

MEMORANDUM

TO: Joint Budget Committee

CC: John Ziegler, Staff Director
Scott Gessler, Secretary of State

FROM: Caroline Smith, JBC Staff, 303-866-4963

SUBJECT: Corrections to JBC staff's presentation and recommendations for the Department of State's FY 2011-12 figure-setting

DATE: April 28, 2011

During the Department of State's FY 2011-12 figure-setting presentation, Joint Budget Committee (JBC) staff recommended to reduce the appropriations for the Personal Services line items in the Administration and Information Technology Services divisions. The recommendation was based on what appeared to be significant prior year reversions. The Joint Budget Committee approved staff's recommendations, which are reflected in the following table.

Staff Recommendation, Administration and Information Technology Reversions, FY 2011-12 (Included in the February 9, 2011 presentation to the Joint Budget Committee, p.12)						
	Department Request		Staff Recomm.		Difference	
	Cash Funds	FTE	Cash Funds	FTE	Cash Funds	FTE
Administration						
Personal Services (incl. POTS)	(\$162,394)	(3.5)	(\$469,551)	(2.6)	(\$307,157)	0.9
Operating Expenses	(3,325)		(90,840)		(87,515)	
Information Technology						
Personal Services	<u>0</u>	<u>0</u>	<u>(925,750)</u>	<u>(1.6)</u>	<u>(925,750)</u>	<u>(1.6)</u>
Total	(\$165,719)	(3.5)	(\$1,486,141)	(4.2)	(\$1,320,422)	(0.7)

Staff's analysis for the two Personal Services line items used incorrect numbers for the FY 2009-10 actual expenditures. Therefore, staff's recommendation to reduce the appropriations for the two Personal Services line items was based on inaccurate data. The FY 2009-10 actuals only included the base personal services expenditures, and did not include the entire expenditures for these two line items. The attached FY 2009-10 "Position and Object Code Detail" documents illustrate staff's error and the correct numbers that should have been used to calculate the correct FY 2009-10 actual expenditures.

Using the incorrect numbers for the FY 2009-10 actuals distorted the reversion amounts in staff's analysis. If staff's analysis had used the correct FY 2009-10 actual numbers, the resulting recommendation would have been significantly different. Staff's errors applied only to the Administration and Information Technology Personal Services line items. This memo does not apply to the recommended reductions for the FTE or Operating Expenses line item.

Difference in Calculations, Based on the <u>Corrected</u> FY 2009-10 Actuals				
	Initial Recomm (Feb. 9, 2011)	Corrected Calculation	Revised Recommendation.	Difference
Administration				
Personal Services	(\$469,551)	\$302,321	\$0	\$469,551
FTE	(2.6)	(2.6)	(2.6)	0.0
Operating Expenses	(90,840)	(90,480)	(\$90,480)	\$0
Information Technology				
Personal Services	(\$925,750)	(\$165,709)	(\$165,709)	\$760,041
FTE	(1.6)	(1.6)	(1.6)	0.0

Staff notes the following:

- The Secretary of State submitted a budget amendment in January, 2011 to reduce the Administration, Personal Services line item by \$137,409 cash funds and 3.5 FTE for FY 2011-12. **This memo does not address this budget amendment or any other variables that could have impacted staff's recommendations during the FY 2011-12 figure-setting presentation.**
- The following table reflects the revised total line item appropriations based on staff's corrected calculations. These numbers account for statewide common policies such as the 1.5 percent vacancy savings.

Corrected Total Line Item Appropriations			
	Initial Recomm (Feb. 9, 2011)	Corrected Calculation	Difference
Administration			
Personal Services	\$5,170,680	\$5,640,231	\$469,551
FTE	91.4	91.4	0.0
Operating Expenses	600,045	600,045	\$0
Information Technology			
Personal Services	\$2,093,894	\$2,853,935	\$760,041
FTE	29.5	29.5	0.0

Colorado Department of State
Fund 200, Fund 20N
FY 2011-12 Budget Cycle
FY 2009-10 Position and Object Code Detail

(1) Administration; Personal Services

Position Code	Position Type	FTE	Expenditures
B1A3XX	ACCOUNTANT III	1.00	\$72,012
B1C2XX	ACCOUNTING TECHNICIAN II	1.79	\$79,187
G3A3XX	ADMIN. ASSISTANT II	4.52	\$144,526
G3A4XX	ADMIN. ASSISTANT III	4.20	\$164,324
B2F3XX	BUDGET & POLICY ANALYST IV	0.50	\$46,920
H6K2TX	COMPLIANCE INVESTIGATOR I	4.00	\$226,860
H6K3XX	COMPLIANCE INVESTIGATOR II	1.00	\$75,432
B1D2XX	CONTROLLER II	1.00	\$96,024
H6G1IX	GENERAL PROFESSIONAL I	1.00	\$45,000
H6G2TX	GENERAL PROFESSIONAL II	5.59	\$281,175
H6G3XX	GENERAL PROFESSIONAL III	7.93	\$439,711
H6G4XX	GENERAL PROFESSIONAL IV	6.50	\$435,647
H6G5XX	GENERAL PROFESSIONAL V	3.00	\$225,239
H6G6XX	GENERAL PROFESSIONAL VI	2.00	\$188,148
H6G7XX	GENERAL PROFESSIONAL VII	1.00	\$109,764
H6G8XX	MANAGEMENT	1.75	\$194,816
H4R1XX	PROGRAM ASSISTANT I	3.92	\$175,734
H4R2XX	PROGRAM ASSISTANT II	1.75	\$75,107
G3J4IX	STATE SVCS TRAINEE IV	4.57	\$133,097
H4M1IX	TECHNICIAN I	8.08	\$267,704
H4M3XX	TECHNICIAN III	4.75	\$190,710
H4M4XX	TECHNICIAN IV	4.00	\$167
H4M5XX	TECHNICIAN V	2.00	\$103
	SECRETARY OF STATE	1.00	\$68
	DEPUTY SECRETARY OF STATE	1.00	\$120,000
Total Full and Part-time Employee Expenditures		77.85	\$4,127,119
PERA Contributions			\$537,501
Medicare			\$56,846
Temporary Employees			\$47,364
Sick and Annual Leave Payouts			
Contract Services			\$1
Unemployment Insurance			
Other Expenditures (Board Member, non-cash Incen, furloughs)			
Total Temporary, Contract, and Other Expenditures		0.0	\$771,872
POTS Expenditures (excluding Salary Survey and Performance-based Pay already included above)			\$525,759
Roll Forwards			\$0
Total Expenditures for Line Item		77.9	\$5,424,750

Staff incorrectly used this number as the FY 2009-10 actual

Staff should have also incorporated this number, so the correct FY 2009-10 actual is \$4,898,991

Total Appropriation for Line Item FY09-10	85.5	\$6,147,969
HB 09-1357 Campaign Finance	4.3	\$179,387
SB 09-087 Special District Election	0.0	\$7,005
Interim Supplemental #1 - 1331 Transfer to ACP	(0.3)	(\$18,960)
Total Spending Authority for Line Item	89.5	\$6,315,401
Amount Under/(Over) Expended	11.6	\$890,526

Colorado Department of State
FY 2011-12 Budget Cycle
FY 2009-10 Position and Object Code Detail

(3) Information Technology Services; (A) Information Technology; Personal Services

Position Code	Position Type	FTE	Expenditures
G2A3XX	Computer Operator II	1.96	\$78,526
G3A3XX	Administrative Assistant II	0.14	\$4,292
H2I3XX	IT Professional I	0.00	\$203
H2I4XX	IT Professional II	4.91	\$332,351
H2I5XX	IT Professional III	8.51	\$643,792
H2I6XX	IT Professional IV	2.87	\$256,549
H2I7XX	IT Professional V	2.00	\$108,480
H2I8XX	IT Professional VI	1.00	\$
H2I2TX	IT Technician II	4.00	\$
H6G8XX	Management	1.00	\$
Total Full and Part-time Employee Expenditures		26.4	\$1,975,010
PERA Contributions			\$255,218
Medicare			\$26,341
Temporary Employees			\$13,646
Sick and Annual Leave Payouts			
Contract Services			
Unemployment Insurance			
Other Expenditures -Voluntary Furlough			
Total Temporary, Contract, and Other Expenditures			\$760,041
POTS Expenditures (excluding Salary Survey and Performance-based Pay already included above)			\$79,434
Roll Forwards - Acct System and Campaign Finance System			\$687,668
Total Expenditures for Line Item		26.4	\$3,502,153

Staff incorrectly used this number as the FY 2009-10 actual

Staff should have also incorporated this number, so the correct FY 2009-10 actual is \$2,735,051

Total Appropriation for Line Item FY09-10	31.1	\$3,164,335
Roll Forwards - Acct System and Campaign Finance System		\$705,000
HB 09-1015 - SCORE Improvements		\$23,625
HB 09-1160 Voter Info Website		\$120,299
HB 09-1326 Petition Process Changes		\$104,400
Total Spending Authority for Line Item	31.1	\$4,117,659

Amount Under/(Over) Expended	4.7	\$615,506
<i>Explanation of Reversion / Overexpenditure: The Department continues to have difficulties in finding good qualified applicants to fill vacant higher classified positions which resulted in vacancy savings.</i>		