

**SUMMARY**

**OF**

**FY2012-13**

**JOINT BUDGET COMMITTEE**

**BUDGET**

**BRIEFINGS**

# STATE OF COLORADO

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## MEMORANDUM

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**TO: Members of the General Assembly**

**FROM: Joint Budget Committee**

**SUBJECT: FY 2012-13 Budget Briefing Summary**

**DATE: January 11, 2012**

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For the past two months, the Joint Budget Committee staff has been briefing the Committee on each department's budget request for FY 2012-13. The staff briefing is a written and oral presentation of budget issues and a review of expenditures and requests for each department. These briefings are aimed at stimulating discussion among the Committee members about each department's budget request, its operations, issues of efficiency and effectiveness, and plans for the future.

During the briefing, Committee members decide which issues they wish to discuss with the department. These topics are addressed at a formal hearing with each department's executive director. This hearing also allows time for the department to discuss its priorities with the Committee.

This report summarizes the budget briefings by providing the department graphic overview, a summary of the department's total request as compared to the current year appropriation, a list of the decision items that the department is requesting, and a summary of the issues that were addressed. The detailed staff briefing write-ups can be found at the Committee's web site:

[http://www.state.co.us/gov\\_dir/leg\\_dir/jbc/2011-12/briefing.htm](http://www.state.co.us/gov_dir/leg_dir/jbc/2011-12/briefing.htm)

We hope this budget briefing summary and the documents from which it was created will help you become familiar with the FY 2012-13 budget request and with major issues that impact the budget. We look forward to discussing the budget with you throughout the 2012 legislative session.

# SUMMARY OF FY 2012-13 BUDGET BRIEFING

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**Table 1**  
**Summary of FY 2011-12 Operating Appropriations**  
**Please Note that General Fund Exempt is Included with General Fund**

<b>Departments</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>
Agriculture	5,164,362	28,776,513	1,042,342	3,977,614	38,960,831
Corrections	634,934,029	40,620,364	44,118,225	718,687	720,391,305
Education	2,833,701,556	853,103,045	23,319,283	625,919,937	4,336,043,821
Governor	11,175,194	23,643,160	125,124,833	23,791,753	183,734,940
Health Care Policy	1,669,164,241	877,581,880	10,375,474	2,541,061,895	5,098,183,490
Higher Education	623,962,700	1,699,158,727	539,636,738	19,014,815	2,881,772,980
Human Services	614,650,877	327,959,886	449,772,764	669,003,071	2,061,386,598
Judicial	340,243,578	113,517,658	14,743,488	5,210,298	473,715,022
Labor	0	60,765,642	752,426	96,534,472	158,052,540
Law	9,393,105	10,391,750	33,061,507	1,500,211	54,346,573
Legislature	34,684,832	184,587	1,103,816	0	35,973,235
Local Affairs	10,383,966	228,629,982	7,104,146	117,319,185	363,437,279
Military Affairs	5,421,658	1,209,140	803,509	213,775,024	221,209,331
Natural Resources	23,422,123	191,031,122	8,480,565	19,608,155	242,541,965
Personnel	5,079,400	8,936,695	142,995,921	0	157,012,016
Public Health	27,478,228	121,579,430	26,207,571	267,069,638	442,334,867
Public Safety	82,676,491	128,122,067	24,162,074	29,559,306	264,519,938
Regulatory Agencies	1,599,183	69,708,823	4,239,807	1,194,128	76,741,941
Revenue	72,746,170	219,932,569	1,328,287	723,701	294,730,727
State	0	18,802,548	0	0	18,802,548
Transportation	0	699,088,197	4,886,656	404,145,023	1,108,119,876
Treasury	7,903,000	358,521,619	0	0	366,424,619
Capital - Controlled Maintenance Trust	0				0
<b>Total</b>	<b>7,013,784,693</b>	<b>6,081,265,404</b>	<b>1,463,259,432</b>	<b>5,040,126,913</b>	<b>19,598,436,442</b>
<b>Not Subject to Statutory Limit:</b>					
SB 11-209, Treasury, Sr Citizen Prop Tax Exempt	1,700,000	0	0	0	1,700,000
SB 11-209, Treasury, FPPA	25,321,079	0	0	0	25,321,079
SB 11-221, Treasury, FPPA	(20,000,000)	0	0	0	(20,000,000)
SB 11-209 Revenue, Old Age Heat and Fuel	7,800,000	0	0	0	7,800,000
SB 11-209, Revenue, Cigarette Tax	11,500,000	0	0	0	11,500,000
SB 11-209, Local Affairs, FPPA	<u>4,294,753</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,294,753</u>
Subtotal	30,615,832	0	0	0	30,615,832
<b>Amendment 35 Tobacco Tax GFE - Not Subject to Statutory Limit:</b>					
SB 11-209, HCPF, Amendment 35 Tobacco Tax	446,100	0	0	0	446,100
SB 11-209, Public Health, Amend 35 Tobacco Tax	<u>446,100</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>446,100</u>
Subtotal	892,200	0	0	0	892,200
<b>Total (GF Adjusted for Items Not Subject to Limit)</b>	<b>6,982,276,661</b>	<b>6,081,265,404</b>	<b>1,463,259,432</b>	<b>5,040,126,913</b>	<b>19,567,820,610</b>

**Table 2**  
**Summary of FY 2012-13 Operating Appropriations Request**  
**Please Note that the General Fund Exempt is Included with General Fund**

Departments	Original Nov 1, 2012 FY 2012-13 OSPB Request				
	GF	CF	RF	FF	Total
Agriculture	5,813,563	28,513,468	997,107	3,869,616	39,193,754
Corrections	658,157,093	41,977,982	44,250,443	718,687	745,104,205
Education	2,842,594,598	719,778,867	23,399,186	626,501,348	4,212,273,999
Governor	18,442,153	29,819,469	130,892,629	26,167,473	205,321,724
Health Care Policy	1,854,725,846	865,107,650	7,385,014	2,717,160,114	5,444,378,624
Higher Education	563,691,605	1,699,370,889	522,781,010	19,116,967	2,804,960,471
Human Services	633,450,270	331,665,704	460,987,539	653,734,514	2,079,838,027
Judicial	350,707,973	127,700,370	15,268,220	4,433,232	498,109,795
Labor	0	61,911,077	656,026	97,837,217	160,404,320
Law	9,865,161	11,449,469	33,946,946	1,570,418	56,831,994
Legislature	35,675,709	184,587	1,103,816	0	36,964,112
Local Affairs	9,036,183	228,701,124	7,110,808	117,463,440	362,311,555
Military Affairs	5,703,579	1,427,399	803,509	214,064,764	221,999,251
Natural Resources	23,428,606	174,645,580	8,580,987	20,312,868	226,968,041
Personnel	5,614,919	10,645,478	143,174,157	0	159,434,554
Public Health	27,284,383	148,875,490	30,299,270	267,925,700	474,384,843
Public Safety	84,599,953	135,331,866	25,048,839	29,859,594	274,840,252
Regulatory Agencies	1,647,582	70,646,859	4,297,289	1,226,482	77,818,212
Revenue	71,818,605	223,614,852	1,424,050	824,388	297,681,895
State	0	18,372,444	0	0	18,372,444
Transportation	0	705,222,582	4,915,400	409,409,045	1,119,547,027
Treasury	106,727,954	369,527,643	0	0	476,255,597
Capital - Controlled Maintenance Trust	0				0
<b>Total</b>	<b>7,308,985,735</b>	<b>6,004,490,849</b>	<b>1,467,322,245</b>	<b>5,212,195,867</b>	<b>19,992,994,696</b>
<b>Not Subject to Statutory Limit:</b>					
SB 11-209, Treasury, Sr Citizen Prop Tax Exempt	95,900,000	0	0	0	95,900,000
SB 11-209, Treasury, FPPA	0	0	0	0	0
SB 11-221, Treasury, FPPA	10,000,000	0	0	0	10,000,000
SB 11-209 Revenue, Old Age Heat and Fuel	7,400,000	0	0	0	7,400,000
SB 11-209, Revenue, Cigarette Tax	10,400,000	0	0	0	10,400,000
SB 11-209, Local Affairs, FPPA	<u>2,775,706</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,775,706</u>
Subtotal	126,475,706	0	0	0	126,475,706
<b>Amendment 35 Tobacco Tax GFE - Not Subject to Statutory Limit:</b>					
SB 11-209, HCPF, Amendment 35 Tobacco Tax	446,100	0	0	0	446,100
SB 11-209, Public Health, Amend 35 Tobacco Tax	<u>446,100</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>446,100</u>
Subtotal	892,200	0	0	0	892,200
<b>Total (GF Adjusted for Items Not Subject to Limit)</b>	<b>7,181,617,829</b>	<b>6,004,490,849</b>	<b>1,467,322,245</b>	<b>5,212,195,867</b>	<b>20,119,470,402</b>

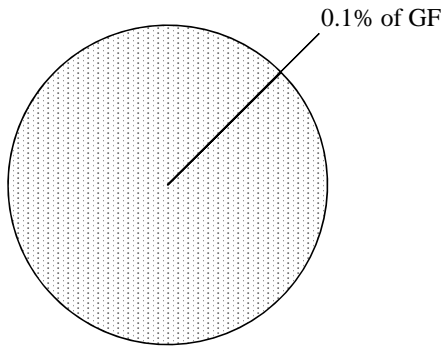
**Table 3**  
**Summary of FY 2012-13 Request as Compared to FY 2011-12 Appropriations**  
Please Note that the General Fund Exempt is Included with General Fund

Departments	GF		CF		RF		FF		Total	
	FY 2012-13 Higher/(Lower) than FY 2011-12	Percent Change	FY 2012-13 Higher/(Lower) than FY 2011-12	Percent Change	FY 2012-13 Higher/(Lower) than FY 2011-12	Percent Change	FY 2012-13 Higher/(Lower) than FY 2011-12	Percent Change	FY 2012-13 Higher/(Lower) than FY 2011-12	Percent Change
Agriculture	649,201	12.6%	(263,045)	-0.9%	(45,235)	-4.3%	(107,998)	-2.7%	232,923	0.6%
Corrections	23,223,064	3.7%	1,357,618	3.3%	132,218	0.3%	0	0.0%	24,712,900	3.4%
Education	8,893,042	0.3%	(133,324,178)	-15.6%	79,903	0.3%	581,411	0.1%	(123,769,822)	-2.9%
Governor	7,266,959	65.0%	6,176,309	26.1%	5,767,796	4.6%	2,375,720	10.0%	21,586,784	11.7%
Health Care Policy	185,561,605	11.1%	(12,474,230)	-1.4%	(2,990,460)	-28.8%	176,098,219	6.9%	346,195,134	6.8%
Higher Education	(60,271,095)	-9.7%	212,162	0.0%	(16,855,728)	-3.1%	102,152	0.5%	(76,812,509)	-2.7%
Human Services	18,799,393	3.1%	3,705,818	1.1%	11,214,775	2.5%	(15,268,557)	-2.3%	18,451,429	0.9%
Judicial	10,464,395	3.1%	14,182,712	12.5%	524,732	3.6%	(777,066)	-14.9%	24,394,773	5.1%
Labor	0	n/a	1,145,435	1.9%	(96,400)	-12.8%	1,302,745	1.3%	2,351,780	1.5%
Law	472,056	5.0%	1,057,719	10.2%	885,439	2.7%	70,207	4.7%	2,485,421	4.6%
Legislature	990,877	2.9%	0	0.0%	0	0.0%	0	n/a	990,877	2.8%
Local Affairs	(1,347,783)	-13.0%	71,142	0.0%	6,662	0.1%	144,255	0.1%	(1,125,724)	-0.3%
Military Affairs	281,921	5.2%	218,259	18.1%	0	0.0%	289,740	0.1%	789,920	0.4%
Natural Resources	6,483	0.0%	(16,385,542)	-8.6%	100,422	1.2%	704,713	3.6%	(15,573,924)	-6.4%
Personnel	535,519	10.5%	1,708,783	19.1%	178,236	0.1%	0	n/a	2,422,538	1.5%
Public Health	(193,845)	-0.7%	27,296,060	22.5%	4,091,699	15.6%	856,062	0.3%	32,049,976	7.2%
Public Safety	1,923,462	2.3%	7,209,799	5.6%	886,765	3.7%	300,288	1.0%	10,320,314	3.9%
Regulatory Agencies	48,399	3.0%	938,036	1.3%	57,482	1.4%	32,354	2.7%	1,076,271	1.4%
Revenue	(927,565)	-1.3%	3,682,283	1.7%	95,763	7.2%	100,687	13.9%	2,951,168	1.0%
State	0	n/a	(430,104)	-2.3%	0	n/a	0	n/a	(430,104)	-2.3%
Transportation	0	n/a	6,134,385	0.9%	28,744	0.6%	5,264,022	1.3%	11,427,151	1.0%
Treasury	98,824,954	1250.5%	11,006,024	3.1%	0	n/a	0	n/a	109,830,978	30.0%
Capital - Controlled Maintenance Trust	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a
<b>Total</b>	<b>295,201,042</b>	<b>4.2%</b>	<b>(76,774,555)</b>	<b>-1.3%</b>	<b>4,062,813</b>	<b>0.3%</b>	<b>172,068,954</b>	<b>3.4%</b>	<b>394,558,254</b>	<b>2.0%</b>
<u>Not Subject to Statutory Limit:</u>			0		0		0		0	
SB 11-209, Treasury, Sr Citizen Prop Tax Exempt	94,200,000	5541.2%	0		0		0		94,200,000	5541.2%
SB 11-209, Treasury, FPPA	(25,321,079)	-100.0%	0		0		0		(25,321,079)	-100.0%
SB 11-221, Treasury, FPPA	30,000,000	-150.0%	0		0		0		30,000,000	-150.0%
SB 11-209 Revenue, Old Age Heat and Fuel	(400,000)	-5.1%	0		0		0		(400,000)	-5.1%
SB 11-209, Revenue, Cigarette Tax	(1,100,000)	-9.6%	0		0		0		(1,100,000)	-9.6%
SB 11-209, Local Affairs, FPPA	(1,519,047)	-35.4%	0		0		0		(1,519,047)	-35.4%
Subtotal	95,859,874	313.1%	0		0		0		95,859,874	313.1%
<u>Amendment 35 Tobacco Tax GFE - Not Subject to Statutory Limit:</u>			0		0		0		0	
SB 11-209, HCPF, Amendment 35 Tobacco Tax	0	0.0%	0		0		0		0	0.0%
SB 11-209, Public Health, Amend 35 Tobacco Tax	0	0.0%	0		0		0		0	0.0%
Subtotal	0	0.0%	0		0		0		0	0.0%
			0		0		0		0	
<b>Total (GF Adjusted for Items Not Subject to Limit)</b>	<b>199,341,168</b>	<b>2.9%</b>	<b>(76,774,555)</b>	<b>-1.3%</b>	<b>4,062,813</b>	<b>0.3%</b>	<b>172,068,954</b>	<b>3.4%</b>	<b>551,649,792</b>	<b>2.8%</b>

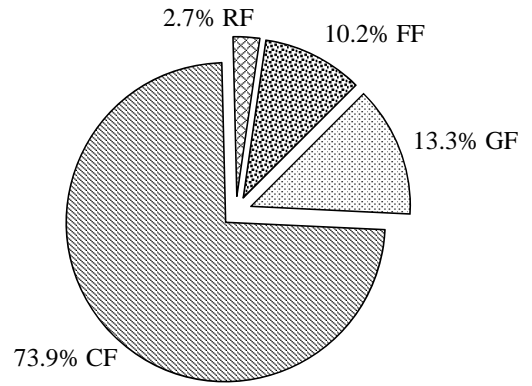
FY 2012-13 Joint Budget Committee Staff Budget Briefing  
 Department of Agriculture

GRAPHIC OVERVIEW

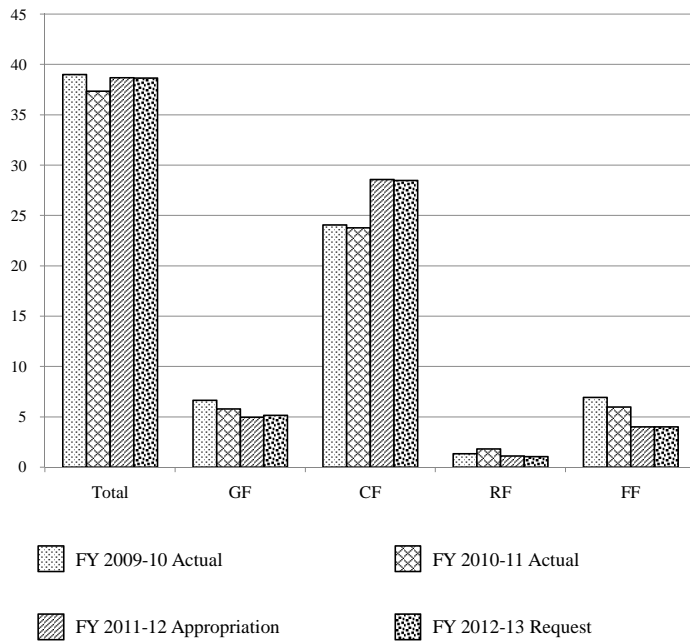
Department's Share of Statewide General Fund



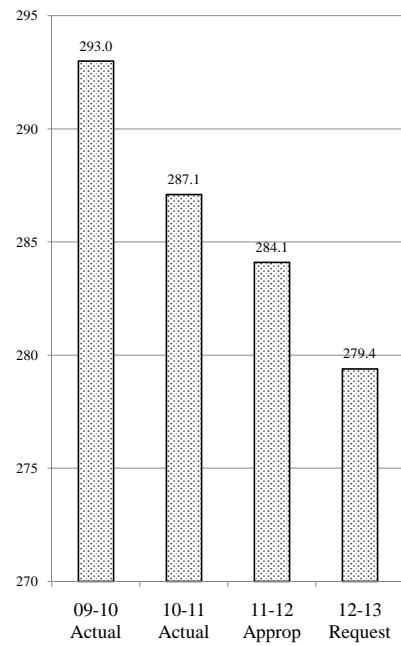
Department Funding Sources



Budget History  
 (Millions of Dollars)

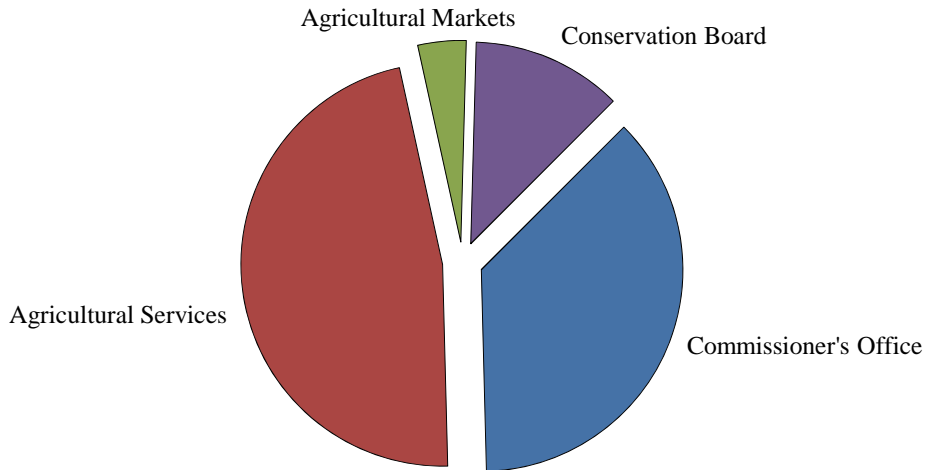


FTE History

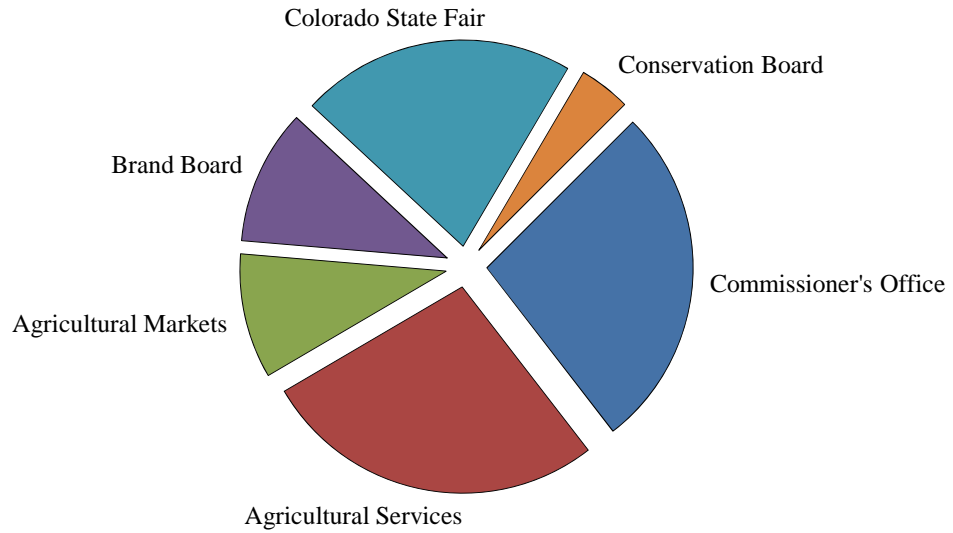


Unless otherwise noted, all charts are based on the FY 2011-12 appropriation.

**Distribution of General Fund by Division**



**Distribution of Total Funds by Division**



**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Agriculture**

**OVERVIEW OF BUDGET REQUEST**

The following table summarizes the total change, in dollars and as a percentage, between the Department's FY 2011-12 appropriation and its FY 2012-13 request. For more detailed information, see the staff briefing write-up on the Joint Budget Committee's website.

**Total Requested Change, FY 2011-12 to FY 2012-13 (millions of dollars)**

<b>Category</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
FY 2011-12 Appropriation	\$5.2	\$28.8	\$1.0	\$4.0	\$39.0	284.1
FY 2012-13 Request	5.8	28.5	1.0	3.9	39.2	279.4
Increase / (Decrease)	\$0.6	(\$0.3)	\$0.0	(\$0.1)	\$0.2	(4.7)
Percentage Change	11.5%	(1.0)%	0.0%	(2.5)%	0.5%	(1.7)%

**SUMMARY OF DECISION ITEMS**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
1 Renewal of 5 Year Lease Purchase Authority for Lab Equipment	22,770	76,590	0	0	99,360	0.0
2 Permanent Refinance of Inspection and Consumer Services Programs	(1,184,574)	1,184,574	76,250	0	76,250	0.0
3 Continued Improvements to Budget Efficiencies and Transparency	0	0	0	0	0	0.0
NP-1 FY 2012-13 Statewide Vehicle Replacement Request	17,566	18,262	0	1,740	37,568	0.0
<b>Total</b>	<b>(1,144,238)</b>	<b>1,279,426</b>	<b>76,250</b>	<b>1,740</b>	<b>213,178</b>	<b>0.0</b>

**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Agriculture**

**SUMMARY OF ISSUES PRESENTED TO THE JBC**

**ISSUE: Performance-based Goals and the Department's FY 2012-13 Budget Request**

This issue brief summarizes the Department of Agriculture report on its performance relative to its strategic plan and discusses how the FY 2012-13 budget request advances the Department's performance-based goals. Pursuant to the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act (H.B. 10-1119), the full strategic plan for the Department of Agriculture can be accessed from the Office of State Planning and Budgeting web site.

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**ISSUE: Funding of Inspection and Consumer Services Programs**

Following a Department initiated request to sponsor legislation, H.B. 10-1377 refinanced a number of Inspection and Consumer Services (ICS) programs. Pursuant to H.B. 10-1377, ICS programs were completely cash funded in FY 2010-11 and FY 2011-12. This resulted in a General Fund savings of approximately \$2.7 million. This legislation is scheduled to sunset on July 1, 2012. The Department is now requesting that ICS programs be permanently cash funded.

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**ISSUE: Elimination of Statutory Indirect Cost Caps**

The Department of Agriculture currently has indirect cost caps set in statute for the Brand Board, Alternative Livestock, Chemigation, and Agricultural Products Inspection programs. This limits the amount of moneys the Commissioner's Office can collect to pay for the indirect costs of program administration. Limiting the amount of indirect costs that can be recovered from a program results in annual General Fund dollars being used to cover the difference. Pursuant to S.B. 03-169 indirect cost caps were removed for three years.

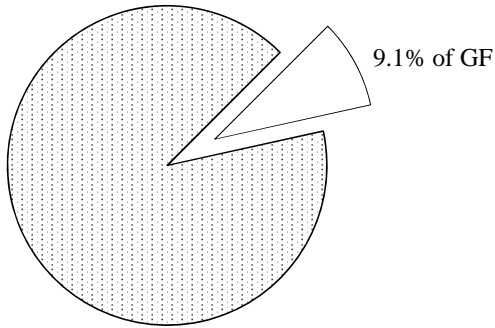
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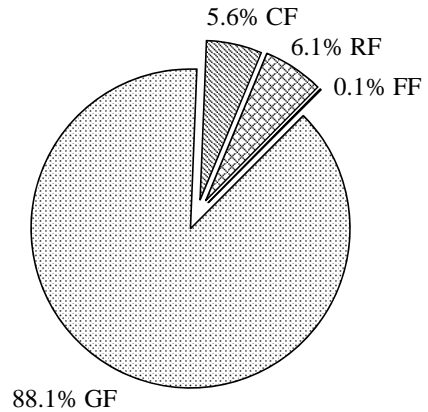
**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Corrections**

**GRAPHIC OVERVIEW**

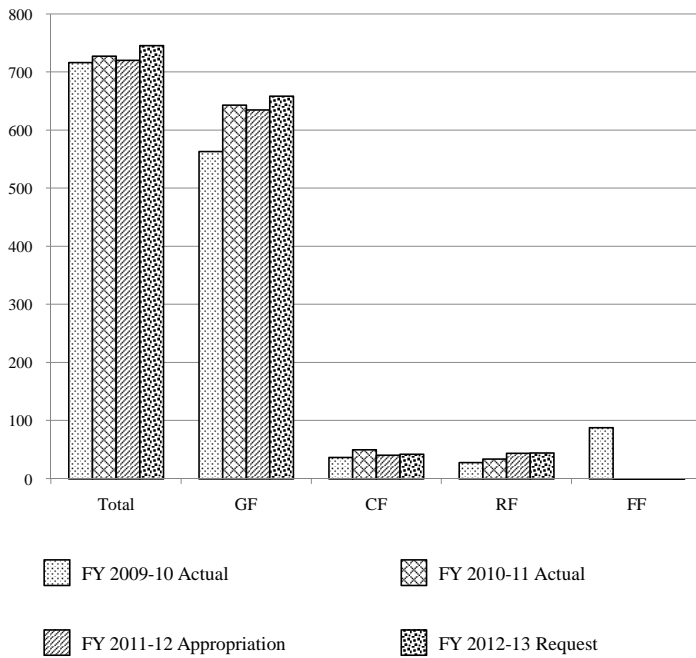
**Department's Share of Statewide General Fund**



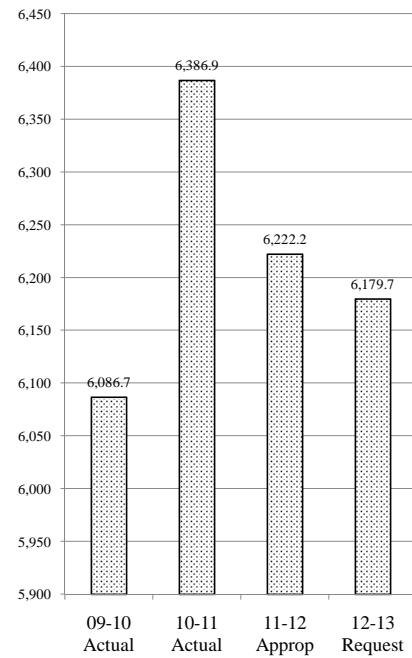
**Department Funding Sources**



**Budget History  
(Millions of Dollars)**

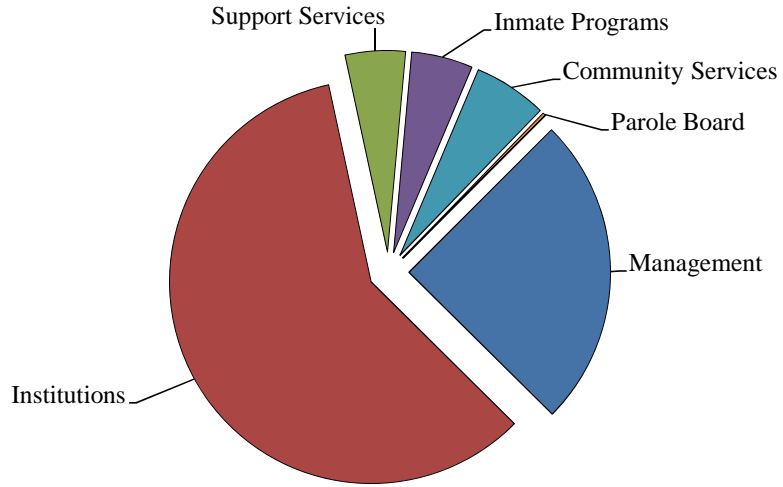


**FTE History**

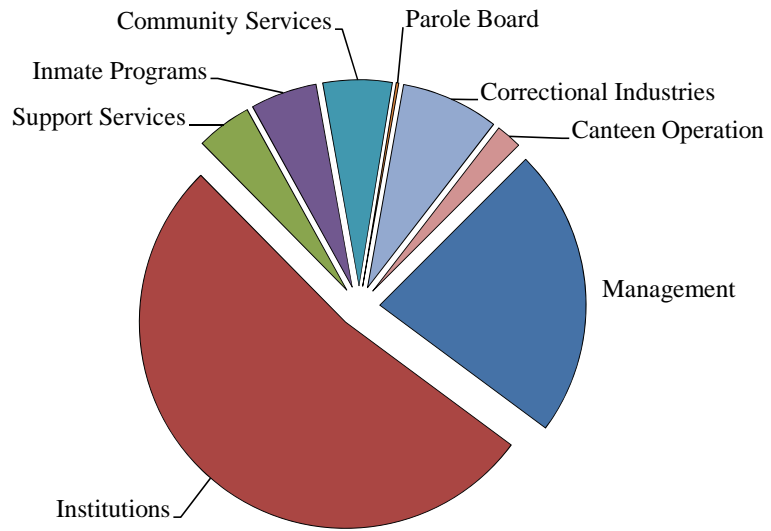


Unless otherwise noted, all charts are based on the FY 2010-11 appropriation.

**Distribution of General Fund by Division**



**Distribution of Total Funds by Division**



**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Corrections**

**OVERVIEW OF BUDGET REQUEST**

The following table summarizes the total change, in dollars and as a percentage, between the Department's FY 2011-12 appropriation and its FY 2012-13 request. For more detailed information, see the staff briefing write-ups on the Joint Budget Committee's website.

**Total Requested Change, FY 2011-12 to FY 2012-13 (millions of dollars)**

<b>Category</b>	<b>GF*</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
FY 2011-12 Appropriation	\$634.9	\$40.6	\$44.1	\$0.7	\$720.4	6,270.4
FY 2012-13 Request	658.6	42.0	44.3	0.7	745.6	6,179.7
Increase / (Decrease)	\$23.7	\$1.4	\$0.1	\$0.0	\$25.2	(90.7)
Percentage Change	3.7%	3.3%	0.3%	0.0%	3.5%	(1.4)%

**SUMMARY OF DECISION ITEMS**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
1 Sex Offender Treatment Expansion	\$1,923,692	\$0	\$0	\$0	\$1,923,692	24.9
2 Colorado Correctional Industries (CCi) Program Expansion	0	1,358,474	0	0	1,358,474	19.0
3 Line Item Consolidation	0	0	0	0	0	0.0
4 External Capacity Caseload	13,916,129	0	0	0	13,916,129	0.0
5 POPM - Per Offender Per Day Medical Expenses	4,722,804	0	0	0	4,722,804	0.0
6 Conservation Camp Program	(529,974)	0	0	0	(529,974)	15.5
7 Parole/Parole Intensive Supervision Program Caseload	(994,460)	0	0	0	(994,460)	(11.2)
8 Community Corrections Caseload	(22,101)	0	0	0	(22,101)	(11.2)

**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Corrections**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
NP-1 Fleet Replacement	241,864	130,145	0	0	372,009	0.0
<b>Total</b>	<b>\$19,257,954</b>	<b>\$1,488,619</b>	<b>\$0</b>	<b>\$0</b>	<b>\$20,746,573</b>	<b>37.0</b>

**SUMMARY OF ISSUES PRESENTED TO THE JBC**

**ISSUE: Performance-based Goals and the Department's FY 2012-13 Budget Request**

This issue brief summarizes the Department of Corrections report on its performance relative to its strategic plan and discusses how the FY 2012-13 budget request advances the Department's performance-based goals. Pursuant to the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act (H.B. 10-1119), the full strategic plan for the Department of Education can be accessed from the Office of State Planning and Budgeting web site.

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**ISSUE: Population Projections**

Legislative Council Staff (LCS) and the Division of Criminal Justice (DCJ) both project that the prison population will decrease through FY 2013-14. DCJ projects a larger decline than does LCS. The LCS December 2011 parole projection forecasts a steady decreases of the parole population. The DCJ forecast foresees a parole increase in FY 2011-12 followed by decline.

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**ISSUE: Sex Offender Treatment**

The Department of Corrections has requested a \$1.9 million FY 2012-13 General Fund appropriation to expand its Sex Offender Treatment and Monitoring Program in order to reduce the backlog of sex offenders who need treatment. The JBC asked the Department to consider private-sector alternatives to this proposal. The Department responded with a memorandum discussing difficulties with this approach. This issue discusses these difficulties.

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**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Corrections**

**ISSUE: The Structure of Salaries at the Department of Corrections**

The salary structure at the Department of Corrections still reflects the step/anniversary system that guided state employee wage increases before 2002. Employees in many job classifications are increasingly concentrated at the bottom of the range for their salaries with possible adverse effects on turnover, morale, and motivation.

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**ISSUE: Reimbursement of District Attorney Prosecution Costs**

In September the Department of Corrections requested a \$385,502 FY 2011-12 General Fund supplemental so it could reimburse District Attorneys for the costs of prosecuting offenders who commit crimes while in the custody of the Department. The supplemental request was largely driven by the high cost of prosecuting several death penalty cases against DOC offenders. This briefing issue proposes statutory changes that would reduce the need for similar supplementals in future years.

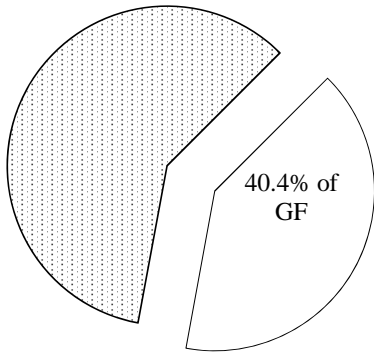
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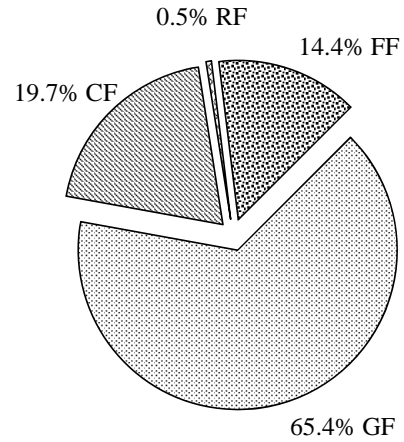
FY 2012-13 Joint Budget Committee Staff Budget Briefing  
 Department of Education

GRAPHIC OVERVIEW

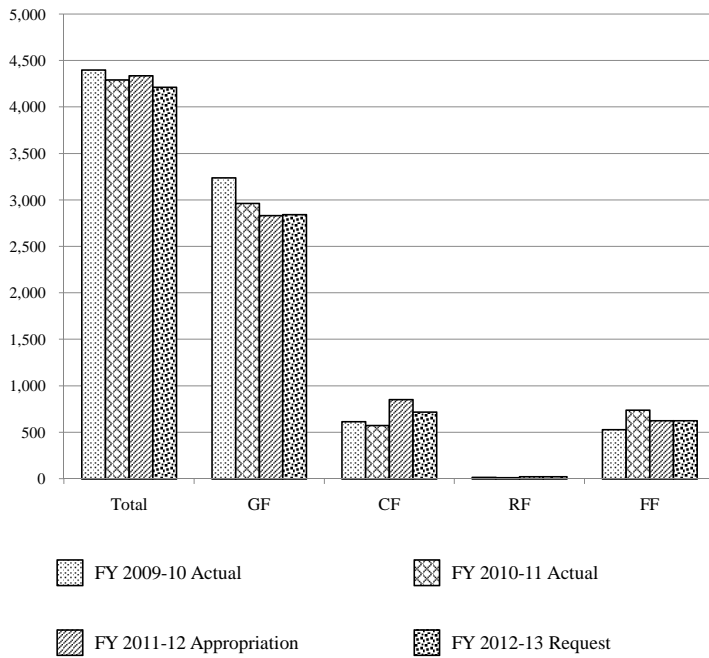
**Department's Share of Statewide General Fund**



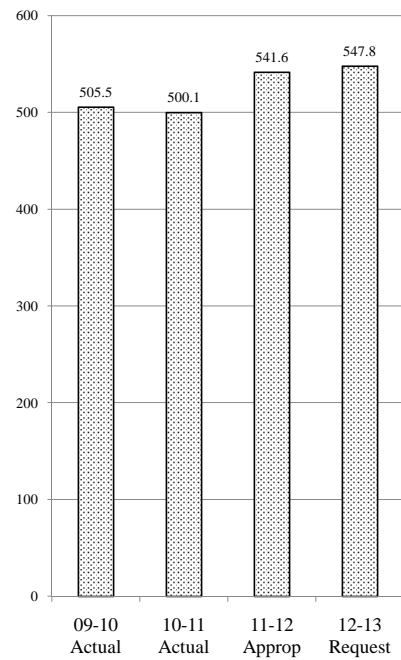
**Department Funding Sources**



**Budget History**  
 (Millions of Dollars)

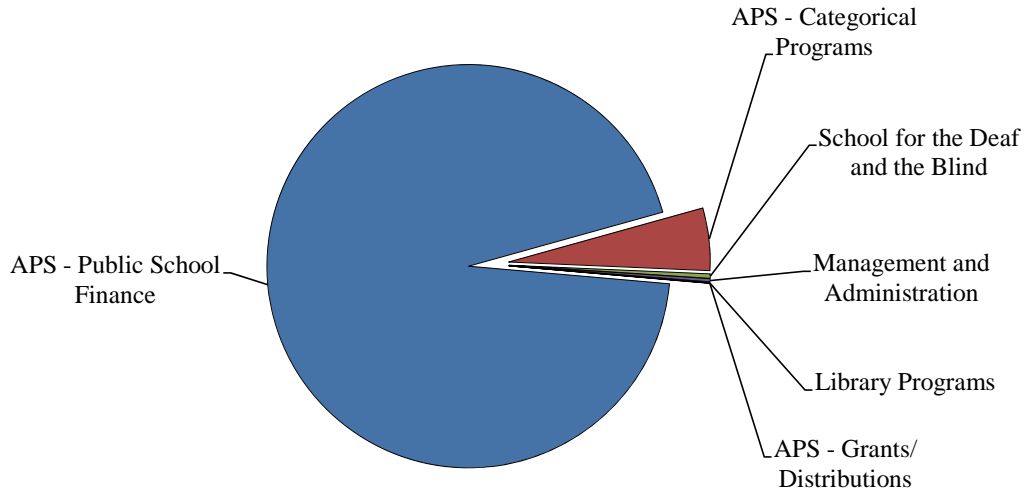


**FTE History**

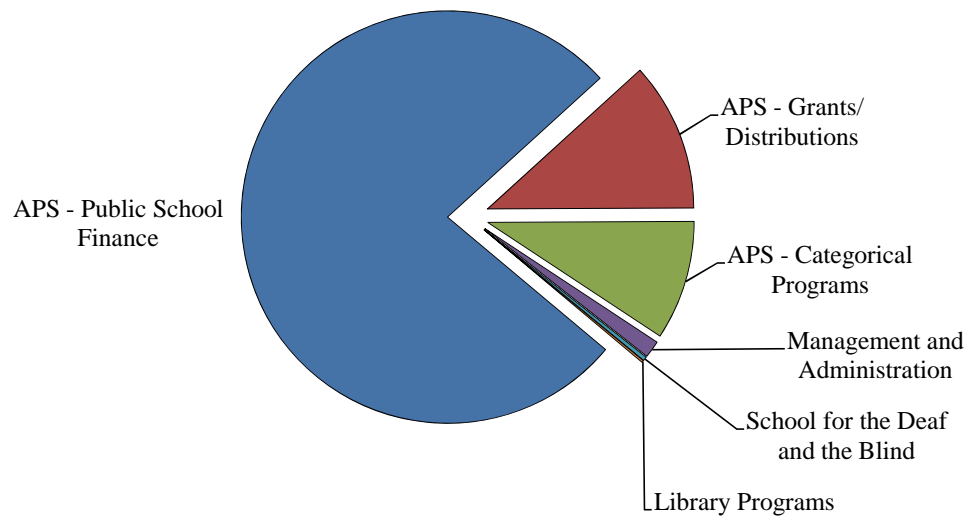


Unless otherwise noted, all charts are based on the FY 2011-12 appropriation.

**Distribution of General Fund by Division**



**Distribution of Total Funds by Division**



**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Education**

**OVERVIEW OF BUDGET REQUEST**

The following table summarizes the total change, in dollars and as a percentage, between the Department's FY 2011-12 appropriation and its FY 2012-13 request. For more detailed information, see the staff briefing write-ups on the Joint Budget Committee's website.

**Total Requested Change, FY 2011-12 to FY 2012-13 (millions of dollars)**

<b>Category</b>	<b>GF*</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
FY 2011-12 Appropriation	\$2,833.7	\$853.1	\$23.3	\$625.9	\$4,336.0	541.6
FY 2012-13 Request	2,842.6	719.8	23.4	626.5	4,212.3	552.3
Increase / (Decrease)	\$8.9	(\$133.3)	\$0.1	\$0.6	(\$123.7)	10.7
Percentage Change	0.3%	(15.6)%	0.4%	0.1%	(2.9)%	2.0%

\*The General Fund column in the above table includes a General Fund Exempt appropriation of 284,175,417 in FY 2011-12 and a request of \$284,175,417 General Fund Exempt in FY 2012-13.

**SUMMARY OF DECISION ITEMS**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
R-1 Total Program Funding and Hold-Harmless Full-day Kindergarten Funding	\$676,815	(\$109,821,266)	\$0	\$0	(\$109,144,451)	0.0
R-2 Required Increase for Categorical Programs	\$0	\$8,242,694	\$0	\$0	\$8,242,694	0.0
R-3 Funding for New State Assessments						
R-4 Educator Effectiveness - Cash Fund Transfer	\$0	\$0	\$0	\$0	\$0	0.0
R-5 Increase Gifts, Grants, and Donations Spending Authority	\$0	\$1,800,000	\$0	\$0	\$1,800,000	0.0
R-6 Fleet Replacement	\$3,623	\$0	\$0	\$0	\$3,623	0.0

**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Education**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
R-7 Educator Effectiveness - General Fund Transfer	\$7,700,000	\$0	\$0	\$0	\$7,700,000	4.5
<b>Total</b>	<b>\$8,380,438</b>	<b>(\$99,778,572)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$91,398,134)</b>	<b>4.5</b>

**SUMMARY OF ISSUES PRESENTED TO THE JBC**

**ISSUE: Performance-based Goals and the Department's FY 2012-13 Budget Request**

This issue brief summarizes the Department of Education report on its performance relative to its strategic plan and discusses how the FY 2012-13 budget request advances the Department's performance-based goals. Pursuant to the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act (H.B. 10-1119), the full strategic plan for the Department of Education can be accessed from the Office of State Planning and Budgeting web site.

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**ISSUE: School Finance Act Funding Projections**

This issue brief provides projections of the state funding that will be required to finance public schools over the next four fiscal years, calling into question whether the General Assembly will be capable of meeting its constitutional obligations.

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**INFORMATIONAL ISSUE: Status of *Anthony Lobato, et al., v. the State of Colorado, et al.***

A lawsuit filed in Denver district court alleges that the current system of funding public schools is unconstitutional, and asks the court to compel the State to design and implement a new system. The trial in Denver district court concluded in September 2011.

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**ISSUE: Funding Students Participating in On-line Programs**

This issue brief describes the current system of funding and oversight for on-line educational programs, provides data concerning on-line students and funding, and offers suggestions for funding-related issues that warrant further study and consideration.

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**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Education**

**ISSUE: State Board of Education Request for Funding for New Assessments.**

This issue brief discusses the State Board of Education's request for \$25.9 million General Fund to support the development of a new system of statewide assessments.

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**ISSUE: Educator Effectiveness Implementation Requests.**

This issue brief discusses the Department's two requests associated with the implementation of educator effectiveness legislation (S.B. 10-191) and provides a brief update on implementation efforts to date.

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**INFORMATIONAL ISSUE: Educator Licensure Staffing Under H.B. 11-1201**

This issue brief provides an overview of the Department's implementation of H.B. 11-1201 and related improvements in processing times for educator licenses.

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**INFORMATIONAL ISSUE: Limiting Building Excellent Schools Today (BEST) Program Revenues from State Land Board Lands.**

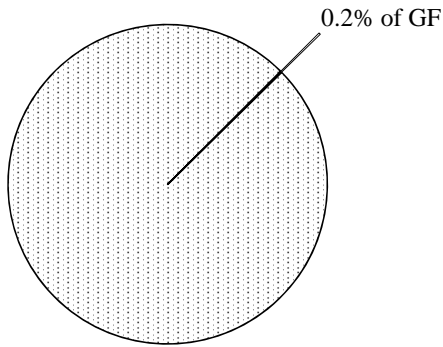
This issue brief provides a brief discussion of the Building Excellent Schools Today (BEST) program in relation to a staff recommendation to limit State Land Board revenues diverted to BEST in FY 2012-13 and beyond.

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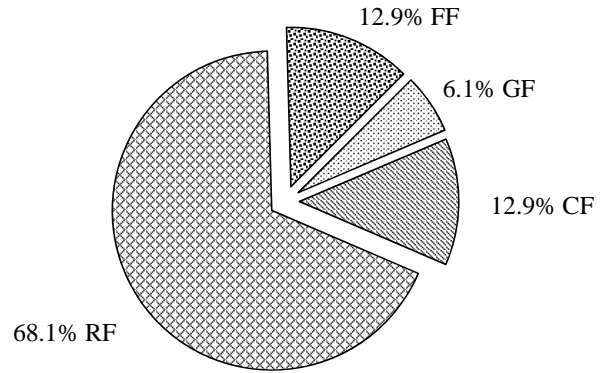
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GRAPHIC OVERVIEW

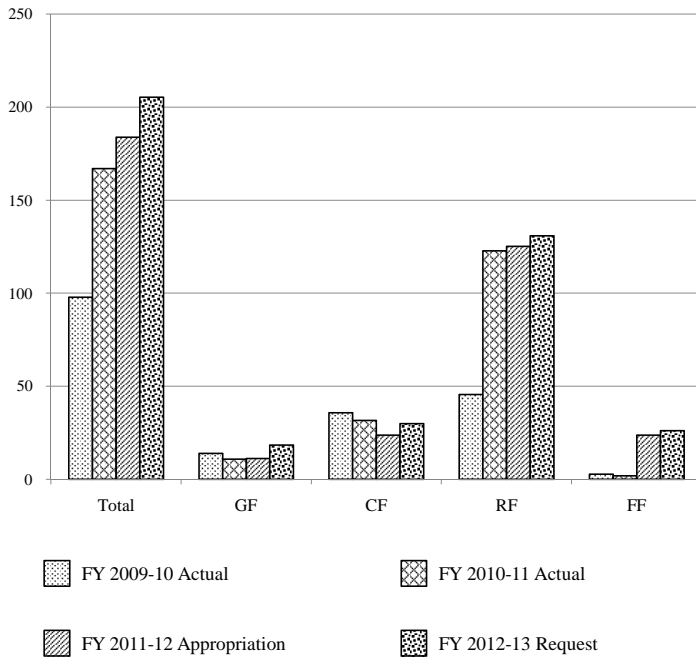
**Department's Share of Statewide General Fund**



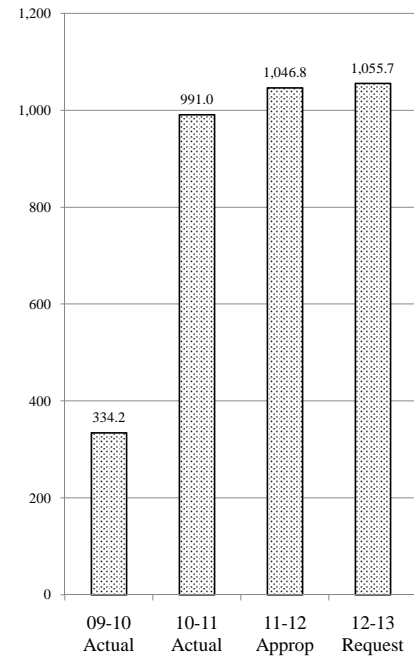
**Department Funding Sources**



**Budget History**  
(Millions of Dollars)

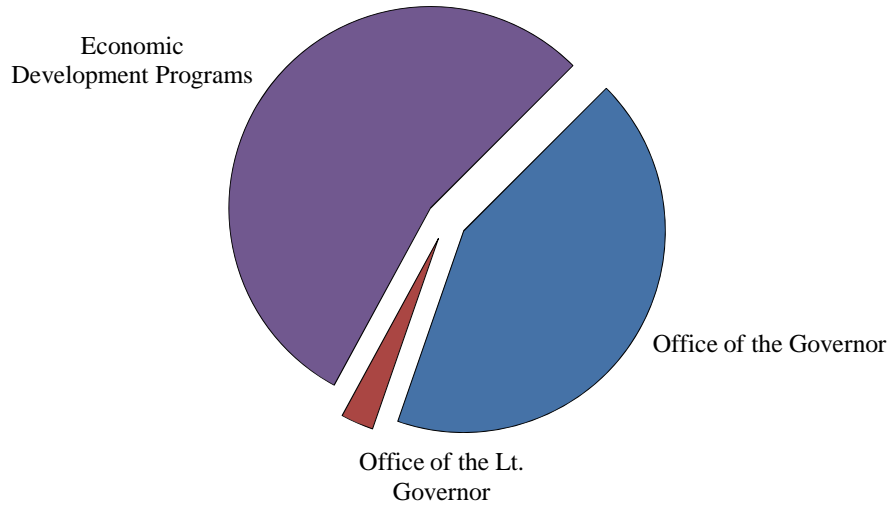


**FTE History**

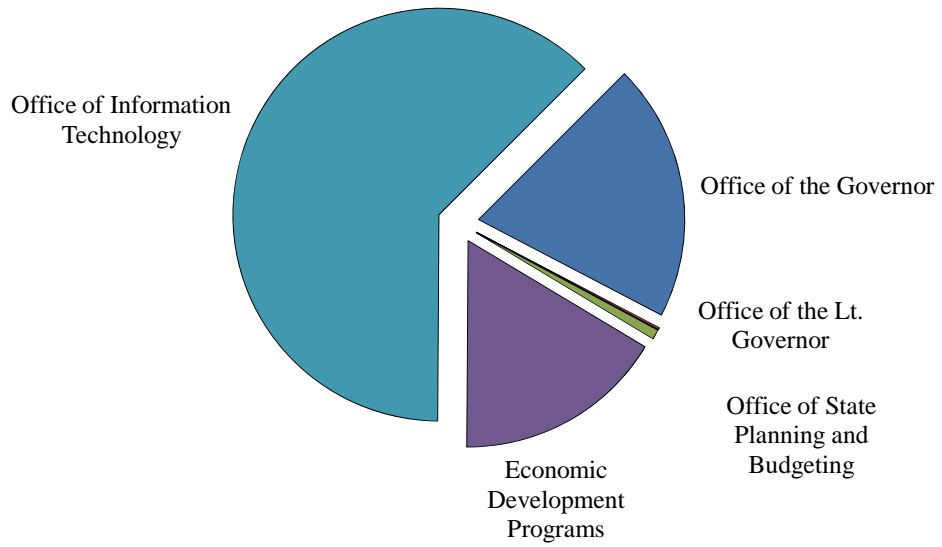


Unless otherwise noted, all charts are based on the FY 2011-12 appropriation.

### Distribution of General Fund by Division



### Distribution of Total Funds by Division



**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Office of the Governor**

**OVERVIEW OF BUDGET REQUEST**

The following table summarizes the total change, in dollars and as a percentage, between the Department's FY 2011-12 appropriation and its FY 2012-13 request. For more detailed information, see the staff briefing write-up on the Joint Budget Committee's website.

**Total Requested Change, FY 2011-12 to FY 2012-13 (millions of dollars)**

<b>Category</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
FY 2011-12 Appropriation	\$11.2	\$23.6	\$125.1	\$23.8	\$183.7	1,046.8
FY 2012-13 Request	18.4	29.8	130.9	26.2	205.3	1,055.7
Increase / (Decrease)	\$7.2	\$6.2	\$5.8	\$2.4	\$21.6	8.9
Percentage Change	64.3%	26.3%	4.6%	10.1%	11.8%	0.9%

**SUMMARY OF DECISION ITEMS**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
1 OIT Leased Space Expansion	0	0	0	0	0	0.0
2 Energy Policy Development and Implementation	0	3,059,151	0	0	3,059,151	20.7
3 Economic Development Commission General Fund Increase	5,750,000	0	0	0	5,750,000	0.9
4 Global Business Development Initiative	250,000	0	0	0	250,000	2.8
5 Performance-based Film Incentives Funding	0	3,000,000	0	0	3,000,000	0.0
6 Global Business Development Increase in Cash Funds	0	20,050	0	0	20,050	0.0
7 Leading Edge Program Grants Letternote Change	0	0	0	0	0	0.0
8 OIT Legal Services Spending Authority Increase	0	0	35,054	0	35,054	0.0
9 OIT and DPA Electronic Data Warehouse Transfer	0	0	94,922	0	94,922	0.0

**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Office of the Governor**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
10 Colorado First Responder Authentication Credential (COFRAC) Funding Request	0	0	408,549	0	408,549	0.0
11 General Fund Base Reduction	(28,164)	0	0	0	(28,164)	(1.0)
NP - 1 Statewide Vehicle Replacement Request	0	0	(25,439)	0	(25,439)	0.0
NP - 2 CBMS Electronic Data Management Request (HCPF R-13)	0	0	1,257,600	0	1,257,600	0.0
NP -3 Hospital Provider Fee Administrative True-up Request (HCPF R-12)	0	0	14,040	0	14,040	0.0
<b>Total</b>	<b>5,971,836</b>	<b>6,079,201</b>	<b>1,784,726</b>	<b>0</b>	<b>13,835,763</b>	<b>23.4</b>

**SUMMARY OF ISSUES PRESENTED TO THE JBC**

**ISSUE: Performance-based Goals and the Department's FY 2012-13 Budget Request**

This issue brief summarizes the Office of the Governor report on its performance relative to its strategic plan and discusses how the FY 2012-13 budget request advances the Department's performance-based goals. Pursuant to the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act (H.B. 10-1119), the full strategic plan for the Office of the Governor can be accessed from the Office of State Planning and Budgeting web site.

**ISSUE: Limited Gaming Tax Revenue Overview**

Current law dictates the distribution of the State's share of limited gaming tax revenue to the General Fund and a series of cash funds designed to support a variety of programs. The September 2011 Legislative Council Staff Economic Forecast projects that \$38.0 million will be available for transfer to the General Fund and cash funds at the end of FY 2011-12 for use in FY 2012-13. The Office of the Governor requests a legislative change to transfer an additional \$6.1 million to two cash funds that would otherwise go to the General Fund per current statute.

**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Office of the Governor**

**ISSUE: Funding the Governor's Energy Office (GEO)**

The Governor's Energy Office (GEO) administers a wide variety of programs to improve energy conservation, energy efficiency, and promote clean and renewable energy resources. The initiatives receive funding from a variety of federal sources, as well as moneys derived from successful lawsuits against several oil companies for violations of petroleum price controls during the late 1970s and early 1980s. The Governor's FY 2012-13 budget request seeks \$3.1 million cash funds from limited gaming tax revenue and 20.7 FTE to retool the agency and its focus following several years of increased federal funding from the American Recovery and Reinvestment Act of 2009 (ARRA).

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**ISSUE: Economic Development Commission General Fund Increase**

The Colorado Economic Development Commission is a legislatively created, nine-member panel tasked with promoting economic development in the state through the development of incentive packages. The goal of the incentives is to assist with existing business expansions and new company relocations in order to promote job creation and retention in all regions of the state. The Governor's FY 2012-13 seeks an increase of \$5.75 million General Fund and 0.9 FTE to increase the financial incentives available to businesses interested in expanding in or relocating to Colorado.

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**ISSUE: Performance-based Film Incentive Funding Request**

The Colorado Office of Film, Television, and Media is legislatively tasked with promoting Colorado as a location for making feature films, television shows, television commercials, still photography, music videos, and emerging mass media projects and providing financial incentives to do so. The Governor's FY 2012-13 budget request seeks an additional \$3.0 million cash funds from limited gaming tax revenue and statutory changes to increase the viability of the State's performance-based film incentives program.

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**ISSUE: Governor's Office of Information Technology Budget Request Highlights**

The Governor's Office of Information Technology (OIT) provides services to all State agencies on a cost reimbursement basis with OIT acting as a vendor to State agencies. The agency's FY 2012-13 includes funding for services provided to State agencies, as well as two information technology capital construction requests.

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**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Office of the Governor**

**ISSUE: Health Information Technology and the Road Ahead**

Health information technology systems are implemented to improve health care quality, prevent medical errors, reduce health care costs, increase administrative efficiencies, decrease paperwork, and create an environment conducive to affordable care for the individual and for the health care system as a whole. The State is actively determining a future course of action to ensure that all health information technology-related systems and data in State agencies are able to communicate (interoperable), designed and implemented in the most cost effective means possible without duplicity, comply with federal regulations, and mirror the goals of the state's health insurance exchange.

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**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Health Care Policy and Financing**

**OVERVIEW OF BUDGET REQUEST**

The following table summarizes the total change, in dollars and as a percentage, between the Department's FY 2011-12 appropriation and its FY 2012-13 request. For more detailed information, see the staff briefing write-up on the Joint Budget Committee's website.

**Total Requested Change, FY 2011-12 to FY 2012-13 (millions of dollars)**

<b>Category</b>	<b>GF*</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
FY 2011-12 Appropriation	\$1,669.2	\$877.6	\$10.4	\$2,541.1	\$5,098.3	313.0
FY 2012-13 Request	1,854.7	865.1	7.4	2,717.2	5,444.4	315.3
Increase / (Decrease)	\$185.5	(\$12.5)	(\$3.0)	\$176.1	\$0.0	2.3
Percentage Change	11.1%	(1.4)%	(28.8)%	6.9%	0.0%	0.7%

\*The General Fund column in the above table includes a General Fund Exempt appropriation of \$284.6 million in FY 2011-12 and a request of \$284.6 million General Fund Exempt in FY 2012-13.

**SUMMARY OF DECISION ITEMS**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
1 Request for FY 2012-13 Medical Services Premiums (Base Caseload & Cost Forecast)	129,303,556	36,238,486	303,982	164,960,231	330,806,255	0.0
2 Request for FY 2012-13 Medicaid Mental Health Community Programs (Base Caseload & Cost Forecast)	21,388,240	(3,087,673)	(13,544)	18,327,285	36,614,308	0.0
3 Children's Basic Health Plan Medical Premium and Dental Costs (Base Caseload & Cost Forecast)	0	(862,887)	0	(2,571,569)	(3,434,456)	0.0
4 Medicare Modernization Act State Contribution Payment (Base Caseload & Cost Forecast)	5,518,142	0	0	0	5,518,142	0.0
5 Medicaid Fee-for-service Reform	(865,469)	(57,047)	0	(922,514)	(1,845,030)	1.8
6 Medicaid Budget Reductions	(30,471,105)	15,496,446	0	(14,724,663)	(29,699,322)	0.0

**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Health Care Policy and Financing**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
7 Cost Sharing for Medicaid and CHP+	(1,438,020)	91,841	0	(2,061,015)	(3,407,194)	0.0
8 Federally Mandated CHIPRA Quality Measures	82,835	0	0	153,836	236,671	0.0
9 CHP+ Eligibility for Children of State Employees	0	0	0	0	0	0.0
10 Utilize Supplemental Payments for General Fund	(1,006,752)	0	0	0	(1,006,752)	0.0
11 CHIPRA Bonus Payment True-up	(15,036,785)	0	0	15,036,785	0	0.0
12 Hospital Provider Fee Administrative True-up	0	28,596	0	(81,365)	(52,769)	0.0
13 CBMS Electronic Document Management System	230,708	462	1,392	231,564	464,126	0.0
NP - 1 DHS - New Funding - Developmental Disability Services	2,438,770	0	0	2,438,770	4,877,540	0.0
NP - 2 DHS - Statewide Vehicle Replacement	7,574	0	0	7,575	15,149	0.0
<b>Total</b>	<b>110,151,694</b>	<b>47,848,224</b>	<b>291,830</b>	<b>180,794,920</b>	<b>339,086,668</b>	<b>1.8</b>

**SUMMARY OF ISSUES PRESENTED TO THE JBC**

**ISSUE: Performance-based Goals and the Department's FY 2012-13 Budget Request**

This issue brief summarizes the Department of Health Care Policy and Financing's report on its performance relative to its strategic plan and discusses how the FY 2012-13 budget request advances the Department's performance-based goals. Pursuant to the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act (H.B. 10-1119), the full strategic plan for the Department of Health Care Policy and Financing can be accessed from the Office of State Planning and Budgeting web site.

**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Health Care Policy and Financing**

**ISSUE: Contributions of enrollment and per capita changes**

This issue brief discusses the relative contributions to the total change in Medicaid expenditures of enrollment changes versus changes in per capita expenditures.

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**ISSUE: Update on implementation of the Affordable Care Act (ACA)**

This issue brief provides an update on Colorado's implementation of the federal Affordable Care Act, including a review of expansions in Medicaid eligibility.

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**ISSUE: Optional versus Mandatory Services**

This issue brief discusses the Medicaid services that are optional versus those that are mandatory and the approximate dollars associated with each. Also, the issue brief discusses some of the potential consequences associated with reducing or eliminating optional services.

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**ISSUE: Provider Fee Financing**

This issue brief reviews provider fee financing of the Department, particularly from the Hospital Provider Fee. The issue brief contains two recommendations:

1. To authorize the Old Age Pension Health and Medical Care Fund to pay the state share of costs to expand Medicaid eligibility to people who qualify for the Old Age Pension State Health and Medical Care Program; and
  2. To authorize the Hospital Provider Fee to offset the need for General Fund in the Medical Services Premiums line in FY 2013-14 in the amount of the benefit to the Hospital Provider Fee from the Affordable Care Act enhanced federal match.
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**ISSUE: Pending Medicaid Waivers**

This issue brief discusses the Medicaid waiver process, pending requests for waivers before the Secretary of Health and Human Services, and whether any of these waivers apply to Colorado.

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**ISSUE: Accountable Care**

This issue brief discusses the Department's Accountable Care initiative and components of decision item R-5 that build on the initiative, including gainsharing, prospective payments, and long-term care reform.

**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Health Care Policy and Financing**

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**ISSUE: Long-term care**

This issue brief discusses the cost of long-term care services and reviews proposals in decision item R-5 intended to reduce the growth in long-term care expenditures.

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**ISSUE: Cost containment measures proposed in R-6**

The Department's decision item R-6 proposes several cost containment measures for the Medicaid program saving a total of \$30.5 million General Fund in FY 2012-13, and this issue brief provides a brief summary of each of those proposals.

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**ISSUE: Alternate financing to the General Fund**

This issue brief discusses historic and proposed alternate sources of financing for the Department other than the General Fund.

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**ISSUE: Medicaid Mental Health Community Program Budget Request Highlights**

The State provides mental health services to Medicaid enrollees through a capitated managed care program by which the State pays a regional entity a contracted amount for each Medicaid client eligible for mental health services in the entity's geographic area. The Department of Health Care Policy and Financing (HCPF) projects a need for \$276.4 million total funds in FY 2011-12, \$314.2 million total funds in FY 2012-13, and \$348.6 million total funds in FY 2013-14 due to a growth in caseload from an appropriated level of 575,456 in FY 2011-12 to an anticipated caseload of 683,788 in FY 2013-14.

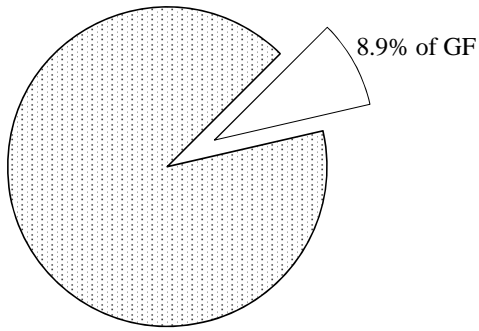
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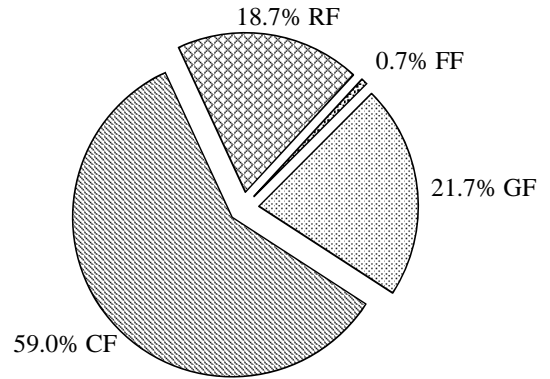
FY 2012-13 Joint Budget Committee Staff Budget Briefing  
 Department of Higher Education

GRAPHIC OVERVIEW

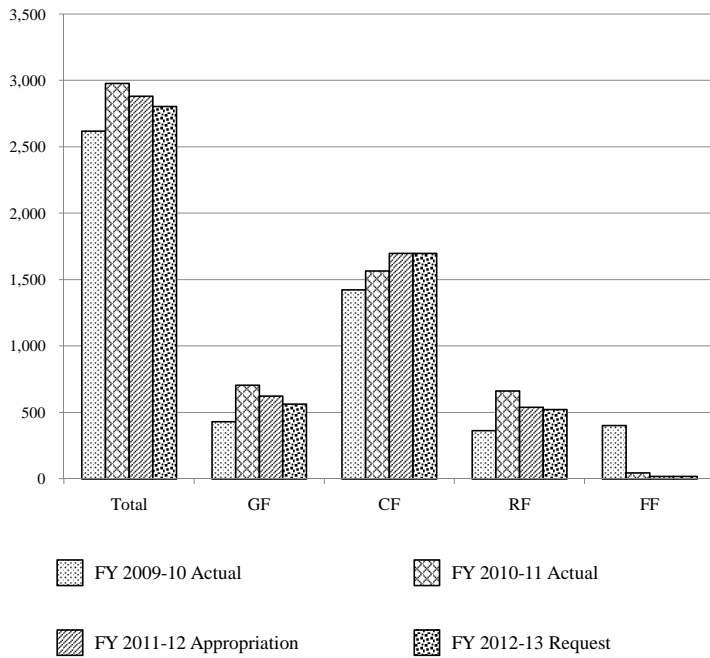
Department's Share of Statewide General Fund



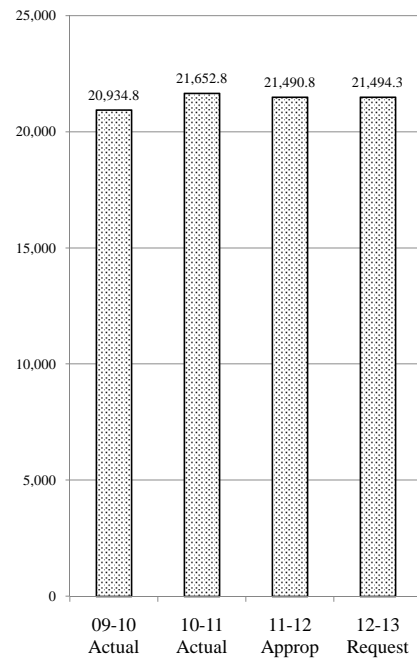
Department Funding Sources



Budget History  
 (Millions of Dollars)

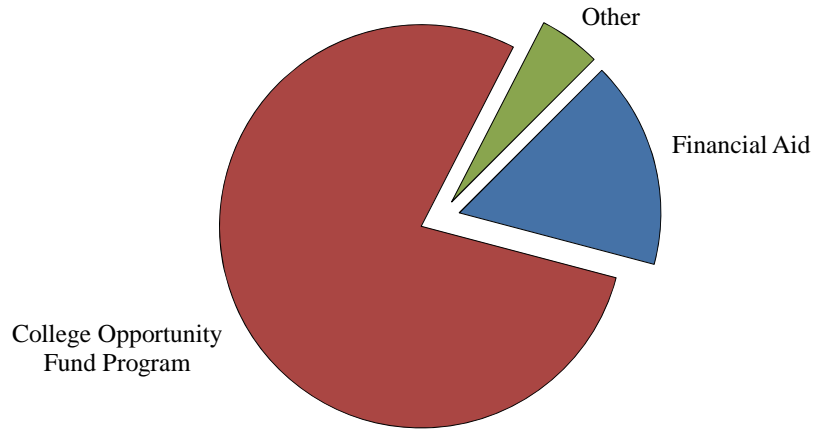


FTE History

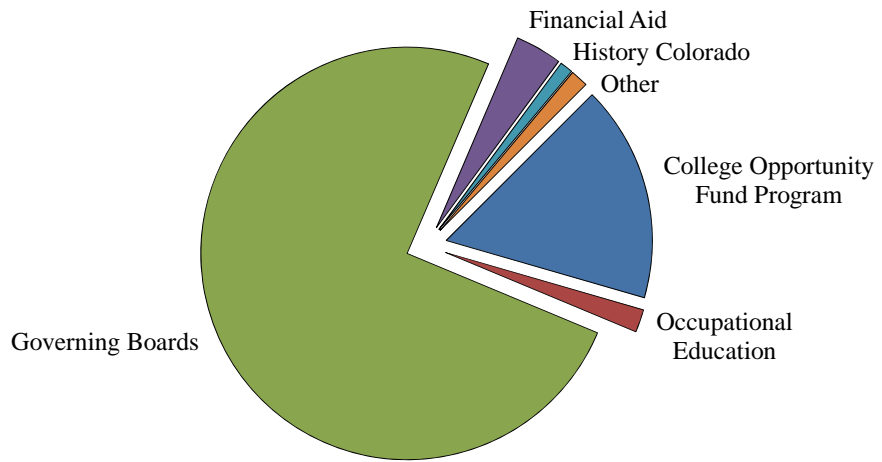


Unless otherwise noted, all charts are based on the FY 2011-12 appropriation.

**Distribution of General Fund by Division**



**Distribution of Total Funds by Division**



**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Higher Education**

**OVERVIEW OF BUDGET REQUEST**

The following table summarizes the total change, in dollars and as a percentage, between the Department's FY 2011-12 appropriation and its FY 2012-13 request. For more detailed information, see the staff briefing write-up on the Joint Budget Committee's website.

**Total Requested Change, FY 2011-12 to FY 2012-13 (millions of dollars)**

<b>Category</b>	<b>GF*</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
FY 2011-12 Appropriation	\$624.0	\$1,699.2	\$539.6	\$19.0	\$2,881.8	21,490.8
FY 2012-13 Request	563.7	1,699.4	522.8	19.1	2,805.0	21,494.3
Increase / (Decrease)	(\$60.3)	\$0.2	(\$16.8)	\$0.1	(\$76.8)	3.5
Percentage Change	(9.7)%	0.0%	(3.1)%	0.5%	(2.7)%	0.0%

\*The General Fund column in the above table includes a General Fund Exempt appropriation of \$226,733,333 in FY 2011-12 and a request of \$226,733,333 General Fund Exempt in FY 2012-13.

**SUMMARY OF DECISION ITEMS**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
DI-1 Fort Lewis Native American Tuition Waivers	0	0	0	0	0	0.0
BRI-1 Operational Funding Reduction to Colleges and Universities	(29,104,400)	0	(28,485,035)	0	(57,589,435)	0.0
BRI-2 Reduction to Need Based Grants	(24,620,447)	0	0	0	(24,620,447)	0.0
BRI-3 Reduction to Work Study	(5,482,078)	0	0	0	(5,482,078)	0.0
BRI-4 10 Percent Personal Services Reduction to DHE and CCHE Administration	(191,490)	0	0	0	(191,490)	0.0
BRI-5 Reduction of College Opportunity Fund to Private Institutions	(539,400)	0	0	0	(539,400)	0.0

**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Higher Education**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
BRI-6 Reduction to College Opportunity Fund Lifetime Credit Hour Limit	(329,964)	0	0	0	(329,964)	0.0
BRI-7 Phase Out WICHE Optometry Program	(44,800)	0	0	0	(44,800)	0.0
HCC-1 History Colorado Center Museum Operations	0	1,087,130	0	0	1,087,130	3.5
NP-1 Increase for K-12 Categorical Programs	0	0	562,100	0	562,100	0.0
NP-2 Fleet Vehicle Replacement	0	1,352	0	0	1,352	0.0
<b>Total</b>	<b>(60,312,579)</b>	<b>1,088,482</b>	<b>(27,922,935)</b>	<b>0</b>	<b>(87,147,032)</b>	<b>3.5</b>

**SUMMARY OF ISSUES PRESENTED TO THE JBC**

**ISSUE: Performance-based Goals and the Department's FY 2012-13 Budget Request**

This issue brief summarizes the Department of Higher Education report on its performance relative to its strategic plan and discusses how the FY 2012-13 budget request advances the Department's performance-based goals. Pursuant to the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act (H.B. 10-1119), the full strategic plan for the Department of Higher Education can be accessed from the Office of State Planning and Budgeting web site.

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**ISSUE: Update on CCHE Master Plan**

This issue brief discusses the progress of the Colorado Commission on Higher Education in developing a new master plan for higher education.

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**ISSUE: Consequences of Reducing Funding for Higher Education**

This issue brief discusses the impact of reduced state funding for higher education institutions and provides details on how state funds are allocated to higher education institutions and then spent by those institutions.

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**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Higher Education**

**ISSUE: Proportion of Funding from Students Versus the State**

This issue brief provides comparative information about the share of costs borne by students versus the State at different institutions. It also illustrates the historical shift of costs borne by students versus the State.

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**ISSUE: Financial Aid Programs**

This issue brief provides an overview of state, federal, and institutional financial aid programs available to students, as well as the availability of federally guaranteed and nonfederal student loans.

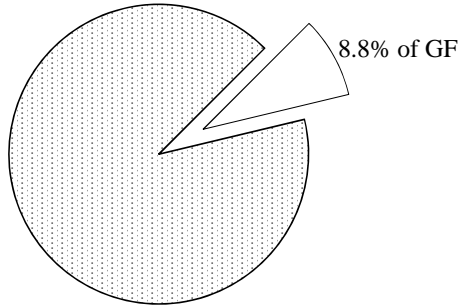
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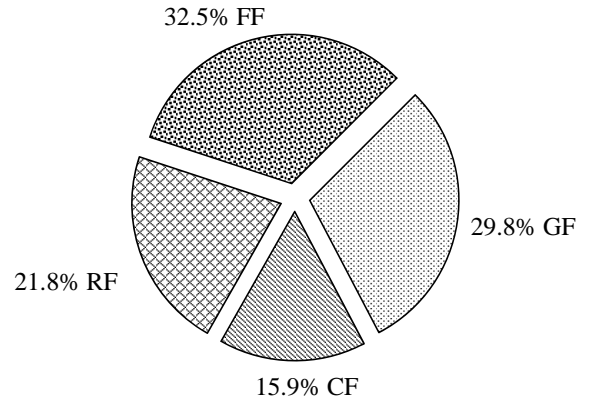
FY 2012-13 Joint Budget Committee Staff Budget Briefing  
 Department of Human Services

GRAPHIC OVERVIEW

Department's Share of Statewide General Fund

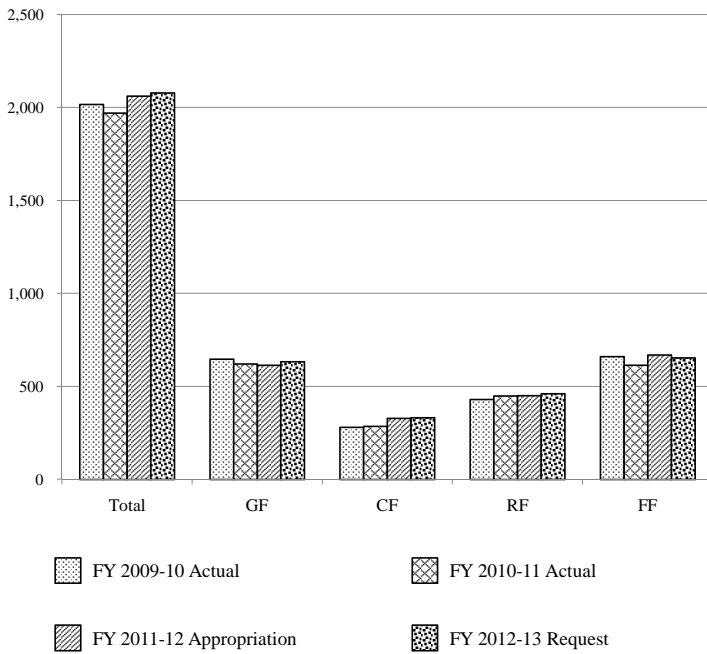


Department Funding Sources

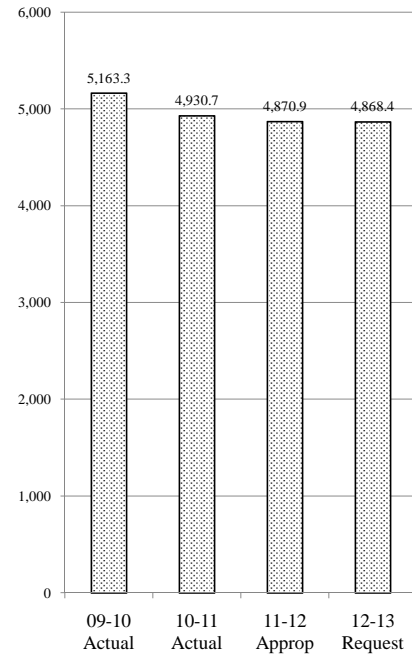


Note: If General Fund appropriated to the Department of Health Care Policy and Financing for human services programs were included in the graph above, the Department of Human Services' share of the total state General Fund would rise to 11.8%.

Budget History  
 (Millions of Dollars)

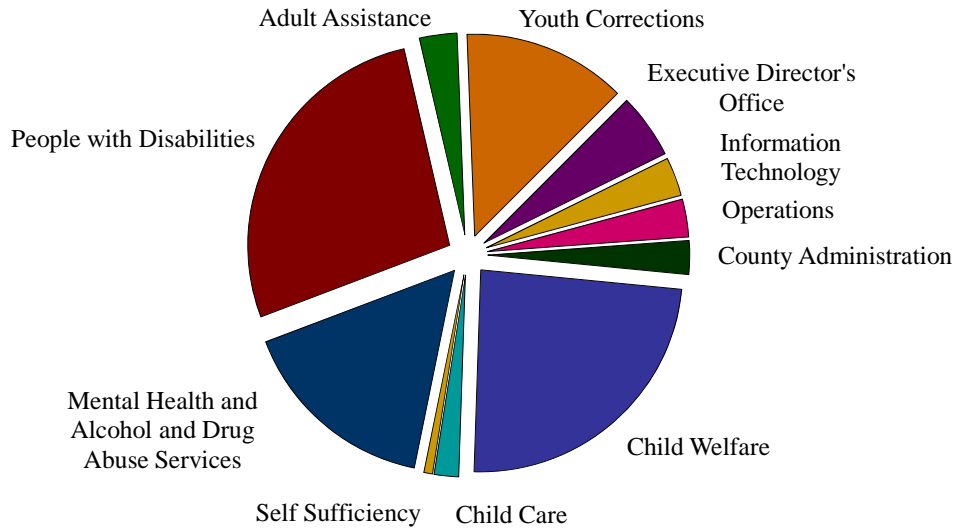


FTE History



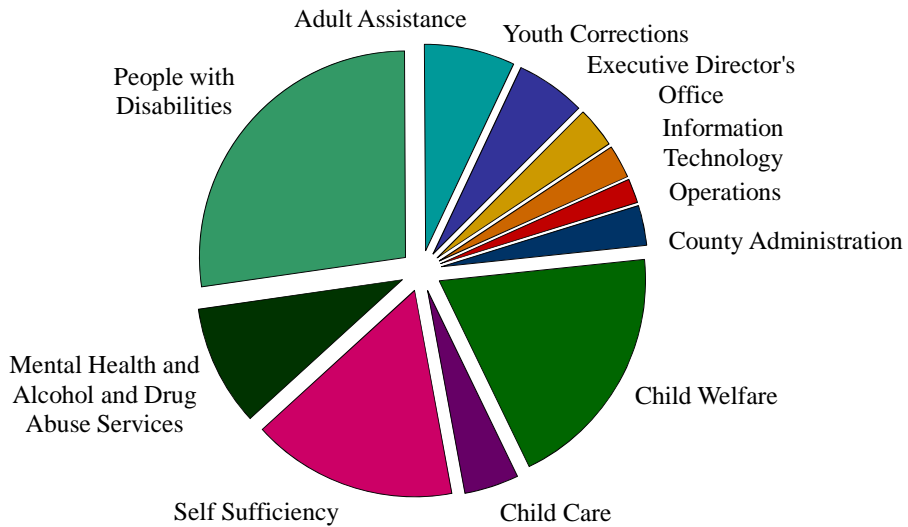
Unless otherwise noted, all charts are based on the FY 2011-12 appropriation.

**Distribution of Net General Fund\* by Division  
FY 2011-12 Appropriation = \$827.5 million**



\*Net General Fund includes General Fund appropriated to the Department of Human Services and General Fund appropriated to the Department of Health Care Policy and Financing for human services programs.

**Distribution of Total Funds by Division  
FY 2011-12 Appropriation = \$2.1 billion**



**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Human Services**

**OVERVIEW OF BUDGET REQUEST**

The following table summarizes the total change, in dollars and as a percentage, between the Department's FY 2011-12 appropriation and its FY 2012-13 request. For more detailed information, see the staff briefing write-up on the Joint Budget Committee's website.

**Total Requested Change, FY 2011-12 to FY 2012-13 (millions of dollars)**

<b>Category</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>Net GF</b>	<b>FTE</b>
FY 2011-12 Appropriation	\$614.7	\$328.0	\$449.8	\$669.0	\$2,061.5	\$827.5	4,870.9
FY 2012-13 Request	633.5	331.7	461.0	653.7	2,079.9	851.1	4,868.4
Increase / (Decrease)	\$18.8	\$3.7	\$11.2	(\$15.3)	\$0.0	\$23.6	(2.5)
Percentage Change	3.1%	1.1%	2.5%	(2.3)%	0.0%	2.9%	(0.1)%

**SUMMARY OF DECISION ITEMS**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>Net GF*</b>	<b>FTE</b>
1 New Funding - Developmental Disabilities Services	\$0	\$0	\$4,877,540	\$0	\$4,877,540	\$2,438,770	0.0
2 Electronic Health Record and Pharmacy System Feasibility Study at the Mental Health Institutes	75,000	0	0	0	75,000	75,000	0.0
3 TANF Long-Term Reserve Solvency	0	(889,547)	0	(5,392,975)	(6,282,522)	0	(1.0)
4 Title III Older Americans Act Matching Requirement and General Fund Savings	(10,080)	0	0	10,080	0	(10,080)	0.0
5 Legal Auxiliary Services	0	0	96,798	0	96,798	0	0.2
6 Division of Vocational Rehabilitation Leased Vehicles	(3,619)	0	0	(13,374)	(16,993)	(3,619)	0.0
7 Low-Income Telephone Assistance Program Integrity	0	39,566	0	(39,566)	0	0	0.0

**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Human Services**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>Net GF*</b>	<b>FTE</b>
8 Buildings and Grounds Cash Fund Adjustment	0	554,596	0	0	554,596	0	0.0
9 Refinance Child Support Enforcement Programs General Fund Appropriations with Cash Funds	(365,260)	0	0	0	(365,260)	(365,260)	0.0
10 Child Care Assistance Program General Fund Refinance	(817,511)	0	0	817,511	0	(817,511)	0.0
NP-1 Statewide Vehicle Replacement	31,316	1,158	16,158	7,378	56,010	38,890	0.0
NP-2 CBMS Electronic Document Management System	303,065	43,576	464,126	446,833	1,257,600	533,772	0.0
NP-3 Hospital Provider Fee Administrative True-up	0	0	14,040	0	14,040	0	0.0
<b>Total</b>	<b>(\$787,089)</b>	<b>(\$250,651)</b>	<b>\$5,468,662</b>	<b>(\$4,164,113)</b>	<b>\$266,809</b>	<b>\$1,889,962</b>	<b>(0.8)</b>

\*These amounts are shown for informational purposes only. A large portion of the Department's reappropriated funds are Medicaid-related transfers from the Department of Health Care Policy and Financing (HCPF). Roughly half of the corresponding HCPF appropriations are General Fund. Net General Fund equals the direct GF appropriation shown, plus the GF portion of the HCPF transfer

**SUMMARY OF ISSUES PRESENTED TO THE JBC**

**ISSUE: SMART Bill Issues**

Several issue briefs summarize different portions of the Department of Human Services report on its performance relative to its strategic plan and discuss how the FY 2012-13 budget request advances the Department's performance-based goals. Pursuant to the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act (H.B. 10-1119), the full strategic plan for the Department of Human Services can be accessed from the Office of State Planning and Budgeting web site.

**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Human Services**

**ISSUE: Overview of Department of Human Services Budget Request**

The Department of Human Services FY 2012-13 request reflects an increase of \$18.5 million (0.9 percent) total funds and \$23.6 million (2.9 percent) net General Fund from the FY 2011-12 appropriation. The net General Fund increase is primarily due to prior year budget decisions and prior year legislation.

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**ISSUE: Colorado Benefits Management System (CBMS)**

The Colorado Benefits Management System (CBMS) provides automated eligibility determination and benefit calculation for a variety of public assistance programs administered by the Department of Human Services and the Department of Health Care Policy and Financing. CBMS was appropriated \$24.4 million total funds (including \$10.4 million net General Fund) for FY 2011-12 for the operating and personal services expenses of the system. The FY 2012-13 requested appropriation for CBMS is \$25.8 million total funds (including \$11.0 million net General Fund).

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**ISSUE: Office of Operations' Buildings and Grounds Request Item**

House Bill 08-1268 (White/Johnson) expanded the Department of Human Services' (DHS) ability to rent surplus facilities on the campuses of its various facilities in addition to the Fort Logan (Denver) campus. As the Department has increased the number of buildings leased to outside entities, the FY 2011-12 enacted appropriation is below the anticipated FY 2012-13 revenue from the leases and below the spending authority needed to maintain and repair the properties leased properties. As a result, the Department seeks additional cash funds spending authority in FY 2012-13.

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**ISSUE: Temporary Assistance for Needy Families: Budget Cuts on the Horizon**

In most years, Colorado has received about \$150 million per year in federal Temporary Assistance to Needy Families (TANF) block grant funds, most of which is sub-granted to counties for the Colorado Works program. The budgets for Colorado Works and other TANF-supported programs will need to be reduced starting in FY 2012-13 (and potentially in FY 2011-12) due to: (1) recent federal budget cuts; and (2) the spend-down of TANF reserves. These reserves previously enabled the State to appropriate more TANF funds than annual federal receipts; however, reserve funds will run out in FY 2012-13, and TANF appropriations will therefore need to be aligned with annual revenue.

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**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Human Services**

**ISSUE: Human Services Funding and the Joint Select Committee on Deficit Reduction**

Federal funds are a critical source of support for state human services programs. Due to ongoing federal budget negotiations, there is great uncertainty about what federal funding will be available for FY 2012-13.

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**ISSUE: Old Age Pension Cost of Living Increase and the SSI Maintenance of Effort**

The federal government recently approved a 3.6 percent cost of living increase for the Supplemental Security Income (SSI) program. The State Board of Human Services will make a decision in December as to whether it will increase the Old Age Pension (OAP) grant standard by the same amount. The decision has significant implications for the General Fund, as well as for the State's ability to comply with its required maintenance of effort for the SSI program.

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**ISSUE: County Administration: Doing More with Less**

The Department is working with counties to improve performance and efficiency in the face of rising caseloads and flat budgets.

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**ISSUE: Treatment Services for Youth Involved in the Child Welfare and Youth Corrections Systems - Funding Streams, Financing Options, and a Coherent System of Care**

This issue explores two related questions: (1) Can treatment services for youth involved in the child welfare and youth corrections systems be refinanced with Medicaid to reduce the burden on the General Fund? (2) Can refinancing be achieved without exacerbating fragmented funding and management of mental health services for troubled youth?

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**ISSUE: The Child Welfare Funding Request**

The Department's overall request for the Division of Child Welfare reflects very little change in total funding, but a \$12.5 million increase in General Fund, due to the end of a temporary child welfare refinance. The request does not include any adjustments related to population served, inflation, or federal funding available. The availability of federal funds could have a significant impact on the FY 2012-13 child welfare budget.

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**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Human Services**

**ISSUE: County Child Welfare Allocation, Expenditure, and Workload Trends**

County expenditures for child welfare services have fallen sharply since FY 2008-09. This decline has been much steeper than the decline in state child welfare funding and corresponds to reductions in the number of children in open child welfare cases, the number of out of home placements, and other key expense-drivers. It is not clear whether these trends are driving worse outcomes for kids.

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**ISSUE: Federal Title IV-E Revenue Waiver Option**

Under Title IV-E of the federal Social Security Act, Colorado earns partial federal reimbursement for some foster care and adoption services for low income children. Revenue from this source has been declining, and Colorado is working to enhance collections. Due to a recent change in federal law, Colorado has an opportunity to apply for a Title IV-E waiver from some federal regulations.

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**ISSUE: The Division of Youth Corrections Population and Outcomes**

This issue reviews the decline in the youth corrections commitment population, increases in youth needs, and evidence of program effectiveness. Youth risk assessment scores decline as they progress through the program. However, recidivism rates remain high.

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**ISSUE: The Division of Youth Corrections Right Sizing Initiative**

The Division of Youth Corrections average daily commitment population continues to fall. In response, the Department is taking steps to close facilities and to align the needs of the remaining population with available placements.

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**ISSUE: Current Issues in the Division of Child Care**

Counties have reduced support for child care programs due to the reduction in Temporary Assistance for Needy Families funds available, and there are waiting lists. However, due to statewide budget constraints, the Department has requested that additional federal funds be used to refinance General Fund, rather than increase funding for child care assistance. The State is also pursuing changes to the governance structure for early childhood programs, licensing rules, and a federal "Race to the Top" Early Learning Challenge Grant to improve child care quality.

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**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Human Services**

**ISSUE: Cost of Regional Center Services versus Community Based Services**

The average cost of a Regional Center bed is \$209,027 per year. The average cost of similar services provided in a community based setting is \$147,044 less per year at \$61,983 per year. There are pros and cons to providing services in Regional Centers versus in the community, and the Department is currently evaluating the role Regional Centers should play in the provision of services to people with developmental disabilities.

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**ISSUE: Fee-for-Service Model for Community and Home Based Waivers**

Under the fee-for-service funding model for the three community and home based waiver programs administered by the Department, an individual with development disabilities who is eligible for waiver services is evaluated and assigned a Supports Intensity Scale score. This score corresponds to a Spending Plan Authorization Limit which is the maximum dollar amount the individual will receive through the waiver for services.

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**ISSUE: Request for New Community Placements and the Waiting List for Developmental Disability Services**

For FY 2012-13, the Department has requested an increase of \$4.9 million (\$2.4 net General Fund) for 173 new community placements. This request is for placements for children aging out of the Children's Extensive Support waiver and foster care, and for emergency adult placements. This request does not directly work to reduce the size of the waiting list for developmental disability services. Staff estimated the cost to fund the entire waiting list in FY 2012-13 would be \$143.3 million (\$71.7 net General Fund).

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**ISSUE: Performance Audit of the State Veterans Nursing Home**

The August 2011 performance audit of the State Veterans Nursing Homes indicated the Department need to take certain steps to ensure the continued financial solvency of the Homes. Due to the funding nature of the Homes, it is possible for a profitable Home to subsidize a non-profitable Home.

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**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Human Services**

**ISSUE: Long-term Funding for Early Intervention Services**

The annual report of early intervention services indicated that due to the expiration of federal stimulus dollars, compounded by the lack of new funding, there will be insufficient funds for early intervention services which may result in a waiting list for these services. The creation of a waiting list would place Colorado out of compliance with Federal Part C requirements, which could jeopardize federal funds for early intervention services.

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**ISSUE: Proposed Transfer of Various Programs from the Department of Human Services to the Department of Health Care Policy and Financing**

The General Assembly requested the Departments of Health Care Policy and Financing and Human Services provide recommendations regarding whether the three waiver programs for people with developmental disabilities administered by the Department of Human Services should be transferred to the Department of Health Care Policy and Financing. The Departments submitted a report on November 3, 2011 proposing that by July 1, 2012, with the passage of a bill during the 2012 session, the administration of these waiver programs for people with developmental disabilities and various other programs should be transferred to the Department of Health Care Policy and Financing.

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**ISSUE: Behavioral Health Hot Topics**

Recent studies indicate that there is a gap between the number of Coloradans living in a household at or below 300.0 percent of the federal poverty level in need of behavioral health services and those receiving services. Efforts, including the integration of behavioral and primary health care, are being implemented to bridge this gap in a manner that improves the health of the state's citizens, enhances the care experience, and controls costs.

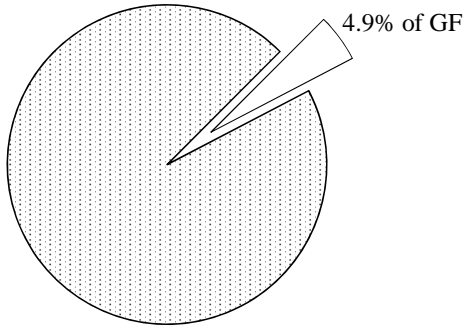
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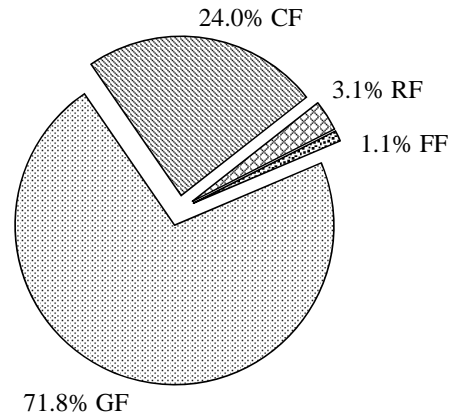
FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Judicial Branch

GRAPHIC OVERVIEW

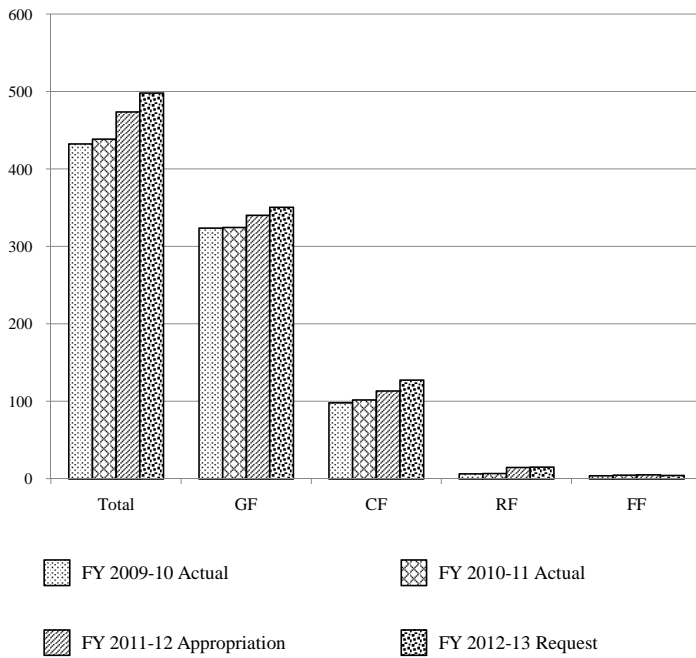
Department's Share of Statewide General Fund



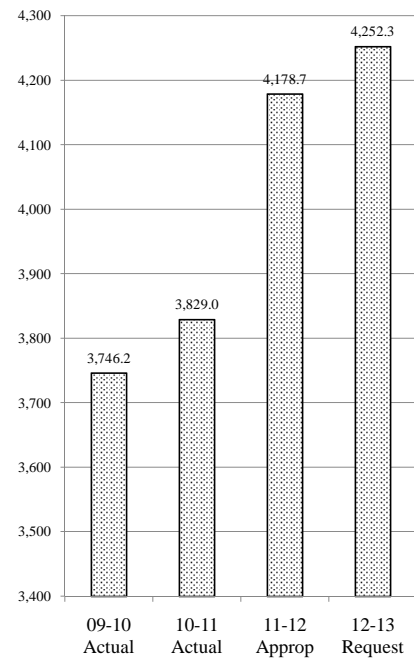
Department Funding Sources



Budget History  
(Millions of Dollars)

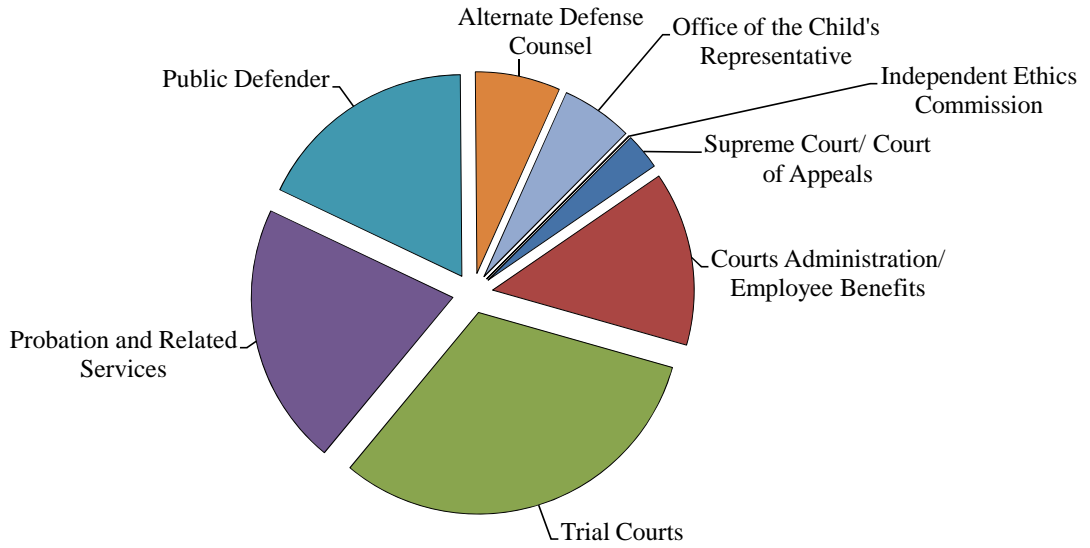


FTE History

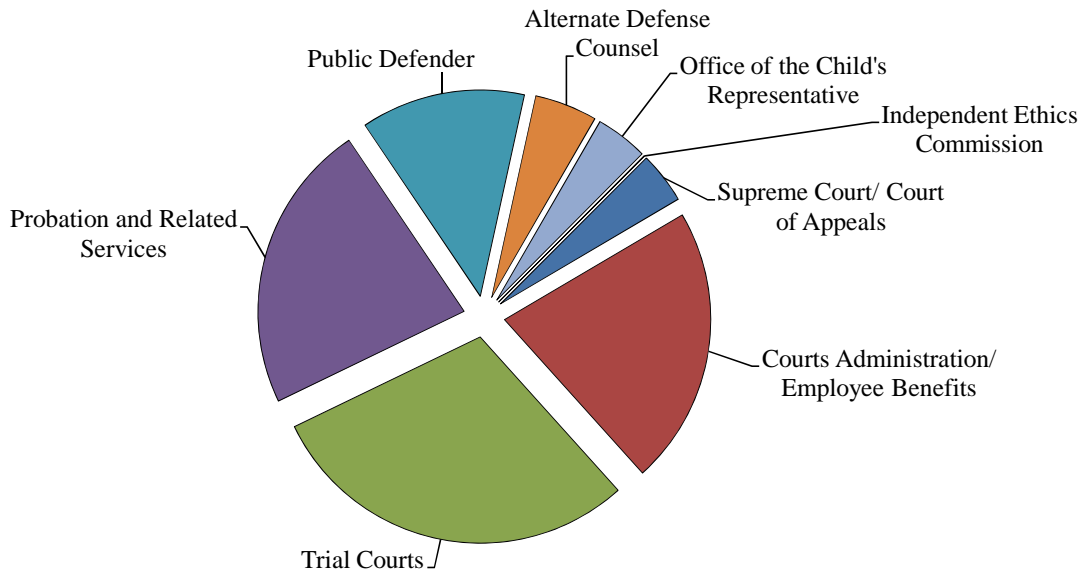


Unless otherwise noted, all charts are based on the FY 2011-12 appropriation.

**Distribution of General Fund by Division**



**Distribution of Total Funds by Division**



**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Judicial Branch**

**OVERVIEW OF BUDGET REQUEST**

The following table summarizes the total change, in dollars and as a percentage, between the Branch's FY 2011-12 appropriation and its FY 2012-13 request. For more detailed information, see the staff briefing write-up on the Joint Budget Committee's website.

**Total Requested Change, FY 2011-12 to FY 2012-13 (millions of dollars)**

<b>Category</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
FY 2011-12 Appropriation	\$340.2	\$113.5	\$14.7	\$5.2	\$473.7	4,178.7
FY 2012-13 Request	350.7	127.7	15.3	4.4	498.1	4,252.3
Increase / (Decrease)	\$10.5	\$14.2	\$0.5	(\$0.8)	\$24.4	73.6
Percentage Change	3.1%	12.5%	3.6%	(14.9)%	5.2%	1.8%

**SUMMARY OF DECISION ITEMS**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
JUD-1 Compensation Realignment	\$0	\$1,352,600	\$0	\$0	\$1,352,600	0.0
JUD-2 Protective Proceedings	0	1,414,177	0	0	1,414,177	21.5
JUD-3 Pro Se Case Managers	0	840,676	0	0	840,676	12.0
JUD-4 Supervision of Sex Offenders on Probation	(17,867)	1,279,677	0	0	1,261,810	19.0
JUD-5 Hardware and Improvements for E-File	0	860,000	0	0	860,000	0.0
JUD-6 Judicial Education and Training	(240,284)	825,784	0	0	585,500	0.0
JUD-7 Ralph L. Carr Justice Center	(296,000)	4,177,843	0	0	3,881,843	2.0
JUD-8 Courthouse Furnishings & Infrastructure Replacement	0	1,378,000	0	0	1,378,000	0.0

**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Judicial Branch**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
JUD-9* S.B. 91-094 Spending Authority	0	0	590,000	0	590,000	0.0
OSPD-1 Attorney Salary Parity	907,715	0	0	0	907,715	0.0
OSPD-3* Refinance for Denver Sobriety Court	243,267	(98,260)	0	0	145,007	1.0
OADC-1 Conflict of Interest Contracts and Mandated Costs	(158,471)	0	0	0	(158,471)	0.0
OCR-1 Restore CASA Contracts Funding	45,000	0	0	0	45,000	0.0
<b>Total</b>	<b>\$483,360</b>	<b>\$12,030,497</b>	<b>\$590,000</b>	<b>\$0</b>	<b>\$13,103,857</b>	<b>55.5</b>

\* Please note that the Office of the State Public Defender submitted a decision item, prioritized #2 for the Office, to add the 5.1 FTE that will be needed if the General Assembly fills the remaining two judgeships authorized by H.B. 07-1054. However, in order to present the overall Branch requests related to H.B. 07-1054 in a consistent manner, staff has excluded this decision item from the above table. Similarly, staff excluded the Judicial Department's decision item (priority #10) which reflects the anticipated common policy increase related to vehicle lease payments.

**SUMMARY OF ISSUES PRESENTED TO THE JBC**

**ISSUE: Performance-based Goals and the Branch's FY 2012-13 Budget Request**

This issue brief summarizes the Judicial Branch agencies' reports on their performance relative to their strategic plans and discusses how the FY 2012-13 budget request advances the agencies' performance-based goals. Pursuant to the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act (H.B. 10-1119), the full strategic plan for Judicial Branch agencies can be accessed from the Office of State Planning and Budgeting web site.

**INFORMATIONAL ISSUE: Audit Concerning Oversight of Guardians and Conservators**

This issue brief provides a summary of a recent performance audit report released by the Office of the State Auditor concerning Judicial Branch oversight of guardians and conservators.

**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Judicial Branch**

**INFORMATIONAL ISSUE: Status of the Ralph L. Carr Judicial Center Project**

This issue brief provides a status update on the construction of the new justice center, which will house the Judicial Branch agencies and the Department of Law starting in FY 2013-14.

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**ISSUE: Rates Charged by Prosecuting Attorneys for Duplicating Discoverable Materials**

This issue brief discusses the outcomes of Joint Budget Committee efforts to resolve disagreements concerning procedures and fees associated with duplicating discoverable materials.

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**INFORMATIONAL ISSUE: Status of the Development of an In-house E-Filing System**

This issue brief provides a status update on the development of an in-house e-filing system.

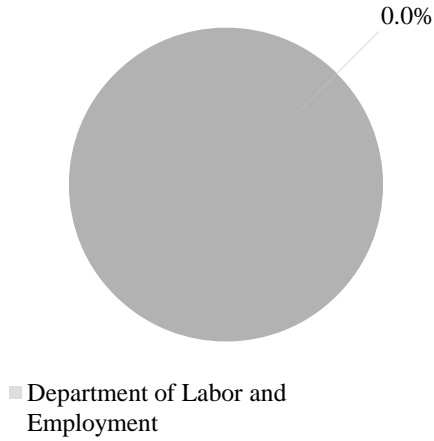
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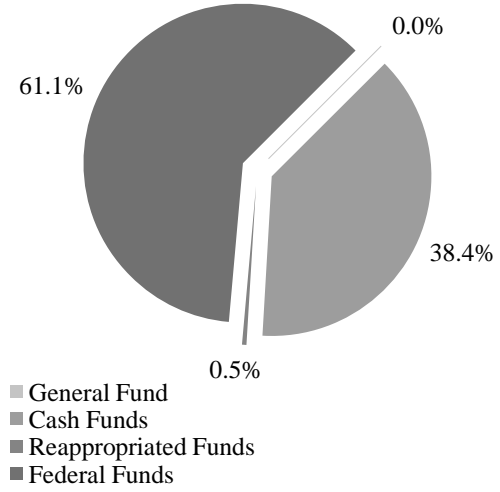
FY 2012-13 Joint Budget Committee Staff Budget Briefing  
 Department of Labor and Employment

GRAPHIC OVERVIEW

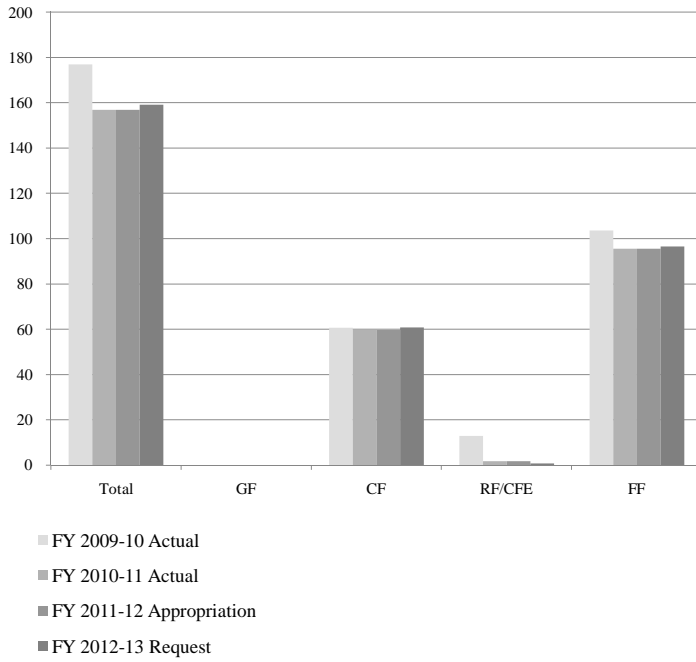
Department's Share of Statewide General Fund



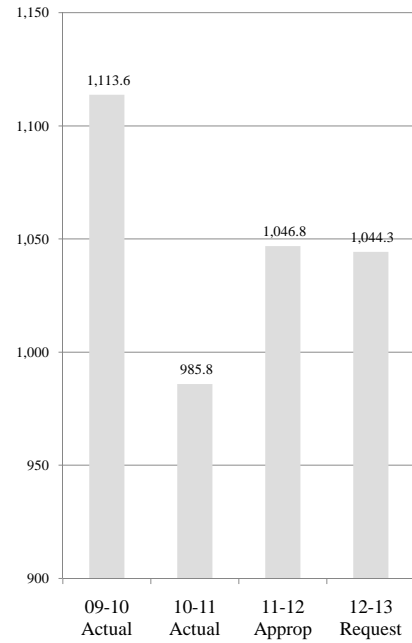
Department Funding Sources



Budget History  
 (Millions of Dollars)



FTE History

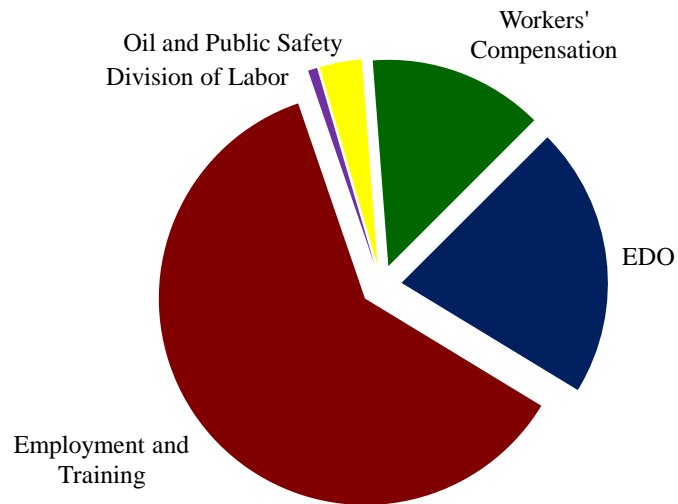


Unless otherwise noted, all charts are based on the FY 2011-12 appropriation.

### Distribution of General Fund by Division

The Department of Labor and Employment received no General Fund appropriation for FY 2011-12.

### Distribution of Total Funds by Division



**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Labor and Employment**

**OVERVIEW OF BUDGET REQUEST**

The following table summarizes the total change, in dollars and as a percentage, between the Department's FY 2011-12 appropriation and its FY 2012-13 request. For more detailed information, see the staff briefing write-up on the Joint Budget Committee's website.

**Total Requested Change, FY 2011-12 to FY 2012-13 (millions of dollars)**

<b>Category</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
FY 2011-12 Appropriation	\$0.0	\$60.6	\$1.0	\$96.5	\$158.1	1,046.8
FY 2012-13 Request	0.0	61.8	0.9	97.7	160.4	1,044.3
Increase / (Decrease)	\$0.0	\$1.2	(\$0.1)	\$1.2	\$2.4	(2.5)
Percentage Change	0.0%	2.0%	(10.0)%	1.2%	1.5%	(0.2)%

**SUMMARY OF DECISION ITEMS**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
1 Requested Letternote and Appropriation	0	0	0	0	0	0.0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>

**SUMMARY OF ISSUES PRESENTED TO THE JBC**

**ISSUE: Performance-based Goals and the Department's FY 2012-13 Budget Request**

This issue brief summarizes the Department of Labor and Employment report on its performance relative to its strategic plan and discusses how the FY 2012-13 budget request advances the Department's performance-based goals. Pursuant to the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act (H.B. 10-1119), the full strategic plan for the Department of Labor and Employment can be accessed from the Office of State Planning and Budgeting web site.

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**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Labor and Employment**

**ISSUE: Unemployment Insurance Trust Fund Mechanisms and Changes**

The Colorado Unemployment Insurance Trust Fund (UITF) is used to pay state benefits for the first 26 weeks of Unemployment Insurance benefits. The funding mechanisms for the UITF have remained relatively unchanged while average wages (and UI payments) have increased. House Bill 11-1288 modified aspects of the UI Program to increase UITF revenue, and reform processes in the program.

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**ISSUE: Unemployment Insurance Technology Challenges**

The Unemployment Insurance Program has continued to address its need to improve its technology capabilities for the last decade. The Internet Self Service Project, scheduled to be completed in March 2012, will produce an online system allowing the following: claimants and employers to access unemployment insurance account information, claimants to file unemployment insurance benefit claims and appeals on benefit decisions, and employers to file wage and tax information. The Department has also restructured program units in FY 2011-12 to provide additional staff for to answer and return phone calls

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**ISSUE: Unemployment Insurance Benefit and Claimant Controls**

The Unemployment Insurance Program has faced extreme demands following increased Unemployment Insurance claims, and resources that have not increased in proportion to those demands. This has led to challenges in a number of areas that serve the claimant population, specifically timeliness and accuracy of benefit payments. The demands placed on claimant services roles in the Department has uncovered areas that need additional resources to meet U.S. Department of Labor Standards (USDOL).

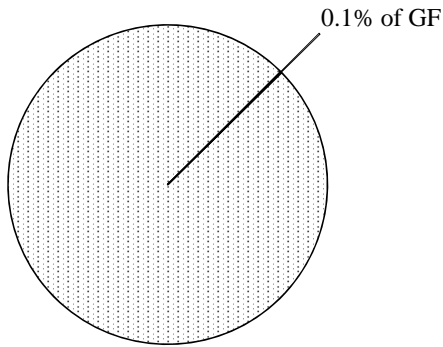
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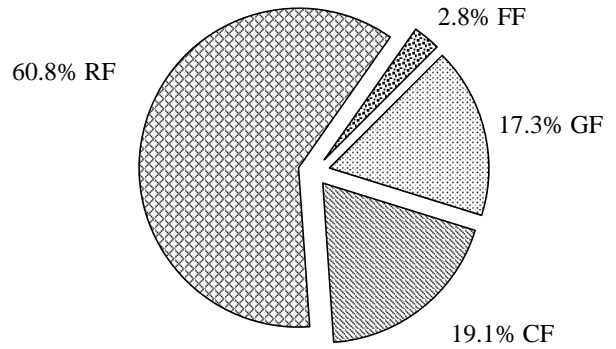
FY 2012-13 Joint Budget Committee Staff Budget Briefing  
 Department of Law

GRAPHIC OVERVIEW

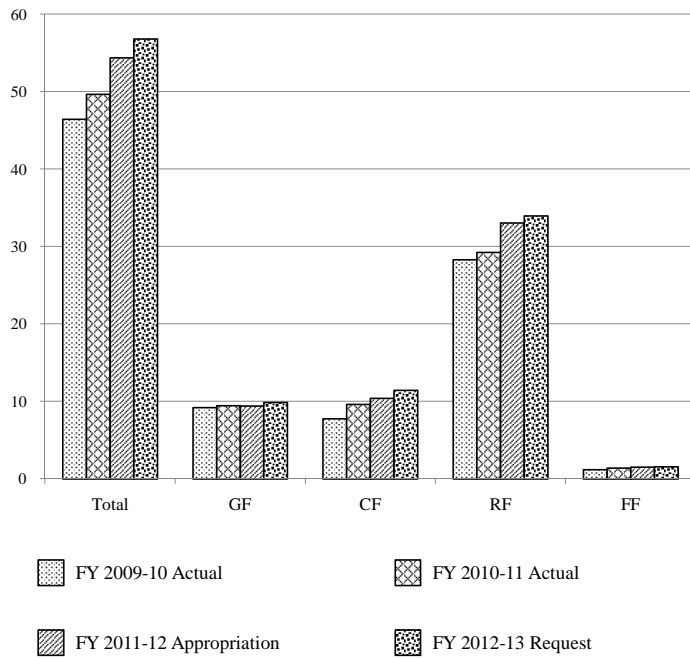
Department's Share of Statewide General Fund



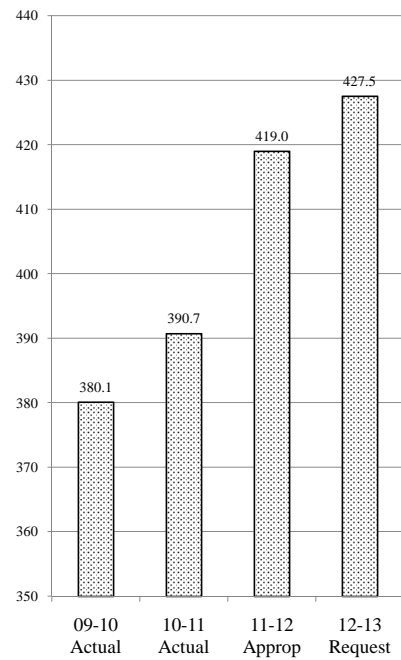
Department Funding Sources



Budget History  
 (Millions of Dollars)

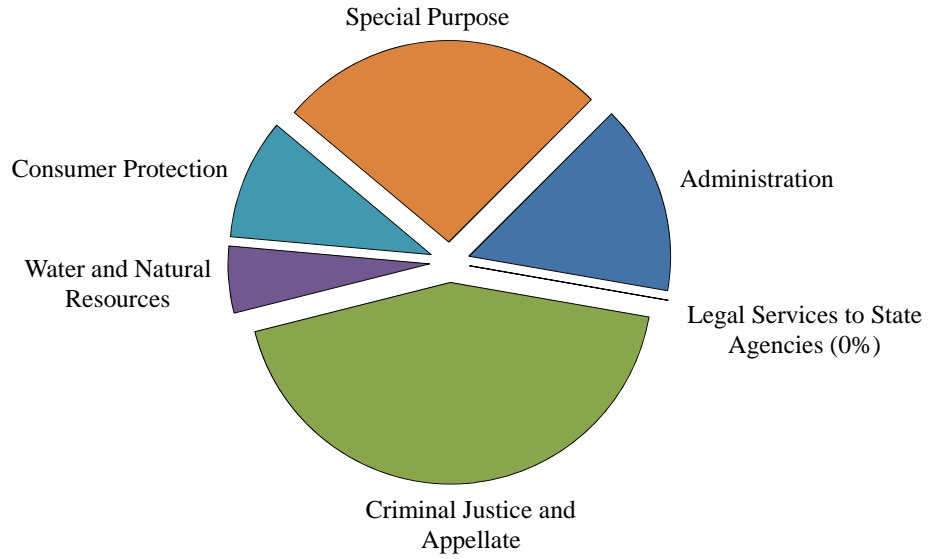


FTE History

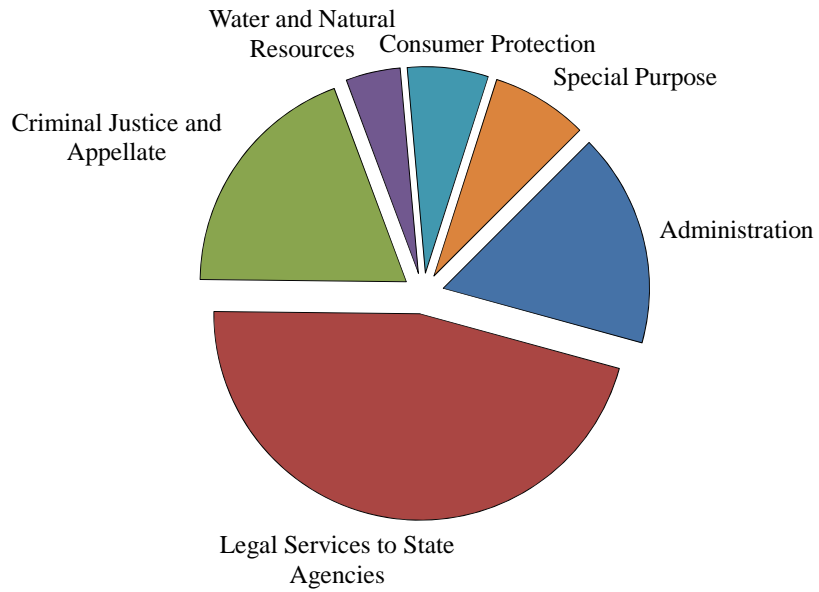


Unless otherwise noted, all charts are based on the FY 2011-12 appropriation.

**Distribution of General Fund by Division**



**Distribution of Total Funds by Division**



**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Law**

**OVERVIEW OF BUDGET REQUEST**

The following table summarizes the total change, in dollars and as a percentage, between the Department's FY 2011-12 appropriation and its FY 2012-13 request. For more detailed information, see the staff briefing write-up on the Joint Budget Committee's website.

**Total Requested Change, FY 2011-12 to FY 2012-13 (millions of dollars)**

<b>Category</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
FY 2011-12 Appropriation	\$9.4	\$10.4	\$33.1	\$1.5	\$54.3	419.0
FY 2012-13 Request	9.9	11.4	33.9	1.6	56.8	427.5
Increase / (Decrease)	\$0.5	\$1.1	\$0.9	\$0.1	\$2.5	8.5
Percentage Change	5.0%	10.2%	2.6%	4.7%	4.6%	2.0%

**SUMMARY OF DECISION ITEMS**

<b>Request</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
R-1 Consumer Protection Enhancement	\$0	\$404,189	\$0	\$0	\$404,189	5.0
R-2 Consumer Credit Unit - Unlicensed Entities Compliance Effort	0	181,560	0	0	181,560	2.0
R-3 Case Management System	6,463	158,081	122,866	0	287,410	1.0
R-4 Add Deputy Attorney General	0	147,028	0	0	147,028	1.0
R-5 Reinstate 1.5 percent Appellate Base Reduction	37,428	0	0	0	37,428	0.0
NPI-1 Lobato Base Reduction	0	0	(382,500)	0	(382,500)	0.0
NPI-2 Vehicle Lease Payments	992	(2,442)	1,754	(195)	109	0.0
NPI-3 Increase Services for Governor's Energy Office	0	0	65,868	0	65,868	0.5

**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Law**

<b>Request</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
NPI-4 Increase Services for Governor's Office of Information Technology	0	0	35,000	0	35,000	0.3
<b>Total</b>	<b>44,883</b>	<b>888,416</b>	<b>(157,012)</b>	<b>(195)</b>	<b>776,092</b>	<b>9.8</b>

**SUMMARY OF ISSUES PRESENTED TO THE JBC**

**ISSUE: Performance-based Goals and the Department's FY 2012-13 Budget Request**

This issue brief summarizes the Department of Law report on its performance relative to its strategic plan and discusses how the FY 2012-13 budget request advances the Department's performance-based goals. Pursuant to the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act (H.B. 10-1119), the full strategic plan for the Department of Law can be accessed from the Office of State Planning and Budgeting web site.

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**ISSUE: Trends in Appropriations for Legal Services**

This briefing issue details and discusses trends in state agencies' demand for legal services.

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**ISSUE: Major Litigation Pending Against the State**

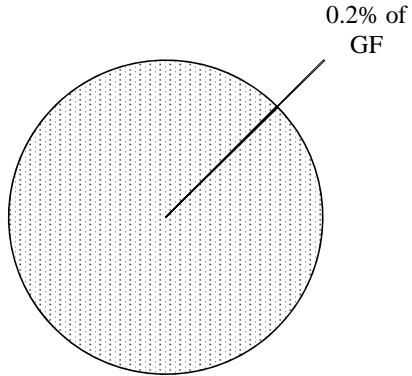
This brief provides a summary of legal cases involving the State that could have a significant General Fund impact.

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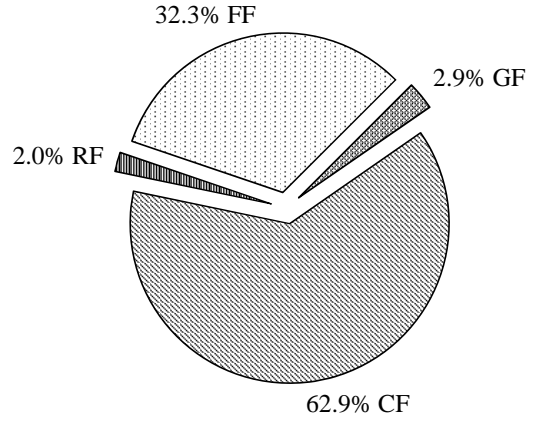
FY 2012-13 Joint Budget Committee Staff Budget Briefing  
 Department of Local Affairs

GRAPHIC OVERVIEW

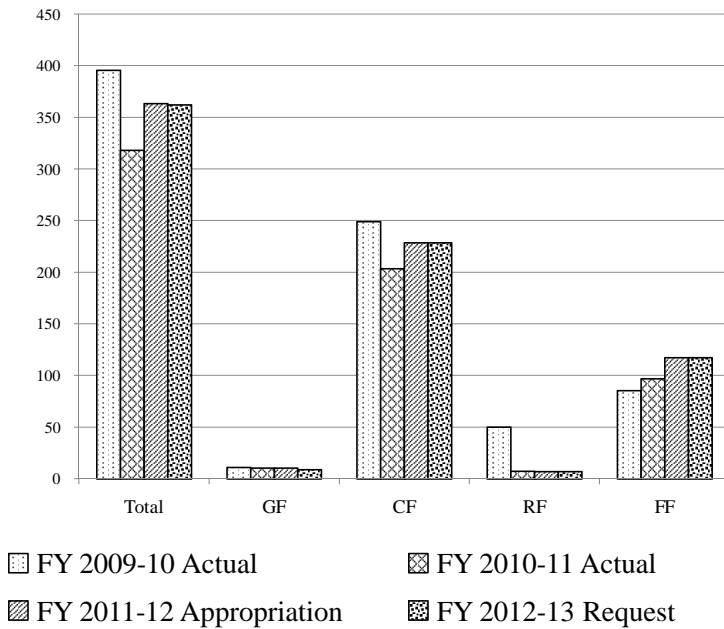
Department's Share of Statewide General Fund



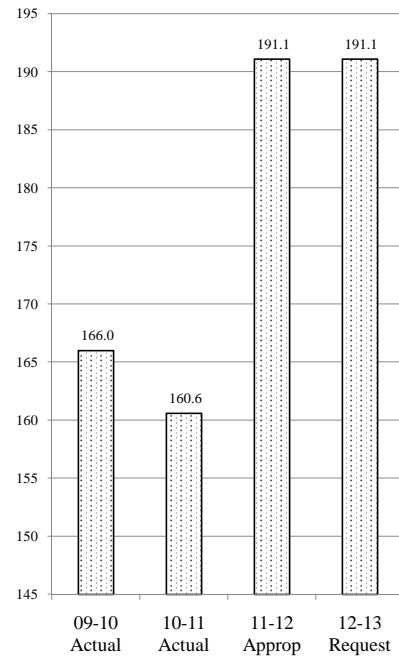
Department Funding Sources



Budget History  
 (Millions of Dollars)

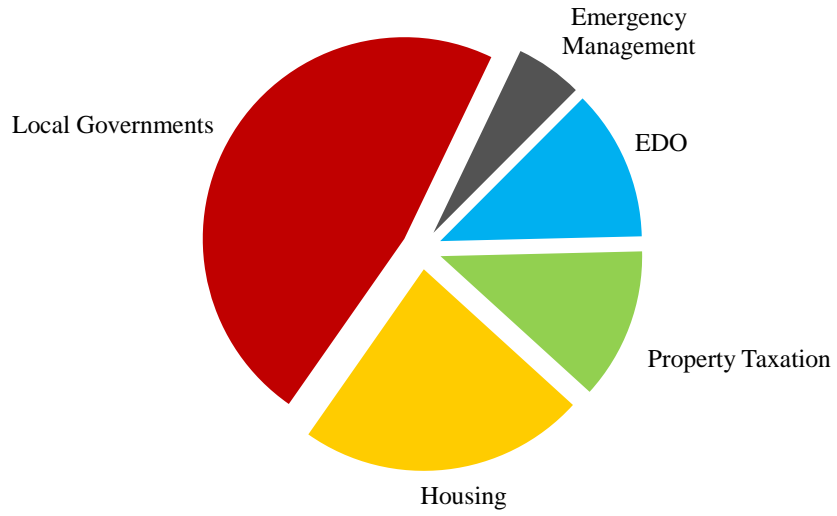


FTE History

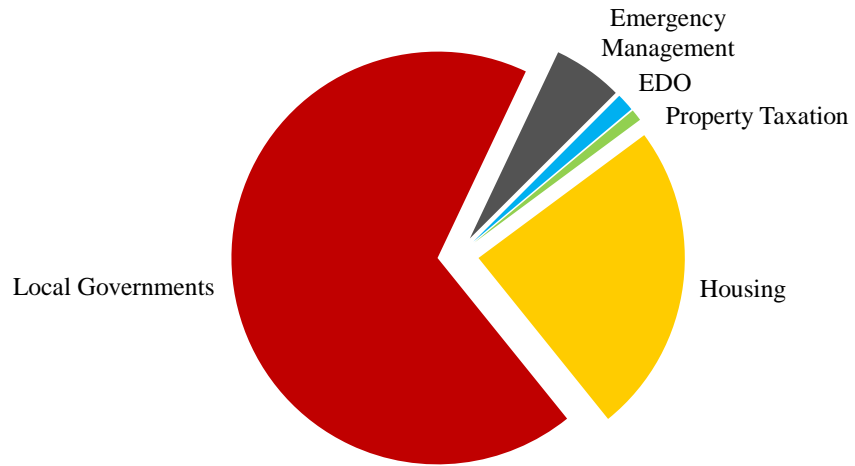


Unless otherwise noted, all charts are based on the FY 2010-11 appropriation.

**Distribution of General Fund by Division**



**Distribution of Total Funds by Division**



**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Local Affairs**

**OVERVIEW OF BUDGET REQUEST**

The following table summarizes the total change, in dollars and as a percentage, between the Department's FY 2011-12 appropriation and its FY 2012-13 request. For more detailed information, see the staff briefing write-up on the Joint Budget Committee's website.

**Total Requested Change, FY 2011-12 to FY 2012-13 (millions of dollars)**

<b>Category</b>	<b>GF*</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
FY 2011-12 Appropriation	\$10.4	\$228.6	\$7.1	\$117.3	\$363.4	191.1
FY 2012-13 Request	9.1	228.7	7.1	117.5	362.4	191.1
Increase / (Decrease)	(\$1.3)	\$0.1	\$0.0	\$0.2	(\$1.0)	0.0
Percentage Change	(12.5)%	0.0%	0.0%	0.2%	(0.3)%	0.0%

\*The General Fund column in the above table includes a General Fund Exempt appropriation of \$4,294,753 in FY 2011-12 and a request of \$2,775,706 General Fund Exempt in FY 2012-13.

**SUMMARY OF DECISION ITEMS**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
DI-1 Reduce General Fund Support for the Volunteer Firefighter Pension Plan	(1,519,047)	0	0	0	(1,519,047)	0.0
NP-1 Annual Fleet Vehicle Replacement	(18,285)	0	0	0	(18,285)	0.0
<b>Total</b>	<b>(1,537,332)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,537,332)</b>	<b>0.0</b>

**SUMMARY OF ISSUES PRESENTED TO THE JBC**

**ISSUE: Performance-based Goals and the Department's FY 2012-13 Budget Request**

This issue brief summarizes the Department of Local Affairs' report on its performance relative to its strategic plan and discusses how the FY 2012-13 budget request advances the Department's performance-based goals. Pursuant to the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act (H.B. 10-1119), the full strategic plan for the Department of Local Affairs can be accessed from the Office of State Planning and Budgeting web site.

**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Local Affairs**

**ISSUE: Colorado Affordable Housing Construction Grants and Loans**

This issue brief summarizes the Division of Housing's Affordable Housing Construction Grants and Loans Program as well as its performance relative to its strategic plan. It also discusses major factors driving the need for affordable housing in Colorado and how the FY 2012-13 budget request advances the Division's performance-based goals meant to address this need. The issue brief assumes that the goals are appropriate for the Division.

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**ISSUE: Reduction in General Fund for the Volunteer Firefighter Pension Plan**

The Department is requesting a decrease of (\$1,519,047) in General Fund dollars for the Division of Local Governments' Volunteer Firefighter Pension Plan line item. The request will eliminate State support for volunteer firefighter pension plans that pay monthly benefits of more than \$300 per eligible participant per month and are determined to be actuarially sound at the current benefit level of \$300 per month for the next 20 years. It will reduce the State General Fund obligation for this program from \$4.3 million in FY 2011-12 to about \$2.8 million in FY 2012-13.

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**ISSUE: Cash Transfers to the General Fund**

In recent years, the General Assembly has often looked to the Department's cash funding sources as a way to balance the budget. This issue provides a an update of these cash transfers to the General Fund from FY 2008-09 to FY 2011-12 as well as a description of the Governor's proposal for FY 2012-13.

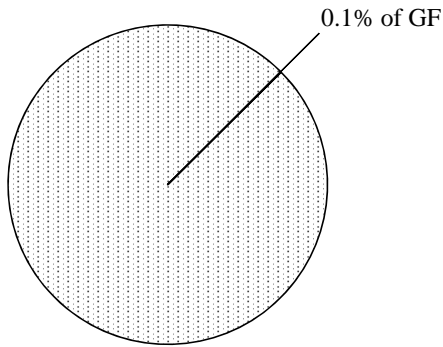
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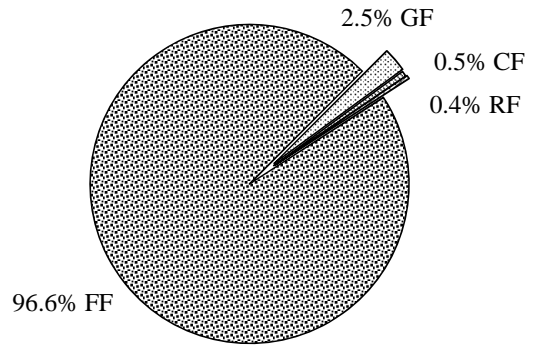
FY 2012-13 Joint Budget Committee Staff Budget Briefing  
 Department of Military and Veterans Affairs

GRAPHIC OVERVIEW

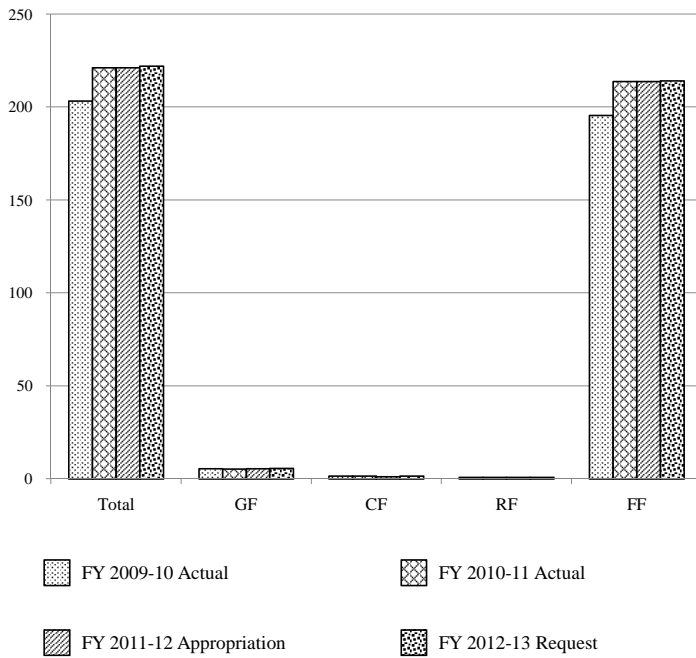
Department's Share of Statewide General Fund



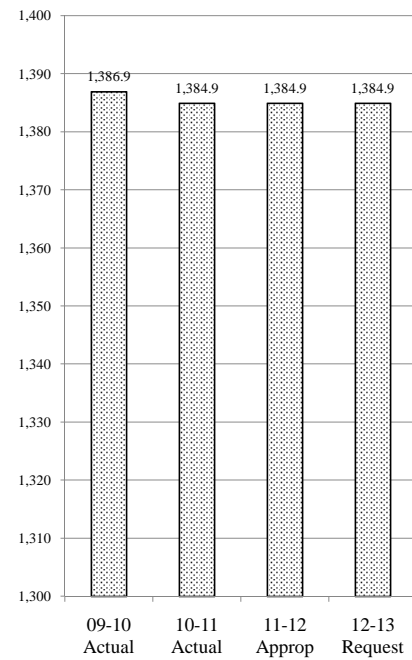
Department Funding Sources



Budget History  
 (Millions of Dollars)

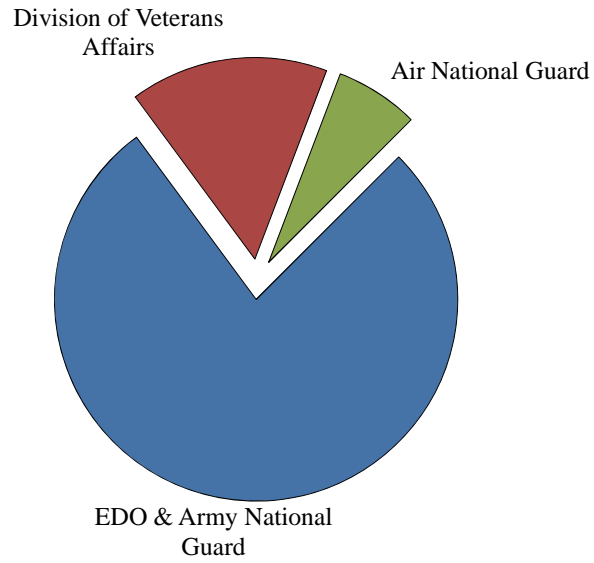


FTE History

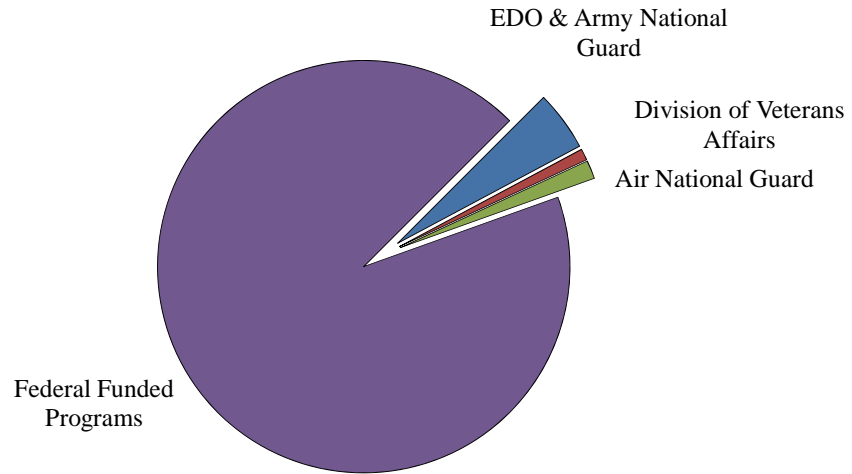


Unless otherwise noted, all charts are based on the FY 2011-12 appropriation.

**Distribution of General Fund by Division**



**Distribution of Total Funds by Division**



**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Department of Military and Veterans Affairs**

**OVERVIEW OF BUDGET REQUEST**

The following table summarizes the total change, in dollars and as a percentage, between the Department's FY 2011-12 appropriation and its FY 2012-13 request. For more detailed information, see the staff briefing write-up on the Joint Budget Committee's website.

**Total Requested Change, FY 2011-12 to FY 2012-13 (millions of dollars)**

<b>Category</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
FY 2011-12 Appropriation	5.4	1.2	0.8	213.8	\$221.2	1,384.9
FY 2012-13 Request	5.7	1.4	0.8	214.1	222.0	1,384.9
Increase / (Decrease)	\$0.3	\$0.2	\$0.0	\$0.3	\$0.8	0.0
Percentage Change	5.2%	18.1%	0.0%	0.1%	0.4%	0.0%

**SUMMARY OF DECISION ITEMS**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
DI-1 Fleet Replacement Request	\$11,041	\$0	\$0	\$0	\$11,041	0.0
NP-1 Statewide PERA Adjustment	\$56,497	\$1,824	\$0	\$106,096	\$164,417	0.0
NP-2 Risk Management Common Policy Adjustment	\$37,410	\$0	\$0	\$0	\$37,410	0.0
NP-3 Workers' Compensation Common Policy Adjustment	\$5,131	\$0	\$0	\$9,932	\$15,063	0.0
NP-4 Capitol Complex Lease	\$4,832	\$0	\$0	\$2,819	\$7,651	0.0
NP-5 OIT Communication Services	\$16,164	\$0	\$0	\$0	\$16,164	0.0
NP-6 OIT Purchase of Services from Computer Center	\$173,571	\$0	\$0	\$0	\$173,571	0.0
NP-7 OIT Multiuse Network Payments	\$27,329	\$0	\$0	\$0	\$27,329	0.0

**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Department of Military and Veterans Affairs**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
NP-8 Management and Administration of OIT	(\$60,776)	\$0	\$0	\$0	(\$60,776)	0.0
<b>Total</b>	<b>\$271,199</b>	<b>\$1,824</b>	<b>\$0</b>	<b>\$118,847</b>	<b>\$391,870</b>	<b>0.0</b>

**SUMMARY OF ISSUES PRESENTED TO THE JBC**

**ISSUE: Performance-based Goals and the Department's FY 2012-13 Budget Request**

This issue brief summarizes the Department of Military and Veterans Affairs report on its performance relative to its strategic plan and discusses how the FY 2012-13 budget request advances the Department's performance-based goals. Pursuant to the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act (H.B. 10-1119), the full strategic plan for the Department of Military and Veterans Affairs can be accessed from the Office of State Planning and Budgeting web site.

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**ISSUE: Update on Readiness Center Construction and Costs**

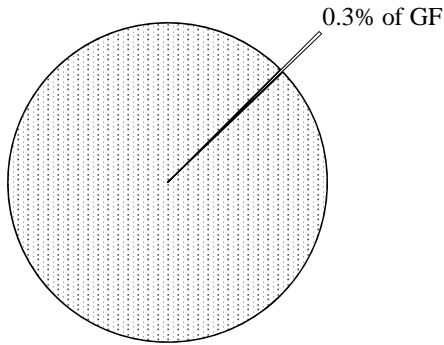
In 2007, the Federal National Guard Bureau awarded a new 800 soldier infantry battalion to Colorado, which required the construction of five new readiness centers (armories) around the state. Two of these centers are now complete, two are under construction and the fifth, which will be located in Alamosa, is yet to be fully funded and built; it requires an additional \$2.7 million in capital construction funding. Associated utility and maintenance costs, which may reach \$167,000 in FY 2012-13, will come from a Long Bill line item that may already be unable to meet current maintenance needs.

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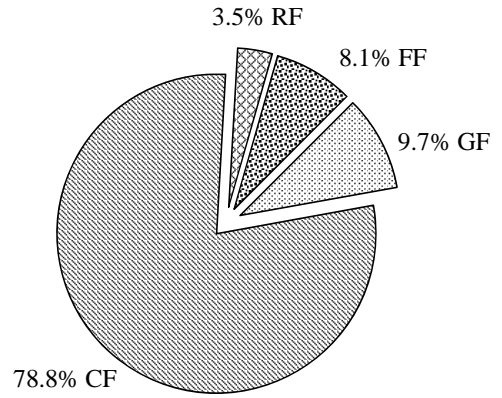
FY 2012-13 Joint Budget Committee Staff Budget Briefing  
 Department of Natural Resources

GRAPHIC OVERVIEW

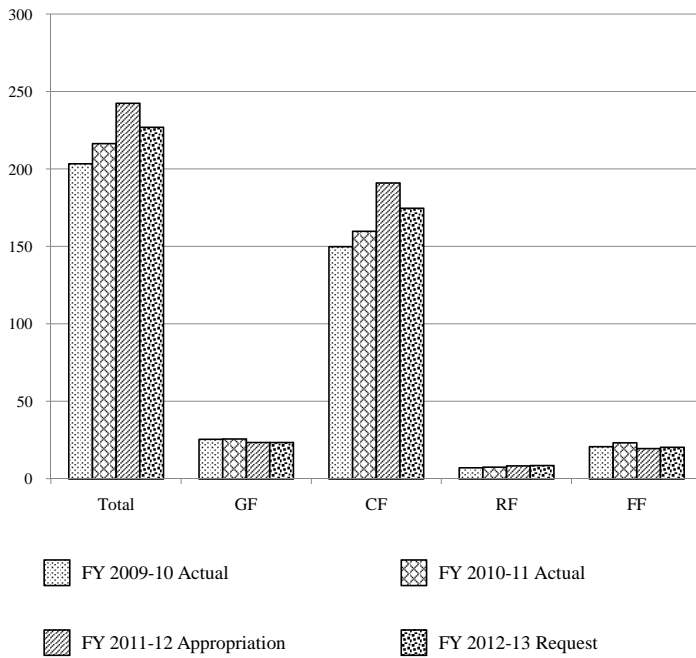
Department's Share of Statewide General Fund



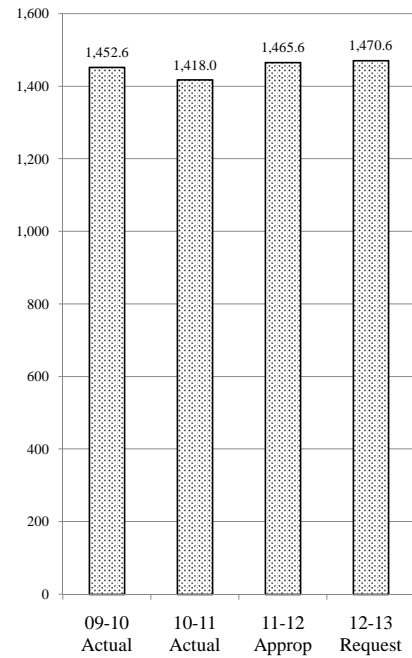
Department Funding Sources



Budget History  
 (Millions of Dollars)

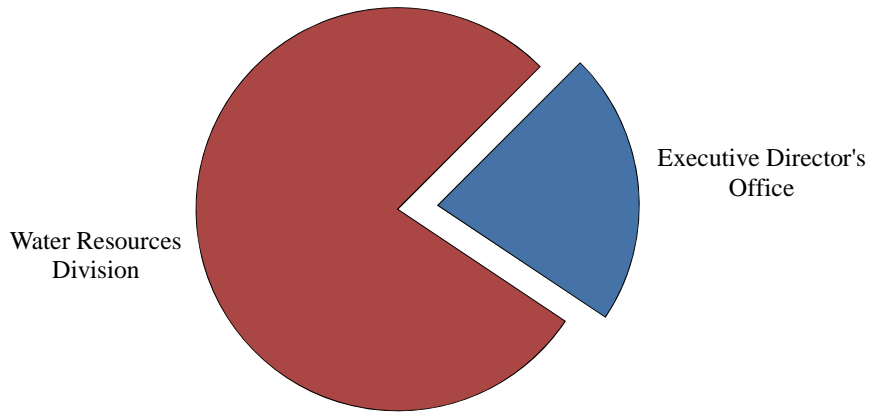


FTE History

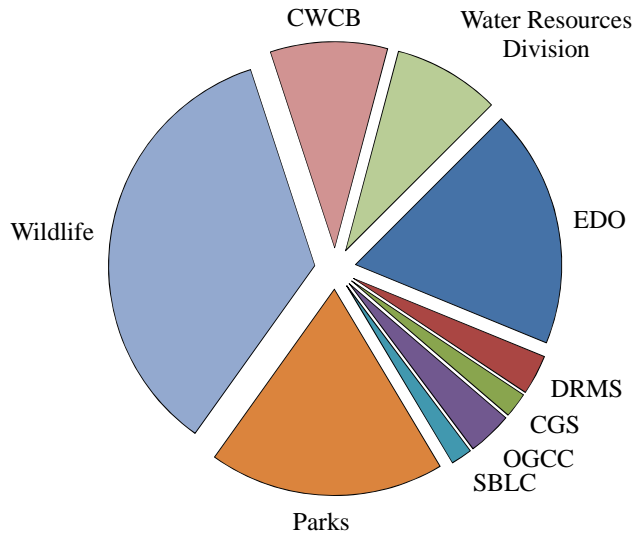


Unless otherwise noted, all charts are based on the FY 2011-12 appropriation.

**Distribution of General Fund by Division**



**Distribution of Total Funds by Division**



**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Natural Resources**

**OVERVIEW OF BUDGET REQUEST**

The following table summarizes the total change, in dollars and as a percentage, between the Department's FY 2011-12 appropriation and its FY 2012-13 request. For more detailed information, see the staff briefing write-up on the Joint Budget Committee's website.

**Total Requested Change, FY 2011-12 to FY 2012-13 (millions of dollars)**

<b>Category</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
FY 2011-12 Appropriation	\$23.4	\$191.0	\$8.5	\$19.6	\$242.5	1,465.6
FY 2012-13 Request	23.4	174.6	8.6	20.3	226.9	1,470.6
Increase / (Decrease)	\$0.0	(\$16.4)	\$0.1	\$0.7	\$0.0	5.0
Percentage Change	0.0%	(8.6)%	1.2%	3.6%	0.0%	0.3%

**SUMMARY OF DECISION ITEMS**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
DI-1 Field and Technical Support Staff	\$0	\$430,472	\$0	\$0	\$430,472	5.0
DI-2 Asset Management System Upgrade	0	750,000	0	0	750,000	0.0
DI-3 DWR Line Item Consolidation	0	0	0	0	0	0.0
DI-4 Interagency Water Expertise	0	120,000	0	0	120,000	0.0
DI-5 Integrated Resource Services	0	0	250,000	0	250,000	0.0
DI-6 Consolidation of GOCO Line Items	0	0	0	0	0	0.0
DI-7 Consolidation of Parks' IT Line Items	0	0	0	0	0	0.0
DI-8 Adjustment to Leased Space	(5,484)	(17,106)	0	2,332	(20,258)	0.0
DI-9 Severance Tax Perpetual Base Account Transfer (\$33.85 million)	0	0	0	0	0	0.0

**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Natural Resources**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
NP-1 Vehicle Replacements	38,778	169,380	0	(727)	207,431	0.0
<b>Total</b>	<b>\$33,294</b>	<b>\$1,452,746</b>	<b>\$250,000</b>	<b>\$1,605</b>	<b>\$1,737,645</b>	<b>5.0</b>

**SUMMARY OF ISSUES PRESENTED TO THE JBC**

**ISSUE: Performance-based Goals and the Department's FY 2012-13 Budget Request**

This issue brief summarizes the Department of Natural Resources report on its performance relative to its strategic plan and discusses how the FY 2012-13 budget request advances the Department's performance-based goals. Pursuant to the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act (H.B. 10-1119), the full strategic plan for the Department of Natural Resources can be accessed from the Office of State Planning and Budgeting web site.

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**ISSUE: Status of the Operational Account of the Severance Tax Trust Fund**

Discusses current and projected fund balances in the Operational Account of the Severance Tax Trust Fund and a likely need for spending reductions in FY 2011-12 and FY 2012-13.

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**INFORMATIONAL ISSUE: Decision Item R-1: Oil and Gas Conservation Commission Field and Technical Staff**

In response to increasing Oil and Gas Conservation Commission (OGCC) workload and local government efforts to regulate oil and gas development, the OGCC is requesting an increase of \$430,472 cash funds and 5.0 FTE in FY 2012-13.

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**INFORMATIONAL ISSUE: Oil and Gas Development on the Former Lowry Bombing Range**

Discusses the State Land Board's (Land Board's) efforts to lease the Lowry Range property for oil and gas development and associated potential revenues for K-12 education.

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**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Natural Resources**

**ISSUE: Potential Changes to the Distribution of State School Trust Land Revenues**

Discusses the distribution of school trust revenues under current law and presents options to change the distribution.

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**ISSUE: Implementation of S.B. 11-208 Concerning the Division of Parks and Wildlife**

The new Division of Parks and Wildlife is in the process of studying various aspects of the operations of the former Divisions of Parks and Outdoor Recreation and Wildlife and is preparing a final transition plan to be submitted to the General Assembly by February 29, 2012. The new division anticipates that the complete merger of the two former divisions' operations could take up to five years.

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**ISSUE: Cash Fund Reporting Issues and Transfers to the General Fund**

The Department is proposing a new methodology for reporting cash fund balances in order to avoid providing misleading information to legislators and the public. This issue was brought to light when it was discovered that the Wildlife Cash Fund had spent \$14.0 million more than the Wildlife Commission had authorized for FY 2009-10. Given the fact that \$434.0 million dollars have been transferred out of Department of Natural Resources and Department of Local Affairs funds to the General Fund in the past four years, and that another \$63.9 million is requested to be transferred in FY 2012-13, it is important to have accurate fund balance information.

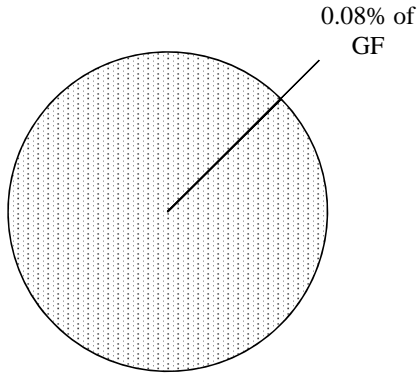
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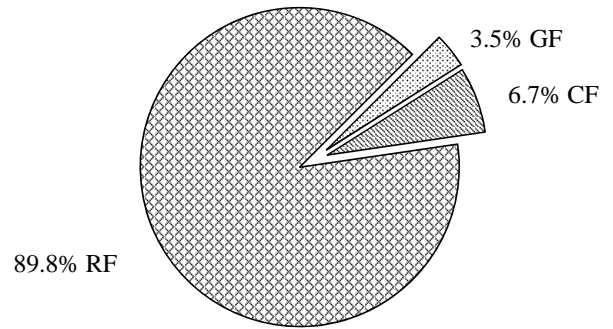
FY 2012-13 Joint Budget Committee Staff Budget Briefing  
 Department of Personnel and Administration

GRAPHIC OVERVIEW

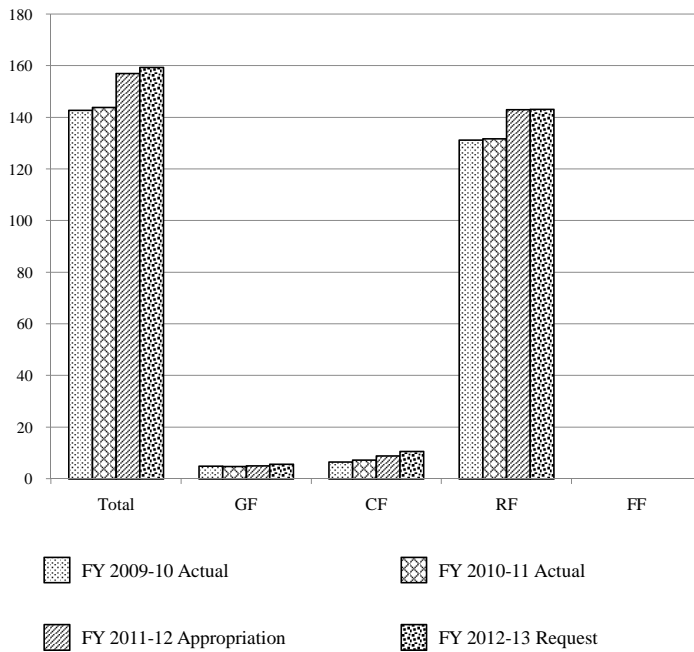
Department's Share of Statewide General Fund



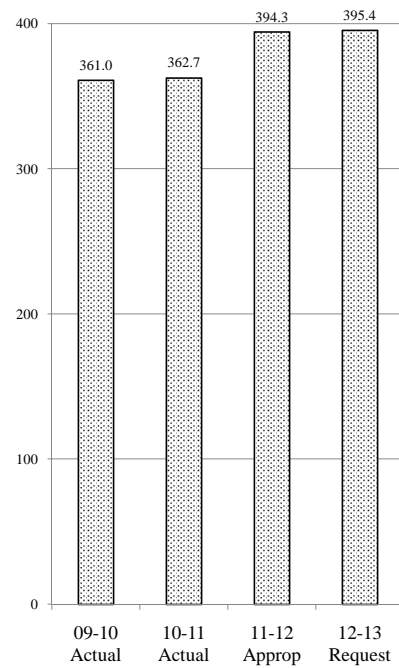
Department Funding Sources



Budget History  
 (Millions of Dollars)

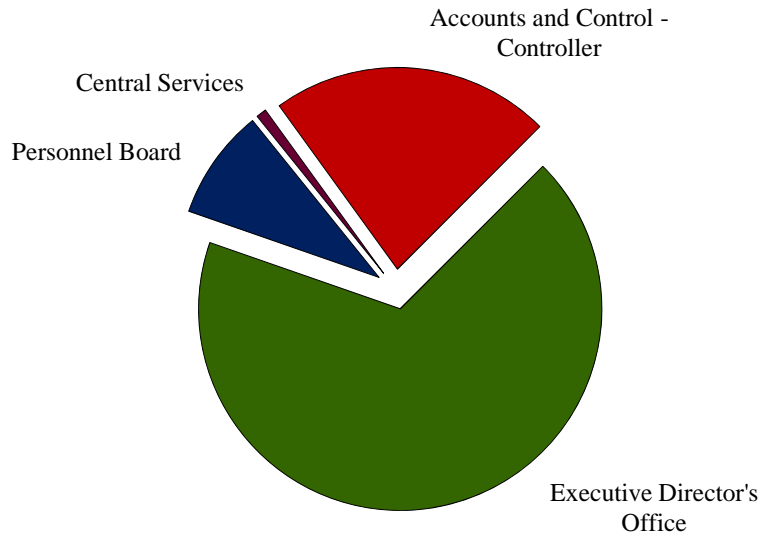


FTE History

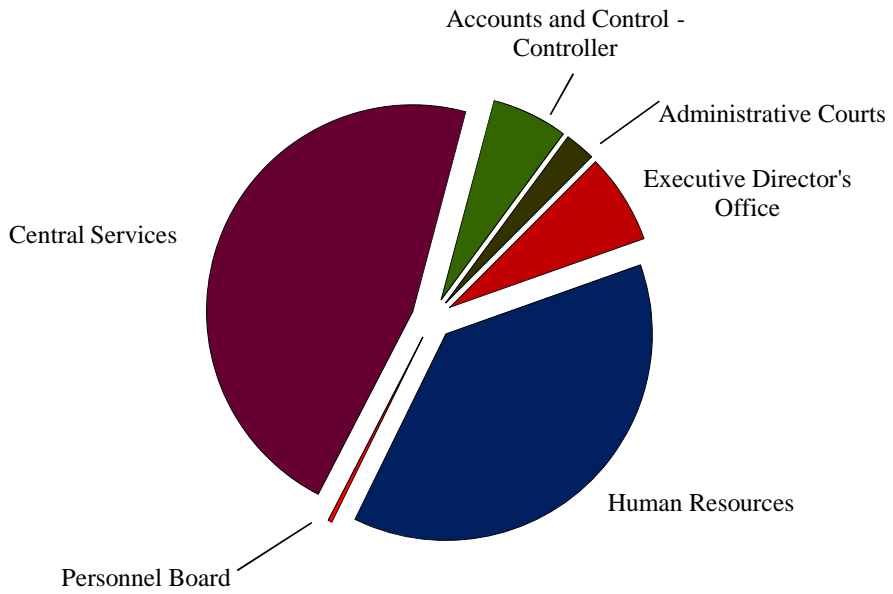


Unless otherwise noted, all charts are based on the FY 2011-12 appropriation.

**Distribution of General Fund by Division**



**Distribution of Total Funds by Division**



**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Personnel and Administration**

**OVERVIEW OF BUDGET REQUEST**

The following table summarizes the total change, in dollars and as a percentage, between the Department's FY 2011-12 appropriation and its FY 2012-13 request. For more detailed information, see the staff briefing write-up on the Joint Budget Committee's website.

**Total Requested Change, FY 2011-12 to FY 2012-13 (millions of dollars)**

<b>Category</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
FY 2011-12 Appropriation	\$5.1	\$10.5	\$143.0	\$0.0	\$158.6	394.3
FY 2012-13 Request	5.6	10.6	143.2	0.0	159.4	395.4
Increase / (Decrease)	\$0.5	\$0.1	\$0.2	\$0.0	\$0.8	1.1
Percentage Change	10.5%	1.0%	0.1%	n/a	0.5%	0.3%

**SUMMARY OF DECISION ITEMS**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
1 Line Item Consolidation	0	0	0	0	0	0.0
2 Replacement of CUBS Collection System	0	300,000	0	0	300,000	0.0
3 Training Services Funding	0	0	483,000	0	483,000	0.0
4 Funding for Joint E-Filing System	0	0	416,975	0	416,975	0.0
5 Annual Fleet Replacement	0	0	(834,662)	0	(834,662)	0.0
6 Reduction of Mail Equipment Purchase Line Item	(109,888)	0	0	0	(109,888)	0.0
7 Workers' Compensation Loss Control Request	0	0	130,198	0	130,198	2.0
NP-1 Vehicle Fleet Replacement	0	0	(15,287)	0	(15,287)	0.0
NP-2 DOC – Parole Request	0	0	(31,770)	0	(31,770)	0.0

**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Personnel and Administration**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
NP-3	0	0	(94,922)	0	(94,922)	0.0
EDW Transfer to OIT						
<b>Total</b>	<b>(109,888)</b>	<b>300,000</b>	<b>53,532</b>	<b>0</b>	<b>243,644</b>	<b>2.0</b>

**SUMMARY OF ISSUES PRESENTED TO THE JBC**

**ISSUE: Performance-based Goals and the Department's FY 2012-13 Budget Request**

This issue brief summarizes the Department of Personnel and Administration report on its performance relative to its strategic plan and discusses how the FY 2012-13 budget request advances the Department's performance-based goals. Pursuant to the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act (H.B. 10-1119), the full strategic plan for the Department of Personnel and Administration can be accessed from the Office of State Planning and Budgeting web site.

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**ISSUE: Workers' Compensation Loss Control Request**

Although submitted as a common policy baseline adjustment, the request seeks to replace the workers' compensation loss control program previously provided by the Third Party Administrator contract with Pinnacol, with an additional 2.0 FTE and \$130,198 in reappropriated funds for the Office of Risk Management to develop and maintain the program internally.

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**ISSUE: R-2 and R-4 – CUBS Replacement and OAC E-Filing System**

The Department is requesting \$300,000 in cash funds spending authority to replace its CUBS, Collections services information system for Central Collections Services, and \$416,975 in reappropriated funds for the acquisition of an e-filing system and upgrade to its case management system for the Office of Administrative Courts.

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**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Personnel and Administration**

**ISSUE: R-1 – Line Item Consolidation Request**

The Department's budget request for line item consolidation includes three broad requests:

1. Eliminate contingency fund line items by consolidating the contingency funding within the primary funding line item.
  2. Consolidate all like line items for the three budget programs in Integrated Document Solutions in Central Services.
  3. Consolidate all like line items for the three campuses budget programs in Facilities Maintenance in Central Services.
- 

**ISSUE: Measuring the size of the state workforce**

This issue brief discusses different ways of measuring the size of the state workforce, with particular attention to the purpose, definition, and calculation of FTE. It includes analysis of the shortcomings of reporting by the executive branch and recommendations for improvement.

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**ISSUE: Budgeting for prevailing total compensation**

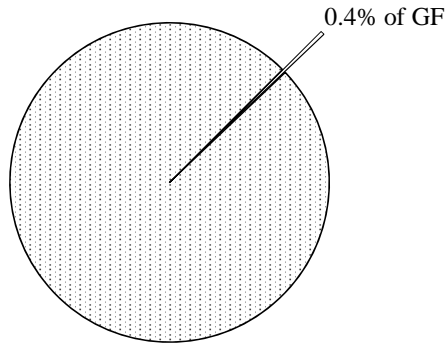
This issue brief discusses the statutory obligation to pay prevailing compensation for state employees and explores the relationship between vacancy savings and the total funds required by each department to pay prevailing compensation.

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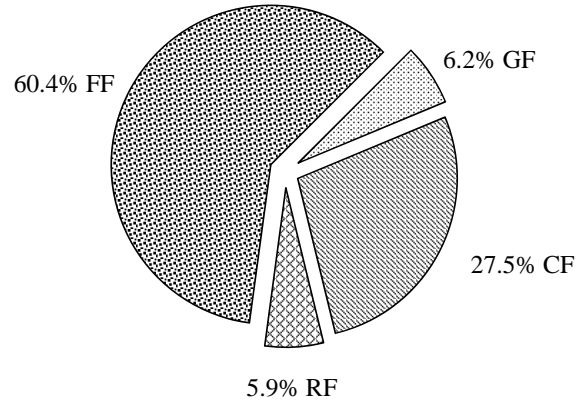
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GRAPHIC OVERVIEW

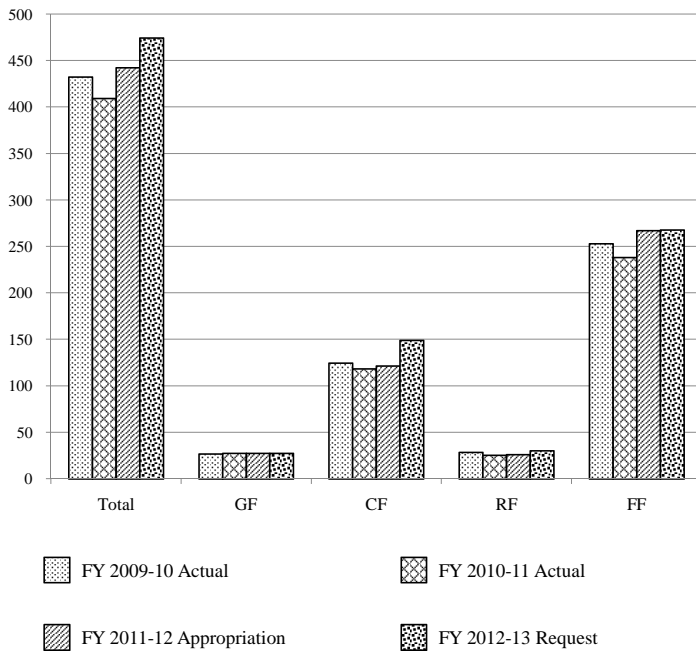
**Department's Share of Statewide General Fund**



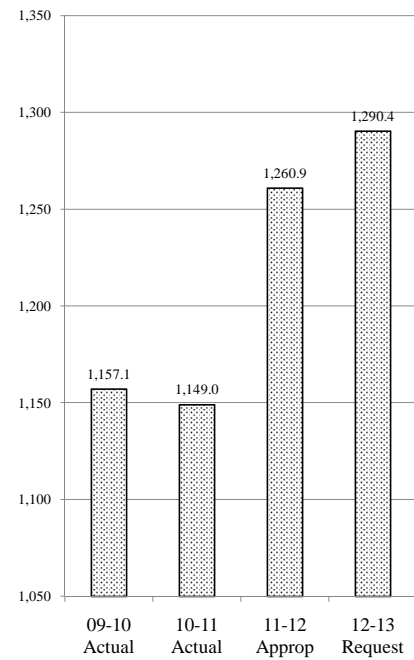
**Department Funding Sources**



**Budget History**  
(Millions of Dollars)

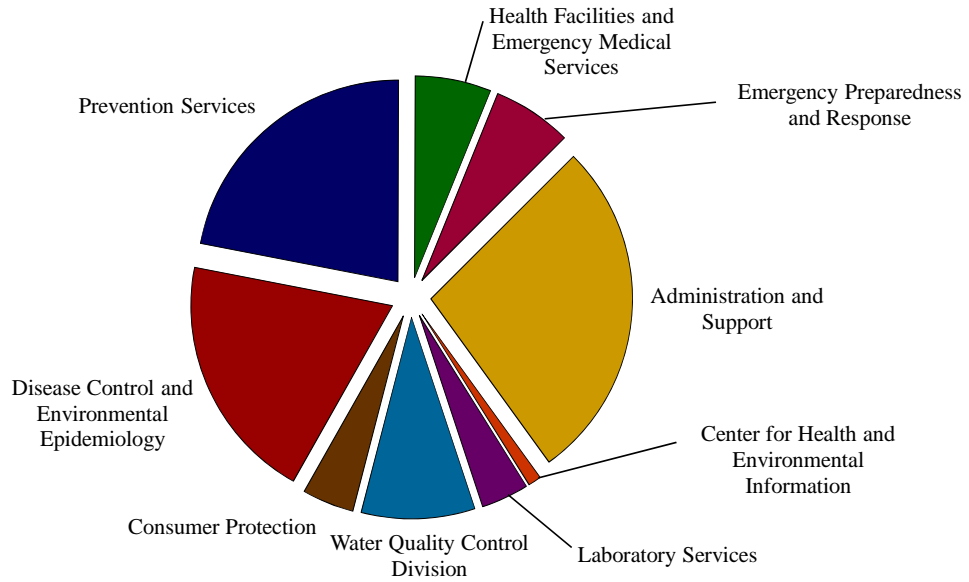


**FTE History**

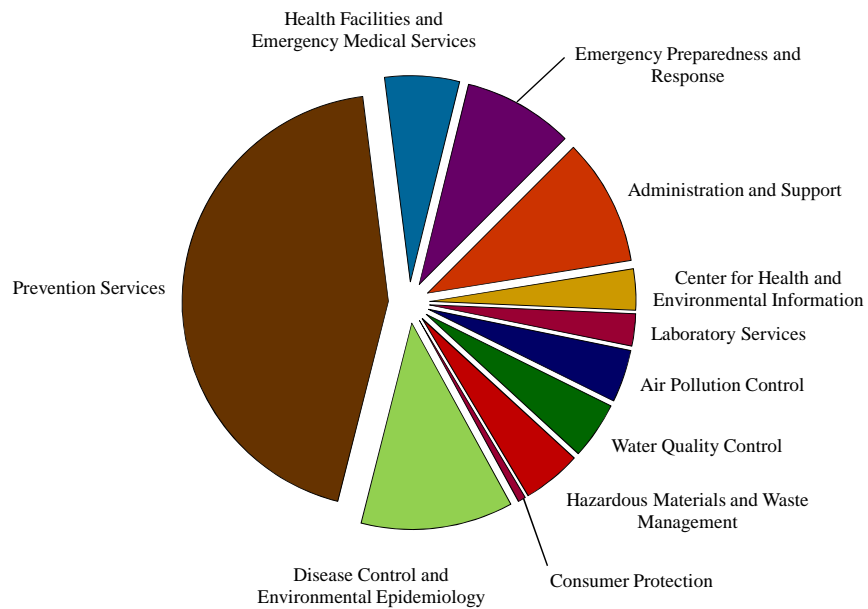


Unless otherwise noted, all charts are based on the FY 2011-12 appropriation.

### Distribution of General Fund by Division



### Distribution of Total Funds by Division



**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Public Health and Environment**

**OVERVIEW OF BUDGET REQUEST**

The following table summarizes the total change, in dollars and as a percentage, between the Department's FY 2011-12 appropriation and its FY 2012-13 request. For more detailed information, see the staff briefing write-up on the Joint Budget Committee's website.

**Total Requested Change, FY 2010-11 to FY 2011-12 (millions of dollars)**

<b>Category</b>	<b>GF*</b>	<b>CF**</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
FY 2011-12 Appropriation	\$27.1	\$121.6	\$26.2	\$267.1	\$442.0	1,260.9
FY 2012-13 Request	26.9	148.9	30.3	267.9	474.0	1,290.4
Increase / (Decrease)	(\$0.2)	\$27.3	\$4.1	\$0.8	\$32.0	29.5
Percentage Change	(0.7)%	22.5%	15.6%	0.3%	7.2%	2.3%

\* The General Fund column in the above table includes a General Fund Exempt appropriation of \$446,100 for FY 2011-12 and a request of \$446,100 General Fund Exempt in FY 2012-13.

\*\* The FY 2011-12 appropriation in the above table does not include the increase of \$1,282,494 cash funds for the Waste Tire Program that was approved by the Joint Budget Committee. The FY 2012-13 request does not include the annualization of the \$1,282,494.

**SUMMARY OF DECISION ITEMS**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
1 Solid Waste Program	0	320,241	0	0	320,241	4.0
2 Preventive Health Funding	0	0	0	(251,000)	(251,000)	2.4
3 Department Wide Long Bill Realignment	0	0	0	0	0	0.0
4 Amendment 35 FTE Funding Reduction	0	0	0	0	0	(5.0)
5 (Department listed as NP-2) Eliminate Vacant Position in Health Care Program for Children with Special Needs	(55,000)	0	0	0	(55,000)	(1.0)

**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Public Health and Environment**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
6 (Department listed as NP-3) Across the Board General Fund Reductions	(404,075)	0	0	0	(404,075)	0.0
NP-1 Annual Fleet Replacement	0	44,222	8,367	5,000	57,589	0.0
<b>Total</b>	<b>(459,075)</b>	<b>364,463</b>	<b>8,367</b>	<b>(246,000)</b>	<b>(332,245)</b>	<b>0.4</b>

**SUMMARY OF ISSUES PRESENTED TO THE JBC**

**ISSUE: Performance-based Goals and the Department's FY 2012-13 Budget Request**

This issue brief summarizes the Department of Public Health and Environment report on its performance relative to its strategic plan and discusses how the FY 2012-13 budget request advances the Department's performance-based goals. Pursuant to the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act (H.B. 10-1119), the full strategic plan for the Department of Public Health and Environment can be accessed from the Office of State Planning and Budgeting web site.

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**ISSUE: Staff and Funding of the Air Pollution Control Division**

The Air Pollution Control Division has identified in the report submitted to the General Assembly the need for an additional 20.0 FTE (costing approximately \$2.0 million cash funds) starting in FY 2012-13. The additional FTE are needed to enable the Division to meet workload increases due primarily to the expanding oil and gas industry as well as revisions to federal air quality standards that are implemented by the Division.

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**ISSUE: School-based Health Centers**

For the 2011-12 school year there are forty-six School-based Health Centers located in eighteen Colorado counties. School-based Health Centers provide a variety of medical and mental health services to students, and minimize the amount of time a student misses class and a parent misses work. On average, it costs \$283,000 dollars to operate a School-based Health Center, and for FY 2012-13 the Department has requested a reduction of \$44,000 General Fund for School-based Health Center grants.

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**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Public Health and Environment**

**ISSUE: Dissolvable Tobacco Products in Colorado**

Currently R.J. Reynolds is test marking dissolvable tobacco products in Colorado. These products which contain both tobacco and nicotine are currently not subject to Colorado's tobacco tax. It is unknown at this time how much additional revenue would be generated if these products were subject to the tobacco tax.

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**ISSUE: Newsworthy Notes - Waste Tires and Cantaloupe**

Two programs administered by the Department have made news headlines: Waste Tire Program and the Disease Control and Environmental Epidemiology Division. Loopholes in the current Waste Tire Program statutory language were highlighted in the news, as well as, the Department's ability to identify, contain and stop the Listeria outbreak.

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**ISSUE: Tobacco Settlement Agreement Update and Recommendations for Statutory Change**

This issue provides background on the Tobacco Master Settlement Agreement, the current Non Participating Manufacturers legal dispute, and the complex allocation of Tobacco Settlement funds in Colorado. It includes various options for statutory changes to the current allocation formulas.

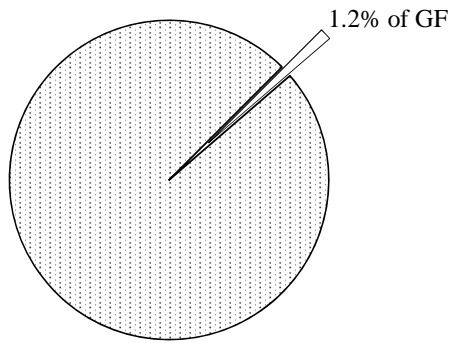
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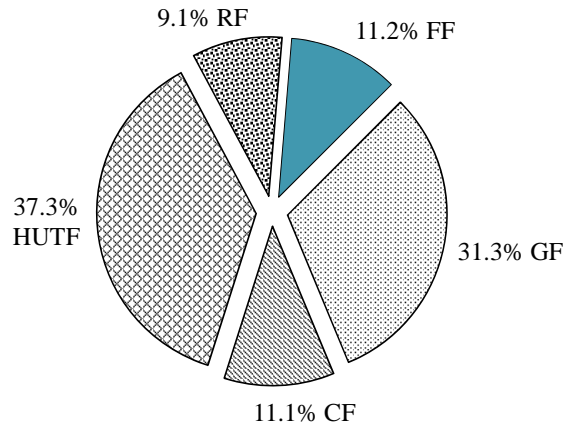
FY 2012-13 Joint Budget Committee Staff Budget Briefing  
 Department of Public Safety

GRAPHIC OVERVIEW

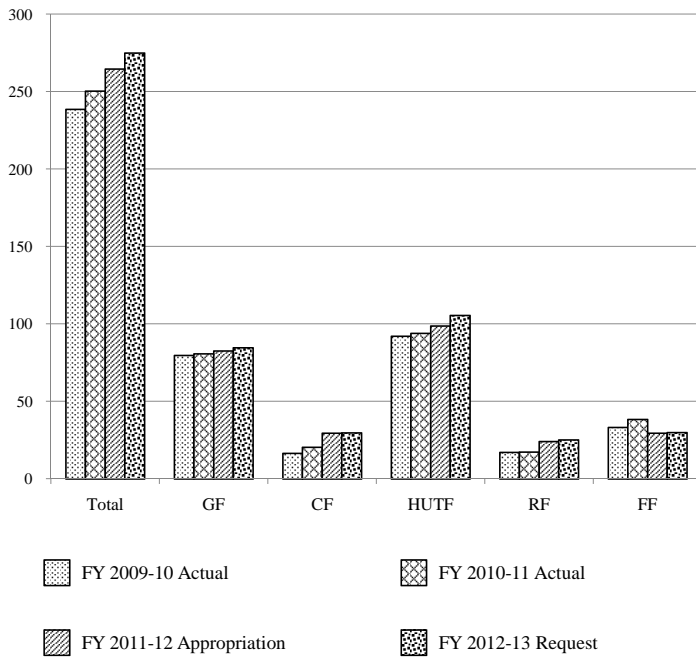
Department's Share of Statewide General Fund



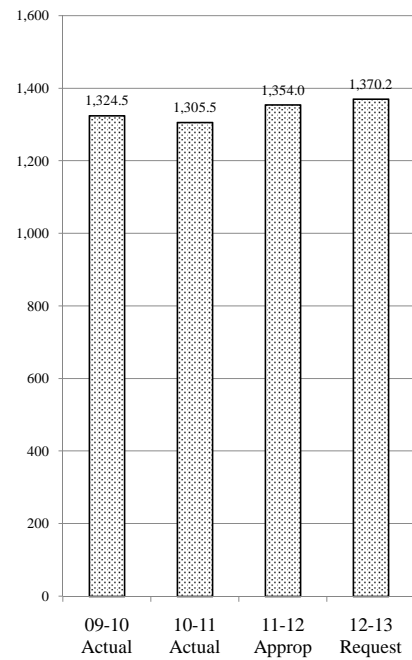
Department Funding Sources



Budget History  
 (Millions of Dollars)

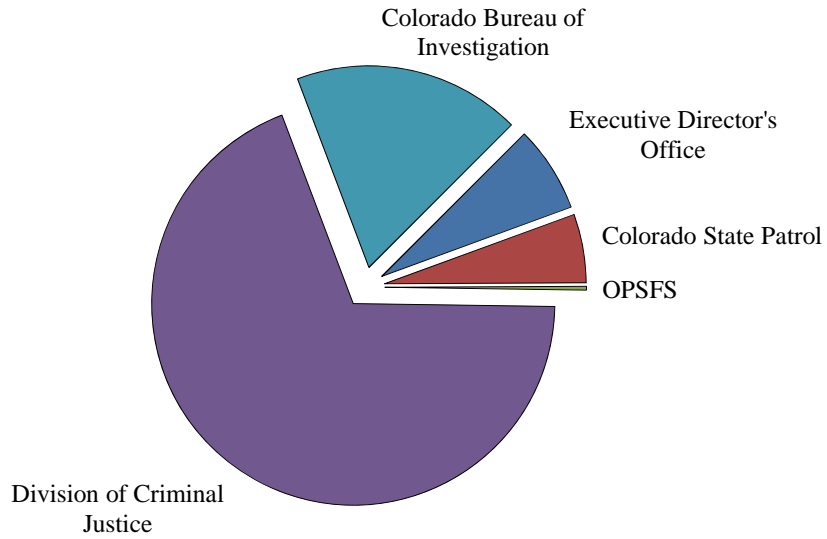


FTE History

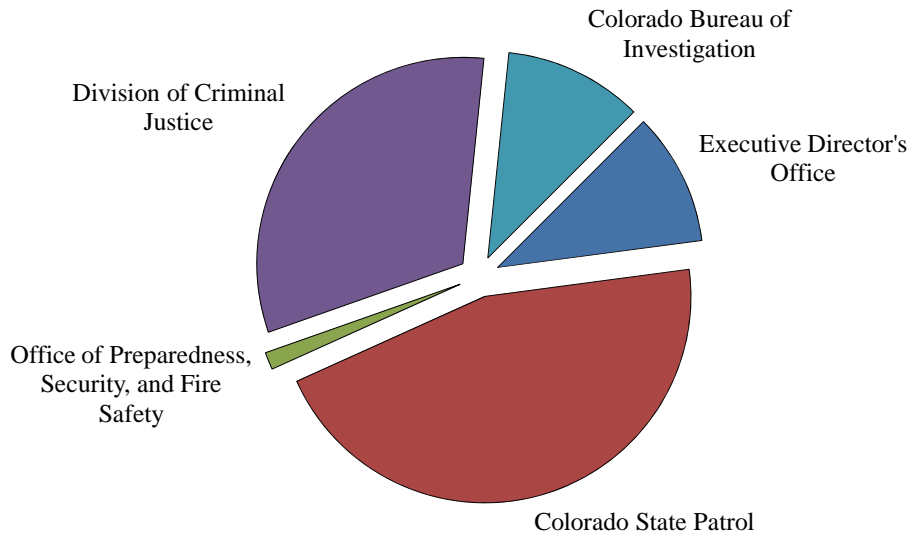


Unless otherwise noted, all charts are based on the FY 2011-12 appropriation.

**Distribution of General Fund by Division**



**Distribution of Total Funds by Division**



**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Public Safety**

**OVERVIEW OF BUDGET REQUEST**

The following table summarizes the total change, in dollars and as a percentage, between the Department's FY 2011-12 appropriation and its FY 2012-13 request. For more detailed information, see the staff briefing write-up on the Joint Budget Committee's website.

**Total Requested Change, FY 2011-12 to FY 2012-13 (millions of dollars)**

<b>Category</b>	<b>GF</b>	<b>CF</b>	<b>HUTF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
FY 2011-12 Appropriation	\$82.7	\$29.5	\$98.6	\$24.2	\$29.5	\$264.5	1,354.0
FY 2012-13 Request	84.6	29.8	105.5	25.0	29.9	274.8	1,370.2
Increase / (Decrease)	\$1.9	\$0.3	\$6.9	\$0.8	\$0.4	\$10.3	16.2
Percentage Change	2.3%	1.0%	7.0%	3.3%	1.4%	3.9%	1.2%

**SUMMARY OF DECISION ITEMS**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>HUTF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
DI-1 Colorado Crime Information Center Operating Fund Increase	\$225,675	\$0	\$0	\$0	\$0	\$225,675	0.0
DI-2 Long Bill Line Item Consolidations	0	0	0	0	0	0	0.0
DI-3 Backup and Emergency Medical Assistance in Mountainous and Rural Areas	0	0	1,802,624	0	0	1,802,624	0.0
DI-4 Additional Security for Ralph L. Carr Judicial Center	0	0	0	287,563	0	287,563	10.0
DI-5 Comprehensive Law Enforcement Process Improvement Program	0	0	2,314,848	0	0	2,314,848	6.0
DI-6 Operating Expense Increase	28,295	0	814,803	0	0	843,098	0.0
DI-7 House Bill 10-1113 Indirect Cost Appropriations	0	0	0	83,844	0	83,844	0.0
DI-8 Variable Vehicle Rate Technical Change	0	0	0	3,240	(3,240)	0	0.0
DI-9 Spending Authority for Dispatching Contract	0	114,310	0	0	0	114,310	0.0

**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Public Safety**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>HUTF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
NP-1 Vehicle Replacements	89,543	48,428	152,722	46,040	(9,355)	327,378	0.0
<b>Total</b>	<b>\$343,513</b>	<b>\$162,738</b>	<b>\$5,084,997</b>	<b>\$420,687</b>	<b>(\$12,595)</b>	<b>\$5,999,340</b>	<b>16.0</b>

**SUMMARY OF ISSUES PRESENTED TO THE JBC**

**ISSUE: Performance-based Goals and the Department's FY 2012-13 Budget Request**

This issue brief summarizes the Department of Public Safety report on its performance relative to its strategic plan and discusses how the FY 2012-13 budget request advances the Department's performance-based goals. Pursuant to the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act (H.B. 10-1119), the full strategic plan for the Department of Public Safety can be accessed from the Office of State Planning and Budgeting web site.

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**ISSUE: Highway Users Tax Fund (HUTF) "Off-the-Top" Funding and Growth**

Highway Users Tax Fund (HUTF) "Off-the-Top" distributions allow the Colorado State Patrol and the Ports of Entry to continue to grow their funding base up to 6.0 percent annually regardless of HUTF or statewide revenue fluctuations.

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**ISSUE: Department of Public Safety Request to Consolidate Various Line Items**

Several departments have requested the consolidation of personal services and operating expenses line items into program line items in order to achieve greater flexibility in managing personal services and operating expenses.

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**ISSUE: Department of Public Safety to Coordinate State Homeland Security Duties**

Executive Order D 2011-030, signed by the Governor on October 18, 2011, has tasked the Department of Public Safety to coordinate Homeland Security Duties. Currently, several other departments have homeland security duties.

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**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Public Safety**

**ISSUE: Offender Transition from the Department of Corrections Through Community Corrections**

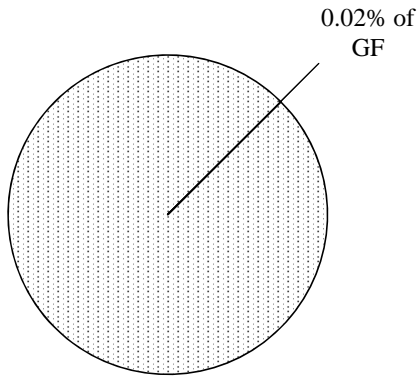
This informational issue examines the paths through the correctional system that an incarcerated offender may follow if he or she transitions to parole through a community corrections program.

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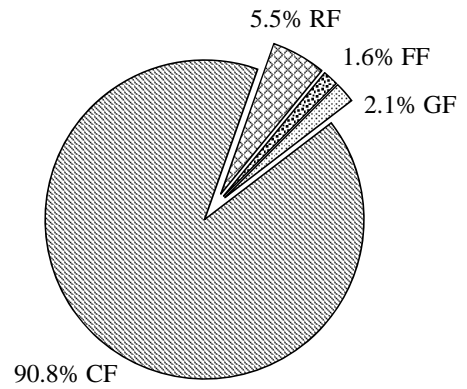
FY 2012-13 Joint Budget Committee Staff Budget Briefing  
 Department of Regulatory Agencies

GRAPHIC OVERVIEW

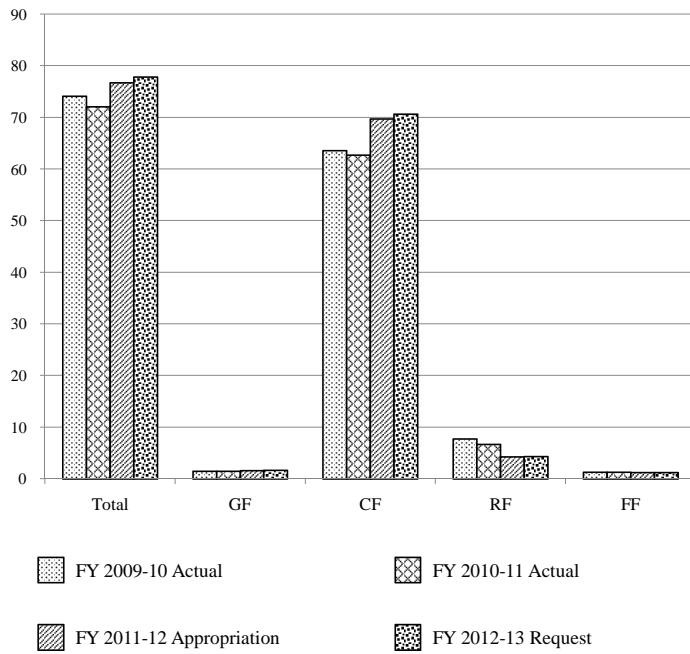
Department's Share of Statewide General Fund



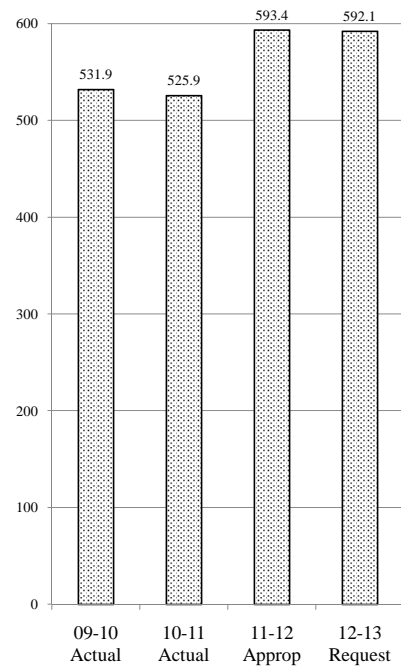
Department Funding Sources



Budget History  
 (Millions of Dollars)

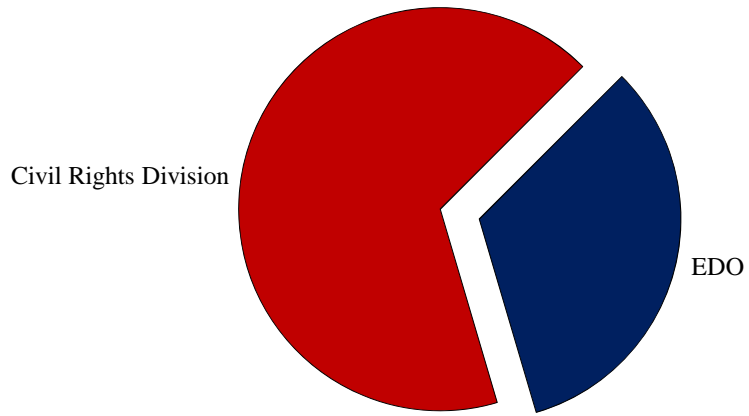


FTE History

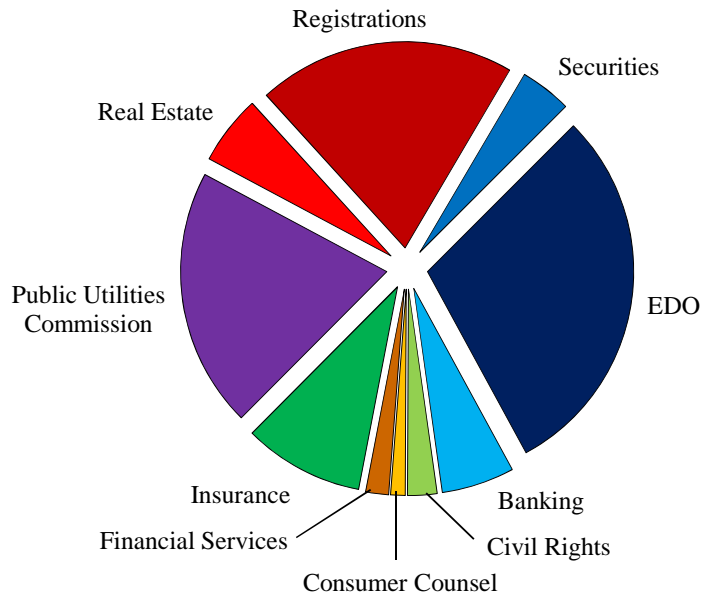


Unless otherwise noted, all charts are based on the FY 2011-12 appropriation.

**Distribution of General Fund by Division**



**Distribution of Total Funds by Division**



**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Regulatory Agencies**

**OVERVIEW OF BUDGET REQUEST**

The following table summarizes the total change, in dollars and as a percentage, between the Department's FY 2011-12 appropriation and its FY 2012-13 request. For more detailed information, see the staff briefing write-up on the Joint Budget Committee's website.

**Total Requested Change, FY 2011-12 to FY 2012-13 (millions of dollars)**

<b>Category</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
FY 2011-12 Appropriation	\$1.6	\$69.7	\$4.2	\$1.2	\$76.7	593.4
FY 2012-13 Request	1.6	70.6	4.3	1.2	77.8	592.1
Increase / (Decrease)	\$0.0	\$0.9	\$0.1	\$0.0	\$1.1	(1.3)
Percentage Change	3.0%	1.3%	1.4%	2.7%	1.4%	(0.2)%

**SUMMARY OF DECISION ITEMS**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
NP-1 Vehicle Fleet Replacement	0	69,452	0	0	69,452	0.0
<b>Total</b>	<b>0</b>	<b>69,452</b>	<b>0</b>	<b>0</b>	<b>69,452</b>	<b>0.0</b>

**SUMMARY OF ISSUES PRESENTED TO THE JBC**

**ISSUE: Performance-based Goals and the Department's FY 2012-13 Budget Request**

This issue brief summarizes the Department of Regulatory Agencies report on its performance relative to its strategic plan and discusses how the FY 2012-13 budget request advances the Department's performance-based goals. Pursuant to the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act (H.B. 10-1119), the full strategic plan for the Department of Regulatory Agencies can be accessed from the Office of State Planning and Budgeting web site.

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**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Regulatory Agencies**

**ISSUE: Financial Services Divisions**

Over the prior three budget years, the Department requested and was appropriated an additional 17.0 FTE in financial examiner, auditor or investigator classifications for its financial services divisions – the Divisions of Banking, Financial Services, and Securities. This issue brief provides an update on the status of those appropriations as they relate to workload management. Additionally this issue brief introduces the concept of consolidating the financial services divisions as a single line item in the budget to encourage the Department to identify efficiencies in better allocating staff resources across Divisions.

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**ISSUE: Department FTE Actual-Appropriated Disparity**

The Department consistently experiences a disparity between appropriated FTE and actual FTE usage. This issue brief visually summarizes the differences in actual-to-appropriated FTE as well as the differences in actual-to-appropriated personal services funding experienced by the Department and by division.

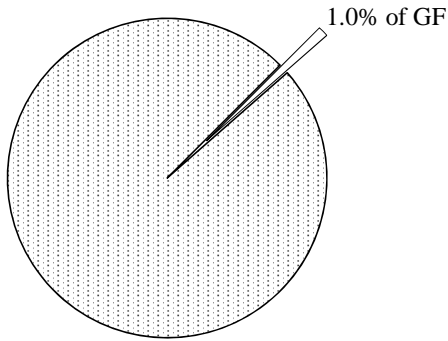
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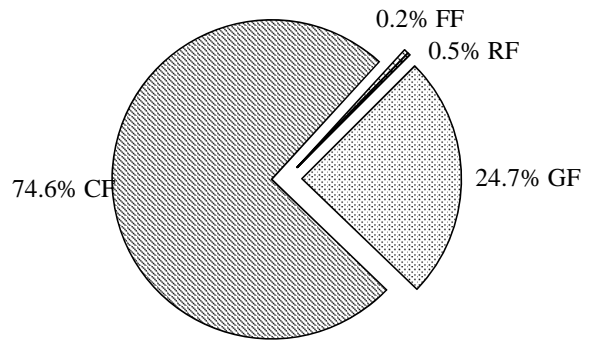
FY 2012-13 Joint Budget Committee Staff Budget Briefing  
 Department of Revenue

GRAPHIC OVERVIEW

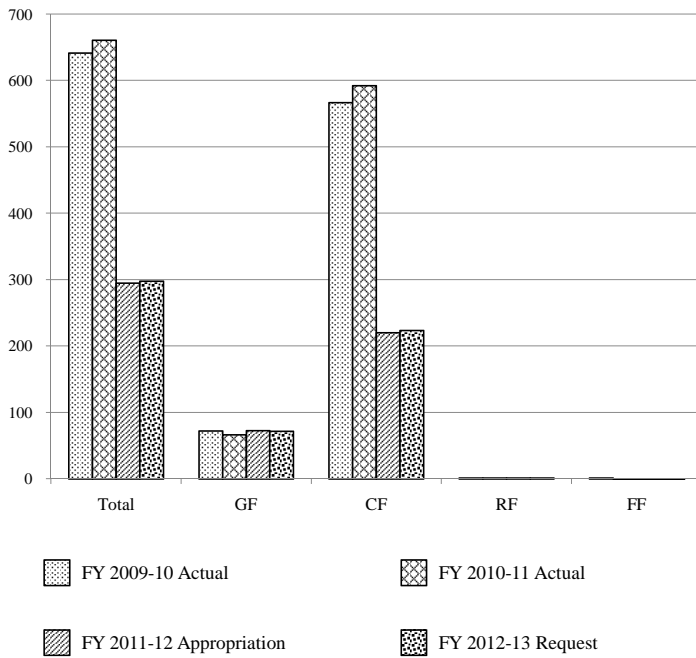
**Department's Share of Statewide General Fund**



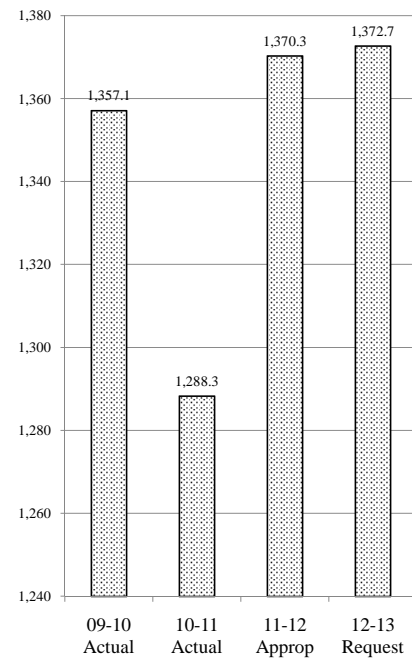
**Department Funding Sources**



**Budget History**  
 (Millions of Dollars)

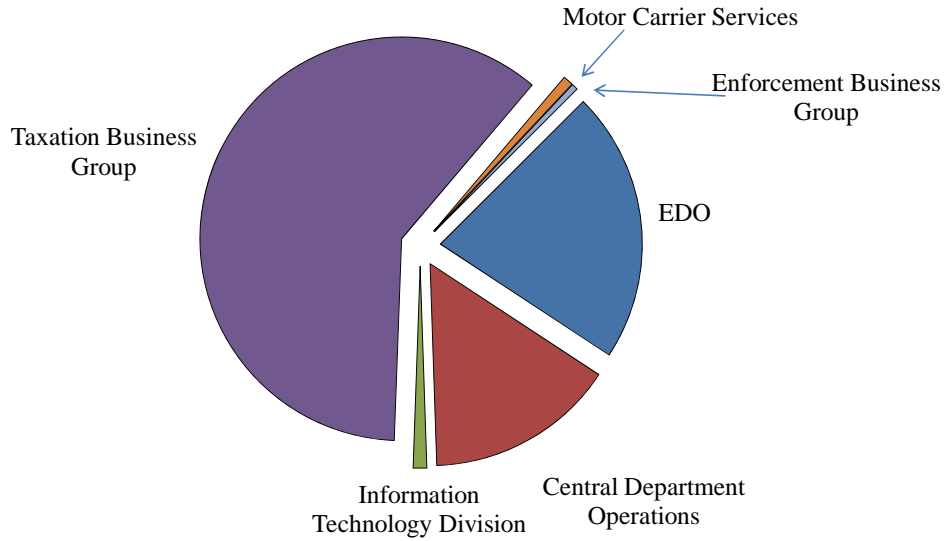


**FTE History**

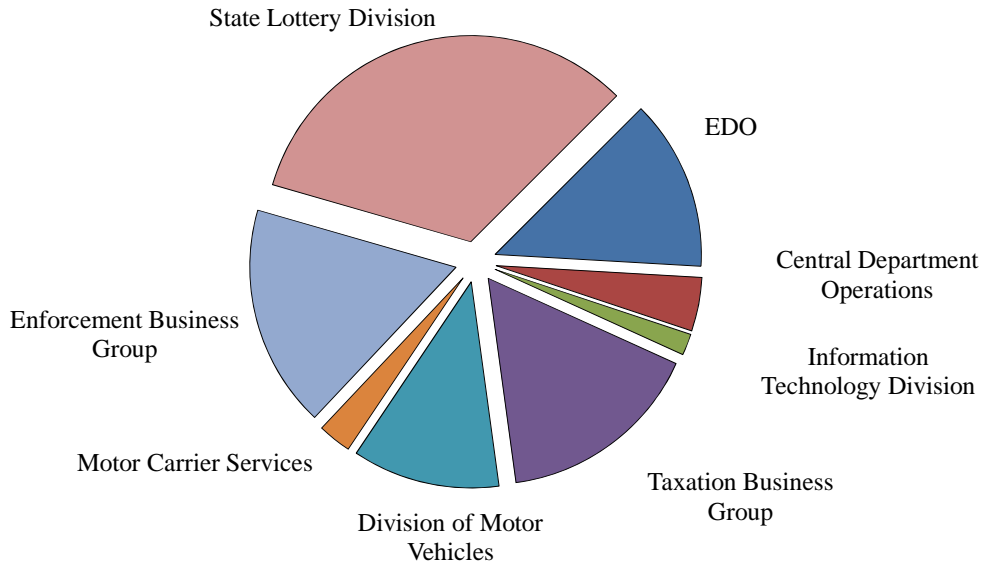


Unless otherwise noted, all charts are based on the FY 2011-12 appropriation.

**Distribution of General Fund by Division**



**Distribution of Total Funds by Division**



**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Revenue**

**OVERVIEW OF BUDGET REQUEST**

The following table summarizes the total change, in dollars and as a percentage, between the Department's FY 2011-12 appropriation and its FY 2012-13 request. The column titled HUTF (Highway Users Tax Fund) breaks out the appropriation for the HUTF "Off-the-Top" appropriation, which is included in the Cash Funds Column. For more detailed information, see the staff briefing write-up on the Joint Budget Committee's website.

**Total Requested Change, FY 2011-12 to FY 2012-13 (millions of dollars)**

<b>Category</b>	<b>GF</b>	<b>CF*</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>HUTF</b>	<b>FTE</b>
FY 2011-12 Appropriation	\$72.7	\$219.9	\$1.3	\$0.7	\$294.7	\$11.9	1,370.3
FY 2012-13 Request	71.8	223.6	1.4	0.8	297.7	10.1	1,372.7
Increase / (Decrease)	(\$0.9)	\$3.7	\$0.1	\$0.1	\$3.0	(\$1.9)	2.4
Percentage Change	(1.3)%	1.7%	7.7%	20.0%	1.0%	(15.5)%	0.2%

\* The FY 2011-12 appropriation does not reflect \$81,434 in interim supplemental increases approved by the Joint Budget Committee (JBC) in June 2011 nor \$193,171 and 4.0 FTE in interim supplemental increases approved by the JBC in July 2011.

**SUMMARY OF DECISION ITEMS**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
1 Driver's license document mailing expense	389,755	0	0	0	389,755	0.0
2 National Motor Vehicle Title Information System operating expenses	0	95,000	0	0	95,000	0.0
3 Loma Port staffing	0	193,171	0	0	193,171	4.0
4 Line item consolidation	0	0	0	0	0	0.0
5 H.B. 10-1285 sales tax refunds	0	120,524	0	0	120,524	0.0
6 Funding of driver's license operations	(22,683,088)	22,683,087	(75,937)	0	(75,938)	0.0
7 Refinance severance tax collection and administration	(1,604,723)	1,604,723	0	0	0	0.0

**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Revenue**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
NP-1 Fleet replacement	35,563	166,584	0	0	202,147	0.0
<b>Total</b>	<b>(23,862,493)</b>	<b>24,863,089</b>	<b>(75,937)</b>	<b>0</b>	<b>924,659</b>	<b>4.0</b>

**SUMMARY OF ISSUES PRESENTED TO THE JBC**

**ISSUE: Performance-based Goals and the Department's FY 2012-13 Budget Request**

This issue brief summarizes the Department of Revenue's report on its performance relative to its strategic plan and discusses how the FY 2012-13 budget request advances the Department's performance-based goals. Pursuant to the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act (H.B. 10-1119), the full strategic plan for the Department of Revenue can be accessed from the Office of State Planning and Budgeting web site.

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**ISSUE: Funding Driver's License Offices**

Prior to the passage of S.B. 95-47, driver's license office operations were funded by the Highway Users Tax Fund (HUTF), and all fees for driver's licenses were deposited into the HUTF. In the years since then, funding has been provided by the General Fund, the HUTF, the Licensing Services Cash Fund, while fees have mostly continued to be deposited into the HUTF. During the 2001 to 2003 downturn, because of reductions in General Fund revenue, funding for driver's license was reduced and the Department was forced to close offices and reduce staffing, leading to increases in waiting time for citizens applying for driver's licenses. During the downturn that started in 2008, the Department of Revenue was able to maintain the offices and staffing, utilizing other funding directly from driver's license fees and HUTF off-the-top moneys.

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**ISSUE: Office of the State Auditor's Performance Audit of the Department of Revenue Tax Pipeline**

The Office of the State Auditor (OSA) conducted a performance audit of the Department of Revenue tax processing systems (known of the tax pipeline) and issued its report to the Legislative Audit Committee in September 2011. The report found: "(1) The tax pipeline involves highly inefficient and costly manual processes that could be improved with the implementation of newer and more sophisticated technology; (2) implementation of new technology in the tax pipeline would improve efficiency and allow for reductions or reallocations of full-time equivalent staff; (3) the Department of Revenue is not fully utilizing Central Services with the Department of Personnel and Administration, as required by statute, for services including: processing outgoing mail, processing

**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Revenue**

warrants (checks), and printing tax-related documents; and (4) additional actions could be taken to maximize taxpayers' use of e-filing and e-payment in Colorado." The Office of the State Auditor found that implementation of these recommendations have the potential to produce annual savings of at least \$2.1 million (mostly General Fund).

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**ISSUE: Office of the State Auditor's Performance Audit of the Limited Gaming Division in the Department of Revenue**

The Office of the State Auditor (OSA) conducted a performance audit of the Limited Gaming Division in the Department of Revenue and issued its report to the Legislative Audit Committee in September 2011. The report found: "(1) The Gaming Commission current tax and licensing structures allow owners of multiple attached casinos to gain a competitive advantage over owners of other casinos; (2) the Division's (of Gaming) data systems for tracking casino oversight contain inaccurate, incomplete, and overlapping data; (3) the Division did not conduct oversight activities as some casinos to gain assurance that all casinos were reporting revenue accurately for gaming tax purposes; and (4) the Division method for determining casino compliance with the Gambling Payment Intercept Act (which requires casinos to search a database of persons owing child support before paying a certain level of winnings to patrons) does not provide consistent and reliable results or ensure timely compliance." The State could have collected about \$4.9 million more in gaming taxes in FY 2009-10 if casino owners had operated their attached casinos under one casino retail license or if their attached casinos had been taxed under one license.

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**INFORMATIONAL ISSUE: Revenues generated by 2010 bills that suspended, eliminated or modified sales tax exemptions, and modified income tax deductions.**

During the 2010 session, the General Assembly passed 11 bills that eliminated or suspended several sales tax exemptions, modified the responsibility of out-of-state retailers for collecting sales and use taxes, modified regulations regarding software sales, or modified income tax provisions. All bills except one (H.B. 10-1200) included a provision requiring the Department of Revenue to track, to the extent possible, the revenue increase from each bill and report the increase in revenues on a quarterly and cumulative basis to the General Assembly. As of March 31, 2011, the increases in General Fund revenue for these measures has fallen far short of the original projections for the bills.

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**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Revenue**

**INFORMATIONAL ISSUE: Increased revenue resulting from tax amnesty included in S.B. 11-184**

The passage of S.B. 11-184 during the 2011 session of the General Assembly included an amnesty for taxpayers to pay back overdue taxes, with accumulated interest reduced by one-half, and without additional penalties or fines.

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**ISSUE: Conservation Easement Dispute Resolution**

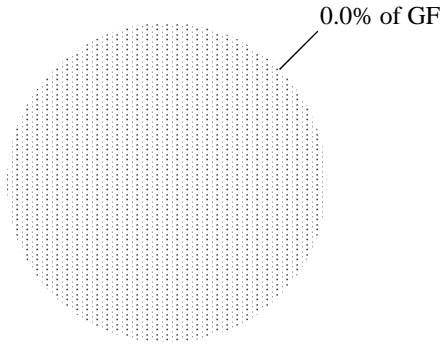
The Department of Revenue received an appropriation of \$1.1 million General Fund and 3.7 FTE starting in FY 2010-11 to expedite, through a voluntary mediation process, the resolution of disputes in the value of credits for conservation easement donations. The appropriation was authorized for a total of five years. The Department reports that through the end of FY 2010-11, 51 cases went to mediation, but none were resolved through the mediation process.

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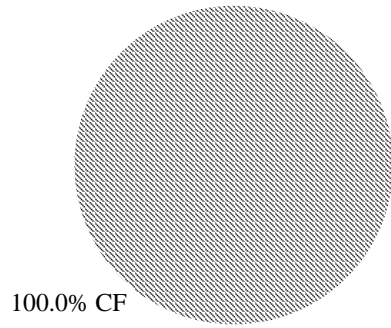
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GRAPHIC OVERVIEW

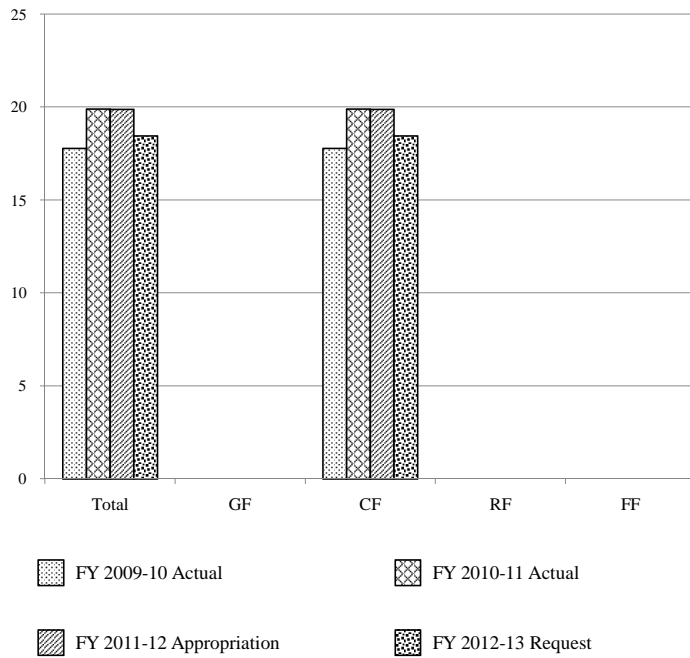
**Department's Share of Statewide General Fund**



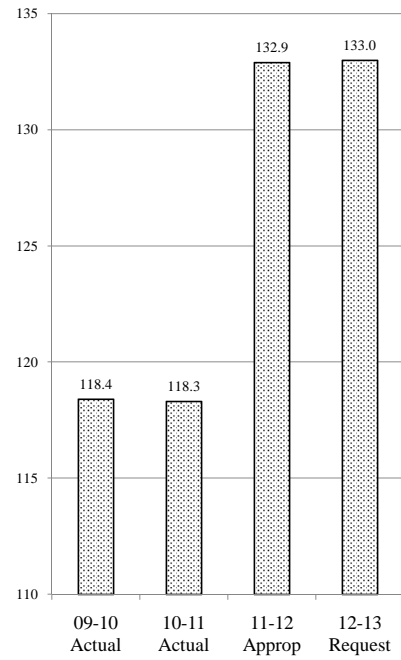
**Department Funding Sources**



**Budget History**  
 (Millions of Dollars)



**FTE History**

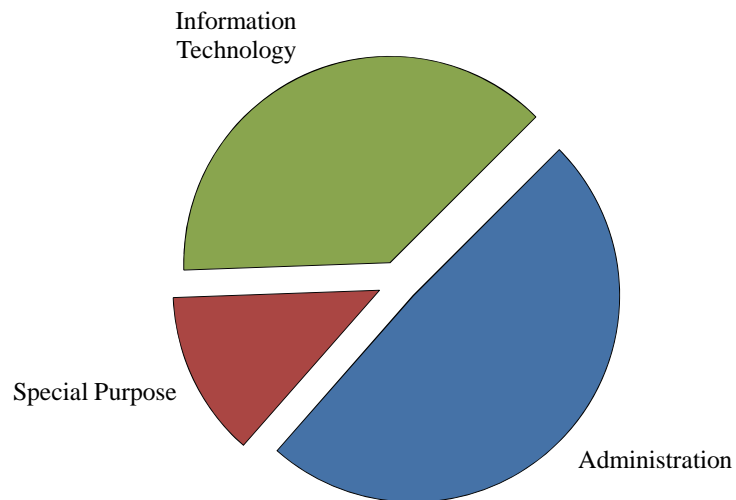


Unless otherwise noted, all charts are based on the FY 2011-12 appropriation.

## Distribution of General Fund by Division

The Department does not have any General Fund appropriation

## Distribution of Total Funds by Division



**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of State**

**OVERVIEW OF BUDGET REQUEST**

The following table summarizes the total change, in dollars and as a percentage, between the Department's FY 2011-12 appropriation and its FY 2012-13 request. For more detailed information, see the staff briefing write-up on the Joint Budget Committee's website.

**Total Requested Change, FY 2011-12 to FY 2012-13 (millions of dollars)**

<b>Category</b>	<b>GF</b>	<b>CF*</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
FY 2011-12 Appropriation	\$0.0	\$19.9	\$0.0	\$0.0	\$19.9	132.9
FY 2012-13 Request	0.0	18.5	0.0	0.0	18.5	133.0
Increase / (Decrease)	\$0.0	(\$1.4)	\$0.0	\$0.0	\$0.0	0.1
Percentage Change	n/a	(7.0)%	n/a	n/a	0.0%	0.1%

\* The FY 2010-11 appropriation does not reflect \$1,075,800 in interim supplemental increases approved by the Joint Budget Committee (JBC) in June 2011.

**SUMMARY OF DECISION ITEMS**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
1 Transfer of HAVA FTE and Expenses to DOS Cash Fund	0	0	0	0	61,197	0.0
2 Customer Relationship Management Software System Implementation	0	280,642	0	0	30,991	0.0
NP-1 Common Policy Adjustments and Decision Items	0	165,012	0	0	0	0.0
<b>Total</b>	<b>0</b>	<b>445,654</b>	<b>0</b>	<b>0</b>	<b>92,188</b>	<b>0.0</b>

**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of State**

**SUMMARY OF ISSUES PRESENTED TO THE JBC**

**ISSUE: Performance-based Goals and the Department's FY 2012-13 Budget Request**

This issue brief summarizes the Department of State's report on its performance relative to its strategic plan and discusses how the FY 2012-13 budget request advances the Department's performance-based goals. Pursuant to the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act (H.B. 10-1119), the full strategic plan for the Department of State can be accessed from the Office of State Planning and Budget web site.

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**ISSUE: Modernization of the State's Voter Registration System**

The State of Colorado Registration and Election (SCORE) system currently in use in the State of Colorado is unable to keep up with voter information on an increasingly mobile voting public. As voters move, die, or become newly eligible, the State is currently unable to track those changes. In addition to the costs involved in mailing ballots and other elections materials, the integrity of the voting rolls themselves are endangered. Colorado is working with the Pew Center on the States in a multi-state project to both clean up voting rolls and assist the states in reaching out to citizens not registered to vote and give those citizens an opportunity to more easily register to vote.

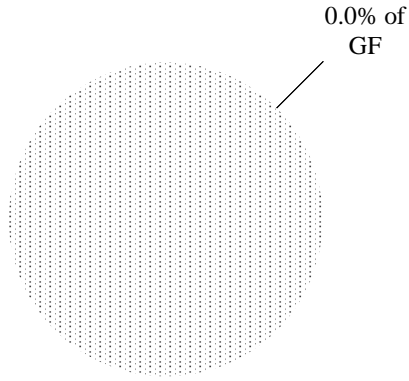
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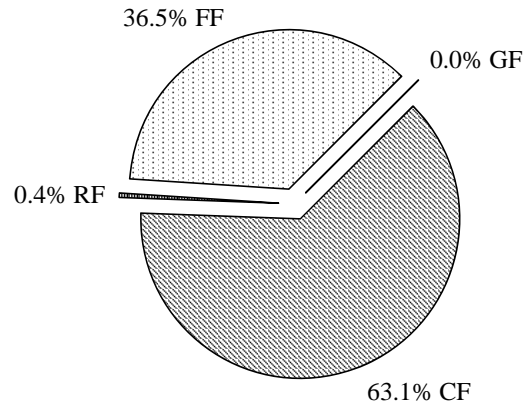
FY 2012-13 Joint Budget Committee Staff Budget Briefing  
 Department of Transportation

GRAPHIC OVERVIEW

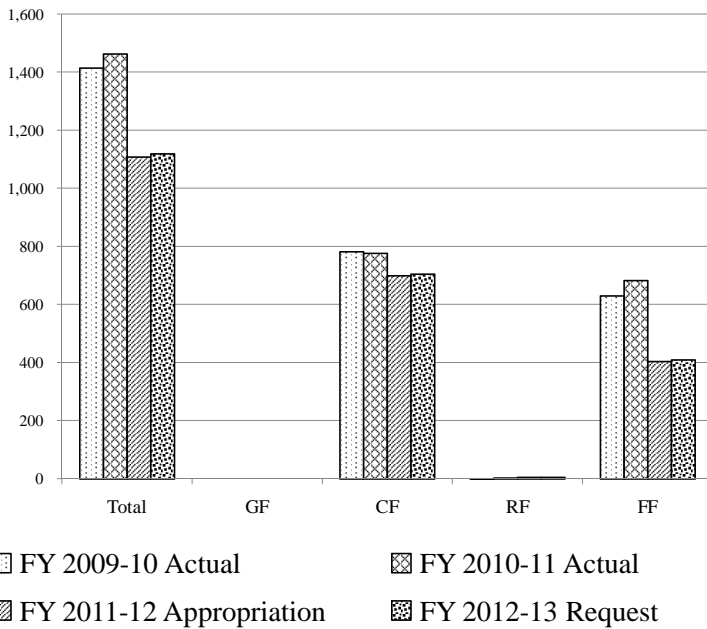
Department's Share of Statewide General Fund



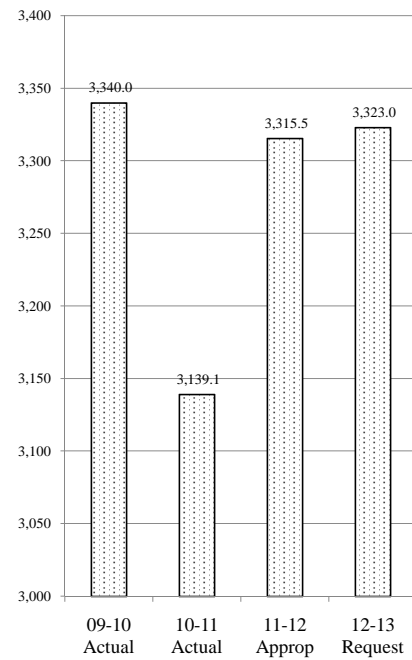
Department Funding Sources



Budget History  
 (Millions of Dollars)

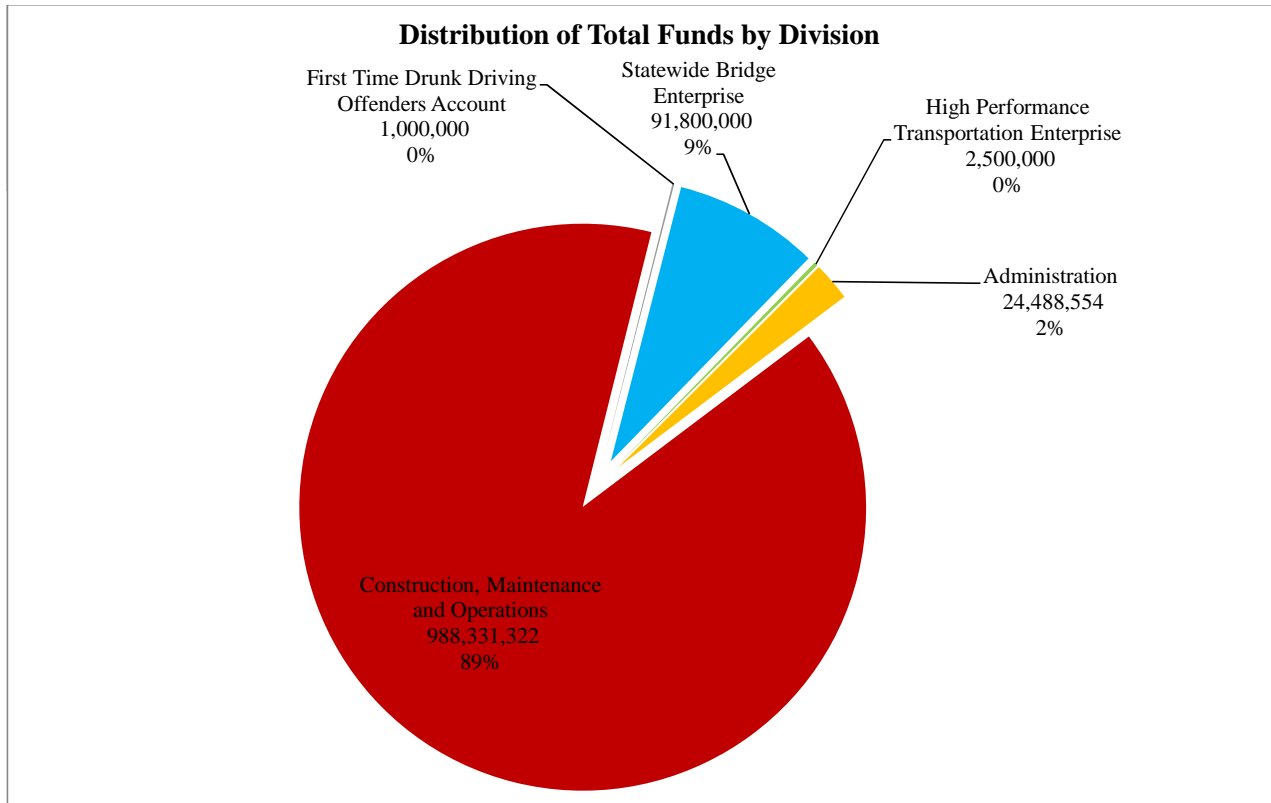


FTE History



Unless otherwise noted, all charts are based on the FY 2010-11 appropriation.

**The Department Received No General Fund in FY 2011-12**



**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Transportation**

**OVERVIEW OF BUDGET REQUEST**

The following table summarizes the total change, in dollars and as a percentage, between the Department's FY 2011-12 appropriation and its FY 2012-13 request. For more detailed information, see the staff briefing write-up on the Joint Budget Committee's website.

**Total Requested Change, FY 2011-12 to FY 2012-13 (millions of dollars)**

<b>Category</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
FY 2011-12 Appropriation	\$0.0	\$699.1	\$4.9	\$404.1	\$1,108.1	3,315.5
FY 2012-13 Request	0.0	705.2	4.9	409.4	1,119.5	3,323.0
Increase / (Decrease)	\$0.0	\$6.1	\$0.0	\$5.3	\$11.4	7.5
Percentage Change	n/a	0.9%	0.0%	1.3%	1.0%	0.2%

**SUMMARY OF DECISION ITEMS**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
The Department did not submit any decision items for FY 2012-13.						
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>

**SUMMARY OF ISSUES PRESENTED TO THE JBC**

**ISSUE: Performance-based Goals and the Department's FY 2012-13 Budget Request**

This issue brief summarizes the Department of Transportation's report on its performance relative to its strategic plan and discusses how the FY 2012-13 budget request advances the Department's performance-based goals. Pursuant to the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act (H.B. 10-1119), the full strategic plan for the Department of Local Affairs can be accessed from the Office of State Planning and Budgeting web site.

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**ISSUE: State Transportation Deficit Report**

This issue brief provides an overview of the State Transportation Deficit Report. The Department submitted the Transportation Deficit Report required by S.B. 09-108 on March 1, 2011. The report analyzes factors impacting the Department's budget, the anticipated revenue shortfall over the next ten years, and factors driving that shortfall.

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**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of Transportation**

**ISSUE: State Rail Bank Fund Transfer**

This issue brief summarizes the Department of Transportation's request to transfer proceeds from the October 2011 sale of the state-owned Towner Rail Line in southeastern Colorado from the State Rail Bank to the General Fund.

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**ISSUE: Motorcycle Operator Safety Training Program Performance Audit**

This issue brief summarizes the September 2011 performance audit of the Department of Transportation's Motorcycle Operator Safety Training Program (MOST). The full report can be accessed from the Office of the State Auditor's web site.

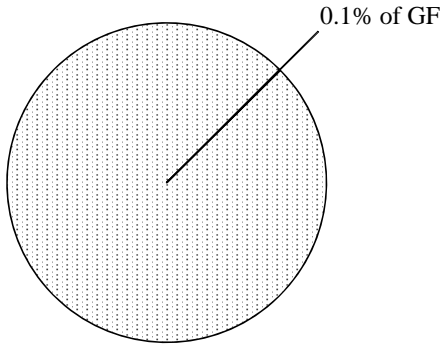
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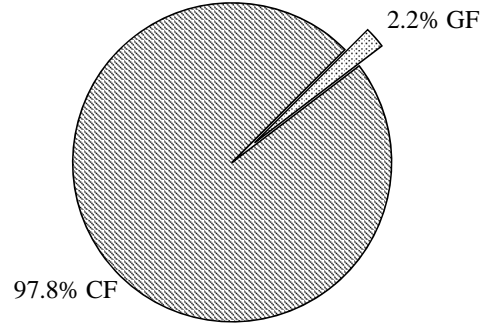
FY 2012-13 Joint Budget Committee Staff Budget Briefing  
 Department of the Treasury

GRAPHIC OVERVIEW

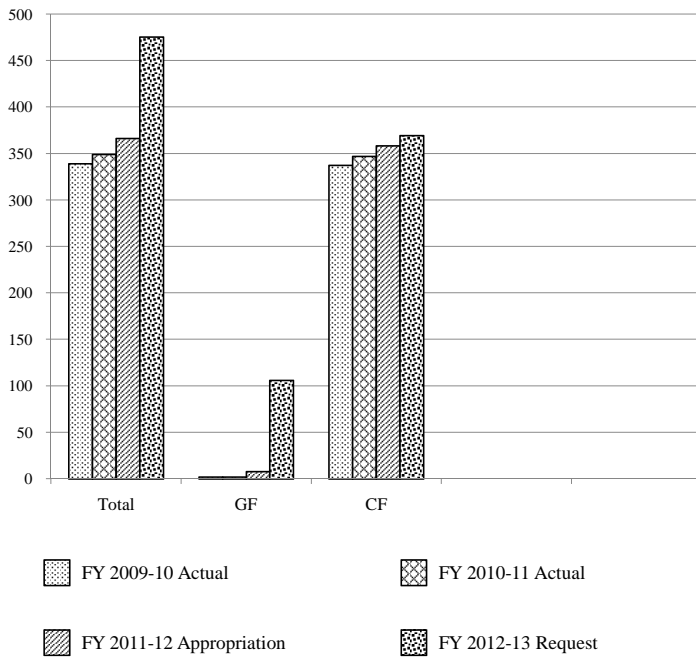
**Department's Share of Statewide General Fund**



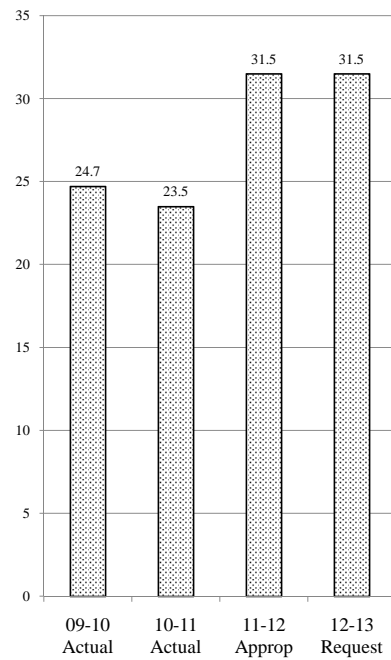
**Department Funding Sources**



**Budget History**  
 (Millions of Dollars)

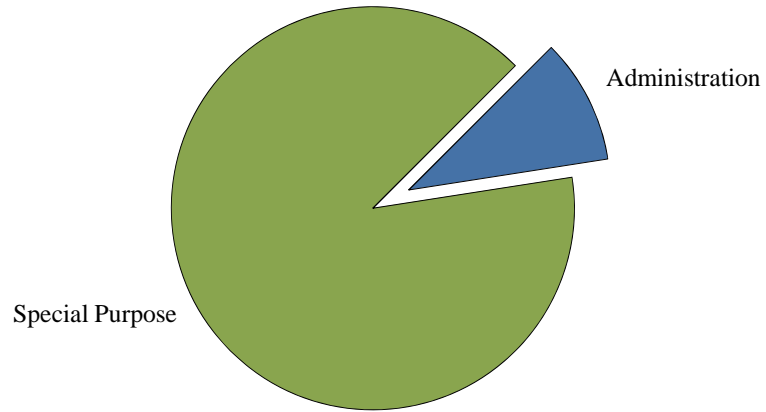


**FTE History**

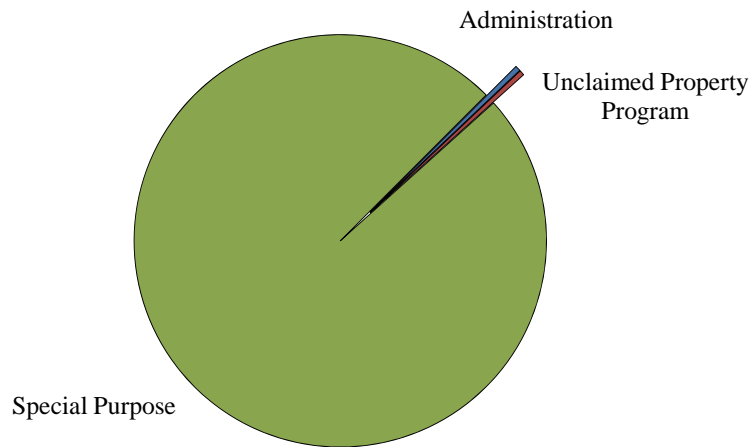


Unless otherwise noted, all charts are based on the FY 2011-12 appropriation.

**Distribution of General Fund by Division**



**Distribution of Total Funds by Division**



**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of the Treasury**

**OVERVIEW OF BUDGET REQUEST**

The following table summarizes the total change, in dollars and as a percentage, between the Department's FY 2011-12 appropriation and its FY 2012-13 request. For more detailed information, see the staff briefing write-up on the Joint Budget Committee's website.

**Total Requested Change, FY 2011-12 to FY 2012-13 (millions of dollars)**

<b>Category</b>	<b>GF*</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
FY 2011-12 Appropriation	\$7.9	\$358.5	\$0.0	\$0.0	\$366.4	31.5
FY 2012-13 Request	106.7	369.5	0.0	0.0	476.3	31.5
Increase / (Decrease)	\$98.8	\$11.0	\$0.0	\$0.0	\$109.8	0.0
Percentage Change	1250.5%	3.1%	n/a	n/a	30.0%	0.0%

\* The General Fund column in the above table includes a General Fund Exempt appropriation of \$5.3 million in FY 2011-12 and a request of \$10.0 million in FY 2012-13.

**SUMMARY OF DECISION ITEMS**

<b>Decision Item</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
1 Unclaimed Property Program Database Software Support	0	10,000	0	0	10,000	0.0
2 Investment Tools	2,470	0	0	0	2,470	0.0
NP-1 Statewide Risk Management Base Adjustment	221	0	0	0	221	0.0
NP-2 Statewide General Government Computer Center Base Adjustment	(120,094)	0	0	0	(120,094)	0.0
NP-3 Statewide Capitol Complex Leased Space Adjustment	6,263	0	0	0	6,263	0.0
<b>Total</b>	<b>(111,140)</b>	<b>10,000</b>	<b>0</b>	<b>0</b>	<b>(101,140)</b>	<b>0.0</b>

**FY 2012-13 Joint Budget Committee Staff Budget Briefing  
Department of the Treasury**

**SUMMARY OF ISSUES PRESENTED TO THE JBC**

**ISSUE: Performance-based Goals and the Department's FY 2012-13 Budget Request**

This issue brief summarizes the Department of the Treasury report on its performance relative to its strategic plan and discusses how the FY 2012-13 budget request advances the Department's performance-based goals. Pursuant to the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act (H.B. 10-1119), the full strategic plan for the Department of the Treasury can be accessed from the Office of State Planning and Budgeting web site.

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**ISSUE: State Auditor's Performance Evaluation of the Treasury Investment Program**

The State Auditor's Office contracted with Buck Global Investment Advisors to conduct an audit of the Department of the Treasury's Investment Program for: (1) An analysis of the investments as a whole and by segment; (2) A review of the short- and long-term investment objectives, policies, and practices, including a determination of whether the practices are in compliance with state law, prudent industry practice, and other applicable criteria; (3) A review of the asset mix in relationship to stated objectives, including implied risk, diversification, and return; (4) A review of internal controls over investments; (5) A review of the efficiency and effectiveness of electronic and manual systems used to track and report on investments, investment performance, earnings, and interest allocations; and (6) Status of prior recommendations contained in the State Auditor's Office November 2007 performance review of the Treasury's Investment Program.

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**ISSUE: Transfers from the Unclaimed Property Trust Fund to CoverColorado**

CoverColorado is the State's plan to provide medical insurance to citizens of the state who cannot obtain insurance in the markets. The program requires a State an annual subsidy from the Unclaimed Property Trust Fund. The projected growth of the subsidy in coming years threatens to deplete the Unclaimed Property Trust Fund by the end of calendar year 2013.

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**ISSUE: "Old Hire" Fire and Police Pension Plans**

Economic conditions, specifically the State's General Fund revenue, required the State to suspend payments to the Fire and Police Pension Association "Old-hire" pension plans for three years. This suspension significantly affected the State's obligation to fund contributions to the "old hire" fire and police pension plans.

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