

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



**INTERIM SUPPLEMENTAL REQUEST
FOR FY 2009-10
ADDRESS CONFIDENTIALITY PROGRAM**

DEPARTMENT OF STATE

**JBC Working Document - Subject to Change
Staff Recommendation Does Not Represent Committee Decision**

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	FY 2008-09	FY 2009-10	Fiscal Year 2009-10 Interim Supplemental		
	Actual	Appropriation	Requested Change	Recommended Change	New Total with Recommendation
DEPARTMENT OF STATE					
Secretary of State - Bernie Buescher					
Interim Supplemental #1 - Address Confidentiality Program					
<i>(1) Administration</i>					
Personal Services	4,154,280	5,446,807	(18,960)	(18,960)	5,427,847
FTE	<u>76.4</u>	<u>89.8</u>	<u>(0.3)</u>	<u>(0.3)</u>	<u>89.5</u>
Cash Funds	4,154,280	5,446,807	(18,960)	(18,960)	5,427,847
Operating - Cash Funds	715,163	830,766	(238)	(238)	830,528
Address Confidentiality Program (ACP Cash Fur	78,215	78,215	21,031	21,031	99,246
FTE	1.0	1.0	0.3	0.3	1.3
Total for Supplemental #1	<u>4,154,280</u>	<u>5,446,807</u>	<u>1,833</u>	<u>1,833</u>	<u>6,357,621</u>
FTE	77.4	90.8	0.0	0.0	90.8
Cash Funds	4,154,280	5,446,807	1,833	1,833	6,357,621
DEPARTMENT OF STATE TOTALS					
FTE	<u>114.0</u>	<u>133.9</u>	<u>0.0</u>	<u>0.0</u>	<u>133.9</u>
Cash Funds	23,609,521	20,925,810	1,833	1,833	20,927,643

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Interim Supplemental #1 - Address Confidentiality Program

	Request	Recommendation
Total	\$1,833	\$1,833
FTE	<u>0.0</u>	<u>0.0</u>
Cash Funds	1,833	1,833

<p>Does JBC staff believe the request satisfies the interim supplemental criteria of Section 24-75-111, C.R.S.? [The Controller may authorize an overexpenditure of the existing appropriation if it: (1) Is approved in whole or in part by the JBC; (2) Is necessary due to unforeseen circumstances arising while the General Assembly is not in session; (3) Is approved by the Office of State Planning and Budgeting (except for State, Law, Treasury, Judicial, and Legislative Departments); (4) Is approved by the Capital Development Committee, if a capital request; (5) Is consistent with all statutory provisions applicable to the program, function or purpose for which the overexpenditure is made; and (6) Does not exceed the unencumbered balance of the fund from which the overexpenditure is to be made.]</p>	YES
<p>Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in the appropriation; new data; or an unforeseen contingency]</p>	YES
<p>Staff agrees with the Department that there is <u>new data</u> which supports a change in the Address Confidentiality Program's (ACP) funding needs. Staff also recognizes the <u>unforeseen contingency</u> that enrollment has increased at a greater rate than anticipated, and this is the primary factor that drives the ACP budget.</p>	

Department Request: The Department's request would increase the appropriation and FTE for the Address Confidentiality Program (ACP), and would offset this increase with a decrease to the Administration Division's Personal Services and Operating line items. These total impact of these changes would increase the Department's budget by \$1,833 cash funds for FY 2009-10. The request includes a budget amendment that annualizes the request for a total decrease of \$17,365 cash funds for FY 2010-11.

The Department requests to increase the FY 2009-10 appropriation for the Address Confidentiality Program by \$21,031 and 0.3 FTE. The majority of this amount would be offset by a total reduction of \$19,198 and 0.3 FTE within the Administration division, so the Department's *total* appropriation would increase by \$1,833 cash funds. This amount would then annualize for FY 2010-11 as an increase of \$42,062 cash funds and 1.0 FTE for the ACP, which would be offset by a total reduction of \$37,444 cash funds for the Administration Division. These changes are also detailed in the following table.

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1331 Supplemental Request, Address Confidentiality Program		
	FY 2009-10	FY 2010-11
Department Total	<u>1,833</u>	<u>3,666</u>
Administration Division Total ^{1/}	(19,198)	(38,396)
FTE	<u>(0.3)</u>	<u>(0.5)</u>
Personal Services	(18,960)	(37,920)
Operating	(238)	(476)
Address Confidentiality Program ^{2/}	21,031	42,062
FTE	0.3	0.5
1/ Department of State Cash Fund		
2/ Address Confidentiality Program Surcharge Fund		

Staff Analysis:

Background: Pursuant to Section 24-21-204, C.R.S., the ACP keeps confidential the address of a relocated victim of domestic violence, a sexual offense, stalking, or similar crime. The program receives mail at a substitute address and then forwards it to the participant. Participants may also use this substitute address for public records. The program is cash funded by the Address Confidentiality Program Surcharge Fund, which receives a \$28 surcharge that is levied on offenders convicted of domestic violence, stalking, or similar crimes (Section 24-21-214 (4) (a), C.R.S.).

Supplemental Request: The Department states that as of the end of September 2009, a total of nearly 500 participants - victims and members of their households - were enrolled in the program. This represents a significant increase over the number of participants that were projected last year. However, it is important to note that within the last year the program's definition of a participant expanded to include the entire household, and it is reasonable to assume that this has, in part, contributed to the increase.

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Staff Analysis:

The ACP's budget is primarily driven by the postage spent on the number of pieces of mail that it forwards to participants. The program provided staff with data that reflects that as it enrolls more participants, the mail volume continues to increase, as well.

When the program was first implemented, the Surcharge Fund's revenue had not yet stabilized, and there were concerns about whether the program's intended funding source could support it. As a result, the program's appropriation has increased much more slowly than projected in the fiscal note. The revenue has since stabilized, and the the ACP surcharge fund has generated an excess fund balance of \$47,501 cash funds. The program has been unable to purchase certain items that are fundamental to its operation because of the limited appropriation. The request is also to use a portion of the fund balance to now purchase such items.

Staff Recommendation: Staff recommends that the committee approve the Department's request to increase the FY 2009-10 appropriation for the Address Confidentiality Program by \$21,031 and 0.3 FTE. Staff notes that the budget amendment portion of the request will be addressed at FY 2010-11 figure setting.
