

# STATE OF COLORADO

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John W. Hickenlooper  
Governor

May 11, 2011

The Honorable Mary Hodge  
Chair, Joint Budget Committee  
200 East 14<sup>th</sup> Avenue, Third Floor  
Denver, Colorado 80203

Dear Senator Hodge:

On April 21, 2011, I received your letter requesting information from the departments associated with the passage of the FY 2011-12 Long Bill. Since the receipt of your letter, we have requested the departments evaluate each request for information to determine which requests could be reasonably completed within the timeframe requested. To the extent that the information can be compiled without jeopardizing the operation of the executive branch or the delivery of governmental services, State departments have been directed to provide the information requested by the Joint Budget Committee. However, below are nine requests for which additional direction for compliance is being provided to departments for various reasons.

### REQUESTS FOR INFORMATION

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#### *Requests Affecting Multiple Departments:*

- 1. Request for Information 1- Department of Health Care Policy and Financing, Executive Director's Office; and Department of Human Services, Services for People with Disabilities** -- The General Assembly requests that the departments work together with Community Centered Boards and submit a report to the Joint Budget Committee, the House Health and Environment Committee, and the Senate Health and Human Services Committee by November 1, 2011 with recommendations regarding whether the administration and funding for services for people with developmental disabilities should be transferred from the Department of Human Services to the Department of Health Care Policy and Financing. The report should discuss pros and cons associated with such a move and any potential savings. In preparing the recommendations the departments should solicit input from stakeholders.

**Comply with modifications** – Both departments affected by this request for information will actively investigate means of increasing the efficiency and effectiveness with which services are delivered to the developmentally disabled. However, the report requested here subjectively limits the possible outcomes of such

an investigation. Therefore, the departments have been directed to cooperate in efforts to improve efficiencies in the delivery of services to the developmentally disabled, and to inform the Joint Budget Committee and General Assembly in writing as these efforts progress. Should the departments determine that a need for change in administration of these programs exists, those changes will be sought through the normal legislative and budget processes.

2. **Request for Information 5- All Departments, Totals** -- Every department is requested to submit to the Joint Budget Committee, by November 1, 2011, information on the number of additional federal and cash funds FTE associated with any federal grants or private donations that were received in FY 2010-11. The Departments are also requested to identify the number of additional federal and cash funds FTE associated with any federal grants or private donations that are anticipated to be received during FY 2011-12.

**Comply within the November 1 budget request** – Within the schedules customarily submitted to the Joint Budget Committee on November 1 (specifically the Schedule 3 and Schedule 14), departments report the actual number of FTE positions used during the most recently completed two fiscal years, and supply an estimate of anticipated FTE in the current and future years. In spite of my objection to the Joint Budget Committee’s inclusion of FTE in the Long Bill, departments are directed to continue providing appropriate FTE data within the November 1 budget request for the purposes of assisting the General Assembly in analyzing departments’ expenditures.

*Department of Corrections*

3. **Request for Information 4- Department of Corrections, Institutions, Youthful Offender System Subprogram** -- The Department of Corrections is requested to submit a report to the Joint Budget Committee by November 1, 2011, justifying the ongoing need for the Youthful Offender System. The report is requested to summarize the cost effectiveness of the program, including the cost per offender, taking into consideration drop-out rates and recidivism rates for the program.

**Comply to the extent feasible.** The Department has provided justification for the Youthful Offender System Subprogram in prior years. By November 1, 2011, the Department is directed to provide only the cost per offender, to calculate the cost effectiveness of the program, and to update prior reports with any newly available information.

4. **Request for Information 5- Department of Corrections, Management, External Capacity Subprogram, Payments to House State Prisoners** -- The Department of Corrections is requested to require private prison providers to break-out their respective operating expenses and capital construction costs in the invoices that they submit to the Department for housing Colorado inmates. The Department of Corrections is further

requested to submit a report to the Joint Budget Committee by November 1, 2011, summarizing this information for each of the private prison providers reimbursed from the External Capacity Subprogram.

**Comply to the extent feasible.** Because private prison providers are independent contractors, the Department and the State can exercise only limited control over the financial information provided by these contractors or the timing with which they provide requested information. The Department requested this information in FY 2007-08, FY 2008-09 and FY 2009-10, but in each instance was unable to obtain the information as requested. However, the Department is directed to renew its efforts to obtain this information in FY 2011-12, and to report on its progress by November 1, 2011.

*Department of Human Services*

- 5. Request for Information 1- Department of Human Services, Services for People with Disabilities, Community Services for People with Developmental Disabilities, Program Costs, Early Intervention Services** -- The Department is requested to notify the Joint Budget Committee before implementing any cost containment strategy expected to result in a decrease in the number of people eligible for early intervention services. The notification should include discussion of alternative strategies, including but not limited to provider rate reductions and increasing payments from non-General Fund sources, and an estimate of the cost of serving the projected population without reducing eligibility.

**Do not comply.** As part of an ongoing effort to improve the efficiency and effectiveness of State government operations, all Departments are required to contain costs to the greatest degree possible. In the provision of services to people with developmental disabilities, the Department of Human Services is expected to implement cost-containment strategies based only upon thorough cost-benefit analyses that will not drive higher program costs in the long run. Because this request would require the provision of information to the Legislative Branch in advance implementing cost-containment strategies, the Department is directed not to comply. However, the Department will continue to inform the Legislative Branch of the details of cost-containment strategies it may implement in the future.

*Department of Public Safety*

- 6. Request for Information 2- Department of Public Safety, Colorado Bureau of Investigation, Laboratory and Investigative Services** - The Department is requested to present an analysis by November 1, 2011 of what guidelines the Colorado Bureau of Investigation provides to district attorneys when submitting evidence for laboratory work.

The report should address how the specific guidelines control the flow of requests and the costs accrued by the state in investigating and detecting crime.

**Comply to the extent feasible.** This is the first year in which the Joint Budget Committee has requested this information. While the Department anticipates that it can comply with the intent of this request, a portion of the requested information may not be available by the November 1, 2011 deadline. The Department is expected to compile as much relevant information as possible by this deadline, and may subsequently provide follow-up documentation as needed.

*Department of Revenue*

- 7. Request for Information 7-Department of Revenue, Information Technology Division** -- The Department is requested to submit a report to the Joint Budget Committee with its supplemental budget requests on January 1, 2012, on the actual costs, by fund type, for programming 2011 session legislation, including any economies of scale realized from combining like programming.

**Comply to the extent feasible.** Legislation enacted during the 2011 Session may not be fully implemented by Jan 1, 2012, depending on the specific effective dates for each enacted bill. The Department is directed to work with the Governor's Office of Information of Technology to provide as much information as available regarding actual programming costs by the date requested, and to provide a final report after the close of Fiscal Year 2011-12.

*Department of Transportation*

- 8. Request for Information 1- Department of Transportation, Administration** -- The Department is requested to complete state budget forms for Administration personal services that provide information for each office or section within the Administration line item. This information should be sufficiently detailed to allow calculation for Option 8 purposes. PERA and Medicare should also be provided by the individual section or office. Additionally, the Department should include subtotals for salary and FTE for each of the offices within the Administration line item.

**Comply to the extent feasible.** The specifics of this request may require the Department of Transportation to provide information at a level of granularity that exceeds requirements placed on other State departments. In the interest of ensuring thorough transparency, however, the Department of Transportation and the Office of State Planning and Budgeting will work with Joint Budget Committee staff to ensure that the Committee receives information sufficient to properly assess and subsequently set this appropriation.

Senator Mary Hodge  
Chair, Joint Budget Committee  
May 11, 2011  
Page 5

9. **Request for Information 2- Department of Transportation, Administration** -- The Department is requested to submit, with the November 1, 2011 budget request, decision items for any changes made within the Administration program line during either FY 2010-11 or FY 2011-12 that the Department wishes to have recognized during the FY 2012-13 figure setting process.

**Comply to the extent feasible.** The specifics of this request may require the Department of Transportation to provide information at a level of granularity that exceeds requirements placed on other State departments. In the interest of ensuring thorough transparency, however, the Department of Transportation and the Office of State Planning and Budgeting will work with Joint Budget Committee staff to ensure that the Committee receives information sufficient to properly assess and subsequently set this appropriation.

Sincerely,



John W. Hickelooper  
Governor

Cc: Senator Pat Steadman  
Senator Kent Lambert  
Representative Cheri Gerou, Vice-Chair  
Representative Jon Becker  
Representative Mark Ferrandino  
Mr. John Ziegler, Joint Budget Committee, Staff Director  
Mr. Henry Sobanet, Office of State Planning and Budgeting, Director  
Executive Agency Directors