

# STATE OF COLORADO

---

## OFFICE OF STATE PLANNING AND BUDGETING

111 State Capitol Building  
Denver, Colorado 80203  
(303) 866-3317



John W. Hickenlooper  
Governor  
Henry Sobanet  
Director

## FY 2012-13 Comeback Requests for Executive Branch Agencies

March 16, 2012



## Office of State Planning and Budgeting FY 2012-13 Comeback Requests

Department:	Personnel and Administration
Title:	Training Services Funding

	FY 2011-12 Appropriation	FY 2012-13 Request	JBC Action	Comeback Request	Difference Between Action and Comeback Request
<b>Total</b>	<b>\$191,945</b>	<b>\$676,694</b>	<b>\$267,552</b>	<b>\$675,552</b>	<b>\$408,000</b>
FTE	0.0	1.0	1.0	1.0	0.0
CF	\$65,646	\$29,055	\$39,904	\$39,904	\$0
RF	\$126,299	\$647,639	\$227,648	\$635,648	\$408,000

### Summary of Initial Request:

The Department of Personnel and Administration (DPA) requested \$483,000 in reappropriated spending authority to expand the State's current training services for state employees. Departments in need of employee training are required to use DPA's services unless a waiver is granted. DPA has the ability to provide some training but currently does not have sufficient spending authority to accommodate all training requests it receives. As a result, DPA grants waivers even though it prefers to conduct the training through the Department. In FY 2010-11, the Department approved approximately \$483,000 in training waivers to individual State agencies which served as the basis for the request.

### Committee Action:

The Committee partially approved the request with an additional \$75,000 in spending authority for training services, which restored the Department to the FY 2010-11 level of spending authority. In addition, the Committee voted to break out the total funding into newly created Personal Services and Operating Expenses line items. The additional \$75,000 was added to the newly created Operating Expenses line item.

### OSPB Comeback:

The Office of State Planning and Budgeting is asking for reconsideration of the Department's request. The comeback request would increase the approved amount by an additional \$408,000.

The policy question that this request presents is whether training for state employees will be administered by the State or by entities outside of State government. OSPB believes that certain training services should be provided by the State. The funding for training is not appropriated to DPA but to individual Operating Expenses line items within individual departments. Limiting DPA's spending authority also limits the State's ability to provide services to its own departments. As a result, departments must request a waiver and pursue services outside of State government. OSPB

believes that since the State already has an existing infrastructure for training, providing the additional services through the current system will maximize the use of existing resources.

DPA’s Training Services Program offers a number of advantages over the use of outside vendors:

- DPA can provide high quality courses tailored to the specific needs of State employees;
- the Program is able to target its offerings to the needs of state employees through its familiarity with state government operations;
- the Program provides courses that offer a consistent statewide approach to areas such as supervision, project management, leadership, diversity, conflict resolution, business writing, computer skills, change management, customer service, violence prevention, and performance management.

In addition, the Training Services Program is able to leverage the size of the state’s workforce and consolidate classes across departments to provide cost-effective training which is competitive with private industry. Without this additional spending authority, departments will be forced to pursue training services individually, and potentially less efficiently, without a coordinated effort. This will mean that, in aggregate, the State may pay more for training classes.

The majority of the expenditures from the Training Services Program are personal services contracts that pay for the program’s trainers. Fiscal rules require that this type of expenditure be made from a personal services line item. Therefore, if the Committee approves this Comeback Request, the additional \$408,000 should be included in the newly created Personal Services line item.

The following table reflects the additional \$408,000 in reappropriated spending authority for this Comeback Request and the requested corresponding fund split amounts.

	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reapprop. Funds</b>	<b>FTE</b>
Training Services, Personal Services	\$652,436	\$0	\$36,436	\$616,000	1.0
Training Services, Operating Expenses	\$23,116	\$0	\$3,468	\$19,648	0.0
<b>Total</b>	<b>\$675,552</b>	<b>\$0</b>	<b>\$39,904</b>	<b>\$635,648</b>	<b>1.0</b>

## Office of State Planning and Budgeting FY 2012-13 Comeback Requests

Department:	Public Health and Environment
Title:	Amendment 35 FTE Funding Redistribution

	FY 2011-12 Appropriation	FY 2012-13 Request	JBC Action	Comeback Request	Difference Between Action and Comeback Request
<b>Total</b>	<b>\$521,675</b>	<b>\$2,999,904</b>	<b>\$3,169,298</b>	<b>\$3,169,298</b>	<b>\$0</b>
GF	\$6,672	\$4,639	\$6,672	\$6,672	\$0
RF	\$515,003	\$2,995,265	\$3,162,626	\$3,162,626	\$0
<b>(1) Administration and Support, (B) Special Health Programs, (1) Health Disparities Program, Operating Expenses</b>	<b>\$25,404</b>	<b>\$63,546</b>	<b>\$30,492</b>	<b>\$65,579</b>	<b>\$35,087</b>
GF	\$6,672	\$4,639	\$6,672	\$6,672	\$0
RF	\$18,732	\$58,907	\$23,820	\$58,907	\$35,087
<b>(1) Administration and Support, (B) Special Health Programs, (1) Health Disparities Program, Health Disparities Grants</b>	<b>\$496,271</b>	<b>\$2,936,358</b>	<b>\$3,138,806</b>	<b>\$3,103,719</b>	<b>(\$35,087)</b>
RF	\$496,271	\$2,936,358	\$3,138,806	\$3,103,719	(\$35,087)

Please note that the total reappropriated funds are lower than the department request. This is based on the December Legislative Council forecast for Amendment 35 funds. The department does not wish to change the overall amount of reappropriated funds – only the distribution.

### Summary of Initial Request:

To take advantage of efficiencies gained in its grant-making operations, the Department of Public Health and Environment's FY 2012-13 budget request included a permanent redistribution of the Amendment 35 Tobacco Tax revenues that had been transferred to address General Fund revenue shortfalls in FY 2010-11 and FY 2011-12. The Department proposed to reduce 5.0 FTE in its Health Disparities Program, with the intention that these reduced personal services costs could be used to further support the Amendment 35 Health Disparities grants program. However, the Department's request assumed the full restoration of Amendment 35 funds to the Operating Expenses line.

### Committee Action:

The JBC approved the Department's request to reduce appropriations for 5.0 FTE, but applied an additional reduction of \$35,087 from the Health Disparities Operating Expenses line item. Based on staff's recommendation, the Committee determined that a reduction in FTE should be accompanied by a reduction in associated Operating Expenses.

**OSPB Comeback:**

OSPB respectfully requests that the JBC adopt the Department's initial request, and fully restore \$35,087 in Reappropriated Funds spending authority to the Health Disparities Operating Expenses line item in FY 2012-13.

With the restoration of Amendment 35 funding to the Health Disparities Grants program, the number of grants to be distributed will increase substantially. The Department believes it can absorb this increase in grants with a reduced number of FTE, in part by opting into the newly-developed Colorado Grants Management System (COGMS). This system, developed through a multi-agency partnership aimed at improving the efficiency of grants management throughout the State, will be used to assist in the optimal alignment of the Amendment 35 program's resources and processes. COGMS is a Web-based, enterprise-wide technology solution to manage grants applications, review committee assessments, award notifications, contract award generation, grantee payment, and report submissions.

Hosting and maintenance costs for COGMS are to be borne proportionally by users of the system. For FY 2012-13, it is projected that users will pay 1% of the total grant amounts managed within the system toward system maintenance. The Department anticipates that the Health Disparities Program will award \$3,103,719 in grants during FY 2012-13, with corresponding maintenance and support costs of approximately \$31,037. The maintenance costs will be an ongoing need each year that the grant programs utilize the COGMS system.

Without sufficient appropriations to support the ongoing maintenance of this system, the Health Disparities Program will not be able to utilize the COGMS system in FY 2012-13. If the Department cannot make use of COGMS, its ability to manage higher workload with fewer FTE will be compromised.

In addition, the Department anticipates an increase in the operating funds needed to monitor the grants. When the Department was awarding fewer grants, the necessity for travel to monitor the grantees was reduced. As the grant dollars increase for FY 2012-13, the number of groups receiving grants and the scope of work associated with those funds will also increase, necessitating additional travel for monitoring and oversight. Additional Operating Expenses appropriations are needed to support the Minority Health Advisory Commission in accordance with 25-4-2206, C.R.S., as well as to fund statewide travel costs related to grantee site visits. Many of the funded grantees are non-profit community-based organizations that require close oversight and technical assistance.

In addition to the \$31,037 needed for maintenance costs for the COGMS system, the Department estimates that additional grantee monitoring will require expenditures of at least \$4,050. This brings the total of this comeback request to \$35,087.