03-04 Expenditures from Pot					
Administration	151,066		151,066		
Information Services	57,228		57,228		
HAVA	9,051		-		9,051
Department Total FY 03-04	217,345	-	208,294	-	9,051
Actual FY 04-05 Expenditures from Pot					
Administration	275,836		275,836		
Information Services	58,947		58,947		
HAVA	23,800			23,800	
Department Total FY 04-05	358,583	-	334,783	23,800	-
Estimate FY 05-06 (Pot Allocations)					
Administration	262,994		262,994		
Information Services	71,951		71,951		
HAVA	50,927			50,927	
Department Estimate FY 05-06	385,872	-	334,945	50,927	-
Projected FY 06-07 (Pot Allocations)					
Administration	249,553		249,553		
Information Services	71,951		71,951		
HAVA	64,296			64,296	
Department Request FY 06-07	385,800	-	321,504	64,296	-

Schedule 5					
Pot Summary Tables					
Short Term Disability	Total Funds	General Fund	Cash Funds	Cash Funds Exempt	Federal Funds
Actual FY 03-04 Expenditures from Pot					
Administration	4,534		4,534		
Information Services	1,642		1,642		
HAVA	327		-	327	
Department Total FY 03-04	6,503	-	6,176	327	-
Actual FY 04-05 Expenditures from Pot					
Administration	6,995		6,995		
Information Services	2,154		2,154		
HAVA	812			812	
Department Total FY 04-05	9,961	-	9,149	812	-
Estimate FY 05-06 (Pot Allocations)					
Administration	6,258		6,258		
Information Services	2,445		2,445		
HAVA	1,307			1,307	
Department Estimate FY 05-06	10,010	-	8,703	1,307	-
Projected FY 06-07 (Pot Allocations)					
Administration	6,415		6,415		
Information Services	5,190		5,190		
HAVA	1,421			1,421	
Department Request FY 06-07	13,026	-	11,605	1,421	-

Schedule 5					
Pot Summary Tables					
Salary Survey	Total Funds	General Fund	Cash Funds	Cash Funds Exempt	Federal Funds
Actual FY 03-04 Expenditures from Pot					
Administration	114,749		114,749		
Information Services	49,360		49,360		
HAVA	-		-	-	
Department Total FY 03-04	164,109	-	164,109	-	-
Actual FY 04-05 Expenditures from Pot					
Administration	58,468		58,468		
Information Services	54,438		54,438		
HAVA	-		-	-	
Department Total FY 04-05	112,906	-	112,906	-	-
Estimate FY 05-06 (Pot Allocations)					
Administration	131,701		131,701		
Information Services	52,480		52,480		
HAVA	-		-	-	
Department Estimate FY 05-06	184,181	-	184,181	-	-
Projected FY 06-07 (Pot Allocations)					
Administration	-		-		
Information Services	-		-		
HAVA	-		-	-	
Department Request FY 06-07	-	-	-	-	-

**Schedule 7
Summary of Change Requests**

Department Name: State
 Submission Date: November 15, 2005
 Total Number of Decision Items: 1
 Total Number of Base Reduction Items: 1

Priority Number	IT Request	Title	Total	FTE	GF	CF	CFE	FF
1	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Master List Contract	162,247	1.0		162,247		
	<input type="checkbox"/> Yes <input type="checkbox"/> No							
	<input type="checkbox"/> Yes <input type="checkbox"/> No							
	<input type="checkbox"/> Yes <input type="checkbox"/> No							
	<input type="checkbox"/> Yes <input type="checkbox"/> No							
	<input type="checkbox"/> Yes <input type="checkbox"/> No							
	<input type="checkbox"/> Yes <input type="checkbox"/> No							
	<input type="checkbox"/> Yes <input type="checkbox"/> No							
Decision Item Subtotal			162,247	1.0		162,247		
1	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Leased Space	(38,525)	0.0		(38,525)		
	<input type="checkbox"/> Yes <input type="checkbox"/> No							
	<input type="checkbox"/> Yes <input type="checkbox"/> No							
	<input type="checkbox"/> Yes <input type="checkbox"/> No							
	<input type="checkbox"/> Yes <input type="checkbox"/> No							
	<input type="checkbox"/> Yes <input type="checkbox"/> No							
Base Reduction Item Subtotal			(38,525)	0.0		(38,525)		
TOTAL			123,722	1.0		123,722		

Schedule 11.A
Cash Fund Status for: Department of State - Fund 200
C.R.S. Citation: 24-21-104

Cash Fund Revenue and Expenditure Trend Information

	Actual FY 2003-04	Actual FY 2004-05	Estimate FY 2005-06	Request FY 2006-07	Projected FY 2007-08
Beginning Balance	\$7,212,099	\$7,193,087	\$4,725,285	\$2,167,981	
Exempt Revenue	\$339,113	\$45,000	\$100,000		
Non-Exempt Revenue	\$13,858,219	\$10,185,820	\$13,330,834		
Total Expenditures	\$12,483,266	\$12,403,622	\$15,498,815		
Ending Balance	\$7,193,087	\$5,020,285	\$2,557,304		
Ending Balance—Cash Assets	\$7,193,087	\$5,020,285	\$2,557,304		
Reserves Increase/Decrease	(\$19,012)	(\$2,172,802)	(\$2,167,981)	\$0	\$0

Fee Levels

Unless itemized here, this agency has had no fee increase in any year that follows a fee decrease.

Cash Fund Reserve Balance

	FY 2002-03	FY 2003-04	FY 2004-05
Uncommitted Fee Reserve Balance (total reserve balance minus exempt assets and previously appropriated funds; calculated based on % of revenue from fees)	\$7,212,099	\$7,193,088	\$5,020,286
Target/Alternative Fee Reserve Balance (amount set in statute or 16.5% of total expenses)	\$1,641,038	\$2,059,739	\$2,046,598
Excess Uncommitted Fee Reserve Balance			\$2,973,688

Statutory Deadline for Complying with the Target/Alternative Reserve Balance

Cash Fund Narrative Information

Purpose/Background of Fund	The Secretary of State determines & charges fee amounts for filing each body corporate and politic document, for filing each facsimile signature, each official certificate, administering each oath, and for all transcripts or copies of papers and records. (24-21-104(1)(a), C.R.S.)
Fee Sources	Business Entity Filings, Bingo/Raffle Fees and Fines, Campaign Finance Reporting
Non-Fee Sources	
Long Bill Groups Supported by Fund	Administration, Special Purpose and Information Technology Services
Statutory or Other Restriction on Use of Fund	24-21-104 C.R.S.
Revenue Drivers	Number of Filings, both paper and electronic
Expenditure Drivers	New Legislation, Personal Services, Operating, Legal Services, and Leased Space
Assessment of Potential for Compliance	The Secretary of State has taken action to reduce the excess Uncommitted Fee Reserve balance by offering discounted fees for customers that file and pay over the Internet.
Action	<input type="checkbox"/> Already in Compliance <input type="checkbox"/> Statute Change ¹ <input type="checkbox"/> Planned Fee Reduction ¹ <input type="checkbox"/> Planned One-time Expenditure(s) ¹ <input type="checkbox"/> Planned Ongoing Expenditure(s) ¹ <input checked="" type="checkbox"/> Waiver ²

1. If plan is needed to meet compliance deadline, attach Form 11.B.

2. If pursuing a waiver, attach Form 11.C.

Schedule 11.A
Cash Fund Status for: Notary Administration - Fund 20N
C.R.S. Citation: 12-55-102.5

Cash Fund Revenue and Expenditure Trend Information

	Actual FY 2003-04	Actual FY 2004-05	Estimate FY 2005-06	Request FY 2006-07	Projected FY 2007-08
Beginning Balance	\$255,525	\$525,889	\$650,882	\$510,660	
Exempt Revenue					
Non-Exempt Revenue	\$431,633	\$391,626	\$391,626		
Total Expenditures	\$161,269	\$266,633	\$531,848		
Ending Balance	\$525,889	\$650,882	\$510,660		
Ending Balance—Cash Assets	\$525,889	\$470,882	\$510,660		
Reserves Increase/Decrease	\$270,364	\$124,993	(\$140,222)	\$0	\$0

Fee Levels

Unless itemized here, this agency has had no fee increase in any year that follows a fee decrease.

Cash Fund Reserve Balance

	FY 2002-03	FY 2003-04	FY 2004-05
Uncommitted Fee Reserve Balance (total reserve balance minus exempt assets and previously appropriated funds; calculated based on % of revenue from fees)	\$255,525	\$525,889	\$650,882
Target/Alternative Fee Reserve Balance (amount set in statute or 16.5% of total expenses)	\$55,421	\$26,609	\$87,755
Excess Uncommitted Fee Reserve Balance			\$563,127
Statutory Deadline for Complying with the Target/Alternative Reserve Balance			

Cash Fund Narrative Information

Purpose/Background of Fund	The "General Assembly shall make annual appropriations from the Notary Administration cash fund for expenditures of the Secretary of State incurred in the performance of the Secretary of State's duties under this Article (Article 55, Notaries Public)" (12-55-102.5 (2) C.R.S.)
Fee Sources	Filing Fees
Non-Fee Sources	None
Long Bill Groups Supported by Fund	Administration and Information Technology
Statutory or Other Restriction on Use of Fund	None
Revenue Drivers	Number of Files (walk in or mail in), future electronic notary filings.
Expenditure Drivers	Expenditures are driven by two relatively consistent costs, personal services and operating costs.
Assessment of Potential for Compliance	
Action	<input type="checkbox"/> Already in Compliance <input type="checkbox"/> Statute Change ¹ <input type="checkbox"/> Planned Fee Reduction ¹ <input type="checkbox"/> Planned One-time Expenditure(s) ¹ <input type="checkbox"/> Planned Ongoing Expenditure(s) ¹ <input checked="" type="checkbox"/> Waiver ²

1. If plan is needed to meet compliance deadline, attach Form 11.B.

2. If pursuing a waiver, attach Form 11.C.

Schedule 11.A
Cash Fund Status for: Electronic Technology Filing - Fund 15N
C.R.S. Citation: 30-10-422

Cash Fund Revenue and Expenditure Trend Information

	Actual FY 2003-04	Actual FY 2004-05	Estimate FY 2005-06	Request FY 2006-07	Projected FY 2007-08
Beginning Balance	\$895,274	\$2,055,406	\$2,038,962	\$588,962	
Exempt Revenue					
Non-Exempt Revenue	\$1,178,381	\$172,590	\$50,000		
Total Expenditures	\$18,249	\$189,034	\$1,500,000		
Ending Balance	\$2,055,406	\$2,038,962	\$588,962		
Ending Balance—Cash Assets	\$2,055,406	\$2,038,962	\$588,962		
Reserves Increase/Decrease	\$1,160,132	(\$16,444)	(\$1,450,000)	\$0	\$0

Fee Levels

Unless itemized here, this agency has had no fee increase in any year that follows a fee decrease.

Cash Fund Reserve Balance

	FY 2002-03	FY 2003-04	FY 2004-05
Uncommitted Fee Reserve Balance (total reserve balance minus exempt assets and previously appropriated funds; calculated based on % of revenue from fees)	\$895,274	\$2,055,406	\$2,038,962
Target/Alternative Fee Reserve Balance (amount set in statute or 16.5% of total expenses)	\$85,938	\$208	\$3,011
Excess Uncommitted Fee Reserve Balance			\$2,035,951
Statutory Deadline for Complying with the Target/Alternative Reserve Balance			

Cash Fund Narrative Information

Purpose/Background of Fund	The Electronic Filing Technology Fund Advisory Panel was created by House Bill 02-1119 to assist counties with the implementation of electronic recording of real estate documents. The monies in this fund shall be used by counties who otherwise lack sufficient resources to purchase technologies necessary to implement electronic recording or upgrade their core recording systems. The County Clerk and Recorder Electronic Filing Technology Fund Advisory Panel is responsible for issuing grants to counties who apply for funding. The requirements for applying for funds and for grant approval have been defined by the Advisory Panel.
Fee Sources	Surcharge of \$1.00 for each document received from recording or filing in a county office.
Non-Fee Sources	None.
Long Bill Groups Supported by Fund	Electronic Technology Grants to Counties.
Statutory or Other Restriction on Use of Fund	None.
Revenue Drivers	Number of filing of deeds, etc., at the county.
Expenditure Drivers	Expenditures are made when a county's grant is approved. In addition, funds are used for panel members for direct costs and travel directly affecting administration of the Technology Fund.
Assessment of Potential for Compliance	
Action	<input type="checkbox"/> Already in Compliance <input type="checkbox"/> Statute Change ¹ <input type="checkbox"/> Planned Fee Reduction ¹ <input type="checkbox"/> Planned One-time Expenditure(s) ¹ <input type="checkbox"/> Planned Ongoing Expenditure(s) ¹ <input type="checkbox"/> Waiver

1. If plan is needed to meet compliance deadline, attach Form 11.B.

2. If pursuing a waiver, attach Form 11.C.

Schedule 11.A					
Cash Fund Status for: HAVA - Federal Election Assistance Fund - Fund 20P					
C.R.S. Citation: 1-1.5-101 et sec., 1 C.R.S (2004)					
Cash Fund Revenue and Expenditure Trend Information					
	Actual FY 2003-04	Actual FY 2004-05	Estimate FY 2005-06	Request FY 2006-07	Projected FY 2007-08
Beginning Balance	\$7,037,396	\$42,456,662	\$38,018,705	\$24,242,555	\$14,574,688
Exempt Revenue	\$36,177,188	\$1,353,901	\$1,323,432	\$617,741	
Non-Exempt Revenue	\$43,471	\$45,301	\$12,000	\$0	
Total Expenditures	\$801,393	\$5,837,159	\$15,111,582	\$10,285,608	
Ending Balance	\$42,456,662	\$38,018,705	\$24,242,555	\$14,574,688	
Ending Balance—Cash Assets	\$42,456,662	\$38,018,705	\$24,242,555	\$14,574,688	
Reserves Increase/Decrease	\$35,419,266	(\$4,437,957)	(\$13,776,150)	(\$9,667,867)	\$0
Fee Levels					
Unless itemized here, this agency has had no fee increase in any year that follows a fee decrease.					
Cash Fund Reserve Balance					
	FY 2002-03	FY 2003-04	FY 2004-05		
Uncommitted Fee Reserve Balance (total reserve balance minus exempt assets and previously appropriated funds; calculated based on % of revenue from fees)	NA	NA	NA		
Target/Alternative Fee Reserve Balance (amount set in statute or 16.5% of total expenses)	NA	NA	NA		
Excess Uncommitted Fee Reserve Balance					
Statutory Deadline for Complying with the Target/Alternative Reserve Balance					
Cash Fund Narrative Information					
Purpose/Background of Fund	The Federal Elections Assistance Fund was created in HB03-1356 in response to the federal Help America Vote Act (HAVA) - PL 107-252. These laws were enacted to improve the administration of elections by replacing old voting systems; establishing standards for administration of elections; create a centralized statewide voter registration system; improve accessibility to voting for the disabled community.				
Fee Sources	NA				
Non-Fee Sources	Sources are federal funds; interest on federal funds; state cash match funds; interest on state cash match; federal grants; possible funds from counties.				
Long Bill Groups Supported by Fund					
Statutory or Other Restriction on Use of Fund	1-1.5-106(1)(a), 1 C.R.S. (2004) creates the federal elections assistance fund; it consists of all funds received by the state pursuant to the purpose indicated above. It further states that "all moneys in the fund are continuously appropriated to the department for the proper administration, implementation, and enforcement of HAVA in accordance with the requirements of this article, and that all moneys in the fund at the end of each fiscal year shall be retained in the fund and shall not revert to the general fund or any other fund."				
Revenue Drivers	Since all moneys in this fund earn interest, the amount of revenues attributed to interest vary, depending on the interest rate as well as the rate of expenditures. Non-exempt funds are the state match plus interest earned on the match; exempt funds are carryover federal funds and interest on those funds. Additional federal HAVA moneys are not expected; however, Congress could allocate additional funds to the state at any time. After FY05 the only revenue expected is interest on unspent funds, accessibility grants, and possibly funds from counties.				
Expenditure Drivers	There are routine, general operating and personal services expenditures related to administering HAVA activities as well as large expenditures for projects: a statewide voter registration system, the purchase of accessible voting equipment, and the replacement of punch/lever voting equipment in the counties. The rate of expenditures for the projects vary according to the phase of the project.				
Assessment of Potential for Compliance					
Action	<input type="checkbox"/> Already in Compliance <input type="checkbox"/> Statute Change ¹ <input type="checkbox"/> Planned Fee Reduction ¹ <input type="checkbox"/> Planned One-time Expenditure(s) ² <input checked="" type="checkbox"/> Planned Ongoing Expenditure(s) ² <input type="checkbox"/> Waiver				
1. If plan is needed to meet compliance deadline, attach Form 11.B.					
2. If pursuing a waiver, attach Form 11.C.					

Schedule 11.B		Compliance
Plan for: Department of State - 200		
C.R.S. Citation	24-21-104 & 24-21-104.50	
Action	Waiver Request	
Plan Description	<p>The Department of State has reduced fund balance in each of the last two fiscal years. The Department plans to monitor filings closely and initiate a temporary fee reduction to reduce revenues collected during FY06, as it did in FY05. The FY06 Long Bill included Information Technology funding to establish and staff a Disaster Recovery Center, which will initially be funded by the cash fund and dramatically reduce the excess reserves. This was spurred by the "zinc whiskers" incident, which highlighted the lack of secure, offsite storage facilities for critical statewide information systems, data, and equipment.</p>	
Assumptions and Calculations	See Attached Schedule 11C	

Schedule 11.B		Compliance
Plan for: Notary Administration - 20N		
C.R.S. Citation	12-55-102.5	
Action	Waiver Request	
Plan Description	The Secretary of State is requesting a waiver in accordance with SB 98-194. The Electronic Notary initiative will increase expenses to the fund beyond routine operations. The Department is also examining other options to eliminate some fees and temporarily reducing fee levels to impact excess reserves.	
Assumptions and Calculations	See Attached Schedule 11C	

SCHEDULE 11.C

S.B. 98-194 Waiver Request

Department	<i>Secretary of State</i>	Fund Name/ COFRS#	<i>Department of State Cash Fund 200</i>
Program(s) Funded by the Cash Fund	<i>Administration, Business Entities, Elections, Information Technology, and portions of Licensing</i>	C.R.S. Citation	24-21-104

**Funding Information for Line Items Supported by the Cash Fund
(all funding sources)
FY 2005-06 Appropriation**

Division/Long Bill Line Items Supported by the Cash Fund	Total	FTE	CF for the Fund in this Schedule	Other CF	CFE for the Fund in this Schedule	Other CFE	FF
<i>Total of all Lines</i>	14,984,233	113.7	14,535,106	449,127	287,623	0	0
<i>Line Item</i>							
Personal Services	4,044,651	84.2	3,922,655	121,996	90,000		
HLD	292,071		283,261	8,810	42,874		
STD	7,456		7,231	225	1,247		
Ammortizationn Equalization Payment	12,030		11,667	363	2,121		
Executive Services	156,660		151,935	4,725	27,521		
Workers Comp	7,190		6,973	217	931		
Operating Expense	563,040		546,057	16,983	23,702		
Legal Services	111,617		108,250	3,367	10,000		
Adm Law Judges	69,506		67,410	2,096			
GGCC	1,166		1,131	35			
MNT	55,911		54,225	1,686			
Risk Management	21,745		21,089	656	441		
Vehicle Lease	1,680		1,629	51			
Lease Space	792,447		768,545	23,902	88,050		
Indirect Costs	114,890		111,425	3,465	736		
Discretionary Fund	5,000		4,849	151			
<i>Special Purpose</i>							
County clerk reimb	0						
Local Elections	915,389		915,389				
Initiative & Referendum	50,000		50,000				
Master List	80,000		80,000				
<i>Information Technology</i>							
Personal Services	3,230,446	29.5	3,120,939	109,507			
Operating Expense	2,681,492		2,590,594	90,898			
Hdwe/Sftwe Maint	967,228		934,441	32,787			
Asset Management	802,618		775,411	27,207			

Cash Fund Reserve Information in Current Year

Amount of Excess Reserve as of 7/1/05	Deadline for Compliance
\$2,973,688	June 30, 2006

Cash Fund Reserve Information on Date of Compliance	
Estimated Cash Fund Target Reserve on the Compliance Date	Estimated Amount of Excess Reserve on the Compliance Date
\$2,046,598	\$0
Cash Fund Reserve Information at End of Waiver Period	
Estimated Amount of Uncommitted Reserve to be Waived	Estimated Cash Fund Reserve at End of Waiver Period
\$2,973,688	\$2,046,598
Waiver	
Justification for Waiver	<p>The Secretary of State is requesting this waiver in order to accommodate the use of fund balance monies in the event that the projected expenditures for the disaster recovery center cannot be funded from the current year's revenue collections. This is likely, in that, the Secretary is planning fee reductions as well, in order to come into compliance with Senate Bill 98-194.</p> <p>According to CRS 24-21-104.5 if there are not sufficient resources in the Department of State Cash fund then the General Assembly may appropriate money from the General Fund. The Department of State Cash fund would have sufficient funds for this expenditure if the waiver is granted and the General Assembly would not have to consider funding from the General Fund.</p>
Beginning Date	July 1, 2005
Ending Date	June 30, 2006
Plan	Attach Schedule 11.B

SCHEDULE 11.C

S.B. 98-194 Waiver Request

Department	<i>Secretary of State</i>	Fund Name/ COFRS#	<i>Notary Administration Cash Fund 20N</i>
Program(s) Funded by the Cash Fund	<i>Administration and Information Technology</i>	C.R.S. Citation	<i>12-55-102.5</i>

**Funding Information for Line Items Supported by the Cash Fund
(all funding sources)
FY 2005-06 Appropriation**

Division/Long Bill Line Items Supported by the Cash Fund	Total	FTE	CF for the Fund in this Schedule	Other CF	CFE for the Fund in this Schedule	Other CFE	FF
<i>Total of all Lines</i>	14,984,233	113.7	449,127	14,535,106	287,623	0	0
<i>Line Item</i>							
Personal Services	4,044,651	84.2	121,996	3,922,655	90,000		
HLD	292,071		8,810	283,261	42,874		
STD	7,456		225	7231	1,247		
Ammortizationn Equalization Payment	12,030		363	11,667	2,121		
Executive Services	156,660		4,725	151,935	27,521		
Workers Comp	7,190		217	6973	931		
Operating Expense	563,040		16,983	546,057	23,702		
Legal Services	111,617		3,367	108,250	10,000		
Adm Law Judges	69,506		2,096	67,410			
GGCC	1,166		35	1131			
MNT	55,911		1,686	54,225			
Risk Management	21,745		656	21089	441		
Vehicle Lease	1,680		51	1,629			
Lease Space	792,447		23,902	768,545	88,050		
Indirect Costs	114,890		3,465	111,425	736		
Discretionary Fund	5,000		151	4,849			
<i>Special Purpose</i>							
County clerk reimb	0						
Local Elections	915,389			915,389			
Initiative & Referendum	50,000			50,000			
Master List	80,000			80,000			
<i>Information Technology</i>							
Personal Services	3,230,446	29.5	109,507	3,120,939			
Operating Expense	2,681,492		90,898	2,590,594			
Hdwe/Sftwe Maint	967,228		32,787	934,441			
Asset Management	802,618		27,207	775,411			

Cash Fund Reserve Information in Current Year

Amount of Excess Reserve as of 7/1/05	Deadline for Compliance
\$563,127	June 30, 2006

Cash Fund Reserve Information on Date of Compliance	
Estimated Cash Fund Target Reserve on the Compliance Date	Estimated Amount of Excess Reserve on the Compliance Date
\$87,755	\$0
Cash Fund Reserve Information at End of Waiver Period	
Estimated Amount of Uncommitted Reserve to be Waived	Estimated Cash Fund Reserve at End of Waiver Period
\$563,127	\$0
Waiver	
Justification for Waiver	The Secretary of State is requesting this waiver in accordance with SB 98-194. The Department is considering the feasibility of eliminating certain fees and/or temporarily reducing fee amounts.
Beginning Date	July 1, 2005
Ending Date	June 30, 2006
Plan	Attach Schedule 11.B

DECISION ITEM REQUEST FOR FY 2006-07

TITLE: **Compilation & Distribution of Master List**

DIVISION: Information Systems & Business Divisions

PROGRAM: Effective Financing Statements

PRIORITY NUMBER: 1 OF 1

FEDERAL AND STATE STATUTORY AND CONSTITUTIONAL AUTHORITY: Federal "Food Security Act of 1985", P.L. 99-198 and SECTION 4-9.5-104, ET SEQ., C.R.S.

PART I: Total Fund Request – Schedule 6

EXECUTIVE DIRECTOR'S OFFICE		PRIOR YEAR ACTUAL FY 2004-05	Appn FY 2005-06	BASE REQUEST FY 2006-07	DECISION ITEM REQUEST FY 2006-07	TOTAL REVISED REQUEST	OUT YEAR FY 2007-08
ALL LINES	Total	\$ 7,591,114	\$10,716,139	\$ 10,632,972	\$ 162,247	\$ 10,795,219	\$ 40,078
	GF						
	CF	\$ 7,591,114	\$ 10,594,877	\$ 10,542,130	\$ 162,247	\$ 10,704,377	\$ 40,078
	CFE		\$ 121,262	\$ 90,842		\$ 90,842	
	FTE		113.7	113.3	1.0	114.3	1.0
PERSONAL SERVICES (ADMIN)	TOTAL	\$ 4,191,266	\$ 4,134,650	\$ 4,147,905	\$ 30,200	\$ 4,178,105	\$ 30,200
	GF						
	CF	\$ 4,191,266	\$ 4,044,650	\$ 4,072,905	\$ 30,200	\$ 4,103,105	\$ 30,200
	CFE		\$ 90,000	\$ 75,000		\$ 75,000	
	FTE	81.2	84.2	83.5	.80	84.3	.80
OPERATING	TOTAL	\$ 448,792	\$ 586,742	\$ 662,018	\$ 2,000	\$ 664,018	\$ 2,000
	GF						
	CF	\$ 448,792	\$ 563,040	\$ 657,018	\$ 2,000	\$ 659,018	\$ 2,000
	CFE		\$ 23,702	\$ 5,000		\$ 5,000	
PERSONAL SERVICES (INFO TECH)	TOTAL	\$ 2,348,914	\$ 3,225,695	\$ 4,542,792	\$ 127,649	\$ 4,670,441	\$ 6,049
	GF						
	CF	\$ 2,348,914	\$ 3,225,695	\$ 4,542,792	\$ 127,649	\$ 4,670,441	\$ 6,049
	CFE						
	FTE	22.3	29.5	29.8	.20	30	.20
OPERATING	TOTAL	\$ 543,777	\$ 2,689,052	\$ 1,200,257	\$ 2,398	\$ 1,202,655	\$ 1,829
	GF						
	CF	\$ 543,777	\$ 2,681,492	\$ 1,189,415	\$ 2,398	\$ 1,191,813	\$ 1,829
	CFE		\$ 7,560	\$ 10,842		\$ 10,842	
MASTER LIST CONTRACT	TOTAL	\$ 58,365	\$ 80,000	\$ 80,000		\$ 80,000	
	GF						
	CF	\$ 58,365	\$ 80,000	\$ 80,000		\$ 80,000	
	CFE						

Part II: Efficiency & Effectiveness Analysis

Problem Description:

Pursuant to Colorado's Central Filing of Effective Financing Statement Act, article 9.5 of title 4, C.R.S. (the "Act") which deals with security interests in farm products, the Secretary of State is responsible for performance of all duties under the Act including the filing of effective financing statements, registration of purchasers of farm products, the compilation, production and distribution of "master lists" as requested by such purchasers and performance of related duties.

Currently, the Secretary of State performs all of these duties within the Colorado Department of State ("CDOS") with the exception that it accomplishes the compilation and distribution of lists through a vendor under contract with CDOS. Contracting with vendors for such services dates back ten years. The current contract, made in 2002, has been extended by renewal through June 30, 2006 when, unless extended, it will expire. CDOS has an option to renew the contract for a final year through June 30, 2007. If CDOS exercises its option to renew, the last month with respect to which the current vendor will compile the required master lists is May, 2007 which it will distribute in June, 2007. If CDOS does not exercise the option, the last month with respect to which the current vendor will compile the required master lists is May, 2006 which it will distribute in June, 2006.

In either case, the Secretary of State is mandated by statute to arrange for such compilation and distribution following the termination of the vendor's performance. A failure to distribute master lists as contemplated by the Act would cause incalculable damages and disruption to agricultural lenders, producers and purchasers of farm products, not to mention constituting a default of Colorado's duties under the federal Food Security Act of 1985. CDOS could continue the use of a vendor to perform these compilation/distribution duties or, alternatively, perform them itself. Based on its many years of experience, CDOS has determined that accomplishing these duties by using a contractor introduces risks and inefficiencies that negatively impact program performance and customer satisfaction. CDOS is satisfied that these negatives can be avoided were these duties performed directly by Colorado Department of State along with the remaining duties currently being performed by CDOS.

As the expiration of the contract approaches (whether it is renewed for a further one year period or not), CDOS has identified the following problems and is concerned for the following reasons:

- The software application used by the vendor was developed approximately ten years ago and the source code has not been maintained satisfactorily. The current vendor has indicated that it is reluctant to make changes or otherwise "tinker" with this very old computer code because of lack of knowledge regarding the underlying programming.
- If CDOS engages another vendor, CDOS will necessarily require the vendor to write a new computer program to accomplish the compilation process that CDOS will understand thoroughly and that will be compatible with CDOS's current computer systems.

- Finding competitive vendors to bid on replacing the existing vendor will likely be difficult. Extensive time and effort will be required to orient any new vendor with CDOS's database and processes. Such new vendor will need time to develop the required list compilation program that complies with statutory requirements. Time constraints may limit the number of bidders and will likely drive costs up and software quality down.
- Costs are likely to increase significantly if CDOS begins another bidding and contracting process to find a qualified vendor for the reason that the cost per year being paid currently reflects a price negotiated over four years ago.
- The current master list database and compilation process is problematic, requires attention and produces numerous complaints regarding the information that currently appears on master lists.

Master List: Historical Background and Process Description

The history of the Act is closely associated with Colorado's Uniform Commercial Code, Article 9, Secured Transactions of Colorado's Uniform Commercial Code. So also are the processes and programs that have been developed in order to administer these commercial statutes. The Secretary of State was designated as the Central Filing Officer under Article 9 effective January 1, 2000 by SB99-065. This act recognized the infirmities of the de-centralized "file anything anywhere" Uniform Commercial Code system and re-centralized Article 9 filing of financing statements in the Secretary of State's Office. For a complete description of the background to these developments, please refer to the article on the Secretary of State's Web site which may be accessed at <http://www.sos.state.co.us/pubs/business/pdf/cis7-30-02.pdf>.

The Act has its genesis in the federal Food Security Act of 1985, passed by Congress in 1985. This federal act created a "central filing system" for filing notices of the financing statements pursuant to the Uniform Commercial Code that described farm products on a statewide basis.¹ These notices, unfortunately called "effective financing statements" ("EFS"), were to be filed with the Secretary of State who would then mail compiled lists (the "master lists") of notifications to registered buyers of farm products.² By filing the EFS, the secured party ensured that its name would be on master lists and the purchaser of the secured party's farm product collateral was then obligated to make the secured party a payee on the check given to the seller in payment of the farm products so purchased.

The Secretary of State manages registration of purchasers of farm products who which to subscribe for master lists, files EFSs, creates a database of the information contained in each EFS and monthly delivers the data to its contractor. The contractor then uses its computer program to compile the various master lists that have been requested and produces individual lists on CDs. The compilation and production of the master lists is completed shortly after the receipt of the

¹ P.L. 99-198, Act of December 3, 1985, § 1324(a) (1985).

² Subsequent rules and regulations promulgated by the Packers and Stockyards Administration allowed for the filing of effective financing statements and the master lists to be done by either the "Secretary of State or other person designated by a State to operate a system", 9 CFR Part 205, Federal Register, Vol 51, No. 61, March 31, 1986.

data from the Secretary of State and distributes the master lists to the registered purchasers by the 15th day of each month.

The computer program in use by the current vendor of master list compilation, production and distribution services was developed over ten years ago (using computer languages and methods now likely obsolete) by persons no longer available to the current vendor. This situation has placed the current vendor, and consequently the Secretary of State's Office, in the difficult position of relying on computer code that is largely unknown to the vendor and to the Secretary of State's Office. It is problematic for the Secretary of State's Office to have full confidence that the computer programming is executing business rules that correctly administer the provisions of the Act and cause the correct information to be included on (or deleted from) master lists. Clearly, this predicament requires attention.

Risk Description:

The Colorado Secretary of State is mandated by the Act to compile and distribute master lists to purchasers of farm products who request such lists. Failure to perform this duty is not an option. As demonstrated below, some of the alternatives carry risks greater than others and are less desirable.

Available Alternatives:

- Alternative #1. Do not exercise the option to renew the last year (FY 2006-2007) of the contract with the current vendor and seek a new vendor. A Request for Bid ("RFB") will be issued to solicit bids from vendors who are interested in performing the compilation, production and distribution necessary to create the master list for the period beginning July, 2006. This alternative would require CDOS immediately to begin the RFB process. CDOS has no means to predict how many proposals will be received that meet the RFB requirements or estimate the range of proposed contract prices. Due to inflation, the contract price is highly likely to exceed the current contract price. Extensive time and effort will be required to orient the new vendor with the master list requirements and the functions of CDOS's database in time for the vendor to produce the master list in July, 2006. If any part of the RFB process or the orientation of the vendor with CDOS's system is delayed, the Secretary of State/CDOS will not be in compliance with its statutory mandate to distribute the master list.
- Alternative #2. Exercise the option to renew the last year (FY 2006-2007) of the contract with the current vendor and seek a new vendor to produce the master list. CDOS would begin the RFB process in time to select a vendor who would begin performing the master list duties in July, 2007. Again, CDOS has no means to predict how many proposals will be received that meet the RFB requirements or estimate the range of proposed contract prices. Due to inflation, the contract price is highly likely to exceed the current contract price. Extensive time and effort will be required to orient the new vendor with the master list requirements and the functions of CDOS's database.

- Alternative #3. Exercise the option to renew the last year (FY 2006-2007) of the contract with the current vendor; thereafter, CDOS will compile, produce and distribute the master list itself. CDOS will not have to undertake a RFB process, freeing those resources for other tasks. As CDOS is already familiar with its database and the statutory requirements for the master list, no orientation issues exist. The cost for CDOS to create the master list is known, thereby eliminating any unexpected costs that may arise when contracting with a vendor. Eliminating a vendor streamlines the process and avoids inefficiencies, miscommunications and other risks (slow response to software issues, etc.). Software developed by CDOS will, by definition, be compatible with the balance of CDOS's IT infrastructure.

COST EFFECTIVENESS ANALYSIS

ALTERNATIVE	FY 05 – 06 COST	FY 06 – 07 COST	FY 07 – 08 COST	FY 08 – 09 COST	TOTAL COST
#1 RFB to solicit new contractor	\$80,000	\$160,000	\$160,000	\$160,000	\$560,000
#2 Renew existing contract, RFB to solicit new contractor for period commencing 2007-08	\$80,000	\$80,000	\$160,000	\$160,000	\$480,000
#3 Renew existing contract. CDOS to produce, compile and distribute master list beginning 2007-08	\$80,000	\$242,247	\$40,647	\$40,647	\$403,541

The assumptions for the foregoing costs for each alternative and a description of each alternative's functionality are:

- #1. This alternative proposes the pursuit of a Request for Bid (RFB) to select a new vendor for production and distribution of the master list for the FY 2006-07. Costs are based on the 2002 contract price, inflationary considerations and anticipated vendor's start-up costs.
- #2. This alternative proposes use of the existing vendor for FY 2006-07. RFB process would begin in early FY 2006-07 for selection of a new vendor for production of the master list for FY 2007-08. Costs are based on the 2002 contract price, inflationary considerations and anticipated vendor's start-up costs.

- #3. This alternative proposes renewal of the contract with current vendor for one final year (FY 2006-07). During that year, CDOS would build a system to compile, produce and distribute the master list as required by statute. Programming would start in early FY 2006-07 with testing and deployment on July 1, 2007.

Detailed assumptions regarding alternative #3 are:

Assumptions – Subscriber Interface:

One-time effort not requiring significant future support.

Project Management will be provided by current CDOS Full Time Employee (FTE).

We assume that the current contractor will provide the current subscriber list.

We assume that the current contractor is not managing the list in a way that we would choose to continue.

We assume that work would begin on or about July 2006, to be completed by December 2006; this will allow time for a smooth transition from the current contractor to the Department.

Assumptions - Compilation:

One-time effort not requiring significant future support.

Project Management will be provided by current CDOS FTE.

We assume that work would begin on or about July 2006, to be completed by December 2006; this will allow time for a smooth transition from the current contractor to the Department.

Assumptions - Distribution:

Monthly distribution of full and partial lists to subscribers.

All current subscribers and any future subscribers will choose to receive the list v via CD-ROM.

Mailing costs will be borne by the Business Division.

Subscriber support/ help desk services will be provided by the Business Division.

Recommendation:

CDOS recommends alternative #3. The Secretary of State is convinced that the long-term benefits and costs associated with this alternative greatly outweigh the others.

Part III: Key Issues for Decision Making

Alternative #3 is clearly preferable to the others based on cost alone.

CALCULATIONS:

Table below shows the costs associated with each alternative over a five-year period.

COST OVER FIVE YEAR PERIOD	
FY 2006-07 through FY 2010-11	
ALTERNATIVE #1	\$800,000 ³
ALTERNATIVE #2	\$720,000 ⁴
ALTERNATIVE #3	\$404,835

Alternative Funding Tables:

The following tables below illustrate the 3 year cost of each alternative. It is important to note that several of the alternatives have recurring costs that are reflected in the final column.

DETAIL OF FUND REQUEST FOR ALTERNATIVE #1							
EXECUTIVE DIRECTOR'S OFFICE		PRIOR YEAR ACTUAL FY 2004-05	Appn FY 2005-06	BASE REQUEST FY 2006-07	DECISION ITEM REQUEST FY 2006-07	TOTAL REVISED REQUEST	OUT YEAR FY 2007-08
Master List Contract		\$80,000	\$80,000	\$80,000	\$160,000	\$240,000	\$160,000
total		\$80,000	\$80,000	\$80,000	\$160,000	\$240,000	\$160,000

DETAIL OF FUND REQUEST FOR ALTERNATIVE #2							
EXECUTIVE DIRECTOR'S OFFICE		PRIOR YEAR ACTUAL FY 2004-05	Appn FY 2005-06	BASE REQUEST FY 2006-07	DECISION ITEM REQUEST FY 2006-07	TOTAL REVISED REQUEST	OUT YEAR FY 2007-08
Master List Contract		\$80,000	\$80,000	\$80,000	\$160,000	\$240,000	\$160,000
total		\$80,000	\$80,000	\$80,000	\$160,000	\$240,000	\$160,000

DETAIL OF FUND REQUEST FOR ALTERNATIVE #3

³ Assuming minimum cost of \$160,000 per year from the RFB process.

⁴ Assuming \$80,000 from final year of contract (2006-07) and \$160,000 thereafter from RFB process

EXECUTIVE DIRECTOR'S OFFICE		PRIOR YEAR ACTUAL FY 2004-05	Appn FY 2005-06	BASE REQUEST FY 2006-07	DECISION ITEM REQUEST FY 2006-07	TOTAL REVISED REQUEST	OUT YEAR FY 2007-08
Contract Programming					\$121,600	\$121,600	0
Personal Services IT (0.15 FTE)					\$6,049	\$6,049	\$6,049
Operating – IT					\$1,829	\$1,829	\$1,829
Capital Outlay IT					\$569	\$569	\$569
Personal Services Business (0.80 FTE)					\$30,200	\$30,200	\$30,200
Operating - Business					\$2000	\$2000	\$2000
Master List Contract		\$80,000	\$80,000	\$80,000		\$80,000	
total		\$80,000	\$80,000	\$80,000	\$162,247	\$242,247	\$40,647

BASE REDUCTION ITEM REQUEST FOR FY 2006-07

TITLE: Office Leased Space: Third Floor Expansion

DIVISIONS: All (appropriated through Administration Division)

PROGRAM: Leased Space

PRIORITY NUMBER: Base Reduction Item # 1 of 1

FEDERAL AND STATE STATUTORY AND CONSTITUTIONAL AUTHORITY: Article IV, sections 1 and 18, Article V, sections 1 and 48, Article VII, Article XII, section 9, Article XVIII, sections 2, 12, and 12a, and Article XXI, Colorado Constitution; Sections 24-1-111 and 24-21-101 (1), C.R.S.

PART I: Total Fund Request – Schedule 6

		Prior-Year Actual FY 2004-05	Approp FY 2005-06	Base Request FY 2006-07	Decision Item FY 2006-07	November 1 REQUEST FY 2006-07	Change from Base in Out Year FY 2007-08
Total of All Line Items	Total	840,840	880,497	666,299	(38,525)	627,774	52,394
	FTE						
	GF						
	CF	765,397	880,497	666,299	(38,525)	554,382	52,394
	CFE	75,443				73,392	
	FF						
<i>Administration/ HAVA / Leased Space</i>	Total	840,840	880,497	666,299	(38,525)	627,774	52,394
	FTE						
	GF						
	CF	765,397	880,497	666,299	(38,525)	554,382	52,394
	CFE	75,443				73,392	
	FF						

PART II: Efficiency & effectiveness analysis

Program Description:

The Secretary of State leases office space on the second and third floors of 1700 Broadway in downtown Denver. The Leased Space line item provides funding to meet the Department’s lease obligation for such space.

Section 24-21-101 (1), C.R.S., requires that, “The secretary of state shall keep office at the seat of government”. Article VIII, section 2, of the Colorado Constitution requires that the State’s seat of government be located in the City and County of Denver. As a statewide elected official, the Secretary of State has historically been expected to maintain her office in or near the State Capitol Building.

Problem Statement & Available Solutions:

In June of 2005 the Department of State moved its entire office from 1560 Broadway to 1700 Broadway in downtown Denver. The Department’s new 10-year lease expires June 30, 2015, and provides for a total of 33,475 square feet of office space. The Department’s offices now occupy all of the 2nd floor (18,210 square feet) and almost all of the 3rd floor (15,265 square feet). With the new lease, the Department was able to achieve a very large savings in leased space costs compared to the previous lease.

In designing its new office space, the Department of State made an aggressive effort to economize and consolidate space by using a consultant who specializes in space planning and office relocations. Ultimately, the new space achieved a total reduction of 1,032 square feet. While the strategy for consolidating office space looked logical on paper, it was soon discovered after we moved in that we were a little too aggressive in reducing our space and that we did not fully account for such variables as: additional work space for contractors and new employees, on-site storage space for documents required to be retained by state archives requirements, and large public/in-house meetings hosted by the Secretary of State.

The Department anticipated this possibility that it would need some additional space when it negotiated its current lease. Therefore, it negotiated a provision in its new lease that provides for acquiring the remainder of the 3rd floor under very favorable terms if it notifies the landlord of its intentions by December 31, 2005. Specifically, the Department has the right under its lease to acquire the remainder of the 3rd floor “under the same economic terms and conditions as Lessee’s existing Premises” under the lease. If the Department seeks to acquire the additional space after December 31, 2005, it will be required to negotiate new terms at the landlord’s then-quoted rates (which will likely be higher as prevailing market rates continue to rise).

Therefore, due to the current needs of our organization, the Department of State now seeks to acquire the remaining 3,082 rentable square feet of unoccupied space on the third floor, bringing the total for the third floor to 18,347 of rentable square feet. This additional space would be used for additional on-site storage space, for an additional meeting room that will accommodate larger meetings than currently possible, and for approximately three offices that could be used for employees and contractors as well as small staff meetings (including confidential personnel meetings away from the offices of other staff). As the current lease for the Department of State is binding for the next ten years, leasing the additional space on the third floor at favorable current rates is Department’s best course of action and will avoid more costly solutions of finding adequate space later.

Cost benefit of renegotiating lease now

The proposed lease amendment would increase the Department’s office space from 33,475 square feet to 36,557 square feet. This would be an increase of 5.9% over the 34,507 square feet that the Department occupied at its old location at 1560 Broadway). This amendment would provide additional “breathing room” for the Department to accommodate current and future needs that were not initially addressed in the move in June 2005.

In addition to the favorable rental rate available through December 31, there another reason for the Department to act soon to acquire the remainder of the 3rd floor. The favorable rental rate includes the cost of any tenant improvements required by the Department to remodel the additional space to suit the Department’s needs. Until June 30, 2005, however, the Department can pay for the cost of the tenant improvements from insurance proceeds it received from the settlement of its claim arising from “zinc whiskers” data center contamination. Therefore, if the tenant improvements are completed by June 30, 2006, the cost of the tenant improvements can be deducted from the already favorable rental rates available through December 31. This means that, although the additional space would add \$32,361 to the Department’s leased space costs in FY 06-07, the Department can deduct \$70,886 from that amount, resulting in a net savings of rental costs in FY 06-07 of \$38,525.

The net impact of the additional office space over the term of the Department’s ten-year lease is listed in the table below. Please note that all amounts are based on preliminary calculations, since the exact terms are still being negotiated between the State’s real estate broker and the landlord.

<u>Fiscal Year</u>	<u>Net Impact</u>
FY 2006-07	(\$38,525)
FY 2007-08	\$52,394
FY 2008-09	\$52,522
FY 2009-10	\$53,935
FY 2010-11	\$53,935
FY 2011-12	\$53,935
FY 2012-13	\$54,063
FY 2013-14	\$55,476
FY 2014-15	\$55,476

The net impact of the additional space will be divided among the Department of State Cash Fund, the Notary Administration Cash Fund, and the Federal Elections Assistance Fund.

Strategic Plan / Program Narrative

SECRETARY OF STATE / DEPARTMENT OF STATE

PROGRAM TITLE: Administration

CHANGE REQUEST(S): Base Reduction #1

ESTIMATED TOTAL FUNDING:

Line Item	FY 2005-06 Total Appropriation		FY 2006-07 Total Request	
	Dollars	FTE	Dollars	FTE
Personal Services	\$ 690,606	11.0	\$ 690,606	11.0
Health, Life and Dental	\$ 334,945		\$ 321,504	
Short-term Disability	\$ 8,703		\$ 11,600	
Salary Survey	\$ 184,181		\$ 0.00	
Performance-based Pay Awards	\$ 0.00		\$ 219,540	
Workers Compensation	\$ 8,121		\$ 6,414	
Operating Expenses	\$ 586,742		\$ 662,018	
Legal Services	\$ 121,617		\$ 121,617	
Computer Center	\$ 1,166		\$ 832	
Multi Use Network	\$ 55,911		\$ 54,088	
Risk Management	\$ 22,186		\$ 18,890	
Vehicle Lease Payments	\$ 1,680		\$ 216	
Leased Space	\$ 880,497		\$ 666,299	
Discretionary Fund	\$ 5,000		\$ 5,000	
ALJ	\$ 69,506		\$ 112,429	
Indirect Costs	\$ 115,626		\$ 122,083	
Totals	\$ 3,086,487		\$ 3,013,136	

FEDERAL AND STATE STATUTORY AND CONSTITUTIONAL AUTHORITY: Article IV, sections 1, 3, and 18, Article V, sections 1 and 48, Article VII, and Article XII, section 9, and Article XVIII, Sections 2 and 12a, Colorado Constitution; Section 24-1-111, Title 24, article 21, and Title 24, article 50, C.R.S.

SUB-PROGRAM: PERSONNEL

PROGRAM DESCRIPTION:

The Personnel Office provides selection, classification, employee relations, and employee records management. It sets up and maintains employee personnel and payroll records, and provides employee benefits assistance, counseling, and review. Staff provides technical assistance in staffing and human resource management issues, as well as other personnel administrative issues, e.g., issues pertaining to grievances, corrective actions, and disciplinary actions, to supervisors and other employees of the Department. This section also oversees

policies and procedures formulated by the Department for compliance with civil rights laws and the federal Fair Labor Standards Act.

PRIORITIZED OBJECTIVES AND PERFORMANCE MEASURES:

OBJECTIVE 1.1: Recruit, hire, train, and retain high-quality employees.					
	FY02-03 Actual	FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Estimate	FY 06-07 Projected
MEASURE 1.1.1 Maintain a low employee turnover rate.	9.9%	10.0%	8.1%	10.0%	11.0%

OBJECTIVE 1.2 Facilitate efficient planning and implementation of programs created by statute by working with divisions to create and fill positions to carry out tasks as necessary.					
	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Estimate	FY 06-07 Projected
MEASURE 1.2.1 Determine skill sets needed to perform tasks and perform classification and selection tasks to facilitate hiring.	90%	100%	100%	N/A	N/A
MEASURE 1.2.1 Reassess skills sets needed to perform tasks given the shift from paper processing to more technical support functions and to account for addition or changes in staff for most Divisions.				25%	75%

OBJECTIVE 1.3. Develop a Succession Planning strategy to address the changing workforce, the need for more technical skills and to plan for retirements in the future.					
	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Estimate	FY 06-07 Projected
MEASURE 1.3.1 Along with the divisions, identify critical positions and knowledge, skills and abilities required.			10%	40%	50%
MEASURE 1.3.2 Identify individuals with the education and/or skill sets to be able to move into critical positions in the future.			10%	40%	50%
MEASURE 1.3.3 Determine training areas needed for candidates to prepare them for movement.			5%	30%	50%
MEASURE 1.3.4 Identify training sources and secure funds to provide needed training for candidates for critical positions.			5%	30%	50%

TRENDS AND OTHER BASELINE INFORMATION:**Workload Assumptions:**

Continue implementation, revision and maintenance of our performance management plan in accordance with Senate Bill 00-211, including performance planning, discretionary pay, etc.

Existing Conditions:

Although the state's economy continues to improve slightly, there still is an abundance of applications for lower level positions and we continue to test for most positions. Many of the higher-level positions receive more than 50 applicants, which forces a two-step testing process, if not a three-step process. This slows the hiring process down and requires a larger time commitment from staff to develop, conduct, and rate exams. The depth of the skill level also requires more complex exams that take more time to construct and conduct.

ACCOMPLISHMENTS:

- The continued emphasis on performance management made the rating process easier to complete during the last rating cycle. However, the fact that Pay for Performance was not funded makes it difficult to obtain buy-in from the supervisors and staff. The fear is that if the program is not funded for another year, the staff will consider the process futile and become a de-motivator for employees rather than the motivator it was intended to be. The fact that the Department of Personnel and Administration stepped in at the last moment the prior year to impose a statewide percentage for each rating level further eroded support for the program. The Department has a fairly sophisticated computer program that awarded dollars based upon the total points earned by each employee, whereby an employee receiving 250 points would receive a lower award than an employee earning 260 points. If the Department of Personnel and Administration continues to establish percentage ranges for each performance level, the Department will have to further review and revise our Performance Management and Pay Plan to make the award process less complicated, while allowing the full utilization of the allocation. The Needs Improvement (1) ratings decreased slightly due to successful performance management that resulted in improved performance as well as the termination of several non-performing employees. The Department remains one of a handful of Departments that rated employees conservatively and did not have large percentages of employees in the top ratings categories.
- Filled 13 vacant and newly authorized positions throughout the year. Continued to develop and staff the Help America Vote Act (HAVA) work unit within the Elections Division to address the federally mandated election reforms. The headcount has increased from seven at this time last year to a total of fifteen. This work unit is expected to increase by one or two within the next year. This program is mostly federally funded, which further complicated the budgeting and staffing process.

- Reduced turnover from 45.2% when Donetta Davidson took office in July 1999 to 8.1% at the time of her resignation to take a federal election position in August 2005. Turnover for FY 05-06 is expected to be between 10% and 12% as we have had two retirements, two transfers to other state agencies, and three vacancies created by terminations or resignations. The Department is developing a turnover report that will factor out these types of separations and give a clearer picture of the turnover of proficient employees, which the Department would strive to keep employed. The customer service provided continues to be of high quality and consistency and current employees continue to build their knowledge base.
- The Department's continued effort to move toward electronic filing has significantly reduced the number of paper filings the office receives and has changed the scope of the questions and issues handled by the customer support staff and requires more sophisticated technical and professional skills. The knowledge, skills, and abilities required to perform these jobs requires not only a knowledge of the process but a more technologically competent workforce to be able to assist customers with computer interface issues they confront as they themselves become more adept at filing their documents electronically. This shift in necessary qualifications has become even more pronounced with the volume reduction. The testing process was revamped to obtain an eligible list with better qualified candidates. This continues to require more time in development and administration of the examinations. The result has been a list of much more qualified staff than we would have seen one or two years ago. The most recent challenge is to be able to offer a competitive salary for these higher skills sets and to retain those employees through continued training, compensating employees for their skills, and encouraging longer-term service.
- This change in skill sets and job responsibilities resulted in assigning higher-level duties to 31 experienced employees, which resulted in reclassification of their positions to higher levels and allowed salary adjustments to bring them up to competitive salary levels, thus reducing the likelihood that they would leave in pursuit of higher paying position with other agencies or employers.
- The Employee Activities Committee, comprised of representatives from each of the Department's five divisions, sponsored and coordinated several activities for the staff to foster teamwork and to give back to the community. The Department's CCC contributions have exceeded a total of \$15,000 between 2002 and 2004. Fundraising activities enabled us to "adopt" thirty children in homeless shelters during the 2004 holiday season and we're hoping 2005 will top that figure.
- Emphasis on earlier intervention and interaction with staff on issues of concern continued to reduce the occurrence of employee relations conflicts. Our goal is to improve communication within the Department to all but eliminate these types of issues.
- The one area in which we did not make as much headway as we would have liked was in the Succession Planning area. We continue to believe that this is a critical area but the workload of both the Human Resources staff and the Supervisory staff has delayed the project. We expect significant progress to be made as we make this one of our major focus points for 06-07.
- The significant shift from paper processing to more technical support in the Business Division has mandated a new review of skills sets and needs analysis in order to begin the Succession Planning for that division.

CUSTOMER REQUIREMENTS:

Customer	Requirement
Employees of the department as well as citizens seeking employment with the Department.	Provide support, technical assistance, and information in regards to human resources areas such as selection (application process, exams, referral, and appointments), classification, compensation, benefits, employee relations and staff development.

SUB-PROGRAM: ACCOUNTING AND BUDGET

PROGRAM DESCRIPTION:

The Accounting and Budget Office secures and manages the necessary financial resources to enable the Colorado Secretary of State to efficiently and effectively operate the programs designated by state, federal, and other applicable laws and rules:

- Provide procurement and contracting services to the Department.
- Prepare the budget and supply accurate and timely financial information to the Secretary of State, Deputy Secretary of State, and program managers.
- Manage the Cashier’s office and transmit daily revenues to the Treasurer’s office for deposit.
- Manage the payroll system and employee leave accrual totals.
- Administer refunds for customers and work with collections to receive full payment for services.
- Monitor the safety of the Department’s cash assets.

PRIORITIZED OBJECTIVES AND PERFORMANCE MEASURES:

OBJECTIVE 2.1: Continue to streamline the budgeting, accounting, procurement, contracting processes, and procedures required for the effective and efficient operation of the Department of State. Ensure the State of Colorado’s compliance with the federal laws and state fiscal rules and ensure the effective and efficient close out of all budgeting, accounting, and procurement/contracting requirements.				
	FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Estimate	FY 06-07 Request
MEASURE 2.1.1 Establish a monthly budget reporting system to keep managers informed of the program’s budget status and provide the necessary tools for managers to run the program.		Utilize experience of other state agencies to develop COFRS to Excel download process	Reporting system implemented	Additional reporting systems implemented

ACTION PLAN:

- Continue to attend training classes to familiarize staff with technology available to produce reports and review new regulations concerning budget and accounting issues.
- Work with IT staff to enhance the accounting system with new payment options.
- Familiarize program managers with the COFRS data warehouse information that is available to them.
- Establish schedules and reports for division directors to review their revenues and expenditures.
- Streamline procedures in the accounting and cashier' office.
- Continue to cross train accounting and budget staff to assist with duties during an employees' absence.

TRENDS AND OTHER BASELINE INFORMATION:

Workload Assumptions:

All of the current accounting and budget functions -- budget, purchasing, payments, payroll, and financial analysis -- will experience increased workloads, primarily because of the addition of new or expanded programs, especially HAVA.

ACCOMPLISHMENTS:

- Continued incorporating Excel spreadsheets into budgeting process to replace manual ledger sheets.
- With assistance of other state agencies, began development of a process for downloading COFRS information into Excel spreadsheets in order to provide division directors with direct access to timely information on expenditures vs. budget.
- Since pre-paid accounts have continued to increase over the last fiscal year, made enhancements to the reporting functions for this procedure. This will increase in value as more electronic filings are implemented in the near future throughout the Department.
- Instituted credit card processing for numerous documents online.

CUSTOMER REQUIREMENTS:

Customer	Requirement
General Public, Program Managers, OSPB, JBC, Vendors, Counties	Timely and accurate reporting and processing of all financial transactions and preparation and monitoring of department budget.

SUB-PROGRAM: COMMUNICATION/PUBLIC INFORMATION

PROGRAM DESCRIPTION:

Since the 2000 General Election, the Office of the Secretary of State has received more public attention than has been noticed in previous years. The Office of the Secretary of State is a public service, high profile office. The Secretary of State is responsible for administering and statutory and constitutional programs regarding Colorado Business Entities law, Uniform Commercial Code, Colorado election law, voter registration law, the federal Help America Vote Act, campaign finance law, bingo/raffles law, the charitable solicitations act, and the commissioning of notaries public. The federal Help America Vote Act is being implemented in the Office of the Secretary of State and has increased the requirements of the public relating to elections. Therefore, the Public Information Office for the Secretary of State has assisted the public and media with additional inquiries and provided new information to media outlets.

The Help America Vote Act also requires additional education and outreach relating to elections, which has added an increased burden on the press officer for the Secretary of State. Because the Office of the Secretary of State is responsible for maintaining public records, providing easy and efficient access to those records, is responsible for protecting the integrity of the election process, and the citizen's right to vote it is imperative to educate and assist customers with the ability to access information.

The Department is comprised of extremely diverse areas, and in order to promote compliance with statutes and policies, the office must take responsibility and utilize communications resources to educate our customers. The Office of the Secretary of State has vigorously utilized the press to inform the public about changes that immediately impact citizens. In order to ensure the accuracy and timeliness of information, and maintain positive and beneficial relationships with the media, the Public Information Office must establish and maintain an open communication process and a relationship of mutual trust and understanding. It is the intent of the Office of the Secretary of State to promote and encourage understanding, acceptance, cooperation, and awareness between the Department of State and the citizens of the State of Colorado. Additionally, it is the responsibility and intent of the Public Information Office to keep management informed about issues of concern and interest to the various divisions of the Secretary of State's office. The Public Information Office is also responsible for staying informed and responsive to issues related to public opinion and to anticipate trends related to duties and business of the office. The Public Information Office has continued to troubleshoot problems and has maintained open lines of communication with both the media and the public.

The Secretary of State's office has had to deal with increased media interest in recent years. Because of the Department's "zinc whisker" crisis in 2004 and a highly publicized general election later that same year, the office has continually been more proactive with media communication. In order to be more proactive the Public Information Officer has worked to foresee possible areas of interest and concern for the public and has worked to prepare fact sheets, press releases, and press statements concerning those issues. This work has helped the Department be more prepared and proactive with the media.

The Public Information Office focuses on the following open communication methods:

- Printed media such as newspapers, newsletters, and trade magazines.

- Communicate changes with internal customers and employees so information can be shared with constituents.
- Internal newsletter and communications.
- Website content, which provides current information and a description of services available.
- Updated phone scripts with latest information and services.
- Media relations involving press releases, press events, and interviews.
- Press releases sent to media outlets to inform the public about changes in laws, regulations, and services concerning the Secretary of State’s office.
- Public interaction through research, training, and technical assistance.
- Promulgation of rules for clearer definition of statutes and issues.
- Legislative support.
- Issues management.

PRIORITIZED OBJECTIVES AND PERFORMANCE MEASURES:

OBJECTIVE 3.1. Development of Effective Communication through Web technology						
	FY 01-02 Actual	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Estimate	FY 06-07 Projected
MEASURE 3.1.1 Inquiries to the Website (page views per day)	95,000	150,000	200,000	300,000	350,000	400,000
MEASURE 3.1.2 Static website content reviewed, replaced, and updated as necessary to keep the public informed (% of web updates per month)	NA	NA	10%	30%	75%	85%
MEASURE 3.1.3 Continue to promote and educate the public concerning laws, policies, and programs offered by the Department of State. Provide effective communication to the media and public.	NA	NA	NA	NA	Developed key messages to address voter concerns for the 2004 and 2005 elections.	Work with County Clerk and Recorders to provide voting information for the 2006 General Election.

ACTION PLAN:

- Continue to utilize current technology (web) to disseminate information to the public regarding current state and federal statutes and legislative changes and to provide electronic services whenever possible.
- Provide the press and public an easy access link to items of interest concerning business entities, elections, and licensing and enforcement. More information will be

developed and posted on the “Newsroom” portion of the website. This information will include fact sheets, policies, publications, and awards.

- Provide support to customers in the form of publications, training classes, web content, and seminars. The press office intends to provide increased awareness of office trainings and seminars to key audiences.
- Use key messages to reflect the organizations values, themes, direction, and position.
- Develop talking points and messages for the Secretary of State that specifically address a topic or issue of interest to media, legislative body, or public.
- Identify issues and conduct research and analysis to determine the impact to the agency as well as the customers it serves.
- Provide a clear, concise statement or program to assist the public in the understanding of issues and services.
- Act as an accessible point of information for the media and public.
- Respond to inquiries from the public concerning information relating to the Secretary of State’s office in a timely manner.
- Respond to complaints and concerns from constituents concerning policies of the Secretary of State’s office in a timely manner.
- Respond to customers via telephone and e-mail who need assistance with locating information within the state government system.
- Track media coverage of issues pertinent to the office of the Secretary of State.
- Track statistics relating to customers use of the website and phone system.
- Proactively anticipate needs of the media and provide information for dissemination to the media through press releases and press events.
- Increase public awareness of impending deadlines with regard to statutory filings, utilizing both the electronic (web) and printed media.
- Increase education and awareness of issues internally among staff through written communication, meetings, and newsletters to help dissemination of department mission and key messages.
- Monitor legislative process and coordinate communications with legislators and legislative committees as necessary.
- Partner with other state agencies and the private sector whenever possible for greater dissemination of information and services available to the public.
- Reach out to our more culturally diverse citizens and the state’s physically challenged citizens to provide information in a more understandable format.

TRENDS AND OTHER BASELINE INFORMATION:

The mission of the Secretary of State’s office is to serve the public by performing constitutional and statutory duties of collecting, securing, and communicating information, ensuring the integrity of elections, and enhancing commerce. In order for the Office of the Secretary of State to successfully complete this mission, it requires communication and education of how laws and policies directly affect the customer. Over the past several years, the Secretary of State’s office has changed services dramatically and therefore needed to be vigilant about notifying the public about changes to policies, rules, and regulations concerning the five diverse divisions of the

Secretary of State's office. To accomplish these requirements the Public Information Officer has developed plans to meet certain goals for each of the divisions of the Department. In addition, the Public Information Officer continually evaluates the success of previous media messages and develops better methods and skills to interact with the public and media. The Office of the Secretary of State understands that customers are continually becoming more and more sophisticated with technology and are not always able to access the office within regular business hours. Therefore, the office has strived to improve customer service by adding additional conveniences with which customers can submit or retrieve information at home or work. The Public Information Office is continually analyzing and monitoring the office website, phone menus, and correspondence to improve communication with customers and respond to their needs and concerns.

ACCOMPLISHMENTS:

New and improved web design and applications have been implemented to make the website more user friendly. Several sections of the website have been created and updated to provide better functionality and additional information to the public. The public and media are becoming more and more accustomed to accessing the website for information, therefore it is important to continually provide accurate and updated information via the website.

The Secretary of State is committed to providing positive, professional, and courteous customer service. The office has had success in being more proactive with communications with the public and media, and has been able to inform the public of increased services offered by the department.

In 2000, when the Secretary of State's website went live, the site was receiving only 4,000 page views per day. This amount have grown a hundred-fold in the last several years. In the past year, the website has been improved and now has more sophisticated look and feel and allows customers to access information about elections, licensing, and business entities. The Secretary of State's office has received respect from other state agencies and state leaders for building a robust and interactive website for the public.

The Secretary of State site continues to have updated information relating to rules notices and adoption, Secretary of State Advisory Opinions, and updated rules, regulations, and statutes concerning elections, licensing, and business entities. Additionally, the static content of the Secretary of State's website is fully ADA-compliant and fully satisfies the Bobby approved criteria and the WAI Priority 1 guidelines for Accessibility compliance level A. The Secretary of State's office has incorporated into its website the Web Accessibility Guidelines developed by the Governor's Office of Innovation and Technology and has compiled with House Bill 00-1269. The Secretary of State's office has made it a top priority to serve all the states citizens and make information easily accessible.

Again this year, the Business Division and the Secretary of State have continued working with the Business Advisory Committee to improve relations and operations with the business community. The relationships with the business community have strengthened and a mutual

respect has been established between the government and private sectors. Several business community leaders have acted in support of the offices programs and initiatives.

Earlier this year the Secretary of State’s office moved to a new location. While the move provided a huge monetary savings to the Secretary of State’s office, it proved to be a communication challenge for the Public Information Office. In order to properly notify the public about the offices’ new location the press office put together several public education pieces to make sure the public and press were adequately notified about the change in location. The public education efforts included advertisements, press announcements, and flyers. In addition, the Public Information Office made sure the information about the move was covered in target audience newsletters, brochures, and publications.

The Secretary of State’s office is such a high-profile office and the press and public expect to get information regarding elections and election results quickly, therefore the Secretary now posts election results and the Abstract of Votes Cast on the web. Election night results are posted on the web as soon as they are made available to the Elections Division. This makes information easier to access for the public and press and eliminates phone calls for the staff during an already busy and stressful time. It is the Secretary of State’s goal to make all election information easily accessible to the public and the office recognizes the website is a tool that allows customers to access information easily and with little to no cost.

In order to make these improvements known to the public, the Secretary of State has been conducting offsite press events and training seminars in out-state locations that would especially benefit from electronic filing. Since last year the Secretary of State has continued to conduct training seminars with the press and with business, banking, agricultural, and elections communities throughout the state. These events have resulted in an increase in the use of electronic filing and provided the public with hands on experience with our system and a positive, proactive image of Colorado e-government.

Over the past year, the Secretary of State has continued to provide bilingual information on the web, as well as in printed material. The Business and Election websites now include documents in English and Spanish. It is the intent of this office to not only inform but to make this process less intimidating for those unfamiliar with Colorado’s government structure.

This year the Secretary of State’s office has been using the Colorado Publications Library StateLinc service to get materials about the office to the state libraries across the state. In order to get services and offerings to more of the public this service has been utilized to announce changes and improvements to the Department’s services. The Public Information Office intends to continue to use this service as a way to promote new services and activities.

CUSTOMER REQUIREMENTS:

Customer	Requirement
General Public, Members of the Media, Internal Staff, County Clerk and Recorders	Timely and accurate reporting and education of office activities and policies and availability to the public to answer inquiries concerning filing and election materials.

SUB-PROGRAM: CLERK AND RECORDER TECHNOLOGY PANEL**PROGRAM DESCRIPTION:**

House Bill 02-1119 was designed to assist Colorado counties in implementation of electronic submission of title documents to the County Clerk and Recorders for recordation. In accordance with state law, the County Clerk and Recorders collected a \$1.00 surcharge on all recordings of real estate documents to help facilitate implementation of e-recording in Colorado.

Last year the Technology Panel adopted a Grant Administration Program (GAP) that was developed to more objectively score county grant applications. The GAP also makes the grant application request process more predictable for county clerks and they anticipate embarking on the path to e-recording. The Technology Panel adopted aggressive goals to help the counties move from paper-based systems to fully electronic recording processes. The goals adopted by the Technology Panel facilitate the legislative intent of the General Assembly in House Bill 02-1119 and Senate Bill 04-219.

Grant Administration Program Summary Description:

1. Any county is eligible for award that can demonstrate a business case and need.
2. The program is fact-based and built upon a defensible foundation.
3. The goal of the program is that by July 1, 2007 twenty-five counties are receiving electronic recordings.
4. Treasurer/Public Trustees are an immediate opportunity to achieve the goal.
5. State funds will be awarded with an emphasis on enabling the electronic submission of documents from a submitter to a Clerk and Recorder for recording.
6. An audit of applicant spending to-date is a key component of the application process to protect the integrity of the use of Public funds.
7. An emphasis is placed on the County spending contribution as part of the application process.
8. The program guides applicants to understand the costs that are being proposed by vendors.
9. The background data used to create the program is contained in the State Workbook and can be updated easily as new data emerges through implementation.
10. The program does not require nor recommend any specific vendor, hardware, software, or solution.

ACTION PLAN:

- Continue to develop and enhance the recommendations to county clerk and recorders concerning electronic recording activities.
- Require counties to use the Grant Administration Program (GAP) Application process to aid them in assessing their own recording systems and determine how feasible and costly recording will be to implement. Rules have been adopted by the Secretary of State concerning the application process.

- Continue to make totals of the county and state funds, including direct and indirect expenses, available to the Technology Panel and public.
- Continue to gain involvement and feedback from County Clerk and Recorders, Treasurers/Public Trustees, private entities that work in the area of recording of documents, County Commissioners, State Legislators, and vendors.
- Create and maintain partnerships with the public and private sector to enhance the facilitation of electronic recording.
- Continue to gain involvement and interest from the real estate title record industry.
- Continue to provide information to the County Clerk and Recorders relating to the activity of the Clerk and Recorder Technology Panel.
- Begin to accomplish a shift from assessing and recommending grant proposals for funding to monitoring and sharing knowledge on grant projects that are in process.

TRENDS AND OTHER BASELINE INFORMATION:

The mission of the Technology Panel is to gather information relating to electronic filing of records filed with the County Clerk and Recorders' offices and provide information about electronic filing and grant information to the public and the County Clerk and Recorders throughout the state. Specifically, the Technology Panel has been charged to "assist counties that otherwise lack sufficient resources either to purchase the technology necessary for the clerk and recorders to accept electronic filings or to provide the necessary training related to such technology".

Administration and compliance of House Bill 02-1119 and Senate Bill 02-219 requires continual data entry and auditing oversight. The unit also provides and maintains records information and assists in rulemaking. These support activities include:

- Monitoring and recording funds received by the Technology Fund cash fund, including follow-up contact with counties that are not submitting funds or activity reports in a timely manner;
- Maintaining timely information about the Panel's activities on the website of the Technology Panel, which is available from the Secretary of State's website;
- Recording, transcribing and making available to the public the meeting minutes of the Panel's monthly meetings;
- Making available to the public meeting minutes of the six committees constituted by the Panel to examine various issues of concern regarding electronic filing and recording of real estate documents; and,
- Collecting, reviewing and making available to the public information from various public and private organizations that are working in the areas of electronic transactions, electronic recording, and electronic signatures. These organizations include the Mortgage Bankers Association of America, the Property Records Industry Association, the Mortgage Industry Standards Maintenance Organization, and the Notary Public Administrators Section of the National Association of Secretaries of State.

Douglas and Boulder Counties were the first Colorado counties to accept electronically submitted documents for recording. In both cases, efforts to increase adoption rates of electronic

filing have been slow to take hold but are now gaining. As these counties and others have begun to move into electronic filing within their existing resources, it has spurred many counties in the state to evaluate their own stance on acceptance of e-recording. Many counties have begun to accept electronically submitted documents for recording in the past year and a half, and many have applied for grant funding from the Technology Fund. The Department expects that most counties that are interested in moving into e-recording have actually taken steps to do so – either by applying for funding from the state, or by moving with their own retained funds – and that a small number of new counties by comparison will apply in the next several months.

ACCOMPLISHMENTS:

The Technology Panel has adopted open standards and guidelines that counties must follow in order to receive funding from the Clerk and Recorder Technology Fund. House Bill 02-1119 required that the Panel adopt recommended standards and guidelines by March 1, 2003. The Panel adopted recommendations by the deadline and is continually working to update their recommendations.

The Panel has established six committees to research topics related to the electronic recording of documents in Colorado. Those committees include the Technology Standards and Business Rules Committee, Audit Committee, Indexing Standards Committee, Rules Committee, Submitter's Committee and the Education Committee. The Technology Panel has worked hard to include county clerk and recorders, title company representatives, lawyers, vendors, and technology experts on all of their committees. These committees are required to meet once per month and report their findings to the Panel at their monthly meetings, which are open to the public.

Currently eleven counties are accepting real estate documents electronically. These counties are Alamosa, Arapahoe, Boulder, Denver, Douglas, El Paso, Gilpin, Jefferson, Pueblo, Saguache, and Weld. These counties have been providing extremely valuable information to the Advisory Panel and counties concerning best practices and where problems and pitfalls can be avoided. Most counties receive 30% of their recording volume from Public Trustees and County Treasurers and 70% of those transactions occur on the Front Range. The nature of these transactions make them uniquely suited, among all filings recorded by the clerk and recorders, for electronic filing. As counties continue to move toward e-recording of releases and other document types, it will eliminate lengthy turnaround times for all parties involved. The Panel is encouraged to have the support of the Colorado County Clerks Association and the Colorado Public Trustees Association.

The Secretary of State has completed rulemaking procedures concerning grant applications, funding requests, reporting procedures, and electronic notarization.

Counties are required to submit quarterly accounting forms to the Secretary of State's office to assist with auditing and reporting of how the funds are being collected and spent at the county level. Spreadsheets are maintained summarizing this information and are provided to the Panel.

In order to promote the trusted-relationship model that many national organizations have approved the Panel is recommending that County Clerk and Recorders adopt and sign Memoranda of Understanding with their vendors and submitters so all parties agree upon file formats for transmission, secure transaction options, receipt notification, reasons for rejected transactions, turnaround timeframes, delivery options, I.T. Service options, and payment options.

The current state of electronic recording in the state includes:

- Ten counties are accepting electronically-submitted documents without assistance from the Technology Fund;
- One county is accepting electronically-submitted documents with the assistance of a grant from the Technology Fund;
- Thirty-two counties have requested funding from the Technology Fund;
- Twenty-two counties have been granted approval by the Panel for funding from the Technology Fund; and,
- In total, the Clerk and Recorder Technology Panel has approved \$1,238,325 in grant funding from the Technology Fund for distribution to counties pursuant to 30-10-423, C.R.S. Of this total, \$1,138,650 is scheduled to be distributed during fiscal year 2005-06.
- The counties that are currently in the process of applying for funding from the Fund are: Archuleta, Baca, Bent, Clear Creek, Conejos, Delta, Denver, Fremont, Gilpin, Gunnison, Kiowa, La Plata, Lake, Lincoln, Mineral, Montrose, Morgan, Otero, Ouray, Phillips, Pitkin, Prowers, Rio Blanco, Routt, Saguache, San Juan, San Miguel, Sedgwick, Teller and Yuma.

STRATEGIC PLAN / PROGRAM NARRATIVE

SECRETARY OF STATE / DEPARTMENT OF STATE

PROGRAM TITLE: Information Technology Services Division

CHANGE REQUEST(S): Decision Item #1

ESTIMATED TOTAL FUNDING:

Line Item	FY 2005-06 Total Appropriation		FY 2006-07 Total Request	
	Dollars	FTE	Dollars	FTE
Personal Services	\$ 3,225,695	29.5	\$ 4,542,792	29.8
Operating Expenses	\$ 2,689,052		\$ 1,200,257	
Hardware/Software Maintenance	\$ 967,228		\$ 964,078	
Information Technology Asset Maintenance Plan	\$ 802,618		\$ 445,418	
Totals	\$ 7,684,593	29.5	\$ 7,152,545	29.8

FEDERAL AND STATE STATUTORY AUTHORITY: Article IV, section 1, Colorado Constitution; Section 24-1-111, and Title 24, article 21, C.R.S.

PROGRAM DESCRIPTION:

The Information Technology Services Division (ITS) consists of 30.5 staff members, one of which is assigned to the Help America Vote Act Section of the office, supporting the information systems needs of the entire Secretary of State’s office. Information Systems enables the diversified divisions within the Secretary of State to provide automated information services quickly and accurately.

Information Technology Services maintains the departmental infrastructure required to support the Colorado Department of State (CDOS) data center, web presence, desktop environment and telephony systems. The above aforementioned systems are utilized to support the data, communications and document imaging needs of Corporations, Uniform Commercial Code, Accounting, Notary, Campaign, Lobbyist, Elections, Bingo/Raffle, Administrative Rules, Uniform Electronic Transaction Act (UETA) and Charitable Solicitations programs within the Secretary of State while supporting the web presence of the entire Secretary of State. Utilizing the Internet as a means of receiving and delivering responsive, pertinent information from and to our customers is seen as a critical facet of fulfilling the Department’s mission of customer service. Internet-based, real-time electronic document filing has become an essential resource saving tool of the

Department. Increased speed and ease of filing has increased customer satisfaction and Department efficiency.

IT Objectives: The following objectives reflect the strategic direction of the Information Technology Services Division of the Secretary of State’s office.

OBJECTIVE 03.1 Support state legislation and enable implementation of the Help America Vote Act (Public Law 107-252) – The President signed this Federal election reform law in October of 2002, and enabling state legislation (H.B. 03-1356) has been signed into law. Federal law calls for a statewide voter registration system to be in place by January 1, 2006.					
	FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Estimated	FY 06-07 Projected	FY 07-08 Projected
MEASURE 03.1.1 Provide fully functional statewide voter registration system at all county locations.	25%	60%	90%	100%	

Action Plan:

- Set up project management office (PMO).
- Assist in building State of Colorado (HAVA) plan to the Congress’s Elections Assistance Commission (EAC)
- Assess county capabilities
- Hire needed information systems technologist staff
- Contract needed subject matter expert staff for specific needs.
- Provide for replacement of Punch Card voting machines.
- Create and issue RFP.
- Select Vendors for various facets of the statewide voter registration system.

OBJECTIVE 02.2 Project Phoenix. Re-engineering of office systems supporting business filings, and will move this division even further toward a fully e-government model. Cooperatively worked with the Business Division, representatives of the Business Law Section of the Colorado Bar Association, and other stakeholders in defining the scope and character of changes to office systems supporting administration of business entity law (changes required by H.B. 02-1147). Base System must be implemented on July 1, 2004 per statute.					
	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Estimate	FY 06-07 Projected
MEASURE 02.2.1 Provide new fully functioning business back office, web presence and batch system that meets the requirements of H.B. 02-1147.	25%	70%	90%	95%	100%

Action Plan:

- Assist in construction of H.B. 02-1147

- Build fiscal note and action plan for H.B. 02-1147.
- Select Project Manager for HB. 02-1147; project code-named ‘Phoenix’.
- Build Requirements Document for Phoenix project.
- Procure new computer language (Websphere) for new project.
- Train developers in use of new language.
- Develop code base to meet specifications of Requirements Documents.
- Build IBM Websphere development and production environments in data center.
- Modular Test
- Integration Test
- User Acceptance
- Implementation of base system July 1, 2004.
- Implement and phase in e-filing transactions during fiscal year 2004-05 and 2005-06.

<ul style="list-style-type: none"> • OBJECTIVE 01.4 Administrative Rules Project in progress (H.B. 02-1203, H.B. 03-1350) – web-based publishing of all administrative rules, effective and proposed, and notices of hearings; subscription-based access to these rules, Legislative Legal Services opinions, AG opinions will provide financial support of the system in the future; historical rules will be available via the web-based system on a “going-forward” basis. 					
	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Estimate	FY 06-07 Projected
MEASURE 01.4.1 Provide fully functional Administrative Rules System for state wide use.	25%	60%	90%	100%	Completed

Action Plan:

- Select Vendor.
- Build infrastructure in data center to support vendor code base.
- Test / Accept vendor-coded system
- Implement

Assumption: New vendor successfully completes project per contract on schedule. Previous vendor failed thus causing CDOS to rollover funding to the next fiscal year.

<ul style="list-style-type: none"> • OBJECTIVE 04.1 Pursuant to H. B. 04-1300, provide a web-based system to provision notaries with electronic document authentication numbers. In the second year, provide a fully functional web-based system for electronic filing and retrieval of information regarding notaries public. 					
	FY 04-05 Actual	FY 05-06 Estimate	FY 06-07 Projected		

MEASURE 04.1.1.- System implementation.	25%	100%	Completed		
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Action Plan:

- Collect Requirements
- Design System
- Build System
- Implementation

OBJECTIVE 04.6 Pursuant to H. B. 04-1448 concerning trade name registrations for entities that currently file with the Department of Revenue shall begin filing with the Department of State. This will entail adding filing capabilities to the current Business Entities System. Sole Proprietorship and General Partnership filing for internal and External facing systems must be incorporated into current CDOS e-filing systems. Legacy data at CDOR must be converted to CDOS format .

	FY 04-05 Actual	FY 05-06 Estimate	FY 06-07 Projected	FY 07-08 Projected	
MEASURE 04.1.1.- Requirements Collection	10%	100%	100%	Completed	
MEASURE 04.1.2 – DATA CONVERSION	0%	95%	100%	Completed	
MEASURE 04.1.3 – SYSTEM IMPLEMENTATION	0%	90%	100%	Completed	

Action Plan:

- Collect requirements
- Build System
- Data Collection and Conversion
- Build interfaces
- Hire staff
- Implement System

OBJECTIVE 04.8 – Disaster Recovery Computer Facility project (e-FOR³T) – This effort is to provide a statewide computer facility provisioned for all state entities to use for the purpose of Disaster Recovery of computer operations. CDOS sees the disaster recovery computer facility (e-FOR³T) evolving from the project phase into a program.

**FY 05-06
Projected** **FY 06-07
Projected**

MEASURE 04.8.1 - Procure and Provision Facility 100% Transform from Project to Program

Action Plan:

- Form Task Force
- Release RFI – RFP and Evaluate using previously formed task force
- Contract - Lease
- Establish ‘Governance Advisory Committee’
- Build ‘Interagency Agreement’ template
- Pilot first agency in usage of facility
- Convert from project to program (begin all state entity usage of facility)

OBJECTIVE 04.9 – CDOS Disaster Recovery Project – This effort is to provide CDOS a disaster recovery presence in the e-FOR³T statewide computer facility.

	FY 05-06 Estimate	FY 06-07 Projected			
MEASURE 04.9.1 - Procure, Provision and enable CDOS in e-FOR ³ T Facility for DR capabilities	50%	100%			

Action Plan:

- Design methods
- Procure hardware and software
- Install and configure platforms
- Test systems

Trends and Other Baseline Information

Existing Conditions:

Traditionally, access to the Secretary of State’s office had been limited to counter, phone, mail and fax. With the evolution of technology, citizens expect access and responsiveness to which they are entitled, at times and places chosen by them, not by their government. In many instances this is being supported, in large part, by the expansion and deployment of technology. We see much of this happening through expanding Web technologies. Both inquiries and filings may be performed via the World Wide Web.

The Secretary of State's office has worked hard over the last few years to recruit and retain knowledgeable workers in the information technology field. The job market in this industry has, in the past few years, become advantageous to the employer. It is our belief that the weak market for persons with technical skill is beginning to strengthen. It is therefore important that we continue our efforts to retain good knowledgeable information technology staff. We are taking measures to retain current staff through methods such as providing challenging work assignments, training, recognition, bonuses and other innovative approaches. Those we have retained are a talented and dedicated group of IT professionals of which we are proud. We feel our efforts to maintain a good employee relationship during slow economic times will not go unnoticed by the employees when good economic times again return.

This department has successfully completed moving from its original location of 1560 Broadway to its new location at 1700 Broadway. A new computer data center has been successfully implemented. It has been provisioned with all new server, network, storage and security hardware. This new data center is more technologically advanced than the original data center at 1560 Broadway. The department now enjoys the security and reliability of a high-grade, highly redundant data center. This new data center employs improved cooling and electrical delivery techniques that increase the reliability of the computer equipment it supports. This new facility will provide many years of reliable service. Reliability will become more important as this department places further responsibilities and dependencies on its ITS division. It is the belief of ITS that we have already seen a decline in normal hardware failures since the implementation of this new data center. We wish to thank all parties involved in aiding the Department of State in achieving this goal.

Zinc Whisker Incident Report:

On June 10, 2004 CDOS data center suffered large scale computer outages due to a zinc whisker contamination problem in the 1560 Broadway data center. Defective and aging computer room raised floor tiles cause the problem. Tiles over 5 years old are candidates for this defect. In the industry this is considered a very rare occurrence. The electroplating on the sides and undersides of the computer room floor tiles began breaking down and emitting zinc fibers. These fibers break off and are blown under the floor by the air conditioning and directed into the equipment by the air vent tiles placed under computer rack systems. These conductive zinc whiskers may land on crucial components within a computer device and cause a failure by shorting components and circuits. The computer outage lasted twenty-one days before the problem was isolated and diagnosed. CDOS rebuilt the data center and replaced all computer, network, security and telephony equipment located in the data center. This experience highlighted the need for a statewide business continuity disaster recovery computer facility.

Accomplishments in the Previous Fiscal Year

- On June 10, 2005 CDOS engaged its new data center located at 1700 Broadway. This new 1,600 square foot data center facility is a robust production facility, built with the latest data center technologies and very well suited to meet the needs of CDOS for many years to come.

All equipment in the facility has been replaced. Some legacy applications required the purchasing of vintage servers to perform the service. These services will soon need attention from both hardware and a software lifecycle forecasts. All equipment from the old data center was destroyed, traded in, or sent to surplus. This action was taken so as to avoid spreading zinc whisker contamination at the new data center.

- During fiscal year 2004-05 the department carried a decision item seeking approval that a statewide disaster recovery data center be implemented. This facility was proposed to be a shared facility for all state agencies to participate in. The business model provides for space, electrical power and communications lines for all state agencies at no cost to them. CDOS has funded these costs. This decision item also provisioned CDOS within this new DR facility. This decision item was signed into the 2005 legislative session's long bill. Funding appropriation for this project arrived on July 1, 2005. CDOS in conjunction with OIT/IMC/JBC and CIO Forum has published the RFI for the state DR facility. This project has been named 'Enterprise Facility for Response/Readiness/Recovery and Transition services' (e-FOR³T). This project is in progress. It is the goal of this project to have this facility available by June 30, 2005.
- Business Entities Phoenix Project – Initiated by Title 7 changes in business entity laws – This has been a large-scale development effort project to replace the legacy software applications and redesign workflow in this division. This effort builds a foundation for e-filing all transactions within the Business Division. Base System went live July 6, 2004 with two e-filing transactions. At the current time, forty-six transactions are available online for customers that must file with the Department. The potential exists to create e-filing transactions for all seventy-six possible business transactions. This work effort continues into phase two, initiated by H.B. 05-1448. Trade names currently filed with Department of Revenue (DOR) will begin being transacted at CDOS on July 1, 2006. This will entail adding several new transactions to the business entities (Phoenix) system. It will also mean transferring the database from DOR to CDOS. This migration will require a cleansing and reformatting effort for the data to integrate with current CDOS business entity system. CDOS ITS will continue to add transactions to the business entities system as time and resources permit.
- Colorado's implementation of the Help America Vote Act (HAVA) and Statewide Colorado Registration and Elections system (SCORE) effort – The Information Technology Services division has provided technical support for this project in an advisory role. At this time, the prime contractor retained for this project as well as the Independent Verification and Validation (IV&V) agent are engaged in designing and planning for the development and deployment of the SCORE system. The status of this project at the current time is in flux.
- Electronic Rules Publication System – The deployment of a web-based electronic system for publication of notices of rulemaking and administrative rules is expected to be complete by the end of the calendar year 2005.

- Electronic Recording of real estate documents by county clerks moving forward (H.B. 02-1119) – This program, overseen by an Advisory Panel consisting of two county clerk and recorders, one county commissioner, one title industry representative and one CDOS staff member, has established guidelines for electronic recording of real estate documents in the counties. While this program has no direct impact on the operations of the Secretary of State, we have provided support to the Panel in the development of this program.

Significant Activities in the Current Fiscal Year

- Disaster Recovery Computer Facility project (e-FOR³T) is a major statewide effort for CDOS. This department will guide this project through the staffing and procurement process to its eventual goal. CDOS will construct a governance model, in conjunction with OIT/IMC and CIO Forum, to provide for a fair and equitable method for all state entities to leverage this facility.
- Pursuant to H. B. 04-1300, the Department will provide a web-based e-filing system to provision notaries with notary registration. This phase of the implementation of the bill is scheduled for completion on June 30, 2006. We have entered into discussions with the State Internal Portal Authority (SIPA) Board's selected integrator to determine their level of interest in performing these duties. They are expected to respond by November 1, 2005. Effort to comply with H.B. 04-1300 will commence in November of 2005, regardless of the decision with respect to the SIPA integrator.
- Continuing work on the implementation of S.B. 03-230 (UETA) is in progress. This law grants rulemaking authority to the Secretary of State where electronic signatures and electronic transactions are used in executing government transactions. Continuing effort in support of UETA will be required as the use of electronic signatures and electronic transactions is expected to continue to increase.
- ITS will provide advisory support of the HAVA division in the design and deployment of the SCORE system. We expect that this will continue to be a significant effort.
- Pursuant to S.B. 05-205, we are working with the Internal Revenue Service (IRS) to accommodate transmission of federal tax filing information to our office. This will allow charities to comply with the Colorado Charitable Solicitations Act with minimal additional effort subsequent to those organizations' filing with the IRS. This pilot project in conjunction with the IRS is scheduled for initial implementation during the current fiscal year.
- We are in the midst of migrating core applications to the Java programming environment. This will reduce the number of software languages that we support on a daily basis from three to two, and will move those applications to a modern, more scalable platform.

- H.B. 05-1149 changed several statutory provisions affecting the department's administration of entities under the authority of the Business Division. This bill, while not similar in scope to previous legislation affecting the Business Division (such as H.B. 02-1147, the "Phoenix Project") did require extensive changes to the database of information maintained by the department. This bill took effect on October 1, 2005.
- H.B. 04-1448 will change the proper location for filing business trade name registrations. This function is being moved from the Colorado Department of Revenue (DOR) to CDOS on May 30, 2006. This will entail adding filing capabilities to the current CDOS Business Entities System. Transactions for Sole Proprietorships and General Partnerships, both internal and external facing systems, must be incorporated into CDOS e-filing systems. Legacy data at DOR must be migrated and converted to CDOS and placed in the CDOS business entities database. Systems that support the Business Entities program must be enhanced to handle the new transactions required of CDOS.

Information Technology Services Initiatives FY 2006-07

- Disaster Recovery Computer Facility – CDOS sees the disaster recovery computer facility (e-FOR³T) evolving from the project phase into a program. It is the vision that this facility would be able to transact CDOS business in the event that the primary data center was crippled or incapacitated. We expect that several early adopter agencies will begin leveraging this facility.

Assumptions and Calculations

The impact of continuing to provide additional services to our customers via the Internet is uncertain. While our customers will be able to access more and more information on their own, the need for technically savvy customer service will no doubt increase. This has required that line staff become more familiar with Internet services, and may eventually require that we move toward providing technical and subject matter support outside our normal business hours. The office provides walk-in service and subject-matter support via telephone during our office hours (7:30 a.m. to 5:00 p.m. M-F), and technical support is available from 6:30 a.m. to 7:00 p.m. on weekdays. This schedule, while it may be typical of or better than most government agencies, leaves users with no subject matter support during evenings and weekends, and no access to technical support on evenings and weekends. As we move more toward providing 24x7x365 access to information, we need to evaluate the necessity and feasibility of providing help desk support outside normal business hours. We anticipate that this area will receive attention in the future.

The appearance of a State Internet Portal Authority (SIPA) may impact CDOS. It is not exactly clear what services and functionality this computer service is to provide. CDOS expects that it will impact us since the general idea of an Internet portal is to facilitate e-government through its information dissemination and e-filing capabilities. Currently, CDOS performs these services within its own ITS data center. Offerings of SIPA may include statewide email services and

credit card payment engine capabilities. Both of these services are items that CDOS would have interest in leveraging. CDOS has offered the e-notary filing project as an initial project for SIPA integration. Currently, the SIPA vendor (Colorado Interactive) is analyzing the feasibility of this project balanced against the legislated deadline that CDOS is responsible to meet. The Secretary is legislated as a board member of SIPA. The agency intends to work closely with SIPA to take full advantage of any functionality that will benefit the department and its constituents.

The disaster recovery computer facility (e-FOR³T) is expected to begin gaining traction as agencies observe the value and functionality. Recent national catastrophic events have highlighted the need for such facilities and processes. It is expected that state agencies will put more focus on this area as time progresses. The CIO Forum and IMC have highlighted two major deficiencies in the State of Colorado Information Systems arena to be security and disaster recovery. This is documented in the State Communications and Data Processing Plan (SCDP). This document in tandem with e-FOR³T facility will support agencies initiatives in business continuity needs and plans. CDOS expects that this e-FOR³T project will be centric to the needs of all agencies to help them facilitate and plan for their business continuity needs.

The SCORE elections management and voter registration system, initiated to comply with HAVA requirements, is currently being constructed. CDOS ITS has been and is currently held to a limited advisory role during the procurement and construction of this system. The system is currently being hosted at the Qwest computer data center facility in Littleton. The long-range plan for the continued operation of this system is not completely clear at this time. CDOS could continue utilizing Qwest or some other facility for hosting if that is deemed the best way to proceed by the Secretary. It is also an option that this equipment be placed in the CDOS ITS data center. In this event, CDOS ITS would need to provide the hosting and systems management for these servers. It is not clear the size or scope of this potential effort at this time. Most certainly there would need to be an increase in FTE within the CDOS ITS staff to provide for the increase in work effort and responsibilities associated with SCORE systems. Training the staff in the operations and maintenance of the SCORE systems would be necessary. The full breadth and scope of the hardware needed to run in production has not been proven. If vendor predictions concerning the hardware requirements come true, then CDOS would have the data center floor space to accommodate the SCORE equipment. If the vendor is not accurate in the prediction and more equipment is necessary to run on a production basis, then CDOS may need more data center floor space to accommodate this hardware. As time progresses, CDOS expect that these issues will become clear. Placing the SCORE system into a production environment will clear up any ambiguities concerning the maintenance of effort required to run these systems. We will be reporting more in future reports to IMC/OIT/JBC as the facts become available. The ultimate impact of the implementation of the statewide voter registration and election management systems required by HAVA on the Information Technology Services division is uncertain. While our division has provided advisory technical support to the HAVA division and the prime contractor on this project, the long-term involvement of the ITS division in this project has not yet been defined.

Strategic Plan / Program Narrative

SECRETARY OF STATE / DEPARTMENT OF STATE

PROGRAM TITLE: Election Code Supervision

CHANGE REQUEST(S): None

ESTIMATED TOTAL FUNDING:

Line Item	FY 2005-06 Total Appropriation		FY 2006-07 Total Request	
	Dollars	FTE	Dollars	FTE
Personal Services	\$171,080	2.0	\$171,080	2.0
Operating Expenses	\$30,862		\$30,862	
Totals	\$201,942	2.0	\$201,942	2.0

FEDERAL AND STATE STATUTORY AND CONSTITUTIONAL AUTHORITY: Article VII, Colorado Constitution; Title 1, Articles 1 through 13 and 40, C.R.S.; federal “National Voter Registration Act of 1993”, 42 U.S.C. sec. 1973gg.

PROGRAM DESCRIPTION:

The Secretary of State is responsible for administration and supervision of numerous statutory provisions relating to the conduct of elections for the State of Colorado. Election Code Supervision includes: ballot access for candidates, preparation of elections, conduct of elections, voting, collection of election data, National Voter Registration Act, and providing access and assistance to the public and elected officials.

PRIORITIZED OBJECTIVES AND PERFORMANCE MEASURES:

OBJECTIVE 1.4.1: Maximize accessibility of election data by streamlining the process through the use of technology.					
	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Estimate	FY 06-07 Projected
MEASURE 1.4.1 Working days required for verifying a statewide candidate petition	18	18	14	18	18
MEASURE 1.4.2 Error rate	1%	1%	1%	1%	1%
MEASURE 1.4.3 Reduce the number of days the state voter registration file lags the local file.	5	5	5	5	1

TRENDS AND OTHER BASELINE INFORMATION:

This program will continue to provide information on a regular basis to candidates for elective office and will continue to respond to citizen inquiries. Monthly compilations of

voter registration information are sent to the counties. There are increased efforts to register voters and to encourage electoral participation that will increase the workload of this program, one of which is the new voter registration drive process. This process includes ongoing training sessions in the office and in the field.

CUSTOMER REQUIREMENTS:

Customer	Requirement
Public	Participation in the election process.
Candidates	Understanding and ability to comply with state statute requirements

Strategic Plan / Program Narrative

SECRETARY OF STATE / DEPARTMENT OF STATE

PROGRAM TITLE: Campaign and Political Finance

CHANGE REQUEST(S): None

ESTIMATED TOTAL FUNDING:

Line Item	FY 2005-06 Total Appropriation		FY 2006-07 Total Request	
	Dollars	FTE	Dollars	FTE
Personal Services	\$ 116,859	3.0	\$116,859	3.0
Operating Expenses	\$41,149		\$41,149	
Totals	\$158,008	3.0	\$158,008	3.0

FEDERAL AND STATE STATUTORY AND CONSTITUTIONAL AUTHORITY: ARTICLE XXVIII, COLORADO CONSTITUTION; Title 1, Article 45, C.R.S., Article XXV

PROGRAM DESCRIPTION:

Article XXVIII to the Colorado Constitution, Campaign and Political Finance, was a citizen initiative approved by Colorado voters, which took effect on December 6, 2002. This article added numerous provisions concerning contribution limitations, voluntary spending limits, new types of committees and reporting requirements to the Fair Campaign Practices Act. The Fair Campaign Practices Act was a citizen initiative approved by Colorado voters, which replaced the Campaign Reform Act (CRA) in January 1997. Administration and compliance of the CPF/FCPA includes numerous provisions relating to the conduct of campaigning for public office, including reporting of campaign contributions and expenditures, maintaining a filing and indexing system, and providing assistance to candidates, media and the public. Article XXVIII requires continual data entry and auditing oversight, training and customer service for both manual and electronic filers. The unit also provides records information for the general public, locally and nationally.

PRIORITIZED OBJECTIVES AND PERFORMANCE MEASURES:

OBJECTIVE 1.1: Maximize public accessibility as directed in CRS 1-45-109(6)(a), by creating a telecommunications network that enables electronic filings of documents required by Article XXVIII and Title 1, Article 45					
	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Estimate	FY 06-07 Projected
MEASURE 1.1.1 Electronic filing of required FCPA reports.	Completed	Completed	Completed	Completed	Completed
MEASURE 1.1.2 Improve availability of public information	70% of state filing next day	80% of state filing next day	80% of state filing next day	85% of state filing next day	85% of state filing next day

OBJECTIVE 1.2: Maximize public accessibility and compliance among filers under the Act					
	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Estimate	FY 06-07 Projected
MEASURE 1.2.1. Conduct instructional classes for designated election officials and candidates.	20	20	25	25	20
MEASURE 1.2.2. Conduct staff training programs to maintain and improve professional expertise.	4	4	4	5	4
MEASURE 1.2.3. Number of CPA/FCPA filings per year	5,050	9,500	6,290	10,000	8,500

TRENDS AND OTHER BASELINE INFORMATION:

This program supports candidates and committees who are obligated to file under the CPF/FCPA. It also provides information in response to inquiries from candidates, citizens, and the media. The program has an electronic mail notice system to reduce the non-compliance rate. The program is statutorily directed to provide electronic filing which is now available.

CPF/FCPA workload includes approximately 600 active committee filings, nearly 40% of which are candidate filings for each reporting period. These numbers increase during General Election Cycles and will continue to increase due to the Federal electioneering communications requirement and the popularity of the small donor committees created by Article XXVIII.

The Elections Division has successfully implemented a document tracking system for campaign finance filings in the division. The division is utilizing a high-speed scanning system for these filings in lieu of a flatbed scanner previously used although the current scanner is in need of replacement due to the tremendous number of documents scanned. This allows the division to post filings quickly and have the images of the documents available to the general public through the office website.

CUSTOMER REQUIREMENTS:

Customer	Requirement
Candidates and issue committees	Reporting forms and access to information which allows compliance to meet disclosure requirements
Public, media, schools	Access to information disclosed by candidate and issue committees regarding contribution and expenditures

ASSUMPTIONS AND CALCULATIONS:

Citizens will continue to seek public office. Financial disclosure will continue to be required, and additional reporting detail will be required.

ACTION PLAN:

- Create training schedule database
- Schedule in-house computer-based training
- Increase staff participation in Colorado Municipal League
- Increase staff participation in County Clerks Association
- Encourage staff to enroll in appropriate classes
- Work closely with counties for electronic filing of county filers

Strategic Plan / Program Narrative

SECRETARY OF STATE / DEPARTMENT OF STATE

PROGRAM TITLE: Initiative and Referendum

CHANGE REQUEST(S): None

ESTIMATED TOTAL FUNDING:

Line Item	FY 2005-06 Total Appropriation		FY 2006-07 Total Request	
	Dollars	FTE	Dollars	FTE
Personal Services	\$ 88,567	2.0	\$ 88,567	2.0
Operating Expenses	\$ 25,549		\$25,549	
Totals	\$ 114,116	2.0	\$114,116	2.0

FEDERAL AND STATE STATUTORY AND CONSTITUTIONAL AUTHORITY: Article V, Section 1, Colorado Constitution; Title 1, Article 40, C.R.S.

PROGRAM DESCRIPTION:

Initiative and referendum is a fundamental power reserved by the people to propose laws and amendments to the constitution or statutes and to enact or reject the same at the polls. Administration of the initiative and referendum process includes numerous provisions, including filing and indexing for proposed initiatives, conducting title board hearings, verification of petitions, and providing assistance to the public.

PRIORITIZED OBJECTIVES AND PERFORMANCE MEASURES:

OBJECTIVE 2.1: Maximize public accessibility and accountability, through the use of technology, in the petition process.					
	02-03 Actual	03-04 Actual	04-05 Actual	05-06 Estimate	06-07 Projected
MEASURE 2.1.1 Working days required for verifying a initiative statewide petition.	15	14	15	30	30
MEASURE 2.1.2 Error rate	1%	1%	1%	1%	1%
MEASURE 2.1.3 Petitions verified	6	6	5	5	6
MEASURE 2.1.4 Initiatives submitted to the Title Board	70	57	29	76	50
MEASURE 2.1.5 Number of titles set	58	49	19	62	39

TRENDS AND OTHER BASELINE INFORMATION:

This program reviews petitions and determines sufficiency of signatures for placement on the ballot. Peak workload will require temporary employees who must be closely supervised and whose work must be checked for quality assurance. In order to assure high quality, temporary employees will be sought from local colleges and universities, particularly among students who have a demonstrated interest in the election process.

The number of initiative petitions that must be verified will increase from the last election cycle, as non-TABOR initiatives are only allowed on the ballot in the even-numbered years. During these even years, a higher voter turnout is expected, particularly during a presidential election year, thus directly affecting the number of signatures required to submit an initiative petition.

This program supports a minimum of 33 public title setting board hearings each year, and an emergency hearing may be held in the month of May if required. This program provides all of the clerical and follow-up support necessary to set titles to review petitions for compliance with the statutes and to certify signatures after the petitions are circulated, to assist with the protest process and to archive the petitions once the thirty-day protest period has passed. Each title setting hearing will consider between two and eight proposals.

CUSTOMER REQUIREMENTS:

Customer	Requirement
Public	Participation and confidence in the election process
Proponents	Understanding of Colorado Revised Statutes and state requirements

ASSUMPTIONS AND CALCULATIONS:

The growth in utilization of the initiative and referendum process is continuing in Colorado. We anticipate a minimum of six initiative petitions to be submitted for signature verification. Many more are possible. Currently, 67,829 valid signatures are required for certification to the ballot. In order to achieve this number of valid signatures, proponents attempt to file petitions with at least 100,000 to 120,000 total signatures. The required number of signatures is based on 5% of the total number of votes cast for the office of Secretary of State in the last general election.

Due to the precision and skill necessary to process petitions fairly and accurately within a very tight deadline and due to the increasing number of initiative petitions that are expected to be filed, the cost of hiring temporary employees is projected to be greater than that in previous years.

Strategic Plan / Program Narrative

SECRETARY OF STATE / DEPARTMENT OF STATE

PROGRAM TITLE: **Statutory Filings**

CHANGE REQUEST (s): **None**

ESTIMATED TOTAL FUNDING:

Line Item	FY 2005-06 Total Appropriation		FY 2006-07 Total Request	
	Dollars	FTE	Dollars	FTE
Personal Services	\$ 91,403	2.0	\$ 91,403	2.0
Operating Expenses	\$ 10,740		\$ 10,740	
Totals	\$ 102,143	2.0	\$ 102,143	2.0

FEDERAL AND STATE STATUTORY AND CONSTITUTIONAL AUTHORITY: Article VII, Colorado Constitution; Title 1, Articles 1 through 13, Title 24, article 21, C.R.S.; federal "National Voter Registration Act of 1993", 42 U.S.C. sec. 1973gg.

PROGRAM DESCRIPTION:

The Secretary of State is responsible for administration and enforcement of numerous statutory filing provisions relating to the conduct of elections for the State of Colorado. Statutory filings include: reporting by political party organizations, notice and preparation of elections, voting, certification of ballot, conflict of interest, town abandonment, oaths, maintaining a filing and indexing system, election certifications from county clerks and recorders, candidate petitions and providing access and assistance to the public and elected officials.

PRIORITIZED OBJECTIVES AND PERFORMANCE MEASURES:

OBJECTIVE 1.3.1: Maximize accessibility of election data by streamlining the process through the use of technology.					
	02-03 Actual	03-04 Actual	04-05 Actual	05-06 Estimate	06-07 Projected
MEASURE 1.3.1 Number of days to produce election abstract after certification of results	186	238	238	60	60

TRENDS AND OTHER BASELINE INFORMATION:

The voter registration system (INTEGRITY) was implemented in fiscal year 2001-2002 designed to meet the needs of counties and state government. This system will remain in effect at least until the statewide centralized voter registration system goes into effect. Because of the federal mandate for a centralized voter registration system, the additional

13 counties that requested to come on to the state INTEGRITY system will now wait until the statewide system is in effect.

This program identifies political parties, minor political parties, and qualified political organizations pursuant to the statute. This program receives copies of the constitution, boards of directors, and rules and regulations of the parties. It maintains files and certifies to the county clerk and recorders the appropriate registration designations for voters seeking to register with the parties.

This program verifies the information that must be sent to electors by statute. These activities include review of mail ballot election plans, emergency plans, TABOR notices, voter registration notices and others.

With the passage of House Bill 03-1142, minor political parties in the State of Colorado must participate in the caucus, assembly, and primary election process. Due to the addition of minor parties in this ballot access scheme, the program will see an increase in party committee rule and regulation filings. Inclusion of minor parties in the process will augment the number of candidates on the primary ballot in turn increasing the number of candidate acceptances, party designations and candidate petitions that will need to be processed.

One method of initiating a political party in Colorado requires the circulation of a petition. A minimum of 10,000 qualified signatures must be collected and verified by each organization seeking minor party status. Currently, there are no organizations circulating a petition to seek minor party status, however, we did receive two petitions for organizations seeking minor party status in the 2003-04 fiscal year. Both petitions contained the statutorily required number of valid signatures and both petitions were deemed sufficient.

Additionally, the Elections Division has successfully implemented a document tracking system for statutory filings in the division. Also, the division is utilizing a high-speed scanning system for statutory filings in lieu of a flatbed scanner previously used. This allows the division to post filings quickly and have the images of the documents available to the general public through the office website. These two projects were implemented without the need for purchasing new equipment or acquiring additional personnel.

CUSTOMER REQUIREMENTS:

Customer	Requirement
Public	Ability to view election information in a variety of ways including printed and electronic
Proponents	Understanding and ability to comply with state requirements. Minimal “non-compliance” factors with data conversions.

Strategic Plan / Program Narrative

SECRETARY OF STATE / DEPARTMENT OF STATE

PROGRAM TITLE: Local Election Reimbursement

CHANGE REQUEST(S): None

ESTIMATED TOTAL FUNDING:

Line Item	FY 2005-06 Total Appropriation		FY 2006-07 Total Request	
	Dollars	FTE	Dollars	FTE
Personal Services	\$ 86,159	2.0	\$86,159	2.0
Operating Expenses	\$ 20,575		\$20,575	
Totals	\$106,734	2.0	\$106,734	2.0

FEDERAL AND STATE STATUTORY AND CONSTITUTIONAL AUTHORITY: Sections 1-5-505.5, 1-7-116, 1-45-112 (2), and 24-21-104.5, C.R.S.

PROGRAM DESCRIPTION:

Under the State Election Code, the Fair Campaign Practices Act, and section 24-21-104.5, C.R.S., the State reimburses local governments for certain costs of administering state election laws.

PRIORITIZED OBJECTIVES AND PERFORMANCE MEASURES:

There are no performance measures associated with this program.

TRENDS AND OTHER BASELINE INFORMATION:

The state will reimburse counties for the cost of the duties performed by the county clerk and recorder that relate to conducting the election on state ballot issues or ballot questions in the November 2006 election based on the calculation provided in C.R.S. 1-5-505.5.

CUSTOMER REQUIREMENTS:

Customer	Requirement
Local Governments	Reimbursement for election costs incurred pursuant to state law

ASSUMPTIONS AND CALCULATIONS:

There will continue to be a need for state funds for elections conducted by local government. For FY 2005-06, the base amount of the reimbursement was based on the formula enacted in section 1-5-505.5, C.R.S., by House Bill 00-1100.

The reimbursement formula is based on the number of active registered voters in each county as of the date of the November election. The number of active registered voters in most counties is expected to be higher in November 2006 than in previous election years. The increase is attributable to increased population and in significant increases expected in voter registration during the 2006 election year.

Strategic Plan / Program Narrative

SECRETARY OF STATE / DEPARTMENT OF STATE

PROGRAM TITLE: Lobbyist Registration and Reporting

CHANGE REQUEST(S): None

ESTIMATED TOTAL FUNDING:

Line Item	FY 2005-06 Total Appropriation		FY 2006-07 Total Request	
	Dollars	FTE	Dollars	FTE
Personal Services	\$ 49,215	1.0	\$ 49,215	1.0
Operating Expenses	\$ 10,740		\$ 10,740	
Totals	\$ 59,955	1.0	\$ 59,955	1.0

FEDERAL AND STATE STATUTORY AND CONSTITUTIONAL AUTHORITY: Title 24, Article 6, Part 3, C.R.S., “Regulation of Lobbyists”

PROGRAM DESCRIPTION:

The Lobbyist Section is responsible for communication between CDOS and the registered professional lobbyists and state officials/employees. In the case of those lobbyists who are using the electronic system for registering and filing disclosure statements, the communication is done via email in the form of monthly reminders of filing deadlines and memoranda of interest to the lobbyists. Notifications of delinquency are sent in letter form by certified mail and first class mail monthly. Invoices are prepared for accrued penalties for late filing. All forms for registration and disclosure statements are made available in printed form for those who do not use the electronic system. In addition, the manual containing statutes and rules, a calendar of filing dates, and guidelines of what to file and where and when is made available in printed form and on the CDOS website. The lobbyist and employer/client directories are made available on the website and updated after the fiscal year registration and several times during the legislative session.

PRIORITIZED OBJECTIVES AND PERFORMANCE MEASURES:

	02-03 Actual	03-04 Actual	04-05 Actual	05-06 Estimate	06-07 Projected
MEASURE 2.1.1 Date by which forms packets have been reviewed, revised /updated, and made available to prospective registrants for the following fiscal year	N/A Complete	N/A Complete	N/A This objective was accomplished by end of	N/A This objective was accomplished by end of FY01-02	N/A Complete
MEASURE 2.1.2 Date of availability of first printed lobbyist directory	N/A Complete	N/A Complete			N/A Complete

MEASURE 2.1.3 Frequency of printed lobbyist directory updates, January through April	N/A Complete	N/A Complete	FY01-02		N/A Complete
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OBJECTIVE 2.2 Decrease and ultimately eliminate the use of paper for lobbyist filings and make the process faster, cheaper and more convenient by implementing an electronic filing system					
	02-03 Actual	03-04 Actual	04-05 Actual	05-06 Estimate	06-07 Projected
MEASURE 2.2.1 Percentage of implementation project completed	100%	100%	N/A Complete	N/A Complete	
MEASURE 2.2.2 Percentage of filings made electronically	90%	95%	99%	99%	99.9%

OBJECTIVE 3.1 Increase the usefulness and timeliness of lobbyist information provided to the public by reducing disclosure delinquency rate and duration					
	02-03 Actual	03-04 Actual	04-05 Actual	05-06 Estimate	06-07 Projected
MEASURE 3.1.1 Promptness of delinquency notices (expressed in days after due date)	2	1	1	1	1
MEASURE 3.1.2 Filing deadline/date of fine accrual commencement (expressed in days from date due)	1	1	1	1	1
MEASURE 3.1.3 Percentage of delinquent lobbyists sent delinquency notices within 3 business days of target date (3.1.1)	100%	100%	100%	100%	100%
MEASURE 3.1.5 Average duration of delinquency	5 days	3 days	3 days	3 days	2 days

TRENDS AND OTHER BASELINE INFORMATION:

Existing trends and conditions have not changed materially in the past year. Lobbyists are more and more the legislature’s “institutional memory” as legislators are term-limited, and long seniority becomes a thing of the past. Lobbyists’ influence continues to increase concomitantly, as does the importance of clear, accessible, current public information on lobbying activities.

At the same time, fewer and fewer lobbyists are single-area specialists, and the trend toward diversification of individual lobbyists’ practices, heightened contract and client acquisition activity, and more frequent changes throughout the legislative session are also continuing. This, in turn, increases the need for constant updating of lobbyist information, especially during the legislative session. Lobbyists also seem to be busier every year, and need clear reporting schedules and forms, as well as timely reminders of requirements and deadlines, more than ever before.

With the passage of Senate Bill 01-21, the Department implemented an electronic registration and reporting system for lobbyists. The Department has educated lobbyists about the system and encouraged lobbyists to file electronically. The response to the electronic system has been very favorable and only a handful of lobbyists are continuing to register and file on paper forms.

ACCOMPLISHMENTS:

E-mail is increasingly used for lobbyist contacts and reminders, and lobbyist lists and information are made available via the Internet. These uses of available technology for dissemination of information are making communications faster, cheaper, and more convenient for lobbyists, the general public, and the Department itself.

Electronic lobbyist registration and reporting has become the method of choice for the vast majority of currently registered lobbyists with a 99.9 % electronic filing rate.

CUSTOMER REQUIREMENTS:

Customer	Requirement
Press, legislators and interested citizens	Accessible, updated lobbyist directories and information, available on demand
Lobbyists and prospective lobbyists	Understanding of the requirements of the law governing lobbying; clear, timely forms and instructions for registration and reporting; uniform formats, deadlines, and follow-ups for registration and reporting; prompt notice of any reporting delinquency

STRATEGIC PLAN / PROGRAM NARRATIVE

SECRETARY OF STATE / DEPARTMENT OF STATE

PROGRAM TITLE: **Help America Vote Act**

CHANGE REQUEST(S): **None**

ESTIMATED TOTAL FUNDING:

Line Item	FY 2005-06 Total Appropriation		FY 2006-07 Total Request	
	Dollars	FTE	Dollars	FTE
Personal Services	\$ 6,112,443	15.0	\$ 6,938,740	15.0
Operating Expenses	8,969,644		3,337,714	
Totals	\$15,082,087	15.0	\$10,276,454	15.0

FEDERAL AND STATE STATUTORY AND CONSTITUTIONAL AUTHORITY: Article VII, Colorado Constitution; Title 1, Articles 1 through 13, Colorado Revised Statutes (specifically Article 1.5 of Title 1, C.R.S., as enacted by House Bill 03-1356); Federal “Help America Vote Act of 2002” (“HAVA”), Pub. L. No. 107-252, 116 Stat. 1666, 42 U.S.C. §§15512, et seq. (2002).

PROGRAM DESCRIPTION:

The federal “Help America Vote Act of 2002” (HAVA) was signed into law in October 2002. The legislation was enacted to establish a program to provide funds to States to improve the administration of federal elections in the United States, primarily through:

1. The replacement of punch card and lever voting systems;
2. The purchase of voting systems that are accessible for individuals with disabilities;
3. The establishment of the Election Assistance Commission to assist in the administration of federal elections and to provide assistance with the administration of certain federal election laws and programs; and
4. The establishment of minimum election administration standards for States and units of local government with responsibility for the administration of federal elections.

In response to, and to comply with HAVA, the Colorado General Assembly enacted legislation in FY03 and FY04 to implement changes in Colorado laws relating to elections. These changes included:

1. The creation of a Federal Elections Assistance Fund;
2. A mandated statewide voter registration system;
3. The establishment of required specified forms of identification from first-time voters;

4. The continuous appropriation of a state match to the federal funds;
5. The prohibition of the use of lever and punch card voting systems in federal elections after January 1, 2006;
6. Voting system acquisition, testing and certification requirements and standards; and
7. Required accessible polling places and voting equipment for federal elections after January 1, 2006.

PRIORITIZED OBJECTIVES AND PERFORMANCE MEASURES:

OBJECTIVE 1.0: Eliminate punch card and lever machines in polling places.					
	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Estimate	FY 06-07 Projected
MEASURE 1.1 Percent of precincts that have replaced the punch card machines based on the number of precincts that had punch cards in November 2000	N/A	58% (393/682)	97% 660/682	Remaining 3% (22) by August 2006	100%

OBJECTIVE 2.0: Implement a centralized statewide voter registration system.					
	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Estimate	FY 06-07 Projected
MEASURE 2.1 Complete and award RFP			100%	N/A	N/A
MEASURE 2.2 Resolve issues with vendor concerning delays in implementation				100%	N/A
MEASURE 2.3 Test system				100%	N/A
MEASURE 2.4 Phased rollout of system				50%	100%
MEASURE 2.5 Full production					100%
MEASURE 2.6 Decrease the time lag between a registered elector updating or changing their voter registration information				50%	100%
MEASURE 2.7 Increase the timeliness of removing a deceased voter from the voter registration rolls				50%	100%
MEASURE 2.8 Increase the timeliness of removing convicted felons from the voter registration rolls				50%	100%
MEASURE 2.9 Eliminate duplicate voter registrations across counties within Colorado				50%	100%

OBJECTIVE 3.0: Increase the accessibility of polling places to persons with special access needs.					
	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Estimate	FY 06-07 Projected
MEASURE 3.1 Percentage of polling places surveyed			98%	100%	100%
MEASURE 3.2 Percentage of polling places fully accessible			65%	100%	100%
MEASURE 3.3 Percentage of polling places with at least one accessible voting system			Unknown	100%	100%
MEASURE 3.4 Number of polling place accessibility complaints found to have a basis in fact			2	0	0
OBJECTIVE 4.0: Timely resolution of HAVA complaints.					
	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Estimate	FY 06-07 Projected
MEASURE 4.1 Resolve HAVA complaints within the timeframes mandated by state and federal law.			100%	100%	100%

TRENDS AND OTHER INFORMATION:

HAVA, the most comprehensive civil rights legislation since 1965, resulted from a national consensus that the nation’s electoral system needed improvements to ensure that every eligible voter has the opportunity to vote, that every vote that should be counted would be counted accurately, and that no legal vote would be canceled by a fraudulent vote. The law clearly defined the rights and privileges of eligible electors, including those in the military and overseas and those with disabilities, and sought to prevent disenfranchisement resulting from mistaken determinations of ineligibility to vote, the use of outdated and insufficiently accessible voting systems, or unnecessary administrative obstacles. HAVA authorized significant federal financial assistance to states to finance the purchase of more reliable voting systems (replacement of lever and punch card equipment) and to establish a computerized voter registration list, and mandated changes in the conduct of federal elections in all states for the purposes of ensuring greater access to the polls by individuals with disabilities, providing more information to individuals who desire to vote, improving the training of poll workers, and reducing the possibility of fraud in the electoral process. Colorado has received its share of federal funds to carry out HAVA purposes, although the actual amount allocated to states was approximately 20% less than the HAVA law authorized. It is not expected that additional funds will be allocated. Therefore, since HAVA requires ongoing activities, current federal funding will eventually run out and the State will be required to find an alternative source of funds to support the program.

Computerized statewide voter registration list:

In FY05, the Department contracted with Accenture LLP to implement a statewide voter registration system to store and manage the official state voter registration list. County election

officials, as well as Department staff, worked on the design of the system – named the *Statewide Colorado Registration and Election system (SCORE)* – to insure the integrity of the system. This centralized system, to be housed with the Office of the Secretary of State, was to be completed and in operation by January 1, 2006, the deadline imposed by HAVA.

Unfortunately, Accenture has failed to timely deliver the software necessary for the implementation of the SCORE system. It is, therefore, unlikely that Colorado will meet the January 1, 2006 deadline imposed by HAVA. However, the Department is diligently exploring options to enable it to meet this requirement in as timely a manner as possible.

Replacement of lever and punch card voting systems:

Colorado received approximately \$2.1 million in HAVA, Section 102, funds for the replacement of punch card voting machines in 682 polling places in 5 counties. To date, the punch card machines in Boulder, Jefferson, Mesa, and Pitkin counties have been replaced. The punch card machines in Montrose County's 22 polling places will be replaced during this fiscal year.

Accessibility of polling places and voting systems:

While Colorado legislation enhanced the authority of the Secretary of State vis-à-vis the running of elections and training of election officials, it also required that all polling places/vote centers be surveyed for ADA compliance and made accessible to persons with disabilities. During FY 04-05, Department HAVA staff investigated and resolved two HAVA complaints related to accessibility issues, reinforcing the goal that all polling places/vote centers be made accessible to the disability community.

Making polling places accessible has presented difficulties for some rural counties where population density is connected to topography and the availability of suitable polling places is limited. Pursuant to HAVA, the Department was awarded Election Assistance for Individuals with Disabilities grants in excess of \$400,000 from the U.S. Department of Health and Human Services. The purpose of these grants is to make polling places accessible to individuals with disabilities and to assure the disabled community has the same opportunity for access and participation in voting as the non-disabled. In FY05, the Department awarded nearly \$200,000 in grant funds to 21 counties to assist in making modifications to polling places/vote centers where surveys indicated deficiencies in accessibility. It is expected that additional grants will be awarded during FY06 for the same purposes. Funds were also awarded to a non-profit organization to assist in the development of a training program for election workers throughout the state.

Because HAVA also requires that there be at least one accessible voting system in each polling place/vote center by the first federal election after January 1, 2006, the Department has taken significant action in this area. As mandated by state law, the Department recently adopted an agency rule enumerating the voting system standards with which vendors must comply for certification of systems in Colorado. In addition, in October 2005, the Department issued an RFP to establish a preferred vendor from whom counties may purchase certified voting systems.

The Department has earmarked approximately \$7.4 million to be allocated to the counties for the purchase of accessible voting systems in 2006.

Training of election officials and public outreach:

In FY05, the Department conducted for county clerk and recorders and other election officials two mandatory in-depth training sessions that included information on new election procedures and laws, canvassing, voter registration, and ballot issues. As mandated by state law, during this fiscal year the clerk training and certification program will become formalized, and it is anticipated that a web-based learning program will be implemented within the next fiscal year. In addition, the Department developed and distributed to county clerks a judge’s training manual for use in preparation for the November 1, 2005 election.

With the many changes in the conduct of elections imposed by the HAVA and state laws, training of officials and education of the public has become paramount. As was the case last year, during this fiscal year the Department will once again be distributing information to thousands of students at the University of Colorado in Boulder and Colorado State University in Ft. Collins to encourage voter registration and participation in the election process. In addition, the Department’s website devoted to voter registration and public election information, govotecolorado.com, recently went “live.”

To continue implementing the requirements and provisions of HAVA, it is expected that the HAVA unit of the Department will require a total of 15 FTE for FY06.

CUSTOMER REQUIREMENTS:

Customer	Requirement
Election Officials	Participation in training and education.
General Public	Participation in the election process; accessibility for disability community.
Division of Motor Vehicles	Support efforts on SSN and driver’s license validation.
Department of Corrections	Support validation of felony status.
Department of Public Health and Environment	Support validation of death records.

Strategic Plan / Program Narrative

SECRETARY OF STATE / DEPARTMENT OF STATE

PROGRAM TITLE: Bingo-Raffles (Charitable Gaming)

CHANGE REQUEST (s): None

ESTIMATED TOTAL FUNDING:

Line Item	FY 2005-06 Total Appropriation		FY 2006-07 Total Request	
	Dollars	FTE	Dollars	FTE
Personal Services	\$ 455,471	10.8	\$ 477,911	10.8
Operating Expenses	\$ 81,409		\$ 81,409	
Totals	\$ 536,880	10.8	\$ 559,320	10.8

FEDERAL AND STATE STATUTORY AND CONSTITUTIONAL AUTHORITY: Article XVIII, Section 2, Colorado Constitution; Title 12, Article 9, C.R.S., “Bingo and Raffles Law”

PROGRAM DESCRIPTION:

The Bingo-Raffle Section licenses qualified nonprofit organizations to conduct charitable gaming activities. It also licenses gaming-related business enterprises: commercial bingo hall landlords, manufacturers of bingo-raffle equipment, bingo-raffle suppliers (distributors), and manufacturers’ and suppliers’ agents. This section receives, records, audits, and compiles the quarterly financial statements and reports of licensed suppliers and manufacturers and of the nonprofit bingo-raffle licensees. The Bingo-Raffle Section is responsible for the training and certification of games managers. It licenses pull-tab reading devices and approves and regulates electronic bingo aid devices. It issues letter rulings on new gaming technologies and promulgates administrative rules in consultation with the Bingo-Raffle Advisory Board. It drafts and distributes application, licensing and reporting forms and information. It handles complaints, issues corrective and compliance actions and refers licensees to administrative hearings.

This section also conducts inspections, investigations, and audits to determine compliance with Bingo and Raffle statutes. Investigations are expanded when compliance reviews indicate fraud, theft, or other criminal wrongdoing may have occurred. Expanded investigations are pursued until the evidence is sufficient to refer the case to law enforcement authorities or until the case is closed for insufficient evidence. Bingo-raffle investigators conduct the training for certification of games managers and to

apprise licensees of current laws, rules and procedures for the conduct of bingo-raffle activities.

PRIORITIZED OBJECTIVES AND PERFORMANCE MEASURES:

OBJECTIVE 1.1 Implement the new and amended provisions of the Bingo and Raffles Law contained in HB 02-1321, “Concerning the Regulation of Games of Chance by the Secretary of State,” which took effect on August 7, 2002.

	FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Estimate	FY06-07 Projected
Rules researched, drafted, proposed, and promulgated for the implementation of HB 02-1321	2	4	4	4
New forms/publications drafted and distributed (progressive games, rents and promotions, games managers, etc.)	3	4	5	5
New and renewal defined-term games manager certificates issued	1,500	1,500	1,500	1,500
Gross receipts to bingo-raffle licensees from bingo and raffle activities (\$mil)	178.0	176.0	170.0	164.0

OBJECTIVE 1.2 Improve the timeliness of quarterly games of chance financial reporting by bingo-raffle licensees

	03-04 Actual	04-05 Actual	05-06 Estimate	06-07 Projected
MEASURE 1.3.1 Number of delinquent quarterly financial statements 1 – 2 weeks overdue (first warning letters sent)	750	500	500	500
MEASURE 1.3.2 Number of delinquent statements filed in response to first warning	450	300	350	300
MEASURE 1.3.3 Number of fines assessed for reports 3 weeks or more overdue	300	250	200	100

MEASURE 1.3.4 Number of licenses delayed, denied, or suspended for overdue reports, fees, and fines	70 delayed, 6 denied/susp	50 delayed	50 delayed	50 delayed
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OBJECTIVE 2.1 Conduct investigations and inspections to ensure compliance with Bingo-Raffle law. Refer appropriate cases for court action and/or to outside law enforcement agencies

	03-04 Actual	04-05 Actual	05-06 Estimate	06-07 Projected
MEASURE 2.1.1 Number of formal complaints investigated.	61	60	50	48
MEASURE 2.1.2 Number of inspections conducted.	354	480	305	360
MEASURE 2.1.3 Investigations referred to outside law enforcement agencies	4	6	2	2
MEASURE 2.1.4 Develop desk book for guidance in dealing with cases within described areas of responsibility	Complete	Update	Update	Update
MEASURE 2.1.5 Develop pamphlets/newsletter for licensee information	Update	Update	Update	Update
MEASURE 2.1.6 Develop online FAQs on the SOS website	Complete	Update	Update	Update

OBJECTIVE 2.2 Encourage and increase compliance with Bingo-Raffle law through a convenient and well publicized games manager training program

	03-04 Actual	04-05 Actual	05-06 Estimate	06-07 Projected
MEASURE 2.2.1 Number of games manager classes offered annually	80	60	60	60
MEASURE 2.2.2 Number of "on-demand" games manager training classes in areas where several requests have been made	12	12	2	6
MEASURE 2.2.2 Games manager training calendar developed and maintained on SOS web page	Continuing	Continuing	Continuing	Continuing
MEASURE 2.2.2 Multi-Media		Update	Update	Update

presentation using MS PowerPoint	Complete			
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TRENDS AND BASELINE INFORMATION:

During FY 01-02, the Secretary of State, in conjunction with her Bingo-Raffle Advisory Board and with input from licensees and the general public, formulated proposals for improvements to CRS title 12, article 9, the “Bingo and Raffles Law.” Subsequently, during the 2002 legislative session, the proposed improvements were enacted in the form of HB 02-1321, “Concerning the Regulation of Games of Chance by the Secretary of State.”

HB 02-1321 addressed two major concerns in the charitable gaming area:

- (1) The ongoing need for clear, complete, informed licensee accountability for gaming practices and proceeds; and
- (2) Recent continuing declines in bingo and pull tab activities and revenues.

HB 02-1321 embodied both educational and enforcement provisions for the improvement of licensee accountability. It established a “continuing education program” that requires retraining and renewal certification every four years for each bingo-raffle licensee’s games managers. It also closed several statutory loopholes that had begun to cause accountability and a regulatory problem, especially with licensees’ reporting and handling of games of chance proceeds.

To counter declines in bingo and pull tab activities and revenues, HB 02-1321 allowed licensees to conduct progressive bingo and pull tab games. Progressive games offer cumulative jackpot prizes. Such prizes can grow to amounts that are enormous in comparison to any prize previously available in a Colorado bingo or pull tab game, and were therefore expected to attract new players and to increase per-player spend for such games.

Implementation of the provisions of HB 02-1321 were expected to reverse the current downward trend in bingo-raffle activities and licensing, which continued, as predicted, into FY 02-03. Licensing had been reasonably steady through most of the 1990s at a rate of 1600-1700 licenses issued annually (approximately 50 landlord licenses, 70 supplier and supplier agent licenses, 50 manufacturer and manufacturer agent licenses, and the remaining 1450-1550 bingo-raffle licenses issued to qualified nonprofit organizations). At the end of the decade, the number of bingo-raffle licenses issued began to decline, and calendar year 2001 saw a drop to 1449 licenses, the lowest calendar year total since at least the mid-1980s. The drop continued during calendar year 2002 and continues today into calendar year 2005, although the rate of decline has decreased. The number of bingo-raffle licensees at the end of 2004 was 1360. Most of the drop is attributable to

bingo-raffle licensees getting out of the bingo business. Volunteer organizations find it difficult to recruit volunteers to assist at bingo games. Raffle activities have remained relatively steady, while both licensing for bingo and revenues from bingo have been declining. If the bingo decline were to continue indefinitely, however, the remainder of the charitable gaming industry would inevitably suffer. By the same token, a reversal of that decline can be expected to provide a much-needed “shot in the arm” for charitable gaming in Colorado. It is still too soon to determine whether the implementation of progressive games of chance has accomplished the desired turn-around.

The remainder of the bingo-raffle workload has remained steady to slightly down. 5,000 – 5,500 quarterly financial reports continue to be filed annually in connection with games of chance activities. In calendar year 2004, 27% of the licensees accounted for 94% of gross receipts from charitable gaming and 95% of the Secretary of State’s fee revenue. 784, or 55% of the total licensees accounted for slightly less than 1% of gross receipts and .0075 % of the Department’s fee revenue. As in past years, after audit, approximately one-third of these reports must be amended, leading to re-filing and re-audit of over 1,000 corrected financial reports annually. Investigators continue to be assigned approximately 100 contact cases per investigator per year, with expanded investigations as conditions warrant. Bingo-raffle training continues to be conducted periodically at sites throughout the state.

Some previously described trends in the charitable gaming area have continued in the past year, as well. Licensee demand for individualized attention and assistance from the Department continues to grow, as does the role of citizen input in the regulation of games of chance. From this input can also be discerned an increasing division, and even a conflict, between the needs of the charities conducting bingo-raffle fundraisers and those of the for-profit businesses connected with the bingo-raffle industry. This trend is particularly evident in the functioning of the Bingo-Raffle Advisory Board and in the circumstances surrounding the recent weakening of the Colorado bingo market.

ACTION PLAN:

The Charitable Gaming Section will launch initiatives to improve the timeliness of games of chance financial reporting and to furnish additional games manager training for certificate renewal purposes. During FY 04-05 the licensing section started developing electronic reporting forms and a multi-media games manager-training program. Additionally, the section contracted for an online tutorial for the preparation of applications and quarterly financial reports that is available on the Secretary of State’s website. The section revised the financial reporting format by simplifying the main form, eliminating a number of forms from the report and by making the forms available in electronic format on the web. The section will continue to work with the Advisory Board, and with bingo-raffle licensees generally, to promulgate rules and disseminate information that may help organizations conduct more profitable games and arrest the decline in total revenues seen over the past few years.

A review of Secretary of State historical data for the past two calendar years reveals a disturbing number of “red flags” based on the self-reporting of the licensees. As a result, the licensing section has changed its approach to how it audits licensees. Rather than

conduct the large number of on-site visits to licensees' operations, investigators are spending more time analyzing the data submitted on quarterly reports and are initiating more thorough investigations if the initial reviews indicate that a licensee cannot account for revenues or that there are unauthorized expenditures.

ADDITIONAL NARRATIVE JUSTIFICATION:

Through the passage of law by their elected representatives, the people of Colorado have set up a system of licensing and oversight for the conduct of bingo games and raffles in this state. The statutory mechanism is intended to provide a means for non-profit, eleemosynary organizations to raise funds. It is their expectation that the Department of State is licensing according to law and overseeing the conduct of charitable gaming to ensure compliance and to investigate and report such conduct as may be subject to civil or criminal sanction.

CUSTOMER REQUIREMENTS:

Customer	Requirement
License applicants (all types)	Complete, conveniently available application forms, instructions, and information; prompt licensing action; guidance on any necessary application corrections; assistance freely obtainable by telephone, mail, in person and via internet and e-mail; online forms available on the Internet that can be completed on line.
Complainants	Prompt, professional complaint responses; understanding of the law governing bingo-raffle activities; investigation of each complaint made, and action on all those revealed to be well-founded
Players	Fair, well regulated games that offer an equal chance to win the advertised prize for every card, sheet or ticket sold; honest, accurate prize descriptions and prompt, full prize awards for each game conducted; prompt, responsive complaint handling and resolution; accurate accounting for all gaming dollars spent
Non-profits conducting games of chance	Training in the proper conduct of bingo-raffle activities and understanding of the requirements of the law governing such conduct; clear instructions and up-to-date forms for financial reporting on games of chance; a healthy profit margin for the charitable, fraternal, religious, or educational purposes and uses of the non-profit licensee; input into rulemaking for bingo and raffles; fair and unbiased administration of the law and rules governing bingo-raffle activities (a "level playing field" for all nonprofits engaging in fundraising by means of such activities)
The press, the legislature and the interested public	Accessible, accurate financial and general information on games of chance in Colorado; clear accounting for all gaming

	<p>dollars; prompt responses to inquiries; both support and regulation for the charitable gaming industry; fair and equitable fee assessments sufficient to cover the costs of administration of the bingo-raffle law</p>
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Strategic Plan / Program Narrative

SECRETARY OF STATE / DEPARTMENT OF STATE

PROGRAM TITLE: Notaries Public

CHANGE REQUEST(S): None

ESTIMATED TOTAL FUNDING:

Line Item	FY 2005-06 Total Appropriation		FY 2006-07 Total Request	
	Dollars	FTE	Dollars	FTE
Personal Services	\$ 129,584	3.5	\$ 129,584	3.5
Operating Expenses	\$ 50,451		\$ 50,451	
Totals	\$ 180,035	3.5	\$ 180,035	3.5

FEDERAL AND STATE STATUTORY AND CONSTITUTIONAL AUTHORITY: Title 12, Article 55, Part 1, C.R.S., “Notaries Public Act”

PROGRAM DESCRIPTION:

The Notary Section distributes new and renewal applications, commissions notaries public and electronic notaries, issues notarial authentications for international and interjurisdictional uses, handles all notary complaints that are addressed to the Secretary of State, provides notary information and education, and maintains and updates records of all current Colorado notaries.

PRIORITIZED OBJECTIVES AND PERFORMANCE MEASURES:

Objective 1.1 Meet increasing public demand for regular and expedited commissions and commission changes while maintaining promptness and accuracy of service

	02-03 Actual	03-04 Actual	04-05 Actual	05-06 Estimate	06-07 Projected
MEASURE 1.1.1 Number of commissions issued	26,190	26,500	27,092	27,500	27,950
MEASURE 1.1.2 Expedited commissions in 15 minutes or less	100%	100%	100%	100%	100%
MEASURE 1.1.3 Regular commissions mailed and rejected applications returned for correction within 3 business days of receipt in Notary Section	85%	85%	95%	95%	95%

MEASURE 1.1.4 Commission error rate, as reflected in percentage of commission certificates returned for correction	.5%	.5%	.5%	.2%	.2%
MEASURE 1.1.5 Number of changes recorded	3304	4482	5039	5600	5500
MEASURE 1.1.6 Changes recorded and updated commission certificates issued within 3 business days of receipt	95%	65%	75%	80%	80%
MEASURE 1.1.7 Mail out renewal notices by postcard	0%	0%	50%	100%	100%
MEASURE 1.1.8 Provide notary training classes in-house	0	0	0	8	12
MEASURE 1.1.9 Provide notary training classes off-site	Unk	Unk	Unk	12	18
MEASURE 1.1.10 Provide notary training via Web	N/A	N/A	N/A	In development	Implemented

Objective 1.2 Research and develop new technological guidelines and practices, both to implement HB 02-1119, HB 04-1300, and HB 05-1136 and to streamline Notary Section functions

	03-04 Actual	04-05 Actual	05-06 Estimate	06-07 Projected
MEASURE 1.2.1 Research, draft, propose, and promulgate rules for electronic notarizations, pursuant to the requirements of HB 02-1119	Rules hearing(s) held	Rules adopted and published	Rules amended	N/A
MEASURE 1.2.2 Improve electronic customer service and reduce individual e-mail and telephone inquiries and requests by completing and updating the Notary Section web site	New and revised material added to site; e-mail inquiries/form requests av. <15 wk	Site evaluated and updated as needed; e-mail inquiries/form requests av. <10 wk	Site evaluated and updated with additional resources for notaries	Site evaluated and updated with additional resources for notaries
MEASURE 1.2.3 Convert notary files and records to paperless format and maintain, index, search, and update them electronically	Conversion plan developed	Conversion plan developed	Project implemented	100% of old filings imaged
MEASURE 1.2.4 Develop and implement a notary application that may be delivered electronically, pursuant to the requirements of HB 04-1300.	N/A	N/A	Application developed	Application implemented

MEASURE 1.2.5 Research, draft, propose, and promulgate rules for pictorial notaries, pursuant to the requirements of HB 05-1136 and subject to approval by the general assembly.	N/A	N/A	Rules researched, drafted	Rules adopted and published
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Objective 1.3 Meet increasing customer demand for notarial certifications and authentications without reduction in accuracy or promptness of service

	03-04 Actual	04-05 Actual	05-06 Estimate	06-07 Projected
MEASURE 1.3.1 Authentication error rate, as reflected in percentage of certificates returned for correction	<1/5 of 1%	<1/10 of 1%	<1/10 of 1%	<1/10 of 1%
MEASURE 1.3.2 Number of certifications/ authentications issued	19,572 (3,300 expedited)	22,378 (3,633 expedited)	25,500 (4,080 expedited)	29,000 (4,640 expedited)
MEASURE 1.3.3 Expedited authentications/certifications in 15 minutes or less (additional certificates, same order, 5 minutes or less)	99%	100%	100%	100%
MEASURE 1.3.4 Regular authentications/certifications in one business day	98%	100%	100%	100%

Objective 2.1 Increase the efficiency, speed and convenience of notary application packet distribution without requiring additional FTE.

	03-04 Actual	04-05 Actual	05-06 Estimate	06-07 Projected
MEASURE 2.1.1 Mail application packets within one business day of mail or telephone request	80%	90%	N/A	N/A
MEASURE 2.1.2 Mail renewal application packets/postcards automatically to each current notary one month prior to expiration of notary's term	100%	100%	100%	100%
MEASURE 2.1.3 Implement electronic distribution system for application packets via internet	N/A	Begun	Complete	Complete
MEASURE 2.1.4 Implement fax distribution system for application packets via automated linked telephone/fax	N/A	Begun	Complete	Complete

TRENDS AND OTHER BASELINE INFORMATION:

The overall demand for notaries and notary services continues to grow in Colorado. The rate of growth, however, varies with Colorado's economy, and has been slower and less consistent since FY 01-02 than it was prior to that year. The number of applications received increased by approximately 1.5% over the prior year in FY 03-04, and by approximately 2% in FY 04-05.

The total number of notaries in Colorado remains stable at approximately 100,000 with approximately 25,000 renewals each year. The advent of new statutes and rules regarding electronic notaries may cause a rise in staff workload but it is not anticipated that electronic notaries will exceed more than a few hundred for the next three to four years.

The newest trend in the notary area, which has strengthened perceptibly in the last year, is toward the introduction of recent technology into some relatively ancient functions. This trend is national, and, to a lesser degree, international. It is reflected in Colorado by the changes to the notary law enacted by the 2002, 2004, and 2005 legislatures (HB 02-1119, 04-1300, and 05-1136), and the rules promulgated pursuant to these changes. HB 02-1119 provides for electronic transaction notarizations, and required the Secretary of State to promulgate rules for such notarizations. This marks a significant turning point, but whether towards the use of more notaries as electronic transactions increase, or towards the elimination of the notary function altogether as electronic transaction safeguards become more effective is at present unknown and probably unknowable. HB 05-1136 requires the secretary of state to adopt rules to establish a system for electronically transmitting notarized, authenticated photographs of individuals. The rules should be adopted as soon as administratively feasible, but, as specified in the bill, would not take effect until approved by the general assembly.

On a less speculative level, it is becoming apparent that streamlining of processes and additional utilization of developing technologies will be needed in the Notary Section if the Department's customer service goals are to be met without personnel increases. IT resources will be needed to comply with HB 04-1300, which requires that the secretary of state "shall ensure, at the earliest practicable time, that a notary application may be delivered in electronic format". The Notary Section continues to lag in meeting the Department's "paperless office" objectives, however, because higher priority IT projects, with much greater public impact, continue to require the Department's resources in this area. For this reason, Objective 1.2 (see specifically 1.2.3) has been trimmed back significantly to fit within the resources that can be furnished to the Division for this purpose.

The oldest trend in the Notary Section is the one that may require the earliest consideration. As mentioned above, the notary workload has increased markedly over the last ten years. It was expected to level off, and perhaps decline, as the economy did in recent years, particularly after 09/11/01. Instead, after a brief dip in authentications, it has continued to grow. It passed the point at which one FTE could successfully handle

the workload approximately eight years ago. Analysis and history indicate that one well-trained, experienced employee who is consistently working at the high Satisfactory to Outstanding level can accurately and timely process about 20,000 applications, 3,000 changes, and perhaps 2,000 authentications (provided that less than 10% of them need to be expedited) in an average year. Applications are currently at 26,000+ per year. Authentications have climbed above 22,000 in FY 04-05, an increase of approximately 14% over FY 03-04, with more than 3,600 of them expedited. The notary clerk is being assisted by temporary help and by employees in other sections within the Licensing division, when and as they are able to help, but this makeshift resolution will not be satisfactory in the long run if the workload continues to increase. It will not even work in the short run if there is any increase in other sections' workloads, instead of the steady to slightly declining demand of the last three or four years. It is time to consider an increase in Notary Section FTE, or at least a rationalization or systematization of the present workload distribution.

ACTION PLAN:

The technology action plan is summarized in Table 1.2, above, specifically Measures 1.2.3, 1.2.4, and 1.2.5. These items include the conversion of the notary files to paperless format, the development of the electronic notary application, and the rulemaking activity for the pictorial notaries. The workload distribution action plan discussed last year reallocated certain positions in the Division and allowed an additional FTE to assist the Notary Section.

ACCOMPLISHMENTS:

All new and revised forms and information, to include the electronic notary forms, have been drafted and posted to the updated Notary Section web site during the first half of FY 04-05. In August of 2004, the Section replaced the renewal packet mailings with reminder postcards, which reduced the filing workload of the front desk staff as well as postage costs. The application materials on the web site have been enhanced to provide instructions on completing the form and includes a copy of the Notaries Public Act along with the application, thereby supplying electronically, all of the materials that the Section had previously provided by mail. New reference and training materials have been added to the web site, including a Notary Handbook, Frequently Asked Questions, Notarization Format Examples, and Common Mistakes to Avoid, with the goals of reducing errors by notaries, encouraging self-training, and reducing phone inquiries. At present the newly launched site continues to receive customer support and approval. The Section expects continued acceptance of the revised forms, electronic notary forms, and helpful new information.

Again in FY 04-05, despite an increasing workload, the Notary Section met or exceeded most of its customer service goals. This required, as in past years, the help of the entire Licensing Division in one way or another, and remains an outstanding example of teamwork with a strong customer orientation.

CUSTOMER REQUIREMENTS:

Customer	Requirement
Adoptive parents and others engaging in international transactions	Multiple correct, complete notary authentications, acceptable in the country from which the adoption is made or with which business is done; guidance and assistance in obtaining correct notarizations that can be used in foreign jurisdictions; immediate error-free service
Notary applicants	Quick, convenient access to application instructions, forms and materials; prompt commissioning upon application (or request for application correction) along with the availability of adequate and timely training
Complainants on notary matters	Response in a reasonable time, preferably from both notary and Notary Section; understanding of both the complaint process and the basic requirements of the notary law
Notaries subject to complaints	Understanding of the nature of the complaint; an opportunity to respond and be heard
All above types of customers, as well as notaries generally	Basic understanding of notary duties, responsibilities, and functions under the Colorado notary law

Strategic Plan / Program Narrative

SECRETARY OF STATE / DEPARTMENT OF STATE

PROGRAM TITLE: Uniform Electronic Transactions Act

CHANGE REQUEST(S): None

ESTIMATED TOTAL FUNDING:

Line Item	FY 2005-06 Total Appropriation		FY 2006-07 Total Request	
	Dollars	FTE	Dollars	FTE
Personal Services	\$ 118,211	2.2	\$ 118,211	2.2
Operating Expenses	\$ 11,984		\$ 11,984	
Totals	\$ 130,195	2.2	\$ 130,195	2.2

FEDERAL AND STATE STATUTORY AND CONSTITUTIONAL AUTHORITY: Sections 24-71.3-118 and 24-71.3-119, C.R.S., Senate Bill 03-230.

PROGRAM DESCRIPTION:

The Uniform Electronic Transactions Act was adopted during the 2002 Legislative Session and was amended in the 2003 Legislative Session to include an appropriation effective January 1, 2004. The Act requires the Secretary of State to develop and adopt rules for state agencies, which rules prescribe the use of electronic signatures, and the manner and format in which electronic records must be created, generated, sent, communicated, received and stored.

PRIORITIZED OBJECTIVES AND PERFORMANCE MEASURES:

OBJECTIVE 1.1 Hire, train and retain highly qualified personnel.					
		FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Estimate	FY 06-07 Projected
MEASURE 1.1.1 Percentage of required staff hired.		33	100	100	100

OBJECTIVE 1.2 Research laws and rules adopted by other jurisdictions.					
		FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Estimate	FY 06-07 Projected
MEASURE 1.2.1 Percentage of other states surveyed in which rulemaking under UETA centralized for all of state		5	20	70	90

MEASURE 1.2.2 Percentage of Federal agencies surveyed for electronic transactions rules or guidelines		2	15	50	80
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OBJECTIVE 1.3 Research electronic systems used by other jurisdictions to ensure adequate preservation, disposition, integrity, security, confidentiality and auditability of electronic records.

		FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Estimate	FY 06-07 Projected
MEASURE 1.3.1 Percentage of project completed.		2	15	25	50 but ongoing

OBJECTIVE 1.4 Provide information and education to state and local government agencies concerning UETA (the Act) and the UETA program.

		FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Estimate	FY 06-07 Projected
MEASURE 1.4.1 Number of presentations or demonstrations given to interested constituencies		2	5	20	30
MEASURE 1.4.2 Form a Task Force of representatives from state and local gov't agencies and private sector - percentage completed		0	80	100	100
MEASURE 1.4.3 Create UETA web site with information for gov't agencies - percentage completed		0	50	90 but ongoing	90 but ongoing
MEASURE 1.4.4 Percentage of agencies assisted in assessing or designing electronic transaction implementations		5	20	60	80 but ongoing

OBJECTIVE 1.5 Develop proposed rules, receive public comment and adopt final rules.

		FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Estimate	FY 06-07 Projected
MEASURE 1.5.1 Percentage of CO agencies surveyed for needs		2	70	90	100
MEASURE 1.5.2 Percentage of project completed.		0	0	50	90 but ongoing

TRENDS AND OTHER BASELINE INFORMATION:

UETA has been adopted by at least forty-five states and the District of Columbia. As more jurisdictions allow for electronic citizen-to-government, business-to-government and government-to-government transactions, the need for a consistent set of rules and systems

is imperative. Further, the creation of the Statewide Internet Portal Authority, the selection of the portal integrator, and the hiring of a State Chief Information Security Officer add new players to state government, all of whom have an interest in electronic transactions and rules that will govern them. Thus, the UETA program has adjusted to consult and collaborate with these new participants in order to assure that rules to be adopted will be practical, achievable and appropriate.

ACTION PLAN:

- Participate with the government, citizen and the business communities in developing a framework for citizens and business to efficiently interact with government in a digital environment.
- Research legal, business and technology issues and options in implementing an electronic government process.
- Research laws, rules and implementations in other states and at the federal level
- Attend local and national conferences and meetings; learn from interactions with counterparts in other governments at local, state, and federal levels, as well as from members of the private sector and vendors.
- Research and develop a test bed of hardware and software technologies for continuing research into the issues of authentication, identity protection, computer security, electronic and digital signatures, encryption, and document archiving.
- Survey state and local Colorado government agencies concerning current and future electronic process implementations and needs.
- Educate and assist all interested government agencies, including Colorado counties and municipalities.

ACCOMPLISHMENTS:

The unit is now staffed by an experienced business attorney from the high tech industry and an information technology professional, who were hired in Q4 2004.

The unit has researched legal and business topics that include federal laws and regulations, Colorado laws and the laws and rules of other states with respect to the development and use of electronic records and signatures in government transactions. The unit has also researched state and federal laws that may affect how government electronic transactions can or should be conducted, such as privacy requirements and state open records law.

The unit has researched risk assessment approaches and standards for authentication and electronic signatures developed by federal government agencies and standards bodies, non-profit industry organizations and legal organizations. The unit has also explored the current state of electronic signatures and security issues in the private sector.

The unit has had detailed conversations or meetings with counterparts in other states and with federal agency personnel and has attended topical conferences.

The unit has researched electronic authentication and electronic signature technologies and implementations, including both software applications and hardware devices. The unit has purchased laptop computers for use as test-bed equipment and has obtained a variety of such electronic authentication and signature products, which it uses for research and demonstration purposes. The unit has contacted or reviewed over 50 vendors and products and established relationships with major digital certificate vendors.

The unit has worked to become a resource for state and local governments and to communicate this role by a variety of outreach and education initiatives, including:

- Developing a UETA web site
- Establishing a UETA Task Force
- Giving Power Point presentations to government groups and conferences
- Demonstrating authentication and electronic signature technologies
- Publishing an article in Stateline
- Meeting with key people and groups in Colorado with a stake in electronic government transactions
- Attending monthly meetings of the SIPA Board and the eRecording Advisory Fund Panel
- Contacting the Executive Directors of all departments in the state
- Responding to inquiries from agencies about electronic signatures and UETA

The unit is actively working with several agencies concerning the design of their electronic signature implementations and revisions to their agency rules to permit electronic transactions and signatures.

CUSTOMER REQUIREMENTS:

Customer	Requirement
State and local government agencies	Rules and systems that promote electronic transactions consistent with the business needs of the agencies and their customers. Education, training, and help to incorporate electronic transactions into business processes to serve customers better.
Citizens, members of the business community, their attorneys and other professionals, and other government agencies	Consistent, well researched rules and systems that allow for efficient citizen-to-government (CTG), business-to-government (BTG) and government-to-government (GTG) electronic transactions.

STRATEGIC PLAN / PROGRAM NARRATIVE

SECRETARY OF STATE / DEPARTMENT OF STATE

PROGRAM TITLE: Administrative Rules

CHANGE REQUEST(S): None

ESTIMATED TOTAL FUNDING:

Line Item	FY 2005-06 Total Appropriation		FY 2006-07 Total Request	
	Dollars	FTE	Dollars	FTE
Personal Services	\$ 99,034	2.2	\$ 99,034	2.2
Operating Expenses	\$ 13,726		\$ 13,726	
Totals	\$ 112,760	2.2	\$ 112,760	2.2

FEDERAL AND STATE STATUTORY AND CONSTITUTIONAL AUTHORITY: Section 24-4-103, C.R.S., “Rule-Making Procedure”

PROGRAM DESCRIPTION:

This program is responsible for publishing the *Code of Colorado Regulations*, which is comprised of all the administrative rules of the executive agencies of the state of Colorado. State agencies are required by the state “Administrative Procedures Act” to file adopted rules and notices of rulemaking with the Secretary of State for publication in the companion publication, the *Colorado Register*. The register is published monthly and includes: rule-making notices, proposed rules, new and amended rules, and attorney general rules opinions. HB 02-1203 directed the Secretary of State to publish the code and register electronically. Accordingly, a computer program has been developed by the Department of State to accomplish this. To facilitate the publication of the administrative rules online, rulemaking agencies will submit filings using a web accessible e-filing system. The code and register will be available to the public from the Secretary of State’s website at the end of 2005.

In conjunction with the publication of rules, the administrative rules program trains agencies concerning rule-filing procedures and the formatting and styling of rules documents. In FY 05-06 the rules program will train agencies and their attorneys to use the e-filing web application. The program continues to contract with a private publisher to print a paper version of the code and register and is responsible for logging the date and time of the filings, and their transfer to the paper publisher, assuring that the filings comply with statutorily mandated filing deadlines.

Until e-filing is fully developed and functioning the print publisher will continue to use the cut-and-paste method to produce the *Colorado Register* and to update the *Code*. With the current paper-based system, agencies are forced to deliver their filings in person in order meet the deadlines imposed by the “Administrative Procedures Act”. Electronic filing will allow agencies

to file in a more timely and efficient manner; they will be able to perform every step in the rulemaking process without leaving their desk. Electronic filing also provides web-based forms with constraints to prevent errors and e-tools to remind rule-makers of filing deadlines. Agencies will be able to avoid errors that with the paper filings may not have been discovered until after a deadline was missed. Additionally, electronic filing provides agencies with a mechanism to more easily identify the portions of rules to be amended; relieving the publisher of the guesswork extant in the old system.

PRIORITIZED OBJECTIVES AND PERFORMANCE MEASURES:

OBJECTIVE 1.1 Develop and implement a secure, accessible, electronic rules code and register, along with a paperless rules filing system, utilizing the most economical and efficient available technology.					
FISCAL YEAR	02-03 Actual	03-04 Actual	04-05 Actual	05-06 Estimate	06-07 Projected
MEASURE 1.1.1 Research available technologies and select the one(s) proving most efficient, secure, and cost effective for this application	Researched and selected	Develop eRules and eFiling	Continue development of eRules and eFiling	Bring eRules/eFiling application online	Maintain and Improve System
MEASURE 1.1.2 Recommend, assist with, support and implement any statutory changes necessary or desirable to institute an electronic rules code and electronic filing	Begin implementation of statutory changes	Continue implementation of statutory changes	Continue implementation of statutory changes	Legislation implemented	Review statute and make recommendations
MEASURE 1.1.3 Develop and put in place procedures for electronic filing and convert to a paperless filing system for adopted rules	Development begun	Continue development	Continue development	100% of adopted rules filed electronically	Electronic filing in place

OBJECTIVE 1.2 Provide access to the state administrative rules from the Secretary of State's web site and through other electronic publishers. Contract/renew contract for paper publication of rules code and register.					
FISCAL YEAR	02-03 Actual	03-04 Actual	04-05 Actual	05-06 Estimate	06-07 Projected
MEASURE 1.2.1 Contract for e-publishing system drafted, executed and in place	Contract drafted	Contract in place	Vendor fulfills contract	N/A	N/A
MEASURE 1.2.2 Satisfy the demand for an electronic code not only in terms of free online access, but also by contracting with resellers	N/A	N/A	N/A	Begin operation	Continue operation
MEASURE 1.2.3 New or renewal contract for paper publication drafted, executed and in place	New contract in place	Contract continues	Contract continues	Contract continues	Up for renewal in early FY07-08
MEASURE 1.2.4 Develop system for transferring Register filings to paper publisher through electronic means	N/A	Under development	Under development	System in place	Data transferred electronically

OBJECTIVE 1.3 Develop strategies to improve the electronic rules publication and e-filing web application.

FISCAL YEAR	02-03 Actual	03-04 Actual	04-05 Actual	05-06 Estimate	06-07 Projected
MEASURE 1.3.1 Work to standardize appearance and improve utility of the electronic code	Research and develop	Continue development	Continue development	Continue development in-house	Continue development in-house
MEASURE 1.3.2 Meet regularly with agency advisory group, the Attorney General's office, and the Office of Legislative Legal Services. Collaborate with advisory groups to make improvements to the system	Form advisory groups	Meet and discuss system development issues	Continue collaboration	Continue collaboration	Continue collaboration
MEASURE 1.3.3 Create rules procedure and style manual; continue to revise and update as needed	N/A	Publish manual and use for training	Continue development and revision	Continue to revise and update	Continue to revise and update

OBJECTIVE 2.1 Design training programs not only to assist agency rulemakers with learning to use the electronic rules web application, but also to familiarize them with the rulemaking process.

FISCAL YEAR	02-03 Actual	03-04 Actual	04-05 Actual	05-06 Estimate	06-07 Projected
MEASURE 2.1.1 Create training program for rulemaking procedures	Research and determine need	Design program and begin training	Continue training and update content	Continue training and update content	Continue training and update content
MEASURE 2.1.2 Establish e-filing training program to include the use of the system and the creation of rules documents	N/A	Design program and begin training	Continue training and update content	Continue training and update content	Continue training and update content
MEASURE 2.1.3 Number of agency rulemakers trained on rulemaking procedures	N/A	27	30	25	25
MEASURE 2.1.4 Number of agency rulemakers trained on Word styling for online rules	N/A	151	0 ⁵	150	25
MEASURE 2.1.5 Number of agency rulemakers and attorneys trained on the use of the electronic filing system	N/A	N/A	0 ¹	150	25

⁵ No training occurred due to the delay in implementation of the eRules/eFiling system.

OBJECTIVE 3.1 Maintain and keep available for public access an accurate, complete and current docket and file of agency rules, rule proposals and rule opinions.

FISCAL YEAR	02-03 Actual	03-04 Actual	04-05 Actual	05-06 Estimate	06-07 Projected
MEASURE 3.1.1 Number of paper filings received and docketed	867	814	697 ⁶	375 ⁷	N/A
MEASURE 3.1.2 Number of electronic filings received and logged	N/A	N/A	N/A	375	750
MEASURE 3.1.3 Number of docket entries requiring correction subsequent to filing/docketing month	0	0	0	0	0

TRENDS AND OTHER BASELINE INFORMATION:

The original publisher of the administrative rules and register gave notice to the State that it would not renew its contract at the end of fiscal year 2001-2002. This event drew attention to the urgency of creating an electronic rules code and prompted legislation in the form of House Bill 02-1203, to amend the statute governing the rule-making process. The Secretary of State is now required to publish the code and register electronically with the option of additionally publishing a paper version. “The secretary of state shall cause to be published in electronic form and may cause to be published in printed form, at the least cost possible to the state, the code of Colorado regulations and the Colorado register . . .” (CRS 24-4-103 (11)(b)).

Before the end of FY 01-02, a contractor was located to continue the paper publication and planning for the electronic rules code was begun. A Request for Proposals for an electronic rules publishing system was issued to vendors in September of 2002. Although a vendor was chosen at the end of November, protracted contract negotiations continued for the next four months, and the contract was not in place until April 7th of 2003. The contractor was to take electronic files provided by agencies and convert them to XML for presentation on the web. Simultaneous with the conversion, the contractor was to develop an electronic rules filing and publication system. The contractor experienced myriad problems with the conversion and in July of 2003 determined that it would be unable to fulfill the contract. The Secretary of State and the contractor consequently agreed to terminate the contract.

The Department of State then returned to the proposals originally submitted for the project in order to choose a new vendor. The remaining vendors were contacted and requested to submit updated proposals. A new vendor was subsequently chosen with a new contract being signed and approved the first week of October 2003. A different approach was taken by the second contractor with regard to conversion from paper to electronic rules. Instead of using electronic files submitted by rulemaking agencies, the second contractor keyed the 25,000 plus pages in XML format. Despite the fact that the conversion process was different, the program continued with the same model for the development of

⁶ Rule filings increased by 23, while notice filings declined by 140. The most likely reason for the drop in notice filings is that agencies are filing notices that list several rules to be heard at a rulemaking hearing rather than filing individual notices for each rule.

⁷ Paper filing will be replaced with electronic filing during FY 05-06.

the electronic rules filing and publication system. Requirements documents created while working with the original vendor were still valid; therefore, the administrative rules program saved the time and expense of recreating those documents.

Additionally, the work that was done with the original contractor also benefited the State in that it cleared up inconsistencies and errors that have occurred and accumulated over the past twenty-five years of publishing the rules. Agencies were made aware of inconsistencies between the published version of their regulations, what they have on file, and what is published on their agency web sites. From the beginning of the eRules development in the fall of 2002 until the end of FY 04-05, a total of eighty-one corrections have been filed with the Secretary of State.

The administrative rules program is now taking a more active role in the publication of the rules, as the electronic publication will be managed in-house. Agency rule-makers are looking to the Secretary of State for leadership in the standardization of the form and style of administrative rules and have requested training not only on the use of electronic filing, but also in regard to the rulemaking process. The administrative rules program has published a rudimentary procedures and style manual which will be expanded on in the coming years. Training programs for both rule-making procedures and e-filing have been established and made available to agency rule-makers.

The official state rules repository will remain entirely on paper until e-filing is implemented. The paper repository covers the time period from September of 1977 and will continue through the end of calendar year 2005. It includes all state agency rules – new, repealed, amended and superseded – from that time period, together with some earlier rules that were still in effect at the end of 1977. This repository also contains the rule opinions of the attorney general and all cover letters, basis and purpose statements, adoption notices, justifications, and other rule-related materials that were submitted with, and as an integral part of any rule filing. All but the current year's filings have been transferred to state archives, and the transfer of paper documents will be completed when the electronic repository is in place. It was determined that electronic archiving of outdated rules is not necessary, and that it would be more economical to retain the paper archive.

WORKLOAD ASSUMPTIONS:

The focus of the program has shifted from managing the paper publication of the rules and register to the development and maintenance of the electronic rules and the electronic filing system. The first year of the electronic rules program was devoted mainly to acquiring a vendor to build the system and developing requirements for the system. Development efforts for the web application continued through the following two years. Staff now spends much of their time on system testing and aggregating and styling updates that have been accumulating over the past year and a half. While the system is being developed, agencies have provided electronic copies of the rules they have filed in print; these will need to be inserted into the rules database before the system comes online. In FY 05-06, staff will train rule-makers and their attorneys on the use of e-filing and will assist both agency users and the public on the use of the eRules/eFiling system.

During development, the administrative rules program staff met with advisory groups, created system requirements, managed and documented the progress of the project, designed training programs, developed training materials, scheduled and presented training. Additionally, staff updated the XML

database, styled Word documents for conversion and insertion into the database, and responded to agency email and voicemail. The program continues to accept paper filings and forward the filings to the paper publisher. This process includes logging and filing copies of the material to be published, and communicating with the publisher over issues that arise as the monthly publication is being prepared.

Rules showed a spike in the number of filings in FY 02-03, due in part to certain individual proposed rules being counted and docketed separately, although they had formerly been considered one filing. Even discounted to allow for this procedural change, however, the number of filings was unusually high. In FY 03-04 the figure dropped by over 50 filings and then in FY04-05, the number of filings dropped sharply due to a decline in notice filings. Nevertheless, the volume of material being published each month in the register remains constant. An average issue contains 1200 pages.

ACCOMPLISHMENTS:

While the first contract failed to produce an electronic rules code and filing system, it did lay the groundwork to enable the second company chosen for the project to be successful. It also gave the Division the background and experience to make a more informed choice of a second contractor. The company chosen has more extensive experience with similar projects based on XML technology, the preferred choice for the online presentation of the rules.

The second contractor completed its contractual obligations at the end of FY 04-05. Aside from any enhancements that may be added to the system, the Department of State's IT staff will complete the work on the eRules/eFiling system during the current fiscal year. The online system is designed to allow rulemaking agencies to not only file notices and rules electronically with the Secretary of State, but to also request Attorney General Opinions and file rules electronically with the Office of Legislative Legal Services. The tracking number approach introduced with electronic filing will allow interested parties to follow a rulemaking from proposal through implementation. In creating the system, the rules program collaborated with the Attorney General's Office, the Office of Legislative Legal Services, and rule-makers from various state agencies to create a comprehensive, all-inclusive product. The partnerships formed to create the electronic rules are expected to endure, continuing on with the goal of making improvements and building additional features. Deadlines for docketing and transmission of rules for the print publication have continued to be met throughout this time of transition, and docket errors remain at zero.

As yet, electronic rules and electronic filing is not in place. Near the end of FY 03-04, the Department of State experienced computer outages that affected every program within the office. As a result, time that the IT staff would have devoted to installing the rules web application onto the server was taken up by efforts to maintain office functions and to rebuild the computer center. In FY 04-05 the implementation was again delayed with the move to a new office and the necessity of migrating the data to different database. Since the Department of State IT staff took over the project, they have made great strides in the development and debugging of the system. Three missing components have been put in place and the existing functions are working much smoother. The eRules/eFiling system will roll-out at the end of 2005.

ACTION PLAN:

The program will: continue meeting with advisory groups; work to improve and enhance the electronic rules and e-filing system; standardize the form and appearance of the administrative rules; continue to present training sessions and refine training materials; act as a help desk for researchers and users of the electronic filing; augment and update the style and procedure manual; and ensure that the administrative rules are published in print.

CUSTOMER REQUIREMENTS:

Customer	Requirement
Legislature	An electronic, centralized, comprehensive administrative rules code/register published monthly at the least cost to the state; a complete, secure state repository containing all agency rules, whether active, superseded, repealed or amended, together with all the opinions of the attorney general on such rules.
Rule-making agencies	Regular, reliable electronic (and paper) publication, on a consistent schedule, of all rules and rule-making notices filed; clear, unvarying filing and publication deadlines and instructions. Instruction on the use of the electronic filing system. Guidance on the format and style of rules documents and training regarding the rulemaking process.
Courts, businesses and individuals relying on and/or affected by administrative rules	An up-to-date, accurate electronic (and paper) rules code and register, indexed and annotated for convenient utilization; an accessible file of both current and past rules; a docket reflecting every rule filing.
Rules contractor (paper publisher)	Timely, complete transmission of all rules, opinions and notices to be published; a “sole official source” contract for paper publication.

STRATEGIC PLAN / PROGRAM NARRATIVE

SECRETARY OF STATE / DEPT OF STATE

PROGRAM TITLE: Charitable Solicitations

CHANGE REQUEST(S): None

ESTIMATED TOTAL FUNDING:

Line Item	FY 2005-06 Total Appropriation		FY 2006-07 Total Request	
	Dollars	FTE	Dollars	FTE
Personal Services	\$ 96,625	2.1	\$ 96,625	2.1
Operating Expenses	\$ 20,574		\$20,574	
Totals	\$ 117,199	2.1	\$ 117,119	2.1

Federal/State Statutory and Other Authority: Title 6, article 16, C.R.S., “Colorado Charitable Solicitations Act”

PROGRAM DESCRIPTION

The charities registration program exists to promote accountability and transparency among charitable organizations that solicit contributions in Colorado and to shed light on professional fundraising campaigns, especially with respect to what percentage of a donation goes to the charity compared to the percentage that goes to the professional fundraiser. It is the only all-electronic charities registration program in the country. The program is responsible for the electronic filing and posting via the Internet of all such charitable solicitations records as are received by the Secretary of State’s office in accord with the requirements of the Charitable Solicitations Act. The program furnishes web-based forms and instructions for report filing, provides customer support, issues overdue notices for registration renewals and solicitation campaign financial reports, and refers campaigns for which no reports are filed, as well as complaints concerning theft, fraud, mismanagement, deceptive trade practices, etc., to the various district attorneys throughout the state and the Colorado Attorney General.

The Secretary of State is responsible for issuing registration numbers to each registrant and has the authority to deny, suspend, or revoke the registration of any charitable organization, professional fund-raising consultant, or paid solicitor. The Secretary of State is required to publicize the statutory requirements and otherwise assist charitable organizations, professional fundraising consultants, and paid solicitors and compile and publish an annual report summarizing the information provided by those subject to the law. It is anticipated that the number of registrations will rise from its June 30, 2005 level of 3,517 charitable organizations to

an estimated 4,000-4,300 as information regarding this program and filing requirement is more widely disseminated and administrative tools are developed to identify and contact unregistered charitable organizations and fundraising professionals. The most significant tool currently available for this purpose is the Internal Revenue Service’s Business Master File (BMF), which the Secretary of State’s office intends to incorporate into its outreach efforts. Any tax-exempt charitable organization that is listed in the BMF and appears to be subject to the state registration requirements will receive notification from the Secretary of State of the potential need to register.

Prioritized Objectives and Performance Measures

OBJECTIVE 1.1 Fully implement the provisions of the revised and re-enacted Charitable Solicitations Act enacted June 5, 2001 and effective May 9, 2002.					
	02-03 Actual	03-04 Actual	04-05 Actual	05-06 Estimate	06-07 Projected
MEASURE 1.1.1 Revise and test as necessary the electronic charitable solicitation campaign filing system.	Continuing	Continuing	Continuing	Continuing	Continuing
MEASURE 1.1.2 Examine and approve or reject online filings by charitable organizations.	1803	3475	3630	4356	5247
MEASURE 1.1.3 Examine and approve or reject online applications by paid solicitors and professional fundraising consultants for registration numbers.	69	86	127	150	180
MEASURE 1.1.4 Examine and approve or reject online solicitation notices.	179	222	306	360	432
MEASURE 1.1.5 Examine and approve or reject campaign financial reports filed online.	22	168	238	286	343
MEASURE 1.1.6 Increase number of charitable organizations registered by 20% in FY 06-07 using IRS Business Master File and other means to identify unregistered Colorado tax-exempt organizations.	2021	2763	3517	4220	5064
MEASURE 1.1.7 Compile and publish an annual report summarizing filed charitable solicitation information.	Report Design Approved	First Report Published	Second Report Published	Publish Report	Publish report

OBJECTIVE 1.2 Develop and promulgate the new rules required by, or recommended pursuant to, the revised and re-enacted Colorado Charitable Solicitations.					
	02-03 Actual	03-04 Actual	04-05 Actual	05-06 Estimate	06-07 Projected
MEASURE 1.2.1 Incorporate into the rules clear, concise guidelines for meeting the requirements for registration.	Permanent Rules Adopted	Permanent Rules Adopted	N/A	Adopt New Rules	N/A
MEASURE 1.2.2 Number of rulemaking meetings and hearings noticed/held	1	0	0	1	0

MEASURE 1.2.3 Number of new rules adopted, as determined from promulgated rules added to the Colorado Code of Regulations.	2	0	0	4	0
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OBJECTIVE 2.1 Participate with National Association of State Charity Officials (NASCO) and GuideStar in development of electronic data collection project (NASCONet) to improve public access to state charity registration information from multiple states and assist state charity officials in their regulatory efforts.

	02-03 Actual	03-04 Actual	04-05 Actual	05-06 Estimate	06-07 Projected
Measure 2.1.1 Serve as resource in efforts of NASCO and GuideStar to develop a national web site with the help of a federal Technical Opportunities Program (TOP) grant from the U.S. Department of Commerce.	N/A	N/A	Authorized by new legislation	Begun	Continuing
Measure 2.1.2 Recommend Colorado Department of State participation in developing a NASCONet charities database of state registration information and state enforcement actions	N/A	N/A	Department Approved	Participating	Participating

OBJECTIVE 2.2 Continue leadership in state government e-filing by participating in expansion of U.S. Internal Revenue Service's State Retrieval System (SRS) to state charity offices and development of an XML schema that would encourage software developers to offer new multi-state e-filing products to charitable organizations. These combined efforts will help expand electronic filing nationwide for charitable organizations that must register annually in several states.

	02-03 Actual	03-04 Actual	04-05 Actual	05-06 Estimate	06-07 Projected
Measure 2.2.1 Maintain involvement with multi-state e-filing pilot project and Form 990 e-filing project.	Continuing	Continuing	Continuing	Continuing	Continuing
Measure 2.2.1 Build upon experience with pilot project and participate in expansion of IRS State Retrieval System and development of XML schema.	N/A	N/A	N/A	Begun	Continuing

TRENDS AND OTHER BASELINE INFORMATION:

Workload assumptions: Filing numbers had been relatively stable from FY 1995 through May 8, 2002, under a comparatively small, paper-based program. From 320 to 350 solicitations campaign notices and a corresponding number of campaign financial reports were filed annually during that time. Charities registrations have increased steadily from 2,021 in FY 02-03 to 2,763 in FY 03-04, 3,571 in FY 04-05, and it is estimated 4,220 charities will be registered in the Secretary of State's database by the end of FY 05-06.

Based on trends observed in the early months of the program and ongoing outreach efforts, the number of registrations and renewals the charities program can expect to receive in FY 06-07 should

be approximately 5,247. It is believed that the total number of charities subject to the registration requirement is in the vicinity of 7,000 – 7,500. The number of charitable organizations likely subject to the statute's registration requirements was an internal estimate based upon an analysis of domestic nonprofit filings on file with the Secretary of State, the number of 501(c)(3) organizations with Colorado addresses that have IRS Form 990's on file with the Guidestar web site, and the number of exempt organizations with Colorado addresses listed on the IRS web site. In April, 2005, an informal assessment by the National Center for Charitable Statistics (NCCS) suggested that the compliance rate in Colorado was close to 75% of charities subject to the registration requirement. Efforts will be made in FY 05-06 to understand and reconcile the difference between the more positive assessment of NCCS and that made internally using the IRS Business Master File.

While online registration has significantly reduced the amount of time spent processing paper registrations, setting up new files, photocopying notices and other correspondence, filing supplementary documents provided by registrants, processing payments and the like, the charitable solicitations program still demands that staff approve each individual filing, process complaints, send inquiry letters to unregistered charities, and send certain delinquency notices via regular mail. While the process has been far more efficient than under the old paper-based system, the much larger number of filings has caused staff to devote significant time to the registration process. Since FY 04-05, the charitable solicitations section has established criteria for requesting and examining contracts upon which solicitation notices are based for compliance with state law. This has required significant staff time in order to effect changes in contracts that reflect the Colorado statutory requirements. Staff time is divided among the following types of duties: fielding phone calls and email messages relating to the filing of the final financial reports, sending final notices by U.S. Postal Service to delinquent filers of such reports, auditing and archiving paper files, educating consumers and fundraisers about the new system, processing complaints, referring files and complaints as appropriate to state and federal agencies for further action, maintaining and analyzing the database, identifying problems and recommending enhancements to the web application, coordinating enforcement and public education efforts with the Attorney General, working with other state charity offices to improve registration functions and improve public education and enforcement techniques, serving on the Board of Directors of the National Association of State Charity Officials (NASCO), sharing information on the e-filing experience with other state and federal offices considering make such a transition, and more.

The Secretary of State's office has the authority to pursue administrative remedies for delinquent filers or applicants who act or fail to act in such a manner as to violate provisions of the statute. An automated system for sending delinquency notices that became effective in November, 2003 has improved considerably the percentage of organizations that file their annual renewals in a timely manner and has helped reduce delinquent filings of solicitation campaign financial reports. Nonetheless, several charitable organizations and fewer commercial fundraisers lapse into noncompliance and require significant staff assistance to bring their filings back up to date. Constraints imposed by the division's legal services budget has hampered attempts to develop an effective enforcement program, so the registration program is still based largely upon public education and voluntary compliance by charities and their professional fundraisers.

The need for public education will require a sustained effort on the part of this office in order to reach as many organizations subject to the new law as possible and to increase public awareness of the new

statutory provisions to a level that will help make the new program a success from the point of view of Colorado consumers.

Existing conditions and trends:

- **Conditions:** The charitable solicitations section is now handling a greatly expanded constituency with an entirely electronic (web-based) registration system. Rather than storing paper documents in filing cabinets or even eliminating paper files through high speed scanning, the new system facilitates electronic storage of information input directly by charitable organizations, professional fundraising consultants, commercial coventurers, and paid solicitors.
- **Trends:** Since the initial flurry of registration activity in the last weeks of FY 01-02, there has been a steady increase in the number of registered charitable organizations, paid solicitors, and professional fundraising consultants in the charitable database. Outreach efforts and media coverage have led directly to periodic spikes in registration activity, so generating more publicity about the program will continue to be crucial to any attempts to increase the number of organizations registered in the database. Periodic discussions with the Attorney General focusing on ways to increase public awareness of and encourage voluntary compliance with the Charitable Solicitations Act help support the office's outreach activities. Similar meetings with local Better Business Bureaus and leading nonprofit membership organizations continue to generate vital educational opportunities. There has been little increase in the number of inquiries and complaints received from consumers. As more consumers become aware of the charities program, however, we expect the number of complaints to increase, as will the demand for resources that would enable investigators to make the necessary inquiries into problems brought to our attention. On the national level, interest in reform of the nonprofit sector continues to grow in the states and in the U.S. Congress, as does interest in promoting e-filing of annual information returns with the Internal Revenue Service and registration documents with the various state charity offices. The Colorado Secretary of State has been a leader in e-government and has made important contributions to the development of e-filing tools for charities on the national level. This includes participation in the E-File Form 990 program launched by NCCS and the state retrieval system being introduced by the Internal Revenue Service in 2006. This office remains the only state charity office in the nation that requires e-filing by charities and commercial fundraisers. It is one of only two in the country that accepts such filings electronically.
- **Action plan:** A government-private sector partnership in the form of a federal Technical Opportunities Grant (TOP) awarded by the U.S. Department of Commerce to GuideStar and the National Association of State Charity Officials (NASCO) soon has resulted in a web-based repository of digitized charities registration information for the public and a restricted regulators site that has already provided new data analysis and information-sharing tools to state charity offices that elect to participate in the project. This "NASCONet" web site continues to be improved upon and expanded. Ownership will transfer from Guidestar to NASCO in 2006. At the same time, partners under the TOP grant are developing an XML schema for software developers that should greatly speed the development and acceptance of professional e-filing products for charities. Finally, all parties to the grant are working closely with the Internal Revenue Service (IRS) to help all interested state charity offices participate in the IRS state retrieval system in order to facilitate e-filing on the state and federal level for charities.

Legislation passed in 2005 authorized the Secretary of State to make a modest shift in resources in order to participate in NASCONet and the IRS state retrieval system. As in past years, new efforts will be undertaken to expand compliance and awareness of the Charitable Solicitations Act. The charitable solicitations section has established effective partnerships in the government, nonprofit, and information science communities in order to educate the public and those who are regulated, and it continues to make every effort to provide a web-based filing system that is as clear, accurate, and reliable as possible. It continues to expand its cooperation with the Attorney General’s office toward the end of improving data collection, educating consumers, investigating complaints, and enforcing the provisions of the Charitable Solicitations Act.

Customer Requirements

Customer	Requirement
Charities and fundraisers registering solicitation campaigns	Clear, comprehensible online forms and instructions for required filings; understanding of the requirements of the Colorado Charitable Solicitation Act; notices of delinquent campaign reporting; easily accessible records of a minimum of two years of campaign notice and report filings.
Donors/public inquiries	Access to all current public registration and reporting information online, as well as supplemental information that will include answers to frequently asked questions and links to helpful resources related to charitable solicitations. Access to online annual summary information of charitable solicitations campaigns. Ability to quickly reach charitable solicitations program staff by telephone and in person with questions, suggestions, concerns, and complaints.
Charity officials nationwide	Efficient method for exchanging information with appropriate authorities of this state, any other state, and the United States with respect to charitable organizations, professional fundraising consultants, commercial coventurers, and paid solicitors. Information, tools, and resources to encourage e-filing of registration materials, increase quality of data, and leverage scarce resources to enhance their oversight function.

Strategic Plan / Program Narrative

SECRETARY OF STATE / DEPARTMENT OF STATE

PROGRAM TITLE: **Business Organizations / Secured Transactions, Effective Financing Statements & Misc. Liens / Service of Process**

CHANGE REQUEST(S): **Decision Item #1 Master List Contract**

ESTIMATED TOTAL FUNDING:

Line Item	FY 2005-06 Total Appropriation		FY 2006-07 Total Request	
	Dollars	FTE	Dollars	FTE
Personal Services	\$1,602,738	36.9	\$1,602,738	37.4
Master List Distribution Contract	\$80,000		\$80,000	
Operating Expenses	\$158,535		\$158,535	
Totals	\$1,841,273	36.9	\$1,841,273	37.4

FEDERAL AND STATE STATUTORY AND CONSTITUTIONAL AUTHORITY: §§ 7-30-101 through 7-137-301, inclusive, C.R.S.; §§ 12-2-101, et seq., C.R.S; 7 U.S.C. Sec. 1631; § 4-9-101 et seq., § 4-9.5-101 et seq., C.R.S.; § 38-20-201 et seq., C.R.S.; §§ 4-9-102(5) and 4-9-109(a)(2), C.R.S.; § 29-4-712(6)(b), C.R.S.; § 38-25-101 et seq., C.R.S.; § 38-24.5-101 et seq., C.R.S.; § 38-27-101 et seq., C.R.S.; §14-10-122(1.5); § 16-18.5-104(5)(b), C.R.S.; § 35-48-101, C.R.S.; § 5-1-203, C.R.S.; and § 12-61-107, C.R.S.

PROGRAM DESCRIPTIONS:

Through its Business Organizations Program, the Business Division registers business names, business organizations, trade names and trademarks pursuant to applicable Colorado statutes. It creates, indexes and maintains records regarding these registrations and makes them, and related certificates, accessible to the public. The major goal of this program is to provide faster, more accurate, more efficient, less expensive, remotely accessible “24/7” self-service to both persons requiring a registration and to those requiring access to registered information, while limiting the need for additional personnel. Achieving this goal involves maximizing the use of applicable technology; hiring, training and retaining highly qualified employees; and educating our user community as we evolve into a paperless, self-service office.

Through its Secured Transactions/EFS/Liens Program, the Business Division files, indexes, and makes available to the public Uniform Commercial Code Article 9 Financing Statements and related certificates. The Division provides similar services regarding Effective Financing Statements pursuant to the federal Food Security Act of 1985, and then generates and distributes “master lists” of Effective Financing Statements to buyers of farm products. Further, this Program creates, indexes and maintains records regarding nine additional miscellaneous liens and makes them accessible to the public.

The Legal Process Program consists of maintaining records relating to service of legal process on the Secretary of State as agent for certain persons and responding to other legal process, miscellaneous notices and demands such as subpoenas served on the Secretary of State.

As a part of these Programs, the Business Division provides relevant public assistance and education.

PRIORITIZED OBJECTIVES AND PERFORMANCE MEASURES:

OBJECTIVE 1.1 Increase the speed, accuracy and efficiency of business division documents registration by implementing and expanding Web-enabled electronic filing.					
	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Estimate	FY 06-07 Projected
MEASURE 1.1.1 Number of months all business organization documents are processed within statutory deadlines.	5	9	8	12	12
MEASURE 1.1.2 Number of months all UCC documents are processed within statutory deadlines.	6	8	11	12	12
Measure 1.1.3 Average number of days required to process business documents	8.5	7	17	4	4
MEASURE 1.1.4 Average number of days required to process UCC documents.	6	5	4	2	2
MEASURE 1.1.5 Percentage of eligible business documents filed electronically.	22	34	72	93	95
MEASURE 1.1.6 Percentage of eligible UCC documents filed electronically.	47	53	59	60	62
MEASURE 1.1.7 Percentage of business documents filed on expedited basis vs. ordinary course of business	7	7	6	1	1

OBJECTIVE 1.2 Increase the speed, accuracy and efficiency of processing business division documents by implementing bar-coding technology and high-speed, high-capacity scanners.					
	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Estimate	FY 06-07 Projected
MEASURE 1.2.1 Average number of days in Scanning Cycle for Business Documents.	14	14	3	2	2
Measure 1.2.2 Average number of days in Scanning Cycle for UCC	9.5	7.5	5	2	2

OBJECTIVE 1.3 Increase the accessibility to information and services by planning and implementing Web-enabled document certification and certificate issuance system and providing forms online.					
	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Estimate	FY 06-07 Projected
MEASURE 1.3.1 Percentage document certification complete .	25	25	25	25	25
MEASURE 1.3.2 Number of Certificates of Good Standing issued via Web site	88,262	170,000	251,431	304,000	350,000
MEASURE 1.3.3 Percentage of forms distributed online	73	85	95	98	98

OBJECTIVE 2.1 Increase public education regarding changes in business organization and UCC laws and filing procedures.					
	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Estimate	FY 06-07 Projected
MEASURE 2.1.1 Number of educational presentations made.	24	24	36	5	12
MEASURE 2.1.2 Percentage reduction in number of business organization documents rejected for non-compliance with applicable law.	-.7	1	27	45	60
MEASURE 2.1.3 Average number of page views on Business Division Web site (monthly).	38,404	59,455	358,858	363,900	400,000

OBJECTIVE 2.2: Hire, train and retain highly qualified personnel.					
	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Estimate	FY 06-07 Projected
MEASURE 2.2.1 Average number of vacant positions	6	2	4	4	2
MEASURE 2.2.2 Number of employee training hours delivered	250	250	250	300	300

OBJECTIVE 3.1: Increase the number of electronic filings (measured by month).					
	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Estimate	FY 06-07 Projected
MEASURE 3.1.1 Number of UCC filings submitted electronically.	51,908	58,598	73,018	55,200	58,000
MEASURE 3.1.2 Number of UCC filings submitted by paper.	58,836	51,415	50,472	52,236	50,000
MEASURE 3.1.3 Number of Business filings submitted electronically.	76,631*	105,976*	295,429	406,176	425,000

MEASURE 3.1.4 Number of Business filings submitted by paper.	238,171	227,942	120,819	28,872	15,000
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*ANNUAL REPORTS ONLY

TRENDS AND OTHER BASELINE INFORMATION:

There is a clear trend toward expansion and complexity of business organization laws in Colorado. It is assumed that this trend will continue. This will place an increasing burden on the Business Division to participate in the drafting, enactment, interpretation and revision of these laws in order to assure that administrative concerns are addressed, to revise administrative procedures appropriately for new and changed laws, to train the Business Division’s employees and to educate the Division’s constituents.

Additionally, there has been a trend toward increased business activity in the State and therefore in the volume of filings. Over the three year period from July, 2001 to May, 2004, the total number of business records maintained by the Business Division grew from 326,424 to 396,661, a 21.5% increase; while the number of personnel processing business records has decreased as a result of the incorporation of the CIS into the Business Division. In January of 2002 the number of business entity annual reports doubled as a result of statutory changes. The trend towards greater complexity and an increase in filings will continue and it will be necessary to implement the most efficient and effective technology in order for the personnel of the Division to keep pace with this increasing workload.

There were 110,744 financing statements filed during FY 02-03, 110,000 for FY 03-04, and 123,490 for FY 04-05. The economic climate is such that the total number of filings may remain level or increase for the next few years until the economy improves. The number of filings communicated electronically has been steadily increasing each year. Total electronic filings for FY 03-04 were 58,598. During FY 02-03, 3,300 paper filings of financing statements were received and entered on average every month. It required two FTE to process these documents. The actual count for FY 03-04 was 4,300 paper filings per month processed by two people. With the increase in electronic filings, paper filings are gradually declining and are now being processed by one FTE.

Our customers have increasing expectations regarding the services we provide and their access to them. The Business Division must necessarily implement new methods by which it can provide such services. The primary means to accomplish this will be electronic filing of documents and remote access to the Division’s data, forms, information and services on a “self-service”, 24 hours a day, 7 days a week, basis. During FY 04-05 the Business Division made available for e-filing 34 transactions. This project is ongoing. Other means include new and improved forms and instructions, expanded publications, including new and expanded content on the Division’s Web site, and educational outreach programs. Such enhanced Web site content includes additional “frequently asked questions” and a glossary of terms.

After several years of hiring difficulties, the Division has been able to fill most of the vacant positions with permanent employees. The Division has suffered a high rate of employee turnover in the past but expects that trend to turn around as the Division upgrades positions and especially if the national economy should deteriorate. The Division must continue to find ways

to attract qualified employees by providing enhanced career opportunities, greater responsibility, and better training. Additionally, the Division must find innovative, less labor-intensive ways to deliver services to its customers through means of "self-service" delivery systems. This can be accomplished by digitizing the remaining non-digital data and images maintained by the Division, and making all data and images and related certifications, information, forms and instructions available to the public on the Division's Web site and by automated telephone messages and "fax back" services.

ACTION PLAN:

The Division will continue to promote the advantage of the electronic filing program in order to increase the usage of electronic filing and other Web-based services. This plan requires more public outreach on the part of the Division's senior staff.

The Division will continue to develop and present multi-media presentations to local bankers' and lawyers' groups. The Division had sponsored a monthly training session for users and had received approval for CLE credit for lawyers from the Colorado Supreme Court. The Division plans to continue this service. The Division will continue its efforts in writing articles in cooperation with these same groups for insertion into their professional newsletters and journals. Abbreviated articles have been placed on the Divisions Web site. The Division will continue to collaborate with national industry groups for dissemination of timely, pertinent information. The Division is investigating the offering of payment of applicable fees via Automated Clearing House ("ACH") electronic funds transfer which fee payment method is preferred by some customers. It is also considering changes to its systems to enable Uniform Commercial Code records to be communicated to the filing officer in xml format.

The Division will fill vacant positions with highly qualified permanent employees, and thoroughly train and motivate all employees.

The Division will participate with the business community in clarifying applicable statutes in order to eliminate inconsistent provisions that impede efficient administration of those statutes. It will revise all forms and publications promptly following changes in the law to keep them legally effective and to reduce the number of documents rejected for non-compliance.

The Division will implement electronic filing procedures that will result in the filing of error-free documents with minimal demands on personnel and move the Programs toward a "paperless" electronic environment. It will process paper filings more expeditiously using modern workflow practices that incorporate bar coding and high-capacity, high-speed scanners utilizing improved "error checking" software.

As an integral part of the Division's shift to a Web-enabled self-service model, it will re-direct resources toward increased quality assurance and records auditing to insure the accuracy of the data maintained by it and further to set the stage for deployment of additional Web-based services (such as online, low-cost or free, access to certified copies of documents and certificates of fact). In order to accomplish this goal, the Division will insure that all business organization records are complete and that recently digitized images are correctly indexed to related records.

As resources are made available through constituent acceptance and adoption of the self-service model, they will be re-directed to customer support, help desk functions and creation and maintenance of Web content.

It will identify and implement other means of providing remotely available “self-service” to the Division’s user community and redirect the efforts of our personnel from processing paper toward providing effective, friendly customer assistance and education, both of which are increasingly technical – and hence complex and often difficult - in nature given the reliance by the Division on technological solutions. Online “tutorials” have been designed and made available to the public on the Division’s Web site to aid customers with more self-help educational opportunities prior to, or in lieu of, contacting Division employees. The Division will implement “Team Share” in its customer service call center. This program will allow customer service representatives to create a “trouble ticket” that will be routed to the appropriate individual who can respond to the customer’s question. The system will generate a knowledge base over time that will be used by Division staff to respond to customers’ frequently asked questions.

Accomplishments:

During the past several years the Division has reclassified certain employee positions to reflect the increased responsibilities and duties imposed on those positions. This has assisted the Division in attracting and retaining qualified personnel, and the Division will continue to pursue this initiative. Workstations were reconfigured to improve operational efficiency, including a process of document data entry utilizing an electronic image of the paper document being processed.

The Division has participated actively with the business and legal communities in enacting, reviewing and revising the laws administered by the Division, such as the Colorado Uniform Partnership Act, the Colorado Limited Liability Company Act, the Colorado Revised Nonprofit Corporation Act, the innovative Colorado Corporations and Associations Act, and Revised Article 9 of the UCC and the Central Filing of Effective Financing Statements Act. Other legislative undertakings include work on business organization statute clarification, trade name laws and a totally revamped trademark act.

The Division has also expanded the information available to the public via the Internet, 24 hours a day, 7 days a week, including making electronic images of business filings accessible from the Division’s Web site. The Division currently provides an electronic filing program for UCC documents via the Internet. The number of UCC documents filed electronically is increasing each month. Electronic filings have been averaging 50% of the total number of UCC filings for the past six months. Electronic filing is expected to reach 70% of total filings in the near future.

By providing “real-time” mistake-proof online filing of business organization documents, the Division has greatly reduced the demand for “expedited filing” of documents on a “while you wait” basis, which is by its very nature inordinately labor-intensive.

Finally, the Department has expanded the hours the Secretary of State's Office is open to the public and increased the information and electronic filing options available to the public on a "self-service" basis on the public view stations in the Office's public area.

CUSTOMER REQUIREMENTS:

Customer	Requirement
Members of the business community, their attorneys and other professionals, service companies and other government agencies	Timely, reliable information, including certificates, regarding the records maintained by the Division; assistance with completing and filing documents, and related fees; education regarding changes in the law and the procedures employed by the Division; increased means by which customers can remotely access the information available from the Division on a "self-service", 24 hours a day, 7 days a week, basis; new statutes and improvements to existing law to enable Colorado entities to remain competitive with businesses subject to the laws of other jurisdictions.

Customer	Requirement
Banks, Lawyers Other Lenders	Adequate understanding of statutory changes regarding filing requirements, filing office procedures, fees, etc.
Banks, Lawyers Other Lenders	Fast, accurate filing of UCC documents with immediate notification that the document has been filed.

	A	B	C	D	E	F	G	H	I	J	K
1	SCHEDULE 3 - Program Detail										
2	Administration										
3		Actual FY 2003-04		Actual FY 2004-05		Approp. FY 2005-06		Estimate FY 2005-06		Request FY 2006-07	
4	ITEM	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
5	Position Detail										
6	Secretary of State	68,500	1.0	69,165	1.0			68,500	1.0	68,500	1.0
7	Deputy Secretary of State	83,500	1.0	101,209	1.0			97,068	1.0	97,068	1.0
8	Controller							86,520	1.0	86,520	1.0
9	Budget Analyst III	84,617	1.0	76,273	1.0			-	-	-	0.0
10	Budget Analyst II	5,084	0.2					-	-	-	-
11	Accountant II							36,753	0.6	63,000	1.0
12	Management							101,916	1.0	101,916	1.0
13	General Professional VII	45,462	0.5	98,722	1.0			94,208	1.0	94,208	1.0
14	General Professional VI	297,553	3.8	302,717	3.6			161,767	2.0	161,767	2.0
15	General Professional V							242,328	4.0	242,328	4.0
16	General Professional IV	123,837	1.8	144,019	2.0			282,756	5.0	282,756	5.0
17	General Professional III	279,595	5.8	261,855	5.2			197,280	4.0	197,280	4.0
18	General Professional II	121,055	3.0	140,261	3.2			75,420	2.0	75,420	2.0
19	General Professional I	61,494	1.7	58,687	1.7			38,316	1.0	38,316	1.0
20	Compliance Investigator II	62,664	1.0	65,562	1.0			66,876	1.0	66,876	1.0
21	Compliance Investigator I	200,045	4.8	172,914	3.0			176,400	3.0	218,214	4.0
22	Auditor	55,500	1.0	57,626	1.0			58,788	1.0	58,788	1.0
23	Records Administrator	63,288	1.0	66,217	1.0			-	-	-	0.0
24	Arts Technician	9,845	0.4	29,014	1.0			30,900	1.0	30,900	1.0
25	Customer Support Coordinator Intern	21,862	0.7					-	-	-	-
26	State Services Professional Trainee II	23,850	0.7	68,219	2.0			-	-	-	-
27	State Professional Services Trainee I	26,620	0.5					36,360	1.0	-	-
28	Office Manager I	88,020	2.0	99,031	2.2			81,252	2.0	81,252	2.0
29	Program Assistant II	47,964	1.0					-	-	-	0.0
30	Program Assistant I	286,575	7.5	292,316	7.5			118,032	3.0	118,032	3.0
31	Accounting Technician III	80,750	2.0	71,339	1.7			42,096	1.0	42,096	1.0
32	Accounting Technician I							33,684	1.0	33,684	1.0
33	Technician IV							167,364	4.0	167,364	4.0
34	Technician III							224,208	8.0	224,208	8.0
35	Technician II							558,345	17.9	558,345	17.9
36	Administrative Assistant IV	22,120	0.7								
37	Administrative Assistant III	340,718	11.0	374,164	11.0			274,708	8.0	274,708	8.0
38	Administrative Assistant II	821,675	29.0	881,035	30.2			267,710	9.0	267,710	9.0
39											
40	Other Personal Services	3,322,193	83.1	3,430,346	81.2			3,619,555	84.5	3,651,256	84.9
41	PERA on Continuation Subtotal	323,933		329,183				367,385		370,602	
42	Medicare on Continuation Subtotal	43,007		44,357				52,484		52,943	
43	Temporary Salaries	116,118		25,769				83,247		42,000	
44	Contractual Services	281,648		151,341				45,000		45,000	
45	Overtime Pay	2,436									
46	Termination/Retirement Payouts	7,101		7,308				50,000		25,200	
47	Tuition and Registration										
48	Unemployment Insurance	3,621		9,523				9,243		9,000	
49	Other Personal Services	23,138		1,750				2,000		2,000	
50	Personal Services Subtotal	4,123,194	83.1	3,999,577	81.2	4,134,650	84.2	4,228,913	84.5	4,198,002	84.9
51	General Fund	-		-				-		-	
52	Cash Funds	4,123,194		3,999,577		4,134,650		4,138,913	83.9	4,123,002	84.9
53	Cash Funds Exempt	-		-				90,000	0.6	75,000	(T)

	A	B	C	D	E	F	G	H	I	J	K
1	SCHEDULE 3 - Program Detail										
2	Administration										
3		Actual FY 2003-04		Actual FY 2004-05		Approp. FY 2005-06		Estimate FY 2005-06		Request FY 2006-07	
4	ITEM	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
54	Federal Funds	-		-				-		-	
55											
56	Pots Expenditures										
57	Shift Differential										
58	Health/Life/Dental	151,066		186,712							
59	Short Term Disability	6,663		4,977							
60	POTS reallocation to other division	57,228									
61	Salary Survey/Performance Pay (non-add)										
62	SES (non-add)										
63											
64	Base Personal Services Total	4,280,922	83.1	4,191,266	81.2			4,228,913	84.5	4,198,002	84.9
65	General Fund	-		-				-		-	
66	Cash Funds	4,280,922		4,191,266				4,138,913	83.9	4,123,002	84.9
67	Cash Funds Exempt	-		-				90,000	0.6	75,000	(T)
68	Federal Funds	-		-				-		-	
69											
70	Difference							(53,247)		(50,097)	
71											
72	Decision Items/Budget Reduction Items (list using priority numbers for reference)										
73	General Fund										
74	Cash Funds										
75	Cash Funds Exempt										
76	Federal Funds										
77											
78	Personal Services Detail Total	4,280,922	83.1	4,191,266	81.2			4,228,913	84.5	4,198,002	84.9
79	General Fund									-	
80	Cash Funds	4,280,922		4,191,266				4,138,913	83.9	4,123,002	84.9
81	Cash Funds Exempt							90,000	0.6	75,000	(T)
82	Federal Funds									-	
83											
84	Calc of Personal Services Request										
85	Previous Year Long Bill Appropriation									4,134,650	84.2
86	Previous Year Supplementals										
87	Previous Year Special Bills (by bill #)										
88	HB 04-1300 - E-Notary										
89	HB 04-1448 - Tradenames									72,540	2.0
90	SB 04-231 - Electronic Filing									(80,000)	(2.5)
91	Salary Survey										
92	Performance Based Pay										
93	Senior Executive Services (SES)										
94	Medicare Incremental Increase									460	
95	Base Adjustment									8,255	
96	Other Adjustments (decision items, other)										
97	Personal Services Request Total	-		-		-		4,175,666		4,147,905	83.5
98	General Fund									-	
99	Cash Funds	-								4,072,905	83.5
100	Cash Funds Exempt									75,000	(T)

	A	B	C	D	E	F	G	H	I	J	K
1	SCHEDULE 3 - Program Detail										
2	Administration										
3		Actual FY 2003-04		Actual FY 2004-05		Approp. FY 2005-06		Estimate FY 2005-06		Request FY 2006-07	
4	ITEM	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
101	Federal Funds									-	
102											
103	Personal Services Reconciliation										
104	Authorization										
105	Long Bill Appropriation	3,917,565	84.6	4,058,423	87.1						
106	Special Bills (by bill #)										
107	HB 04-1300 E-Notary			5,332							
108	HB 04-1331 Supp'l Approp			51,417							
109	SB 03-230 Uniform Electronic Transactions Act	77,667	1.0								
110	SB 04-231 Personal Services			(34,700)							
111	Roll Forwards										
112	HB 04-1422 - Long Bill	256,096									
113	Additional Federal Funds										
114	Reversions	(84,837)		(345,914)							
115	Authorization Subtotal	4,166,491	85.6	3,734,558	87.1			-	0.0	-	
116	General Fund	-		-				-		-	
117	Cash Funds	4,166,491		3,734,558				-		-	
118	Cash Funds Exempt	-		-				-		-	
119	Federal Funds	-		-				-		-	
120	Allocated Pots (should match summary tables)										
121	Salary Survey	164,109		112,906		184,181		[184,181]	**	-	
122	HB 03-273 - Salary Survey repeal	(164,109)						-		-	
123	Performance Pay			58,817				-		219,540	
124	Senior Executive Service (SES)							-		-	
125	Shift Differential							-		-	
126	Health/Life/Dental	151,066		275,836		334,945		334,945		321,504	
127	HB 04-1316 - HLD reduction	(753)						-		-	
128	Short-Term Disability	6,176		9,149		8,703		8,703		11,605	
129	Amortization Equalization Disbursement					14,151		14,151		56,153	
130	Allocated Pots Subtotal	156,489		456,708		541,980		357,799		608,802	
131	General Fund	-		-				-		-	
132	Cash Funds	156,489		456,708		541,980		357,799		608,802	
133	Cash Funds Exempt	-		-				-		-	
134	Federal Funds	-		-				-		-	
135	** Non-add included in position detail										
136											
137	Personal Services Reconciliation Total	4,322,980	85.6	4,191,266	87.1	4,676,630		4,586,712	84.5	4,756,707	83.5
138	General Fund	-		-				-		-	
139	Cash Funds	4,322,980		4,191,266		4,676,630		4,496,712		4,681,707	
140	Cash Funds Exempt	-		-				90,000		75,000	(T)
141	Federal Funds	-		-				-		-	
142											
143	Reconciliation Difference	42,058		(0)	6			357,799	-	558,706	
144											
149	Operating Expenses/Capital Outlay										
150											
151	1920 Contractual Services	4,000									
152	2210 Other Mtc and Repair										
153	2220 Bldg Mtc and Repair	-						3,000		3,000	

	A	B	C	D	E	F	G	H	I	J	K
1	SCHEDULE 3 - Program Detail										
2	Administration										
3		Actual FY 2003-04		Actual FY 2004-05		Approp. FY 2005-06		Estimate FY 2005-06		Request FY 2006-07	
4	ITEM	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
154	2230 Equipment Maintenance	1,695		1,246				2,500		2,500	
155	2231 ADP Equipment Maintenance	-						10,000		10,000	
156	2232 Software Maintenance	3,539		256				4,000		4,000	
157	2250 Rentals	130									
158	2251 Rent Motor Pool	-						5,000		5,000	
159	2252 Rent Motor pool mileage	-						2,500		2,500	
160	2253 Rent Equipment	2,670		441				500		500	
161	2254 Rental of Motor Vehicles	50		490				500		500	
162	2255 Rent Buildings	1,900		145				145		145	
163	2258 Parking fees	3,472		2,750				3,500		3,500	
164	2259 Parking Reimbursement	70		219				350		350	
165	2510 In-State Travel	10,911		5,350				16,143		16,143	
166	2511 In-State Travel Common Carrier	96						5,000		5,000	
167	2512 In-State Ptravel Pdiem	2,917		1,604				5,000		5,000	
168	2513 Reimb. Pvt vehicle	17,040		15,318				20,000		20,000	
169	2515 State/own vehicle	2,464		1,662				3,000		3,000	
170	2520 N/E Travel	-									
171	2522 N/E Per diem	-									
172	2523 Personal Vehicle Board members	776		543				776		776	
173	2530 Out-of-State Travel	2,046		9,169				9,169		9,169	
174	2531 Out of state comm carrier	4,287		8,196				8,196		8,196	
175	2532 Out of state Per Diem	387		1,877				1,877		1,877	
176	2540 Out of state travel - NE	388									
177	2541 non empty comm. Carrier	312									
178	2542 Out of state - NE Per Diem	70									
179	2550 Out of Country Travel			898				898		898	
180	2551 Out of Country common carrier			619				619		619	
181	2552 Out of Country per diem	98		338				338		338	
182	2610 Advertising	255		58,889				58,889		58,889	
183	2611 Public Relations	1,597		950				950		950	
184	2630 Telephone - internal	-		0				0		0	
185	2631 Telephone - external	1,540		2,107				2,500		2,500	
186	2641 Other ADP Billings	-									
187	2660 Insurance	-									
188	2680 Printing & Reproduction	89,698		47,172				75,000		75,000	
189	2681 Photocopy Re	115		14				14		14	
190	2690 Legal Services	-									
191	2810 Freight	663		906				1,000		1,000	
192	2820 Other Purchased Services	8,609		16,199				20,000		20,000	
193	2830 Office Moving	650									
194	2831 Storage	-		25				25		25	
195	3110 Other Supplies and Materials	151		1,431				3,000		3,000	
196	3112 Automotive Supplies	70									
197	3115 DP Supplies/Services	-		247				2,500		2,500	
198	3116 Purch/License Software	-		80				500		500	
199	3117 Educational Supplies	209		378				5,000		5,000	
200	3118 Food & Food Svc Supplies	550		1,102				3,500		3,500	
201	3120 Books/Subscriptions	8,347		17,862				20,000		20,000	
202	3121 Office Supplies	14,192		12,556				15,000		15,000	

	A	B	C	D	E	F	G	H	I	J	K
1	SCHEDULE 3 - Program Detail										
2	Administration										
3		Actual FY 2003-04		Actual FY 2004-05		Approp. FY 2005-06		Estimate FY 2005-06		Request FY 2006-07	
4	ITEM	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
203	3122 Photo Supplies	-									
204	3123 Postage	178,896		186,994				200,000		200,000	
205	3124 Printing / Copy supplies	296		430				2,000		2,000	
206	3126 Rep & Maintenance	-		252				500		500	
207	3128 Non Capitalized Equipment	23,550		27,409				30,000		30,000	
208	3131 Non Capitalized Building Materials	28,411									
209	3140 Non Capitalized IT - PC's	32,250						10,000		10,000	
210	3143 Non Capitalized IT - Other			2,298				4,500		4,500	
211	3940 Electricity			344				344		344	
212	3950 Gasoline	23									
213	4100 Other Operating Expenses			16							
214	4111 Prizes & Awards	26									
215	4117 Reportable	4,000									
216	4140 Dues and Memberships	6,155		11,451				15,000		15,000	
217	4170 Miscellaneous Fees and Fines	168		20							
218	4180 Official Function	2,720		2,278				3,500		3,500	
219	4200 Purchase Discount	100									
220	4220 Registration Fees	10,981		5,602				10,000		10,000	
221	5420 Purchase of Services - Counties			10				10		10	
222	6140 Lease Improvements	-									
223	6210 ADP Equipment	-									
224	6280 Other Equipment	-									
225											
226											
227	Operating Expenses Total	473,506		448,792		586,742		586,742		586,742	
228	General Fund	-		-				-		-	
229	Cash Funds	473,506		448,792		586,742		563,040		581,742	
230	Cash Funds Exempt	-		-				23,702		5,000	(T)
231	Federal Funds	-		-				-		-	
232											
233	Reconciliation										
234	Long Bill Appropriation	582,829		564,740						586,742	
235	Special Bills										
236	HB 04-1448 - Tradenames									75,276	
237	SB 04-230 Uniform Electronic Transactions Act	31,632									
238	SB 04-231 Operating			(500)							
239	Reversion/ (Overexpenditure)	(140,955)		(115,448)							
240	Total	473,506		448,792						662,018	
241	General Fund										
242	Cash Funds									657,018	
243	Cash Funds Exempt									5,000	
244	Federal Funds										
245											
246	Workers Compensation										
247	Long bill appropriation	3,779		3,779		8,121		8,121		6,414	
248	Reversion/ (Overexpenditure)										
249	Total	3,779		3,779		8,121		8,121		6,414	
250	General Fund										
251	Cash Funds			3,779		8,121		7,190		5,882	

	A	B	C	D	E	F	G	H	I	J	K
1	SCHEDULE 3 - Program Detail										
2	Administration										
3		Actual FY 2003-04		Actual FY 2004-05		Approp. FY 2005-06		Estimate FY 2005-06		Request FY 2006-07	
4	ITEM	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
252	Cash Funds Exempt							931		532	
253	Federal Funds										
254											
255	Legal Services										
256	Long Bill Appropriation	103,343		106,208		121,617		121,617		121,617	
257	<i>Supplemental HB 04-1331</i>	253,464		155,439							
258	SB 03-230 Uniform Electronic Transactions Act	1,495									
259	Reversions			(18,977)							
260	Total	358,302		242,670		121,617		121,617		121,617	
261	General Fund										
262	Cash Funds	358,302		242,670		121,617		121,617		121,617	
263	Cash Funds Exempt										
264	Federal Funds										
265											
266	Adminstrative Law Judges										
267	Long Bill Appropriation	28,336		62,783		69,506		69,506		112,429	
268	HB 03 - 1335 Supplemental Apropriation	27,572									
269	Reversion/ (Overexpenditure)										
270	Total	55,908		62,783		69,506		69,506		112,429	
271	General Fund										
272	Cash Funds	55,908		62,783		69,506		69,506		112,429	
273	Cash Funds Exempt										
274	Federal Funds										
275											
276	Purchase from GGCC										
277	Long Bill Appropriation	18,013		24,068		1,166		1,166		832	
278	HB 03-1335 Supplemental Appropriation	3,045									
279	<i>SB 05-127 Supplemental Appropriation</i>			(22,852)							
280	Reversions										
281	Total	21,057		1,216		1,166		1,166		832	
282	General Fund										
283	Cash Funds	21,057		1,216		1,166		1,166		832	
284	Cash Funds Exempt										
285	Federal Funds										
286											
287	Multiuse Network Payments										
288	Long Bill Appropriation	92,476		71,724		55,911		55,911		54,088	
289	HB 03-1335 Supplemental Appropriation	(20,818)									
290	<i>SB 05-127 Supplemental Appropriation</i>			(8,680)							
291	Reversion/ (Overexpenditure)										
292	Total	71,658		63,044		55,911		55,911		54,088	
293	General Fund										
294	Cash Funds	71,658		63,044		55,911		55,911		54,088	
295	Cash Funds Exempt										
296	Federal Funds										
297											
298	Indirect Cost Assessment										
299	Long Bill Appropriation	150,049		112,520		115,626		115,626		122,083	
300	Reversion/ (Overexpenditure)										

	A	B	C	D	E	F	G	H	I	J	K
1	SCHEDULE 3 - Program Detail										
2	Administration										
3		Actual FY 2003-04		Actual FY 2004-05		Approp. FY 2005-06		Estimate FY 2005-06		Request FY 2006-07	
4	ITEM	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
301	Total	150,049		112,520		115,626		115,626		122,083	
302	General Fund										
303	Cash Funds	150,049		112,520		115,626		114,890		111,320	
304	Cash Funds Exempt							736		2,290	
305	Federal Funds									8,473	
306											
307	Risk Management										
308	Long Bill Appropriation	16,653		18,148		22,186		22,186		18,890	
309	HB 03-1335 Supplemental Appropriation	(1,087)									
310	SB 05-127 Supplemental Appropriation			(4,567)							
311	Reversion/ (Overexpenditure)			(167)							
312	Total	15,566		13,414		22,186		22,186		18,890	
313	General Fund										
314	Cash Funds	15,566		13,414		22,186		20,814		17,798	
315	Cash Funds Exempt							1,372		1,092	
316	Federal Funds										
317											
318	Vehicle Leased Payments										
319	Long Bill Appropriation	4,958		1,100		1,680		1,680		216	
320	SB 05-127 Supplemental Appropriation			580							
321	Decision Item - Fleet Vehicle										
322	Reversion/ (Overexpenditure)	(125)		(386)							
323	Total	4,833		1,294		1,680		1,680		216	
324	General Fund										
325	Cash Funds	4,833		1,294		1,680		1,680		216	
326	Cash Funds Exempt										
327	Federal Funds										
328											
329	Leased Space										
330	Long Bill Appropriation	736,181		765,397		880,497		880,497		566,299	
331	SB 03-230 - Uniform Electronic Transactions Act	14,608									
332	Decision Item - Disaster Recovery									100,000	
333	Reversion/ (Overexpenditure)	(59,250)									
334	Total	691,539		765,397		880,497		880,497		666,299	
335	General Fund										
336	Cash Funds	691,539		765,397		880,497		880,497		666,299	
337	Cash Funds Exempt										
338	Federal Funds										
339											
340	Discretionary Fund										
341	Long Bill Appropriation	5,000		5,000		5,000		5,000		5,000	
342	Reversion/ (Overexpenditure)	(2)									
343	Total	4,998		5,000		5,000		5,000		5,000	
344	General Fund										
345	Cash Funds	4,998		5,000		5,000		5,000		5,000	
346	Cash Funds Exempt										
347	Federal Funds										
348											

	A	B	C	D	E	F	G	H	I	J	K
1	SCHEDULE 3 - Program Detail										
2	Administration										
3		Actual FY 2003-04		Actual FY 2004-05		Approp. FY 2005-06		Estimate FY 2005-06		Request FY 2006-07	
4	ITEM	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
349	Decision Items/Budget Reduction Items (list using priority numbers for reference)									(6,325)	0.80
350	Decision Item Priority #1 - Master List Contract									32,200	0.80
351	Budget Amendment Priority #1 - Leased Space									(38,525)	
352	General Fund										
353	Cash Funds									(6,325)	
354	Cash Funds Exempt										
355	Federal Funds										
356											
357	Long Bill Group/Division Total										
358	Grand Total - without Pots	5,974,389	83.1	5,719,485	81.2	6,002,702	84.2	6,096,965	84.5	5,911,466	84.3
359	General Fund	-		-				-		-	
360	Cash Funds	5,974,389		5,719,485		6,002,702		5,980,224		5,819,079	
361	Cash Funds Exempt	-		-				116,741	(T)	83,914	(T)
362	Federal Funds	-		-				-		8,473	
363											
364	Grand Total - with Pots	6,174,175	85.6	5,911,174	87.1	6,544,682		6,454,764	84.5	6,520,268	84.3
365	General Fund	-		-				-		-	
366	Cash Funds	6,174,175		5,911,174		6,544,682		6,338,023		6,427,881	
367	Cash Funds Exempt	-		-				116,741	(T)	83,914	(T)
368	Federal Funds	-		-				-		8,473	

	A	B	C	D	E	F	G	H	I	J	K
1	SCHEDULE 3 - Program Detail										
2	Information Technology										
3		Actual FY 2003-04		Actual FY 2004-05		Approp. FY 2005-06		Estimate FY 2005-06		Request FY 2006-07	
4	ITEM	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
5	Position Detail										
6	IT Professional VII							103,428	1.0	103,428	1.0
7	IT Professional VI	205,206	2.0	211,133	2.0			103,428	1.0	103,428	1.0
8	IT Professional V	197,319	3.0	267,803	3.0			268,992	3.0	268,992	3.0
9	IT Professional IV	74,964	1.0	150,375	2.0			237,930	3.5	237,930	3.5
10	IT Professional III	221,729	3.0	553,499	8.3			629,328	9.5	629,328	9.5
11	IT Professional II	466,584	8.0	125,316	2.0			154,132	2.5	154,132	2.5
12	IT Professional I			49,599	1.0			42,816	1.0	42,816	1.0
13	General Professional III	22,916	0.5					30,528	0.5	30,528	0.5
14	Budget Analyst II							26,826	0.5	26,826	0.5
15	IT Technician II							24,000	0.5	24,000	0.5
16	IT Technician I	91,304	1.8	99,582	2.0			86,016	2.0	86,016	2.0
17	Computer Operator II	45,164	1.0					-		-	
18	Computer Operator I	46,469	2.3	76,839	2.0			91,752	2.5	91,752	2.5
19											
20	Continuation Salary Subtotal	1,371,655	22.6	1,534,145	22.3			1,799,176	27.5	1,799,176	27.5
21											
22	Other Personal Services										
23	PERA on Continuation Subtotal	134,593		150,609				182,616		182,616	
24	Medicare on Continuation Subtotal	16,356		18,383				26,088		26,088	
25	Amortization Equalization Payments										
26	Temporary Salaries	24,073									
27	Contractual Services	1,079,818		309,044				1,217,815		300,000	
28	Overtime Pay										
29	Termination/Retirement Payouts	349									
30	Tuition and Registration										
31	Unemployment Insurance										
32	Other Personal Services	17,500		1,320							
33	IT Personal Services Roll Forward			274,312							
34	Personal Services Subtotal	2,644,343	22.6	2,287,813	22.3	3,225,695	29.5	3,225,695	27.5	2,307,880	27.5
35	General Fund	-		-				-		-	
36	Cash Funds	2,644,343		2,287,813		3,225,695		3,225,695		2,307,880	
37	Cash Funds Exempt	-		-				-		-	
38	Federal Funds	-		-				-		-	
39											
40	Pots Expenditures										
41	Shift Differential										
42	Health/Life/Dental	55,968		58,947							
43	Short Term Disability	1,938		2,154							
44	Salary Survey/Performance Pay (non-add)										
45	SES (non-add)										
46											
47	Base Personal Services Total	2,702,251	22.6	2,348,914	22.3			3,225,695	27.5	2,307,880	27.5
48	General Fund	-		-				-		-	
49	Cash Funds	2,702,251		2,348,914				3,225,695		2,307,880	
50	Cash Funds Exempt	-		-				-		-	
51	Federal Funds	-		-				-		-	
52											
53	Difference							13,145		2,234,912	

	A	B	C	D	E	F	G	H	I	J	K
1	SCHEDULE 3 - Program Detail										
2	Information Technology										
3		Actual FY 2003-04		Actual FY 2004-05		Approp. FY 2005-06		Estimate FY 2005-06		Request FY 2006-07	
4	ITEM	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
54											
55	Decision Items/Budget Reduction Items (list using priority numbers for reference)										
56	General Fund										
57	Cash Funds										
58	Cash Funds Exempt										
59	Federal Funds										
60											
61	Personal Services Detail Total	2,702,251	22.6	2,348,914	22.3			3,225,695	27.5	4,542,792	27.5
62	General Fund									-	
63	Cash Funds	2,702,251		2,348,914				3,225,695		2,307,880	
64	Cash Funds Exempt									-	
65	Federal Funds									-	
66											
67	Calc of Personal Services Request										
68	Previous Year Long Bill Appropriation									3,225,695	27.5
69	Previous Year Supplementals										
70	Previous Year Special Bills (by bill #)										
71	HB 04-1300 - E-Notary							[23,447]**	[0.5]**	[23,447]**	[0.5]**
72	HB 04-1448 - Tradenames							[62,747]**	[1.0]**	[62,747]**	[1.0]**
73	SB 05-205 - Charitable Solicitations							13,145	0.3	13,145	0.3
74	Salary Survey										
75	Pay for Performance										
76	Medicare Incremental Increase									-	
77	Base Adjustment									(6,478)	
78	Other Adjustments (decision items, other)										
79	Disaster Recovery - Contractors									1,201,110	
80	Disaster Recovery - FTE									109,320	2.0
81	Personal Services Request Total	-		-		-		3,238,840	27.8	4,542,792	29.8
82	General Fund									-	
83	Cash Funds	-		-		-		3,238,840		4,542,792	
84	Cash Funds Exempt									-	
85	Federal Funds									-	
86	** Non-add already included in position detail										
87											
88	Personal Services Reconciliation										
89	Authorization										
90	Long Bill Appropriation	2,870,263	23.0	1,963,962	24.0						
91	Special Bills (by bill #)										
92	HB 04-1300 E-Notary			42,414							
93	HB 04-1331 Long Bill Supplemental			106,287							
94	SB 03-230 Uniform Electronic Transactions Act	47,430	0.5								
95	Roll Forwards										
96	HB 04-1422 - Long Bill	(274,312)		274,312							
97	Additional Federal Funds										
98	Reversions			(38,061)							
99	General Fund	-		-							
100	Cash Funds	-		(38,061)							

	A	B	C	D	E	F	G	H	I	J	K
1	SCHEDULE 3 - Program Detail										
2	Information Technology										
3		Actual FY 2003-04		Actual FY 2004-05		Approp. FY 2005-06		Estimate FY 2005-06		Request FY 2006-07	
4	ITEM	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
101	Cash Funds Exempt	-		-							
102	Federal Funds	-		-							
103	Authorization Subtotal	2,643,381	23.5	2,348,914	24.0			-		-	
104	General Fund	-		-				-		-	
105	Cash Funds	2,643,381		2,348,914				-		-	
106	Cash Funds Exempt	-		-				-		-	
107	Federal Funds	-		-				-		-	
108	Allocated Pots (should match summary tables)										
109	Salary Survey										
110	Performance Pay									[73,087]	**
111	Shift Differential										
112	Health/Life/Dental	57,228		[58,947]				[71,951]		[71,951]	**
113	Short-Term Disability	1,642		[2,154]				[2,445]		[5,190]	**
114	Amortization Equalization Payments									[25,111]	**
115	Allocated Pots Subtotal	58,870		-				-		-	
116	General Fund	-		-				-		-	
117	Cash Funds	58,870		-				-		-	
118	Cash Funds Exempt	-		-				-		-	
119	Federal Funds	-		-				-		-	
120	** Non-add included in Administration Schedule 3										
121											
122	Personal Services Reconciliation Total	2,702,251	23.5	2,348,914	24.0	3,225,695	29.5	3,225,695	27.5	4,542,792	29.8
123	General Fund	-		-				-		-	
124	Cash Funds	2,702,251		2,348,914		3,225,695		3,225,695		4,542,792	
125	Cash Funds Exempt	-		-				-		-	
126	Federal Funds	-		-				-		-	
127											
128	Reconciliation Difference	-		(0)	1.8			0			
129											
134	Operating Expenses/Capital Outlay										
135											
136	1910 Temporary Services	(1)									
137	2150 Other Cleaning Services			15				15		15	
138	2160 Custodial Services			16				16		16	
139	2210 Other Maintenance / Repair Services	20		1,582				1,582		1,582	
140	2220 Bldg Mtc and Repair			3,228				3,228		3,228	
141	2230 Equipment Maintenance	4,532		38,864				38,864		38,864	
142	2231 ADP Equipment Maintenance	9,077		10,549				10,549		10,549	
143	2232 Software Maintenance	3,283		1,582				1,582		1,582	
144	2250 Rentals			6,432				6,342		6,342	
145	2251 Rent Motor Pool										
146	2252 Rent Motor pool mileage										
147	2253 Rent Equipment	1,001		1,352				1,352		1,352	
148	2254 Rental of Motor Vehicles										
149	2255 Rent Buildings										
150	2258 Parking fees	1,195		1,152				1,152		1,152	
151	2259 Parking fees Reimbursement										
152	2266 Rental of IT Software	6,721									
153	2510 In-State Travel	644									

	A	B	C	D	E	F	G	H	I	J	K
1	SCHEDULE 3 - Program Detail										
2	Information Technology										
3		Actual FY 2003-04		Actual FY 2004-05		Approp. FY 2005-06		Estimate FY 2005-06		Request FY 2006-07	
4	ITEM	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
154	2511 In-State Travel Common Carrier										
155	2512 In-State Ptravel Pdiem	117									
156	2513 Reimb. Pvt vehicle	208		566				566		566	
157	2515 State/own vehicle										
158	2520 N/E Travel	81									
159	2522 N/E Per diem	49									
160	2523 Personal Vehicle Board members	222									
161	2530 Out-of-State Travel	1,375		2,865				2,865		2,865	
162	2531 Out of state comm carrier	1,228		1,163				1,163		1,163	
163	2532 Out of state Per Diem	167		416				416		416	
164	2540 Out of state travel - NE										
165	2541 non emply comm. Carrier			747				747		747	
166	2542 Out of state - NE Per Diem										
167	2550 OC Travel			914				914		914	
168	2551 OC Common Carrier Fares			619				619		619	
169	2552 OC Personal Travel Reimbursement			78				78		78	
170	2610 Advertising										
171	2611 Public Relations										
172	2612 Other Marketing Expenses			120				120		120	
173	2630 Telephone - internal	49,970		11,104				11,104		11,104	
174	2631 Telephone - external	1,228		45,358				45,358		45,358	
175	2641 Other ADP Billings										
176	2660 Insurance										
177	2680 Printing & Reproduction	710		3,515				3,515		3,515	
178	2681 Photocopy Reproduction										
179	2690 Legal Services										
180	2810 Freight	704		2,945				2,945		2,945	
181	2820 Other Purchased Services	2,752		175,586				175,586		175,586	
182	2830 Office Moving			49,295				49,295		49,295	
183	2831 Storage	2,193		2,718				2,718		2,718	
184	3110 Other Supplies and Materials	250		220				220		220	
185	3112 Automotive Supplies										
186	3115 DP Supplies/Services	51,725		81,713				81,713		81,713	
187	3116 Purch/License Software			2,350				502,350		2,350	
188	3117 Educational Supplies										
189	3118 Food & Foser Supplies										
190	3120 Books/Subscriptions	155		520				520		520	
191	3121 Office Supplies	23,583		2,238				2,238		2,238	
192	3122 Photo Supplies										
193	3123 Postage	979		890				890		890	
194	3124 Printing / Copy supplies										
195	3126 Rep & Maintenance	1,813									
196	3128 Non Capitalized Equipment	37,725		30,426				230,426		30,426	
197	3140 Non Capitalized IT PC's	10,164		7,209				7,209		7,209	
198	3141 Non Capitalized IT Services							300,000		28,570	
199	3143 Non Capitalized Other IT			13,452				13,452		13,452	
200	3216 Leased Software										
201	3940 Electricity	20,293		23,545				23,545		23,545	
202	4100 Other Operating Expenses			585				585		585	

	A	B	C	D	E	F	G	H	I	J	K
1	SCHEDULE 3 - Program Detail										
2	Information Technology										
3		Actual FY 2003-04		Actual FY 2004-05		Approp. FY 2005-06		Estimate FY 2005-06		Request FY 2006-07	
4	ITEM	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
203	4111 Prizes & Awards										
204	4117 Reportable										
205	4140 Dues and Memberships	50		150				150		150	
206	4150 Interest Expense			38				38		38	
207	4151 Interest/Late Payments			7				7		7	
208	4170 Miscellaneous Fees and Fines			14				14		14	
209	4180 Official Function	70		282				282		282	
210	4200 Purchase Discounts										
211	4220 Registration Fees	15,710		16,580				16,580		16,580	
212	6210 ADP Equipment										
213	6280 Other Equipment							1,145,365			
214											
215	Operating Expenses Total	249,994		543,777		2,689,052		2,689,052		572,257	
216	General Fund	-		-				-		-	
217	Cash Funds	249,994		543,777		2,689,052		2,681,492		572,257	
218	Cash Funds Exempt	-		-				7,560 (T)		-	
219	Federal Funds	-		-				-		-	
220											
221	Reconciliation										
222	Long Bill Appropriation	382,670		572,257						572,257	
223	Special Bills										
224	SB 04-230 Uniform Electronic Transactions Act	135,349									
225	Central Information Systems	21,685									
226	Supplemental - Data Center (Sept 2004)	(54,602)		10,000							
227	Decision Item - Disaster Recovery									628,000	
228	Reversion/ (Overexpenditure)	(235,108)		(38,480)							
229	Total	249,994		543,777						1,200,257	
230	General Fund										
231	Cash Funds									1,189,415	
232	Cash Funds Exempt									10,842 (T)	
233	Federal Funds										
234											
235	Supplemental (Data Center - Zinc Whiskers)										
236	Information Services Data Center	500,000									
237	Reversion/ (Overexpenditure)	(247,790)									
238	Total	252,210		-							
239											
240	Hardware / Software Maintenance										
241	1920 Personal Services / Professional			22,653				75,000			
242	2230 Equipment maintenance	13,091		15,060				72,271		70,966	
243	2231 IT Hardware maintenance	42,520		34,665				306,926		301,385	
244	2232 Software maintenance	702,347		691,932				513,031		503,769	
245	2810 Freight	26									
246	3116 Purchased Software	22,720		5,250							
247	3147 Non Capital IT - Purchased Network software			9,500							
248	6213 IT Software Direct Purchase										
249	Total	780,704		779,059		967,228		967,228		876,120	
250	General Fund										
251	Cash Funds	780,704		779,059		967,228		967,228		876,120	

	A	B	C	D	E	F	G	H	I	J	K
1	SCHEDULE 3 - Program Detail										
2	Information Technology										
3		Actual FY 2003-04		Actual FY 2004-05		Approp. FY 2005-06		Estimate FY 2005-06		Request FY 2006-07	
4	ITEM	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
252	Cash Funds Exempt										
253	Federal Funds										
254											
255	Reconciliation										
256	Long Bill Appropriation	922,232		876,120						876,120	
257	HB 03 - 1307 Voter Registration									-	
258	HB 04-1448 Tradenames									-	
259	Decision Item - Disaster Recovery									87,958	
260	Reversion/ (Overexpenditure)	(141,528)		(97,061)							
261	Total	780,704		779,059						964,078	
262											
263	Asset Management										
264	2230 Maintenance Repair / Services	115,337						50,000			
265	2231 IT Hardware Repair / Services	44,863						50,000			
266	2232 IT Software MNTC / Upgrade Svcs	27,288		14,481				14,481			
267	2810 Freight	106									
268	3140 Non Cap IT PC	6,300		20,700				20,700		20,366	
269	3143 Non Cap IT other			77,880				77,880		35,168	
270	6210 IT Capital Direct Purchae	77,815						100,000			
271	6212 IT Servers - Direct Purchase	24,970						400,000		188,718	
272	6213 IT Software - Direct Purchase									129,652	
273	6214 IT Other - Direct Purchase			31,198				89,557		71,514	
274	Total	296,678		144,259		802,618		802,618		445,418	
275	General Fund										
276	Cash Funds	296,678		144,259		802,618		802,618		445,418	
277	Cash Funds Exempt										
278	Federal Funds										
279											
280	Reconciliation										
281	Long Bill Appropriation	330,823		445,418				802,618		445,418	
282	Decision Item - Disaster Recovery										
283	Reversion/ (Overexpenditure)	(34,145)		(301,159)							
284	Total	296,678		144,259		-		802,618		445,418	
285											
286	Data Center Replacement										
287	1920 Personal Services / Professional			34,128							
288	2210 Other maintenance repair services			33,316							
289	2230 Equipment maintenance			16,824							
290	2231 IT Hardware maintenance			18,183							
291	2232 Software maintenance			83,006							
292	2631 Comm Services from outside sources			77,459							
293	2810 Freight			292							
294	2820 Other Purchased Services			18,716							
295	3115 Data Processing supplies			12,791							
296	3140 Non Capitalized IT PC's			26,840							
297	3143 Non Capitalized Other IT			258,843							
298	6212 IT Servers - Direct Purchase			761,098							
299	6213 IT Software Direct Purchase			21,896							
300	6214 IT Other - Direct Purchase			567,421							

	A	B	C	D	E	F	G	H	I	J	K
1	SCHEDULE 3 - Program Detail										
2	Information Technology										
3		Actual FY 2003-04		Actual FY 2004-05		Approp. FY 2005-06		Estimate FY 2005-06		Request FY 2006-07	
4	ITEM	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
301	Total			1,930,812		-		-		-	
302	General Fund			-							
303	Cash Funds	-		1,930,812		-		-		-	
304	Cash Funds Exempt										
305	Federal Funds										
306											
307	Reconciliation										
308	Long Bill Appropriation										
309	Supplemental			2,610,098							
310	Reversion/ (Overexpenditure)			(679,286)							
311	Total			1,930,812							
312											
313	Zinc Whiskers Insurance Claim										
314	Total							446,857			
315	General Fund										
316	Cash Funds							446,857		-	
317	Cash Funds Exempt										
318	Federal Funds										
319											
320	Decision Items/Budget Reduction Items (list using priority numbers for reference)										
321	Decision Item Priority #1 - Master List Contract									130,047	0.2
322	General Fund										
323	Cash Funds										
324	Cash Funds Exempt										
325	Federal Funds			(0)							
326											
327	Long Bill Group/Division Total										
328	Grand Total - without Pots	4,223,929	22.6	5,685,720	22.3	7,684,593	29.5	8,144,595	27.5	7,282,592	29.8
329	General Fund	-		-				-		-	
330	Cash Funds	4,223,929		5,685,720		7,684,593		8,137,035		7,271,750	
331	Cash Funds Exempt	-		-				7,560		10,842	(T)
332	Federal Funds	-		(0)				-		-	
333											
334	Grand Total - with Pots	4,281,837	23.5	5,746,821	24.0	7,684,593		8,144,595	27.5	7,282,592	29.8
335	General Fund	-		-				-		-	
336	Cash Funds	4,281,837		5,746,821		7,684,593		8,137,035		7,271,750	
337	Cash Funds Exempt	-		-				7,560		10,842	(T)
338	Federal Funds	-		-				-		-	

	A	B	C	D	E	F	G	H	I	J	K
1	SCHEDULE 3 - Program Detail										
2	Special Purpose										
3		Actual FY 2003-04		Actual FY 2004-05		Approp. FY 2005-06		Estimate FY 2005-06		Request FY 2006-07	
4	ITEM	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
5											
6	Help America Vote Act										
7	Federal Funds	801,394		5,497,564							
8	Long Bill Appropriation	7,037,396		9,120,572	8.6	15,082,087	15.0	15,171,582	15.0	10,285,608	15.0
9	Reversions	(6,236,002)		(3,623,008)							
10	Total Reconciliation	801,394		5,497,564							
11	Cash Funds Exempt	801,394		5,497,564		15,082,087		14,993,532		10,155,608	
12	Federal Funds							178,050		130,000	
13											
14	Local Election Reimbursement	719,706		867,393				-		-	
15	Cash Funds	719,706		867,393				-		-	
16	Local Election Reimbursement Reconciliation										
17	Long Bill Appropriation	876,270		915,389		915,389		915,389		915,389	
18	Reversions	(156,564)		(47,996)							
19	Total Reconciliation	719,706		867,393							
20	Cash Funds	719,706		867,393		915,389		915,389		915,389	
21											
22	Electronic Filing Grants to Counties										
23	Cash Funds	18,249		189,034							
24	Electronic Filing Grants to Counties Reconciliation			189,034							
25	Long Bill Appropriation	617,232		1,500,000		1,500,000		1,500,000		1,500,000	
26	Reversions	(598,983)		(1,310,966)							
27	Total Reconciliation	18,249		189,034							
28	Cash Funds	18,249		189,034		1,500,000		1,500,000		1,500,000	
29											
30	Master List Contract	79,999		58,365							
31	Cash Funds	79,999		58,365							
32	Master List Reconciliation										
33	Long Bill Appropriation	80,000		80,000		80,000		80,000		80,000	
34	Reversions	(1)		(21,635)							
35	Total Reconciliation	79,999		58,365							
36	Cash Funds	79,999		58,365		80,000		80,000		80,000	
37											
38	Initiative and Referendum										
39	Cash Funds	49,646		33,063							
40	Initiative and Referendum Reconciliation			33,063							
41	Long Bill Appropriation	50,000		500,000		50,000		50,000		500,000	
42	Supplemental	-		-							
43	Reversions	(354)		(466,937)							
44	Total Reconciliation	49,646		33,063							
45	Cash Funds	49,646		33,063		50,000		50,000		500,000	
46											
47	Total Long Bill Group - Special Purpose										
48	Long Bill Appropriation	8,660,898	0.0	12,115,961	0.0	17,627,476		17,716,971		13,280,997	
49	Special Bills										
50	Supplementals	-		-							
51	Decision Items										
52	Rollforward										

	A	B	C	D	E	F	G	H	I	J	K
1	SCHEDULE 3 - Program Detail										
2	Special Purpose										
3		Actual FY 2003-04		Actual FY 2004-05		Approp. FY 2005-06		Estimate FY 2005-06		Request FY 2006-07	
4	ITEM	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
53	Reversions	(6,991,904)									
54	Total Special Purpose	1,668,994									
55											
56	Long Bill Group/Division Total										
57	Grand Total	1,668,994	-	12,115,961	8.6	17,627,476	15.0	17,716,971	15.0	13,280,997	15.0
58	Cash Funds	867,600		2,995,389		2,545,389		2,545,389		2,995,389	
59	Cash Funds Exempt	801,394		9,120,572		15,082,087		14,993,532		10,155,608	
60	Federal Funds			-		-		178,050		130,000	
61											

	A	B	C	D	E	F	G	H	I	J	K
1	SCHEDULE 3 - Program Detail										
2	Help America Vote Act										
3		Actual FY 2003-04		Actual FY 2004-05		Approp. FY 2005-06		Estimate FY 2005-06		Request FY 2006-07	
4	ITEM	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
5	<u>Position Detail</u>										
6	General Professional VII							76,420	0.8	91,704	1.0
7	General Professional VI	70,606	0.8	93,787	1.2			102,824	1.2	87,540	1.0
8	General Professional V			26,040	0.4			64,368	1.0	64,368	1.0
9	General Professional IV	120,318	2.1	120,914	2.0			205,401	3.1	266,004	4.0
10	General Professional III			55,349	1.2			112,068	2.0	112,068	2.0
11	General Professional I							30,250	0.9	33,000	1.0
12	IT Professional IV	34,474	0.6	72,984	1.0			74,178	1.0	74,148	1.0
13	Budge Analyst II	21,880	0.3	67,476	1.0			11,572	0.2		
14	Customer Support Coordinator I							103,519	2.5	121,680	3.0
15	Administrative Assistant II			58,198	1.8			36,520	1.1	33,996	1.0
16	Continuation Salary Subtotal	247,278	3.8	494,748	8.6			817,120	13.8	884,508	15.0
17											
18	Other Personal Services										
19	PERA on Continuation Subtotal	24,233		53,912				82,938		89,778	
20	Medicare on Continuation Subtotal	3,462		7,702				11,848		12,825	
21	Temporary Salaries	18,553		6,267							
22	Contractual Services (primarily VRS)	307,739		2,430,490				3,125,202		5,880,181	
23	Other Personal Services - AED									6,875	
24	Personal Services Subtotal	601,265	3.8	2,993,119	8.6	6,012,285	15.0	4,037,108	13.8	6,874,167	15.0
25	Cash Funds	0		-				-			
26	Cash Funds Exempt	0		2,993,119				4,037,108		6,874,167	
27	Federal Funds	601,265		-				-		-	
28											
29	Pots Expenditures										
30	Shift Differential										
31	Health/Life/Dental	9,051		23,800				50,927		64,296	
32	Short Term Disability	327		812				1,307		1,421	
33	Salary Survey/Performance Pay (non-add)			13,232				20,052		35,931	
34											
35	Base Personal Services Total	610,643	3.8	3,017,731	8.6			4,089,342	13.8	6,939,884	15.0
36	Cash Funds	0		-				-			
37	Cash Funds Exempt	0		3,017,731				4,089,342		6,939,884	
38	Federal Funds	610,643		-				-		-	
39											
40	Difference							1,946,005		64,573	
41											
42	Personal Services Detail Total	610,643	3.8	3,017,731	8.6			6,035,347	13.8	7,004,457	15.0
43	Cash Funds			-				-			
44	Cash Funds Exempt			3,017,731	9.4			6,035,347		7,004,457	
45	Federal Funds	610,643	3.8							-	
46											
47	Calc of Personal Services Request										
48	Previous Year Long Bill Appropriation	3,908,841	5.3	8,925,697	18.0						15.0
49	Previous Year Supplementals										
50	Previous Year Special Bills (by bill #)										
51	Salary Survey - classified									-	
52	Senior Executive Services (SES)										
53	Medicare Incremental Increase									977	

	A	B	C	D	E	F	G	H	I	J	K
1	SCHEDULE 3 - Program Detail										
2	Help America Vote Act										
3		Actual FY 2003-04		Actual FY 2004-05		Approp. FY 2005-06		Estimate FY 2005-06		Request FY 2006-07	
4	ITEM	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
54	Base Adjustment									6,938,740	
55	Other Adjustments (decision items, other)										
56	Personal Services Request Total							5,983,113	15.0	6,938,740	15.0
57	Cash Funds										
58	Cash Funds Exempt							5,983,113	15.0	6,938,740	
59	Federal Funds	3,908,841	5.3							-	
60											
61	Personal Services Reconciliation										
62	Authorization										
63	Long Bill Appropriation	3,908,841	5.3	8,925,697	18.0			6,012,285	15.0		
64	Special Bills (by bill #-)04-1422	(1,124,532)	4.5								
65	Cash Funds	0		-				-			
66	Cash Funds Exempt	0		-							
67											
68	Authorization Subtotal	2,784,309	4.5	8,925,697	18.0			6,012,285	15.0		
69	Cash Funds	0		-				-			
70	Cash Funds Exempt	0		8,925,697	18.0			6,012,285			
71	Federal Funds	2,784,309	4.5	-				-			
72	Allocated Pots (should match summary tables)										
73	Salary Survey							27,521			
74	Performance Pay										
75	Health/Life/Dental							42,874			
76	Short-Term Disability							1,247			
77	Allocated Pots Subtotal	0		-				71,642			
78	Cash Funds	0		-				-			
79	Cash Funds Exempt	0		-				71,642			
80	Federal Funds	0		-				-			
81											
82	Personal Services Reconciliation Total	610,643	3.8	8,925,697	18.0			6,083,927	15.0	6,938,740	15.0
83	Cash Funds	0		-				-			
84	Cash Funds Exempt	0		8,925,697	18.0			6,083,927		6,938,740	
85	Federal Funds	610,643	3.8	-				-		-	
86											
87	Reconciliation Difference	0	-	5,907,966	9			48,580	1		
88											
93	Operating Expenses/Capital Outlay										
94	2231 Hardware Maintenance (VRS)							23,291		1,000	
95	2232 Software Maintenance	7,573						50,000		1,839,916	
96	2250 Misc Rentals			2							
97	2254 Rental of Motor Vehicles	312		550							
98	2255 Rental of Buildings	70,343		75,443				73,392		73,392	
99	2258 Parking Fees	417									
100	2259 Parking Fee Reimbursement			506							
101	2510 In-State Travel	2,520		5,274				7,400		7,844	
102	2512 In-State Pers Travel Per Diem	816		2,826				6,400		6,784	
103	2513 In-State Pers Vehicle Reimb	1,188		1,987				1,600		1,696	
104	2515 State-owned vehicle charge	240		1,468				2,800		2,968	
105	2520 In-state Travel/Non-Employee	4,646		7,470				1,000		1,060	
106	2521 IS/Non-Emp-Common Carrier	400		200						-	

	A	B	C	D	E	F	G	H	I	J	K
1	SCHEDULE 3 - Program Detail										
2	Help America Vote Act										
3		Actual FY 2003-04		Actual FY 2004-05		Approp. FY 2005-06		Estimate FY 2005-06		Request FY 2006-07	
4	ITEM	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
107	2522 IS/Non-Empl-Pers Per Diem	1,088		1,092				1,000		1,060	
108	2523 IS/Non-Empl-Pers Veh Reimb	1,297		1,968				570		604	
109	2530 Out-of-State travel	5,111		4,357				2,200		2,332	
110	2531 OS Common Carrier Fares	5,172		2,870				5,000		5,300	
111	2532 OS Pers Travel Per Diem	764		741				700		742	
112	2533 OS Pers Vehicle Reimb	35		614				100		106	
113	2540 OS Travel/Non-Empl			2,005				2,000		2,120	
114	2541 OS/Non-Empl - Common Carrier	609		2,781				2,500		2,650	
115	2542 OS/Non-Empl - Pers Per Diem			479				1,000		1,060	
116	2543 OS/Non-Empl - Pers Veh Reimb			371				100		106	
117	2610 Advertising			51,368							
118	2611 Public Relations			81,295				59,000		60,000	
119	2612 Other Marketing Expenses			150							
120	2631 Communication-outside sources			186				615		615	
121	2632 MNT Payments - VRS							118,633		286,200	
122	2680 Printing/Reproduction Svcs	29,081		29,780				11,000		11,660	
123	2681 Photocopy Reimbursement			416							
124	2690 Legal Services			215				10,000		10,000	
125	2810 Freight	1,123		2,011				400		424	
126	2820 Other Purchased Services	7,253		2,338				3,000		3,100	
127	3110 Other Supplies & Materials	168		9,885				200		300	
128	3115 Data Processing Supplies	696		259				14,814		500	
129	3117 Educational Supplies	394		61							
130	3118 Food and Food Serv Supplies	1,247		233				300		320	
131	3120 Books/Periodicals/Subs	262		477				500		550	
132	3121 Office Supplies	10,542		3,454				7,000		7,600	
133	3123 Postage	255		2,354				2,000		2,120	
134	3128 Non-Capitalized Equipment	1,039		13,878				7,441,800		1,000	
135	3140 Non-Cap IT - PCs for counties							350,000		10,000	
136	3141 Non-Cap IT - servers (VRS)							67,391			
137	3142 Non-Cap IT Network (VRS)							7,622			
138	3143 Noncapitalized IT - Other			11,521				2,499			
139	3146 Non-Cap IT Server SW							341,491			
140	3950 Gasoline	10		127							
141	4140 Dues and Memberships	285		2,545				1,200		1,400	
142	4180 Official Functions	1,819		2,895				2,000		2,000	
143	4181 Training Workshops (HAVA)	28,752		6,713				15,000		15,000	
144	4220 Registration Fees	5,293		3,275				2,400		2,400	
145	5120 Grants/Dist.- Counties			320,981				150,000		100,000	
146	5520 Dis. Counties-Voting Equip Repl			2,106,865				70,228			
147	5781 Grants to Non-Profit Orgs							28,050		30,000	
148	6212 IT Servers (VRS)							194,840			
149	6214 IT Other- Direct Purchase			5,892				68,747			
150	6215 IT Equip for VRS & GIS							181,911		500,000	
151	6216 IT Server SW (VRS & GIS)			47,250				1,572,000		250,000	
152											
153	Operating Expenses Total	190,750		2,819,428		9,069,802		10,905,694		3,245,929	
154	Cash Funds	0		-				-		-	
155	Cash Funds Exempt	0		2,623,754				10,727,644		3,115,929	

	A	B	C	D	E	F	G	H	I	J	K
1	SCHEDULE 3 - Program Detail										
2	Help America Vote Act										
3		Actual FY 2003-04		Actual FY 2004-05		Approp. FY 2005-06		Estimate FY 2005-06		Request FY 2006-07	
4	ITEM	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
156	Federal Funds	190,750		195,673				178,050		130,000	
157											
158	Other										
159	Statewide Indirect Cost Assessment							736		8,473	
160	Agency Indirect Cost Recoveries							113,702		90,842	
161	Workers Compensation							931		532	
162	Risk Management							1,372		1,092	
163	Other Total							116,741		100,939	
164	Cash Funds Exempt							116,741		100,939	
165	Federal Funds			-						-	
166											
167	Long Bill Group/Division Total										
168	Grand Total - without Pots	792,015	3.8	5,812,547	8.6	15,010,445	15.0	15,059,543	13.8	10,221,035	15.0
169	Cash Funds							-		-	
170	Cash Funds Exempt	0		5,616,873		15,010,445		14,881,493		10,091,035	
171	Federal Funds	792,015		195,673				178,050		130,000	
172											
173	Grand Total - with Pots	801,393	3.8	5,837,159	8.6	15,082,087	15.0	15,111,777	15	10,285,608	15.0
174	Cash Funds	0		-				-		-	
175	Cash Funds Exempt	0		5,641,486		15,082,087		14,933,727		10,155,608	
176	Federal Funds	801,393		195,673				178,050		130,000	