

Sen. Tim Neville, Chair  
Sen. Beth Martinez-Humenik  
Sen. Linda Newell

Rep. Max Tyler, Vice-Chair  
Rep. Jonathan Singer  
Rep. Jack Tate



## Joint Technology Committee

State Capitol Building, Room 029  
Denver, Colorado 80203-1784  
(303) 866-3521



February 16, 2015

Senator Kent Lambert  
Chair, Joint Budget Committee  
200 East 14<sup>th</sup> Avenue, Third Floor  
Denver, Colorado 80203

Dear Senator Lambert:

The Joint Technology Committee (JTC) is pleased to forward its FY 2015-16 recommendation regarding information technology (IT) budget requests. On February 13, 2015, the JTC considered 11 IT budget requests pursuant to Rule 45 of the Joint Rules of the Senate and the House of Representatives and to Section 2-3-1704 (11)(a), C.R.S.

Tables 1 and 2 are attached and summarize the IT budget requests considered and acted upon by the JTC. Table 1 lists the JTC's state-funded IT budget recommendations in priority order, with descriptions of each project, and anticipated out-year costs. Table 2 lists the committee's recommendations for cash-funded IT budget requests. The JTC approved nine state-funded IT budget requests and two cash-funded (including federal funds spending authority) IT budget requests, for a total of \$78,579,139 General Fund and \$29,483,051 cash funds (including federal funds) spending authority and is forwarding them to the Joint Budget Committee (JBC) for consideration.

The JTC raised concerns about the progress of the two-phase IT Systems Replacement project submitted by the Department of Revenue. The first phase of the project was funded in the amount of \$41,021,167 in FY 2014-15. The department reports that approximately \$20,000 of that amount has been spent to date. The committee suggests that the JBC explore alternate options to funding Phase II outright at this time, such as creating a special account and setting aside funds in the amount of \$52,350,833 to be used for the second phase of the project once significant progress has been made in selecting a vendor and negotiating the contract.

For two of the recommended projects, the JTC took no action on a portion of each IT budget request related to on-going operating costs. The IT budget request for the Collections System Replacement project submitted by the Governor's Office of Information Technology (OIT) on behalf of the Department of Personnel and Administration (DPA) includes 1.0 FTE permanent staff for OIT in the amount of \$107,415 cash funds for FY 2015-16. Therefore, the JTC recommends cash funds spending authority for the project in the amount of \$13,803,720, rather than the \$13,911,135 requested by OIT, and is referring the remaining associated on-going operating cost to the JBC for consideration.

The IT budget request for the IT Systems Interoperability project submitted by the Department of Human Services (DHS) includes 5.0 permanent FTE for OIT and 15.0 permanent FTE for DHS in the amount of \$132,336 General Fund and \$1,191,024 federal funds for FY 2015-16. Therefore, the JTC recommends \$1,281,594 General Fund and \$11,534,346 federal funds spending authority for the project, rather than \$1,413,930 General Fund and \$12,725,370

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federal funds requested by the department. The JTC is referring the remaining associated on-going operating cost to the JBC for consideration.

If you have any questions or concerns about the JTC's recommendations, please call Jessika Shipley, Legislative Council Staff, at 303-866-3528.

Sincerely,



Senator Tim Neville  
Chair, Joint Technology Committee

c: Joint Technology Committee Members  
Joint Budget Committee Members  
Brenda Berlin, Office of Information Technology  
Michael Shea, Office of Information Technology  
Andrew Rauch, Department of Higher Education  
Erick Scheminske, Office of State Planning and Budgeting  
Laura Blomquist, Office of State Planning and Budgeting  
John Ziegler, Joint Budget Committee Staff  
Alfredo Kemm, Joint Budget Committee Staff  
Jessika Shipley, Joint Technology Committee Staff

Table 1. FY 2015-16 State-Funded IT Budget Requests and Operating Budget Impact

JTC Priority	OSPB Priority	OIT Priority	CCHS Priority	Department	Project Name	Project Type	Original FY 2015-16 Request State Funds*	IT Operating Request** State Funds	Net FY 2015-16 Request State Funds
1 of 9	1 of 10	1 of 24	N/A	Revenue	IT Systems Replacement, Division of Motor Vehicles	Continuation	\$52,350,833	\$0	\$52,350,833
NP	2 of 10	3 of 24	N/A	Office of Information Technology	Public Safety Communications Network Microwave Infrastructure Replacement	Referred to CDC			
2 of 9	3 of 10	4 of 24	N/A	Corrections	Offender Management Information System	Continuation	\$11,049,761	\$0	\$11,049,761
3 of 9	4 of 10	6 of 24	N/A	Human Services	Electronic Health Record and Pharmacy System Replacement	Continuation	\$4,863,145	\$0	\$4,863,145
4 of 9	NP	N/A	24 of 26	Otero Junior College	Technology Infrastructure Upgrade	New, Never Before Requested	\$818,950	\$0	\$818,950
5 of 9	NP	N/A	26 of 26	CSU - Pueblo	Modular Data Center	New, Never Before Requested	\$1,864,800	\$0	\$1,864,800
6 of 9	7 of 10	17 of 24	N/A	Human Services	IT Systems Interoperability	New, Never Before Requested	\$1,413,930	\$12,725,370	\$1,281,594
NP	5 of 10	7 of 24	N/A	Public Safety	Capitol Complex Security Surveillance System Replacement	Referred to CDC		\$1,191,024	\$11,534,346
7 of 9	6 of 10	9 of 24	N/A	Human Services	Child Welfare Case Management System Replacement	New, Never Before Requested	\$4,648,707	\$2,175,860	\$2,472,847
8 of 9	8 of 10	22 of 24	N/A	Human Services	Data Integration and Analysis Systems, Division of Community and Family Support	New, Never Before Requested	\$1,200,949	\$436,000	\$764,949
9 of 9	9 of 10	21 of 24	N/A	Human Services	Enterprise Content Management	New, Never Before Requested	\$500,400	\$0	\$500,400
<b>Grand Total All State-Funded FY 2015-16 Projects Recommended for Funding</b>							<b>\$78,711,475</b>	<b>\$15,337,230</b>	<b>\$78,711,475</b>

\* Cash funds also include federal funds.

\*\* These were originally submitted to the JTC as part of an IT budget request. Staff recommends that the JTC take no action on this portion of the requests and defer them to the JBC.

N/A Not Applicable. This designation is used for projects that are not reviewed (e.g., state department projects by CCHS).

NP Not Prioritized. This designation is used for projects that have not been prioritized.

Table 2. FY 2015-16 Cash-Funded IT Budget Requests and Operating Budget Impact													
JTC Priority	COE Priority	COE Priority	COE Priority	COE Priority	COE Priority	COE Priority	COE Priority	COE Priority	FY 2015-16		FY 2016-17		
									State Funds	Cash Funds	State Funds	Cash Funds	
NP	10 of 10	NP	N/A	Human Services Personnel and Enhancement	Child Care Automated Tracking System	New, Never Before Requested		\$0	\$1,533,125			\$0	\$1,533,125
NP	NP	NP	N/A	Administration	Collections System Replacement	New, Never Before Requested		\$0	\$13,911,135			\$0	\$13,903,720
<b>Cash Funds Requested for 2015-16 Projects Requiring no Funding</b>													
								<b>\$0</b>	<b>\$14,444,260</b>			<b>\$0</b>	<b>\$14,407,445</b>

\* Cash funds also include federal funds.  
 \*\* These were originally submitted to the JTC as part of an IT budget request. Staff recommends that the JTC take no action on this portion of the requests and defer them to the JBC.  
 N/A Not Applicable. This designation is used for projects that are not reviewed (e.g., state department projects by COHE).  
 N/P Not Prioritized. This designation is used for projects that have not been prioritized.