

Department of Revenue  
 Summary of Additional Budget Reduction Proposals  
 FY 2009-10  
 August 24, 2009

Proposal Number	Yes or No	Enter One	Long Bill Group	Title	Total Funds	General Fund	Cash Funds	HUTF OTT	Reappropriated Funds	Federal Funds	FTE	List
	Corresponding FY 2010-11 Impact -- Yes or No?	One Time or Base/Ongoing?										Other Department(s) Affected
					\$0							
2	Yes	Ongoing	Executive Director	Cash Fund Internal Auditor Position	(\$90,704)	(\$90,704)	\$0	\$0	\$0	\$0	0.0	No
3	Yes	Ongoing	Executive Director	Eliminate Human Resources Data Specialist	(\$35,877)	(\$35,877)	\$0	\$0	\$0	\$0	(0.9)	No
4	Yes	Ongoing	Executive Director	Eliminate Annex Security Contract	(\$35,200)	(\$35,200)	\$0	\$0	\$0	\$0	0.0	No
5	Yes	Ongoing	Central Dept Operations	Pueblo Data Entry Center Line Item Reduction	(\$70,649)	(\$70,649)	\$0	\$0	\$0	\$0	0.0	Yes
6	Yes	Ongoing	Central Dept Operations	Document Imaging & Storage Line Item Reduction	(\$50,805)	(\$50,805)	\$0	\$0	\$0	\$0	0.0	Yes
7	No	One Time	Central Dept Operations	CDO Overtime Expense Elimination	(\$40,333)	(\$40,333)	\$0	\$0	\$0	\$0	0.0	No
8	Yes	Ongoing	Central Dept Operations	CDO Permanent FTE Elimination	(\$154,092)	(\$154,092)	\$0	\$0	\$0	\$0	(4.2)	No
9	Yes	Ongoing	Central Dept Operations	Eliminate Cashiering Services to the Public at the Capitol Annex Building	(\$85,231)	(\$85,231)	\$0	\$0	\$0	\$0	(2.1)	No
10	Yes	Ongoing	Information Technology Division	Information Technology Division Vacancy and Operating Reductions	(\$433,503)	(\$433,503)	\$0	\$0	\$0	\$0	(4.8)	No
11	Yes	Ongoing	Taxation Busines Group	Tax Policy and Analysis Program Reduction	(\$23,354)	(\$23,354)	\$0	\$0	\$0	\$0	(0.3)	No
12	Yes	Ongoing	Taxation Busines Group	Conservation Easement Appraisals	(\$90,750)	(\$90,750)	\$0	\$0	\$0	\$0	0.0	No
13	Yes	Ongoing	Taxation Busines Group	Tax Business Group Vacant Position Elimination	(\$203,103)	(\$203,103)	\$0	\$0	\$0	\$0	(3.1)	No
14	No	One Time	Division of Motor Vehicles	Refinance DMV Administration with HUTF "Off-The-Top"	\$0	(\$350,000)	\$0	\$350,000	\$0	\$0	0.0	No
15	Yes	Ongoing	Motor Carrier Services	Eliminate Program Assistant I	(\$38,770)	(\$38,770)	\$0	\$0	\$0	\$0	(0.7)	No
16	Yes	Ongoing	Motor Carrier Services	Eliminate Temporary Staffing	(\$10,000)	(\$10,000)	\$0	\$0	\$0	\$0	0.0	No
					\$0							
	Yes	Ongoing	Executive Director	9. Risk Management Contract Review and Reduction	(\$8,454)	(\$2,396)	(\$4,853)	(\$1,205)	\$0	\$0	0.0	No
	Yes	Ongoing	Executive Director	14. Building Maintenance Reductions	(\$33,747)	(\$17,754)	(\$15,245)	(\$748)	\$0	\$0	0.0	No
	Yes	Ongoing	Executive Director	15. Risk Management Reduction of Liability, Property and Workers' Compensation Volatility	(\$36,491)	(\$5,217)	(\$27,028)	(\$4,246)	\$0	\$0	0.0	No
	No	One time	Executive Director	16. State Fleet Rebates - One-Time Refinance	(\$5,484)	(\$2,742)	(\$2,742)	\$0	\$0	\$0	0.0	No
	No	One time	Executive Director	17. FY 2009-10 OIT Management and Administration One-time Adjustment	(\$63,055)	(\$63,055)	\$0	\$0	\$0	\$0	0.0	No
<b>Total - Reductions</b>					<b>(\$1,509,602)</b>	<b>(\$1,803,535)</b>	<b>(\$49,868)</b>	<b>\$343,801</b>	<b>\$0</b>	<b>\$0</b>	<b>(16.1)</b>	

Department of Revenue  
Summary of Annualizations of Additional Budget Reduction Proposals

As Compared to FY 2010-11 Base Request before Annualizations\*

FY 2010-11

August 24, 2009

	Yes or No	Enter One			Total Funds	General Funds	Cash Funds	HUTF OTT	Reappropriated Funds	Federal Funds	FTE	List
	Corresponding FY 2009-10 Impact -- Yes or No?	One Time or Base/Ongoing?										Other Department(s) Affected
2	Yes	Ongoing	Executive Director	Cash Fund Internal Auditor Position	(\$99,725)	(\$99,725)	\$0	\$0	\$0	\$0	0.0	No
3	Yes	Ongoing	Executive Director	Eliminate Human Resources Data Specialist	(\$39,446)	(\$39,446)	\$0	\$0	\$0	\$0	(1.0)	No
4	Yes	Ongoing	Executive Director	Eliminate Annex Security Contract	(\$41,600)	(\$41,600)	\$0	\$0	\$0	\$0	0.0	No
5	Yes	Ongoing	Central Dept Operations	Pueblo Data Entry Center Line Item Reduction	(\$70,649)	(\$70,649)	\$0	\$0	\$0	\$0	0.0	DPA
6	Yes	Ongoing	Central Dept Operations	Document Imaging & Storage Line Item Reduction	(\$50,805)	(\$50,805)	\$0	\$0	\$0	\$0	0.0	DPA
7	No	One Time	Central Dept Operations	CDO Overtime Expense Elimination	\$0	\$0	\$0	\$0	\$0	\$0	0.0	No
8	Yes	Ongoing	Central Dept Operations	CDO Permanent FTE Elimination	(\$198,898)	(\$198,898)	\$0	\$0	\$0	\$0	(4.9)	No
9	Yes	Ongoing	Central Dept Operations	Eliminate Cashiering Services to the Public at the Capitol Annex Building	(\$132,993)	(\$132,993)	\$0	\$0	\$0	\$0	(3.0)	No
10	Yes	Ongoing	Information Technology Division	Information Technology Division Vacancy and Operating Reductions	(\$465,763)	(\$465,763)	\$0	\$0	\$0	\$0	(5.2)	No
11	Yes	Ongoing	Taxation Business Group	Tax Policy and Analysis Program Reduction	(\$35,302)	(\$35,302)	\$0	\$0	\$0	\$0	(0.5)	No
12	Yes	Ongoing	Taxation Business Group	Conservation Easement Appraisals	(\$99,750)	(\$99,750)	\$0	\$0	\$0	\$0	0.0	No
13	Yes	Ongoing	Taxation Business Group	Tax Business Group Vacant Position Elimination	(\$270,178)	(\$270,178)	\$0	\$0	\$0	\$0	(4.0)	No
14	Yes	One Time	Division of Motor Vehicles	Refinance DMV Administration with HUTF "Off-The-Top"	\$0	\$0	\$0	\$0	\$0	\$0	0.0	No
15	Yes	Ongoing	Motor Carrier Services	Eliminate Program Assistant I	(\$58,611)	(\$58,611)	\$0	\$0	\$0	\$0	(1.0)	No
16	Yes	Ongoing	Motor Carrier Services	Eliminate Temporary Staffing	(\$20,862)	(\$20,862)	\$0	\$0	\$0	\$0	0.0	No
	No	Ongoing	Executive Director	9. Risk Management Contract Review and Reduction	(\$8,454)	(\$2,396)	(\$4,853)	(\$1,205)	\$0	\$0	0.0	No
	No	Ongoing	Executive Director	14. Building Maintenance Reductions	(\$33,747)	(\$17,754)	(\$15,245)	(\$748)	\$0	\$0	0.0	No
	No	Ongoing	Executive Director	15. Risk Management Reduction of Liability, Property and Workers' Compensation Volatility	(\$36,491)	(\$5,217)	(\$27,028)	(\$4,246)	\$0	\$0	0.0	No
<b>Total - Reductions</b>					<b>(\$1,663,274)</b>	<b>(\$1,609,949)</b>	<b>(\$47,126)</b>	<b>(\$6,199)</b>	<b>\$0</b>	<b>\$0</b>	<b>(19.6)</b>	

**Schedule 13  
Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11  Base Reduction Item FY 2010-11  Supplemental FY 2009-10  Budget Amendment FY 2010-11

Request Title: Cash Fund Internal Auditor Position  
 Department: Revenue Dept. Approval by: *Randy Klades* Date: *8/19/09*  
 Priority Number: ES-02 OSPB Approval: *SMZ* Date: *8-24-09*

	Fund	1	2	3	4	5	6	7	8	9	10
		Prior-Year Appropriation FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12
<b>Total of All Line Items</b>	<b>Total</b>	5,817,917	6,478,331	(90,704)	6,387,627	0	0	0	0	0	0
	FTE	48.7	48.8	0.0	48.8	0.0	0.0	0.0	0.0	0.0	0.0
	GF	3,352,776	3,265,141	(90,704)	3,174,437	0	0	0	0	0	0
	CF	1,474,265	2,053,279	0	2,053,279	0	0	0	0	0	0
	HUTF	564,998	602,125	0	602,125	0	0	0	0	0	0
	CFE/RF	425,879	557,786	0	557,786	0	0	0	0	0	0
<b>(1) Executive Director's Office, Personal Services</b>	<b>Total</b>	3,894,610	3,987,807	(88,019)	3,899,788	0	0	0	0	0	0
	FTE	48.7	48.8	0.0	48.8	0.0	0.0	0.0	0.0	0.0	0.0
	GF	2,208,295	2,134,563	(88,019)	2,046,544	0	0	0	0	0	0
	CF	841,991	880,627	0	880,627	0	0	0	0	0	0
	HUTF	418,445	414,831	0	414,831	0	0	0	0	0	0
	CFE/RF	425,879	557,786	0	557,786	0	0	0	0	0	0
<b>(1) Executive Director's Office, Short-term Disability</b>	<b>Total</b>	102,416	110,773	(122)	110,651	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	61,368	50,299	(122)	50,177	0	0	0	0	0	0
	CF	33,143	51,924	0	51,924	0	0	0	0	0	0
	HUTF	7,905	8,550	0	8,550	0	0	0	0	0	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
<b>(1) Executive Director's Office, S.B. 04-257 Amortization Equalization Disbursement</b>	<b>Total</b>	1,246,959	1,474,071	(1,577)	1,472,494	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	743,635	667,484	(1,577)	665,907	0	0	0	0	0	0
	CF	407,919	695,869	0	695,869	0	0	0	0	0	0
	HUTF	95,405	110,718	0	110,718	0	0	0	0	0	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
<b>(1) Executive Director's Office, S.B. 06-235 Supplemental Amortization Equalization Disbursement</b>	<b>Total</b>	573,932	805,680	(986)	804,694	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	339,477	412,795	(986)	411,809	0	0	0	0	0	0
	CF	191,212	424,859	0	424,859	0	0	0	0	0	0
	HUTF	43,243	68,026	0	68,026	0	0	0	0	0	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0

**Schedule 13**  
**Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11  Base Reduction Item FY 2010-11  Supplemental FY 2009-10  Budget Amendment FY 2010-11

Request Title: Cash Fund Internal Auditor Position  
 Department: Revenue Dept. Approval by: Date:  
 Priority Number: ES-02 OSPB Approval: Date:

		1	2	3	4	5	6	7	8	9	10
	Fund	Prior-Year Appropriation FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12

Non-Line Item Request: None  
 Letternote Revised Text: None  
 Cash or Federal Fund Name and COFRS Fund Number:  
 Reappropriated Funds Source, by Department and Line Item Name:  
 Approval by OIT? Yes:  No:  N/A:   
 Schedule 13s from Affected Departments: Not Applicable



# DEPARTMENT OF REVENUE

*Budget Reduction Proposal  
August 24, 2009*

*Roxy Huber*  
Executive Director

## *ES02 – Cash Fund Internal Auditor Position*

### **Proposal:**

The Department of Revenue proposes to directly finance one Internal Auditor position within their existing cash funds appropriation within the Executive Director's Office to achieve a reduction of \$90,704 General Fund in FY 2009-10 and \$99,725 General Fund in FY 2010-11.

A robust Internal Audit program allows the Department to effectively establish a system of internal controls that will minimize risk and reduce the likelihood of fraud and theft.

### **Summary of Request:**

- Internal auditors assist Department managers by reviewing all types of operations within the Department of Revenue and making recommendations for improvement. Internal Audit provides a range of services to Department managers including: Assurance (financial, performance and compliance audits); Advisory Services (consulting, special projects, and training); Fraud Prevention and Detection, Systems Development Review; and Coordination with External Auditors.
- In response to the identified \$11 million dollar theft in April 2007, the Department received an additional 5.0 FTE to expand the internal audit program to deter and detect employee theft and fraud.
- This position will continue to report to the Internal Audit Manager and will be directly financed within the existing cash funds appropriation, as the audit work will be dedicated to the State Lottery Division and the Limited Gaming Division.

### **Assumptions and Tables to Show Calculations:**

<b>Reductions – FY 2009-10</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
(1) Executive Directors Office – Personal Services	(\$88,019)	(\$88,019)	\$0	\$0	\$0	0.0
(1) Executive Directors Office – Short-Term Disability	(\$122)	(\$122)	\$0	\$0	\$0	0.0
(1) Executive Directors Office – Amortization Equalization Disbursement	(\$1,577)	(\$1,577)	\$0	\$0	\$0	0.0
(1) Executive Directors Office – Supplemental Amortization Equalization Disbursement	(\$986)	(\$986)	\$0	\$0	\$0	0.0
<b>Total Reduction Savings</b>	<b>(\$90,704)</b>	<b>(\$90,704)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>

Reductions – FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
(1) Executive Directors Office – Personal Services	(\$96,021)	(\$96,021)	\$0	\$0	\$0	0.0
(1) Executive Directors Office – Short-Term Disability	(\$133)	(\$133)	\$0	\$0	\$0	0.0
(1) Executive Directors Office – Amortization Equalization Disbursement	(\$2,065)	(\$2,065)	\$0	\$0	\$0	0.0
(1) Executive Directors Office – Supplemental Amortization Equalization Disbursement	(\$1,506)	(\$1,506)	\$0	\$0	\$0	0.0
<b>Total Reduction Savings</b>	<b>(\$99,725)</b>	<b>(\$99,725)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>

FY 2009-10 Refinance from General Fund to Cash Funds					
Class	Salary Subtotal*	STD	AED	SAED	Total Savings
Auditor IV	(\$88,019)	(\$122)	(\$1,577)	(\$986)	(\$90,704)
<b>Total</b>	<b>(\$88,019)</b>	<b>(\$122)</b>	<b>(\$1,577)</b>	<b>(\$986)</b>	<b>(\$90,704)</b>

FY 2010-11 Refinance from General Fund to Cash Funds					
Class	Salary Subtotal*	STD	AED	SAED	Total Savings
Auditor IV	(\$96,021)	(\$133)	(\$2,065)	(\$1,506)	(\$99,725)
<b>Total</b>	<b>(\$96,021)</b>	<b>(\$133)</b>	<b>(\$2,065)</b>	<b>(\$1,506)</b>	<b>(\$99,725)</b>

\*Salary subtotal amounts include base salary and OSPB Common Policies or actuals for existing positions.

The position will be directly financed from General Fund to State Lottery and Limited Gaming Division cash funds based on audits performed. As the position will be paid within the existing appropriation, no increase in cash funds spending authority is needed.

**Current Statutory Authority or Needed Statutory Change:**

There is no statutory change or Executive Order required to reduce the state support for this program. This proposal is allowed under Title 24, Section 35. The appropriation for this program will be restricted under the existing authority of the Executive Director. However, the appropriation will require revision to reflect the reduction as noted in this requested budget action.

**24-35-103. C.R.S. (2009) Powers of executive director - deputies.**

(2) (a) Except as provided in paragraph (b) of this subsection (2), the executive director of the department of revenue, with the written approval of the governor, may combine existing groups, divisions, or subordinate departments or reduce the personnel in any group, division, or subordinate department or combined groups, divisions, or subordinate departments or in the department of revenue as a whole, in which case all employees so losing their positions for such reason, in the order of their seniority, shall be placed at the head of the eligible list of like qualifications and duties by the state personnel director. If such employee is a provisional employee, the employee shall not be placed at the head of any such list unless the employee has passed the regular examination of the state personnel system for such position and then only if his or her grade in such examination entitles such person to such position on said eligible list.

**Schedule 13**  
**Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11  Base Reduction Item FY 2010-11  Supplemental FY 2009-10  Budget Amendment FY 2010-11

Request Title: Eliminate Human Resources Data Specialist

Department: Revenue

Dept. Approval by: *Roger Verbeke*

Date: 8/14/09

Priority Number: ES-03

OSPB Approval: *onuz*

Date: 8-21-09

	Fund	1	2	3	4	5	6	7	8	9	10
		Prior-Year Appropriation FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12
<b>Total of All Line Items</b>	<b>Total</b>	5,817,917	6,555,491	(35,877)	6,519,614	0	0	0	0	0	0
	FTE	48.7	48.8	(0.9)	47.9	0.0	0.0	0.0	0.0	0.0	0.0
	GF	3,352,775	3,306,442	(35,877)	3,270,565	0	0	0	0	0	0
	CF	1,474,265	2,070,319	0	2,070,319	0	0	0	0	0	0
	HUTF	564,998	610,151	0	610,151	0	0	0	0	0	0
	CFE/RF	425,879	568,579	0	568,579	0	0	0	0	0	0
<b>(1) Executive Director's Office, Personal Services</b>	<b>Total</b>	3,894,810	4,064,967	(34,815)	4,030,152	0	0	0	0	0	0
	FTE	48.7	48.8	(0.9)	47.9	0.0	0.0	0.0	0.0	0.0	0.0
	GF	2,208,295	2,175,864	(34,815)	2,141,049	0	0	0	0	0	0
	CF	841,991	897,667	0	897,667	0	0	0	0	0	0
	HUTF	418,445	422,857	0	422,857	0	0	0	0	0	0
	CFE/RF	425,879	568,579	0	568,579	0	0	0	0	0	0
<b>(1) Executive Director's Office, Short-term Disability</b>	<b>Total</b>	102,416	110,773	(48)	110,725	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	61,368	50,299	(48)	50,251	0	0	0	0	0	0
	CF	33,143	51,924	0	51,924	0	0	0	0	0	0
	HUTF	7,905	8,550	0	8,550	0	0	0	0	0	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
<b>(1) Executive Director's Office, S.B. 04-257 Amortization Equalization Disbursement</b>	<b>Total</b>	1,246,959	1,474,071	(624)	1,473,447	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	743,835	867,484	(624)	866,860	0	0	0	0	0	0
	CF	407,919	695,869	0	695,869	0	0	0	0	0	0
	HUTF	95,405	110,718	0	110,718	0	0	0	0	0	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
<b>(1) Executive Director's Office, S.B. 06-235 Supplemental Amortization Equalization Disbursement</b>	<b>Total</b>	573,932	905,680	(390)	905,290	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	339,477	412,795	(390)	412,405	0	0	0	0	0	0
	CF	191,212	424,859	0	424,859	0	0	0	0	0	0
	HUTF	43,243	68,026	0	68,026	0	0	0	0	0	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0

**Schedule 13**  
**Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11  Base Reduction Item FY 2010-11  Supplemental FY 2009-10  Budget Amendment FY 2010-11

**Request Title:** Eliminate Human Resources Data Specialist

**Department:** Revenue

**Dept. Approval by:**

**Date:**

**Priority Number:** ES-03

**OSPB Approval:**

**Date:**

		1	2	3	4	5	6	7	8	9	10
	Fund	Prior-Year Appropriation FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12

**Non-Line Item Request:** None

**Letternote Revised Text:** None

**Cash or Federal Fund Name and COFRS Fund Number:**

**Reappropriated Funds Source, by Department and Line Item Name:**

**Approval by OIT?** Yes:  No:  N/A:

**Schedule 13s from Affected Departments:** Not Applicable





# DEPARTMENT OF REVENUE

*Budget Reduction Proposal  
August 24, 2009*

**Roxy Huber**  
Executive Director

## *ES03 - Eliminate Human Resources Data Specialist*

### **Proposal:**

The Department of Revenue proposes to eliminate the Data Specialist position in the Office of Human Resources within the Executive Director's Office in an effort to balance the state budget for FY 2009-10 and FY 2010-11. This reduction will result in a savings of 0.9 FTE and \$35,877 General Fund in FY 2009-10 and 1.0 FTE and \$39,446 General Fund in FY 2010-11.

### **Summary of Request:**

- This position in the Office of Human Resources is responsible for maintaining employee record files, processing personnel payroll actions, and responding to other state agencies i.e. Attorney General's Office, Civil Rights, and the State Personnel Board.
- This position processes and files between 6,000 to 7,000 documents during the peak times of the year (April, May, June and July) along with the daily/monthly filing of approximately 200 to 300 documents. The elimination of the position may result in delays in filing legal documents as well as impact an employee being paid timely and correctly.
- This position is currently vacant and the reduction would be ongoing.
- This reduction will create a significant backlog in maintaining employee record files and delay responses to inquiries from the general public, government agencies, and employee requests for information.
- With this reduction, the Department professional staff would be required to perform administrative tasks, reducing the amount of time they spend performing their job duties and responsibilities.

### **Assumptions and Tables to Show Calculations:**

Reductions – FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
(1) Executive Directors Office – Personal Services	(\$34,815)	(\$34,815)	\$0	\$0	\$0	(0.9)
(1) Executive Directors Office – Short-Term Disability	(\$48)	(\$48)	\$0	\$0	\$0	0.0
(1) Executive Directors Office – Amortization Equalization Disbursement	(\$624)	(\$624)	\$0	\$0	\$0	0.0
(1) Executive Directors Office – Supplemental Amortization Equalization Disbursement	(\$390)	(\$390)	\$0	\$0	\$0	0.0
<b>Total Reduction Savings</b>	<b>(\$35,877)</b>	<b>(\$35,877)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(0.9)</b>

Reductions – FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
(1) Executive Directors Office – Personal Services	(\$37,980)	(\$37,980)	\$0	\$0	\$0	(1.0)
(1) Executive Directors Office – Short-Term Disability	(\$53)	(\$53)	\$0	\$0	\$0	0.0
(1) Executive Directors Office – Amortization Equalization Disbursement	(\$817)	(\$817)	\$0	\$0	\$0	0.0
(1) Executive Directors Office – Supplemental Amortization Equalization Disbursement	(\$596)	(\$596)	\$0	\$0	\$0	0.0
<b>Total Reduction Savings</b>	<b>(\$39,446)</b>	<b>(\$39,446)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(1.0)</b>

FY 2009-10 Reduction						
Class	FTE	Salary Subtotal	STD	AED	SAED	Total Savings
Data Specialist	(0.9)	(\$34,815)	(\$48)	(\$624)	(\$390)	(\$35,877)
<b>Total</b>	<b>(0.9)</b>	<b>(\$34,815)</b>	<b>(\$48)</b>	<b>(\$624)</b>	<b>(\$390)</b>	<b>(\$35,877)</b>

FY 2010-11 Reduction						
Class	FTE	Salary Subtotal	STD	AED	SAED	Total Savings
Data Specialist	(1.0)	(\$37,980)	(\$53)	(\$817)	(\$596)	(\$39,446)
<b>Total</b>	<b>(1.0)</b>	<b>(\$37,980)</b>	<b>(\$53)</b>	<b>(\$817)</b>	<b>(\$596)</b>	<b>(\$39,446)</b>

\*Salary subtotal amounts include base salary and OSPB Common Policies or actuals for existing positions.

**Current Statutory Authority or Needed Statutory Change:**

There is no statutory change or Executive Order required to reduce the state support for this program. The appropriation for this program will be restricted under the existing authority of the Executive Director. However, the appropriation will require revision to reflect the reduction as noted in this requested budget action.

**24-35-103. Powers of executive director - deputies.**

(2) (a) Except as provided in paragraph (b) of this subsection (2), the executive director of the department of revenue, with the written approval of the governor, may combine existing groups, divisions, or subordinate departments or reduce the personnel in any group, division, or subordinate department or combined groups, divisions, or subordinate departments or in the department of revenue as a whole, in which case all employees so losing their positions for such reason, in the order of their seniority, shall be placed at the head of the eligible list of like qualifications and duties by the state personnel director. If such employee is a provisional employee, the employee shall not be placed at the head of any such list unless the employee has passed the regular examination of the state personnel system for such position and then only if his or her grade in such examination entitles such person to such position on said eligible list.

**Schedule 13  
Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11  Base Reduction Item FY 2010-11  Supplemental FY 2009-10  Budget Amendment FY 2010-11

**Request Title:** Eliminate Annex Security Contract

**Department:** Revenue

**Priority Number:** ES-04

**Dept. Approval by:** *Randy Hender*

**OSPB Approval:** *Janet*

**Date:** 8/19/09

**Date:** 8-21-09

	Fund	1	2	3	4	5	6	8	9	10
		Prior-Year Appropriation FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11
<b>Total of All Line Items</b>	<b>Total</b>	20,653,849	30,728,251	(35,200)	30,691,051	0	0	0	0	0
	<b>FTE</b>	458.4	485.9	0.0	465.9	0.0	0.0	0.0	0.0	0.0
	<b>GF</b>	25,070,636	26,659,820	(35,200)	26,624,620	0	0	0	0	0
	<b>CF</b>	(6,543,487)	2,071,156	0	2,071,156	0	0	0	0	0
	<b>HUTF</b>	986,671	867,913	0	867,913	0	0	0	0	0
	<b>CFE/RF</b>	1,140,029	1,127,362	0	1,127,362	0	0	0	0	0
<b>(1) Executive Director's Office, Personal Services</b>	<b>Total</b>	3,894,810	3,987,807	(8,800)	3,979,007	0	0	0	0	0
	<b>FTE</b>	48.7	48.8	0.0	48.8	0.0	0.0	0.0	0.0	0.0
	<b>GF</b>	2,208,295	2,134,563	(8,800)	2,125,763	0	0	0	0	0
	<b>CF</b>	841,991	880,627	0	880,627	0	0	0	0	0
	<b>HUTF</b>	418,445	414,831	0	414,831	0	0	0	0	0
	<b>CFE/RF</b>	425,879	557,786	0	557,786	0	0	0	0	0
<b>(2) Central Department Operations Division, Personal Services</b>	<b>Total</b>	516,305	5,568,788	(8,800)	5,559,988	0	0	0	0	0
	<b>FTE</b>	109.9	109.9	0.0	109.9	0.0	0.0	0.0	0.0	0.0
	<b>GF</b>	4,974,535	5,182,497	(8,800)	5,173,697	0	0	0	0	0
	<b>CF</b>	(4,665,346)	216,549	0	216,549	0	0	0	0	0
	<b>HUTF</b>	102,646	102,007	0	102,007	0	0	0	0	0
	<b>CFE/RF</b>	104,470	67,735	0	67,735	0	0	0	0	0
<b>(3) Information Technology Division (A) Systems Support, Personal Services</b>	<b>Total</b>	2,518,528	6,234,114	(8,800)	6,225,314	0	0	0	0	0
	<b>FTE</b>	84.4	79.9	0.0	79.9	0.0	0.0	0.0	0.0	0.0
	<b>GF</b>	4,300,497	4,560,533	(8,800)	4,551,733	0	0	0	0	0
	<b>CF</b>	(2,721,401)	923,259	0	923,259	0	0	0	0	0
	<b>HUTF</b>	465,580	351,075	0	351,075	0	0	0	0	0
	<b>CFE/RF</b>	473,852	399,247	0	399,247	0	0	0	0	0
<b>(4) Taxation Business Group (B) Taxation and Compliance Division, Personal Services</b>	<b>Total</b>	13,724,406	14,935,542	(8,800)	14,926,742	0	0	0	0	0
	<b>FTE</b>	215.4	227.3	0.0	227.3	0.0	0.0	0.0	0.0	0.0
	<b>GF</b>	13,587,309	14,782,227	(8,800)	14,773,427	0	0	0	0	0
	<b>CF</b>	1,269	50,721	0	50,721	0	0	0	0	0
	<b>HUTF</b>	0	0	0	0	0	0	0	0	0
	<b>CFE/RF</b>	135,828	102,594	0	102,594	0	0	0	0	0
<b>FF</b>	0	0	0	0	0	0	0	0	0	

**Schedule 13  
Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11  Base Reduction Item FY 2010-11  Supplemental FY 2009-10  Budget Amendment FY 2010-11

**Request Title:** Eliminate Annex Security Contract  
**Department:** Revenue **Dept. Approval by:** **Date:**  
**Priority Number:** ES-04 **OSPB Approval:** **Date:**

		1	2	3	4	5	6	7	8	9	10
	Fund	Prior-Year Appropriation FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12

**Non-Line Item Request:** None  
**Letternote Revised Text:** None  
**Cash or Federal Fund Name and COFRS Fund Number:**  
**Reappropriated Funds Source, by Department and Line Item Name:**  
**Approval by OIT?** Yes:  No:  N/A:   
**Schedule 13s from Affected Departments:** Not Applicable



# DEPARTMENT OF REVENUE

*Budget Reduction Proposal  
August 24, 2009*

*Roxy Huber  
Executive Director*

## *ES04 - Eliminate Annex Security Contract*

### **Proposal:**

The Department of Revenue proposes to eliminate the security contract for an armed security officer in the Capitol Annex building in an effort to balance the state budget for FY 2009-10 and FY 2010-11. This reduction will result in a savings of \$35,200 General Fund in FY 2009-10 and \$41,600 in FY 2010-11.

### **Summary of Request:**

- The Capitol Annex security guard provides a uniformed and armed preventative presence to help maintain the orderly conduct of business in the Capitol Annex, and provides safety and security for the Department's employees, customers, and visitors. Additionally, the security guard is responsible for preventing, detecting, and appropriately controlling incidents of criminal activity and/or threats to state assets.
- The security contract was initiated in July 2007 after a gunman entered the State Capitol. Initially, staff from the Department Enforcement Business Group was used for security. If this contract is eliminated, no armed security would be available.
- The building has been secured by requiring a Department electronic access card to enter the stairs or the elevators. Any visitor is required to be escorted by Department personnel to office areas.
- This contract is currently active and will require the department to exercise the fund availability clause in the contract.
- The projected savings are based upon 10 months of expense in FY 2009-10, and the reduction is ongoing.
- This reduction will lessen the safety and security of employees, customers, and visitors to the Capitol Annex.

### **Assumptions and Tables to Show Calculations:**

Reductions – FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
(1) Executive Directors Office, Personal Services	(\$8,800)	(\$8,800)	\$0	\$0	\$0	0.0
(2) Central Department Operations Division, Personal Services	(\$8,800)	(\$8,800)	\$0	\$0	\$0	0.0
(3) Information Technology Division (A) Systems Support, Personal Services	(\$8,800)	(\$8,800)	\$0	\$0	\$0	0.0
(2) Central Department Operations Division –Personal Services	(\$8,800)	(\$8,800)	\$0	\$0	\$0	0.0
<b>Total Reduction Savings</b>	<b>(\$35,200)</b>	<b>(\$35,200)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>

Reductions -- FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
(1) Executive Directors Office, Personal Services	(\$10,400)	(\$10,400)	\$0	\$0	\$0	0.0
(2) Central Department Operations Division, Personal Services	(\$10,400)	(\$10,400)	\$0	\$0	\$0	0.0
(3) Information Technology Division (A) Systems Support, Personal Services	(\$10,400)	(\$10,400)	\$0	\$0	\$0	0.0
(2) Central Department Operations Division --Personal Services	(\$10,400)	(\$10,400)	\$0	\$0	\$0	0.0
<b>Total Reduction Savings</b>	<b>(\$41,600)</b>	<b>(\$41,600)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>

Impacted Divisions	FY 2009-10	FY 2010-11
Executive Director	(\$8,800)	(\$10,400)
Central Department Operations	(\$8,800)	(\$10,400)
Information Technology	(\$8,800)	(\$10,400)
Taxation Business Group	(\$8,800)	(\$10,400)
<b>Total Contract</b>	<b>(\$35,200)</b>	<b>(\$41,600)</b>

Contract costs are distributed evenly to each Division occupying the Annex.

**Current Statutory Authority or Needed Statutory Change:**

The specific contracted services are not mandated in statute therefore the Executive Director has authority to contract for these services as needed. This contract has financial obligations based on funds being budgeted, appropriated or otherwise made available, and the Governor will therefore limit the funds for this program through an executive order and a restriction on the appropriation. A budget action is subsequently requested to reduce the General Fund and thus remove the restriction.

**24-35-103. Powers of executive director - deputies.**

(2) (a) Except as provided in paragraph (b) of this subsection (2), the executive director of the department of revenue, with the written approval of the governor, may combine existing groups, divisions, or subordinate departments or reduce the personnel in any group, division, or subordinate department or combined groups, divisions, or subordinate departments or in the department of revenue as a whole, in which case all employees so losing their positions for such reason, in the order of their seniority, shall be placed at the head of the eligible list of like qualifications and duties by the state personnel director. If such employee is a provisional employee, the employee shall not be placed at the head of any such list unless the employee has passed the regular examination of the state personnel system for such position and then only if his or her grade in such examination entitles such person to such position on said eligible list.

**Schedule 13  
Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11  Base Reduction Item FY 2010-11  Supplemental FY 2009-10  Budget Amendment FY 2010-11

Request Title: Pueblo Data Entry Center Line Item Reduction  
 Department: Revenue Dept. Approval by: *Russ Huber* Date: 8/19/09  
 Priority Number: ES-05 OSPB Approval: *Jim Z* Date: 8-21-09

		1	2	3	4	5	6	7	8	9	10
		Prior-Year Appropriation FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12
<b>Total of All Line Items</b>	<b>Total</b>	1,793,504	1,950,377	(70,649)	1,879,728	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	1,789,495	1,946,368	(70,649)	1,875,719	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	4,009	4,009	0	4,009	0	0	0	0	0	0
	HUTF	0	0	0	0	0	0	0	0	0	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
FF	0	0	0	0	0	0	0	0	0	0	
<b>(2) Central Department Operations Division, Pueblo Data Entry Center Payments</b>	<b>Total</b>	1,793,504	1,950,377	(70,649)	1,879,728	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	1,789,495	1,946,368	(70,649)	1,875,719	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	4,009	4,009	0	4,009	0	0	0	0	0	0
	HUTF	0	0	0	0	0	0	0	0	0	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
FF	0	0	0	0	0	0	0	0	0	0	

Non-Line Item Request: None  
 Letternote Revised Text: None  
 Cash or Federal Fund Name and COFRS Fund Number:  
 Reappropriated Funds Source, by Department and Line Item Name:  
 Approval by OIT? Yes:  No:  N/A:   
 Schedule 13s from Affected Departments: Not applicable.



# DEPARTMENT OF REVENUE

*Budget Reduction Proposal  
August 24, 2009*

*Roxy Huber  
Executive Director*

## *ES05 - Pueblo Data Entry Center Line Item Reduction*

### **Proposal:**

The Department of Revenue proposes to reduce the Pueblo Data Entry Center line item by \$70,649. The Department of Personnel and Administration has notified the Department that it intends to reduce the FY 2009-10 data entry rate for the Department from \$3.89 per thousand keystrokes to \$3.80 per thousand keystrokes. This results in a savings of \$70,649.

### **Summary of Request:**

- The Department of Revenue is required to use the Department of Personnel and Administration for certain centralized services. Among these centralized services is data entry, which is needed to capture information from paper forms submitted by taxpayers.
- The Integrated Document Solutions (IDS) group is a unit of the Division of Central Services (DCS) under the Colorado Department of Personnel & Administration (DPA). The Division was established by state statute to provide economical support services to state agencies.
- The Department of Revenue is charged a rate per thousand keystrokes for entry of certain tax data from individual, business and severance tax forms. The data is used by the Department to detect some types of fraud and provide statistical data, provide controls or account history.
- Each year the IDS group reevaluates their rates to determine appropriate charges. The reduction in this proposal is due to a rate reduction by Department of Personnel and Administration.
- The Taxation and Compliance Division utilizes tax return data to identify areas of non-compliance. Much of the auditing done for tax compliance requires computer matching of records. Records from different sources are compared to determine if a misstatement of fact occurred. These computerized comparisons are made possible through the availability of tax return data stored within the computer systems.

### **Assumptions and Tables to Show Calculations:**

Reductions - FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
(2) Central Department Operations Division, Pueblo Data Entry Center Payments	(\$70,649)	(\$70,649)	\$0	\$0	\$0	0.0

Reductions - FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
(2) Central Department Operations Division, Pueblo Data Entry Center Payments	(\$70,649)	(\$70,649)	\$0	\$0	\$0	0.0



- The Department assumes no significant changes in the types of data that is captured. The reduction is only based on changes to the rate assessed by IDS. The IDS group informed the Department of the new rates below:
  - FY 2008-09 Data Entry rate set by DPA: \$3.89 per thousand keystrokes.
  - FY 2009-10 Data Entry rate set by DPA: \$3.80 per thousand keystrokes.

<b>Historical Appropriations and Keystroke Rates for the Pueblo Data Entry Center</b>			
<b>Fiscal Year</b>	<b>Total Appropriation</b>	<b>Keystroke Rate</b>	<b>Transportation Charge</b>
FY 2006-07	\$1,704,942	\$3.71	\$16,500
FY 2007-08	\$1,789,770	\$3.89	\$18,000
FY 2008-09	\$1,793,504	\$3.89	\$21,600
FY 2009-10*	\$1,950,377	\$3.80	\$21,600

\*Proposed

**Current Statutory Authority or Needed Statutory Change:**

There is no statutory change or Executive Order required to reduce the state support for this program. This proposal is allowed under Title 24, Section 35. The appropriation for this program will be restricted under the existing authority of the Executive Director. However, the appropriation will require revision to reflect the reduction as noted in this requested budget action.

**24-35-105 C.R.S. (2009) Supplies.**

The department of revenue shall be provided with suitable quarters, equipment, services, supplies, materials, and other facilities and services as may be necessary to carry out its functions and is authorized to incur necessary expenditures for such facilities and services, subject to the limitation of appropriation and dedicated revenues provided therefore.

**24-35-108. C.R.S. (2009) Functions of department of revenue - collection of state taxes.**

(1) In addition to any function specified in this article, the functions of the department of revenue and the duties of the executive director of the department of revenue as the head of said department or of the head of a group, division, or subordinate department appointed by the executive director in accordance with this article are:

(c) To audit reports and returns of taxpayers in connection with all taxes, assessments, and licenses within the jurisdiction of the department of revenue, and, in the performance of this function and duty, the work of the department of revenue shall be so planned and organized that when a field auditor of the department of revenue investigates the tax liability of a taxpayer, to the extent practical, he or she shall examine the tax liability of such taxpayer with respect to all state taxes as to which the return or report of the taxpayer is in question to the end that separate audits by different auditors shall be reduced to a minimum;

**Schedule 13  
Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11  Base Reduction Item FY 2010-11  Supplemental FY 2009-10  Budget Amendment FY 2010-11

Request Title: Document Imaging & Storage Line Item Reduction  
 Department: Revenue Dept. Approval by: *Rafy Heald* Date: *8/19/09*  
 Priority Number: ES-06 OSPB Approval: *R M Z* Date: *8-21-09*

	Fund	1	2	3	4	5	6	7	8	9	10
		Prior-Year Appropriation FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12
<b>Total of All Line Items</b>	<b>Total</b>	383,187	445,095	(50,805)	394,290	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	383,187	445,095	(50,805)	394,290	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	HUTF	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
<b>(2) Central Department Operations Division, Document Imaging &amp; Storage</b>	<b>Total</b>	383,187	445,095	(50,805)	394,290	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	383,187	445,095	(50,805)	394,290	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	HUTF	0	0	0	0	0	0	0	0	0	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0

Non-Line Item Request: None  
 Letternote Revised Text: None  
 Cash or Federal Fund Name and COFRS Fund Number:  
 Reappropriated Funds Source, by Department and Line Item Name:  
 Approval by OIT? Yes:  No:  N/A:   
 Schedule 13s from Affected Departments: Not applicable.



# DEPARTMENT OF REVENUE

*Budget Reduction Proposal  
August 24, 2009*

*Roxy Huber  
Executive Director*

## *ES-06 Document Imaging & Storage Line Item Reduction*

### **Proposal:**

The Department of Revenue proposes to reduce the Central Department Operations Division's imaging line item by \$50,805 General Fund in an effort to balance the state budget for FY 2009-10 and FY 2010-11.

### **Summary of Request:**

- The Department of Revenue is statutorily required to retain tax returns and other documents for specified periods of time, which vary depending upon the document. The Department fulfills this requirement by imaging those documents.
- The Central Department Operations provides the Department of Revenue with essential support services that ensure sensitive taxpayer information and payments are processed, deposited, and posted in an accurate and secure manner through each step of the tax administration system. The Division is responsible for housing Department records. The records are retained for auditing and or research purposes and are accessed by taxpayers and the audit and compliance section.
- This reduction is comprised of rate changes, change in the documents imaged, and reduction in scope of documents imaged.
- The cost-savings is due to rate changes by the Department of Personnel and Administration. The remaining savings will be accomplished by reducing the number of income and business tax documents to be imaged and by discontinuing the imaging of the special projects category of these documents. Special projects include Motor Carrier Services IRP applications, Office of Human Services employee leave documents and Tax Group estate tax and real estate related documents.
- The overall reductions are based on a rate change and reduction in the number of documents imaged (including special projects).
- The documents will continue to be available in the original hardcopy format and will be maintained by the originating divisions. The originating divisions may experience a shortage of storage space for these documents over a period of time.

### **Assumptions and Tables to Show Calculations:**

Reductions – FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
(2) Central Department Operations Division, Document Imaging & Storage	(\$50,805)	(\$50,805)	\$0	\$0	\$0	0.0

Reductions – FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
(2) Central Department Operations Division, Document Imaging & Storage	(\$50,805)	(\$50,805)	\$0	\$0	\$0	0.0

<b>General Fund Reduction</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>
Cost-Savings due to Rate Changes	(\$5,236)	(\$5,236)
Reduction in Documents Imaged	(\$26,389)	(\$26,389)
Special Projects Not Imaged	(\$19,180)	(\$19,180)
<b>Total Reduction Savings</b>	<b>(\$50,805)</b>	<b>(\$50,805)</b>

- The documents imaged include Income Tax and Business Tax documents. Each type of document has a separate rate per document. The total cost of savings is based on a blended rate for both Income and Business Tax documents.
- The number of documents imaged will be reduced by approximately 490,000.
- The proposal assumes no special projects will be imaged.

**Current Statutory Authority or Needed Statutory Change:**

There is no statutory change or Executive Order required to reduce the state support for this program. The Department will continue to retain documents for the required period. These documents will be held in hard copy. The appropriation for this program will be restricted under the existing authority of the Executive Director. However, the appropriation will require revision to reflect the reduction as noted in this requested budget action.

**24-35-105, C.R.S. (2009). Supplies.**

The department of revenue shall be provided with suitable quarters, equipment, services, supplies, materials, and other facilities and services as may be necessary to carry out its functions and is authorized to incur necessary expenditures for such facilities and services, subject to the limitation of appropriation and dedicated revenues provided therefore.

**24-30-1104, C.R.S. (2009). Central services functions of the department - definitions - repeal.**

(1) Within the counties of Adams, Arapahoe, and Jefferson and the city and county of Denver only, the department of personnel shall perform the following functions for the executive branch of the state of Colorado, its departments, institutions, and agencies, under the direction of the executive director:

(k) Establish, in consultation with other state departments, institutions, and agencies, techniques and standards for microfilm, digital imaging, and digital conversion and evidentiary certification of photographs, microphotographs, or reproductions.

**Schedule 13**  
**Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11  Base Reduction Item FY 2010-11  Supplemental FY 2009-10  Budget Amendment FY 2010-11

**Request Title:** CDO Overtime Expense Elimination  
**Department:** Revenue **Dept. Approval by:** *Rog Huder* **Date:** 8/19/09  
**Priority Number:** ES-07 **OSPB Approval:** *Januz* **Date:** 8/24/09

	Fund	1	2	3	4	5	6	7	8	9	10
		Prior-Year Actual FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12
<b>Total of All Line Items</b>	<b>Total</b>	5,388,194	5,568,788	(40,333)	5,528,455	0	0	0	0	0	0
	FTE	109.9	109.9	0.0	109.9	0.0	0.0	0.0	0.0	0.0	0.0
	GF	4,974,535	5,182,497	(40,333)	5,142,164	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	206,543	216,549	0	216,549	0	0	0	0	0	0
	HUTF	102,646	102,007	0	102,007	0	0	0	0	0	0
	CFE/RF	104,470	67,735	0	67,735	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
<b>(2) Central Department Operations Division, Personal Services</b>	<b>Total</b>	5,388,194	5,568,788	(40,333)	5,528,455	0	0	0	0	0	0
	FTE	109.9	109.9	0.0	109.9	0.0	0.0	0.0	0.0	0.0	0.0
	GF	4,974,535	5,182,497	(40,333)	5,142,164	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	206,543	216,549	0	216,549	0	0	0	0	0	0
	HUTF	102,646	102,007	0	102,007	0	0	0	0	0	0
	CFE/RF	104,470	67,735	0	67,735	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0

**Non-Line Item Request:** None  
**Letternote Revised Text:** None  
**Cash or Federal Fund Name and COFRS Fund Number:**  
**Reappropriated Funds Source, by Department and Line Item Name:**  
**Approval by OIT?** Yes:  No:  N/A:   
**Schedule 13s from Affected Departments:** Not applicable.



# DEPARTMENT OF REVENUE

*Budget Reduction Proposal  
August 24, 2009*

*Roxy Huber  
Executive Director*

## *ES-07 Overtime Expense Elimination*

### **Proposal:**

The Department of Revenue proposes to eliminate an amount of overtime expense in the Central Department Operations Division equal to the expense incurred during FY 2008-09 of \$40,333 General Fund on a one-time basis for FY 2009-10.

### **Summary of Request:**

- The Central Department Operations Division incurs substantial overtime costs yearly, in addition to utilizing compensatory time, to support various section activities. This is for the processing of incoming checks and documents, outgoing mailings, edit corrections, and penalty assessments.
- Overtime expense is a critical component of this division and approximately 3,000 productive hours are required during peak processing times. Eliminating overtime expenses during FY 2009-10 may impact document throughput. Delays in deposits, processing refunds, mailings, and penalty assessments may occur.
- The Division may also experience difficulties in processing all of the sales tax documents by month end, reducing distributions to the cities, counties and local jurisdictions, which may negatively affect cash flow.
- The Department has statutory processing deadlines for income tax refunds (14 days in January, 21 days in February, 28 days in March, and 45 days thereafter). The Department has not met the statutory deadline for processing refunds for less than 100 (and as few as 7 in the current year) refunds in each of the last few years. The elimination of overtime may impact these numbers.

### **Assumptions and Tables to Show Calculations:**

Reductions – FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
(2) Central Department Operations Division – Personal Services	(\$40,333)	(\$40,333)	\$0	\$0	\$0	0.0

Reductions – FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
(2) Central Department Operations Division – Personal Services	\$0	\$0	\$0	\$0	\$0	0.0

Reduction Option	FY 2009-10 Reduction	FY 2010-11 Reduction
Eliminate Overtime Expenses	(\$33,331)	\$0
Seasonal Tax Processing	(\$7,002)	\$0
<b>Total Reduction Savings</b>	<b>(\$40,333)</b>	<b>\$0</b>

The overtime expenses related to personal services and Seasonal Tax Processing Lines are equal to the expense incurred during FY 2008-09.

**Current Statutory Authority or Needed Statutory Change:**

There is no statutory change or Executive Order required to reduce the state support for this program. This proposal is allowed under Title 24, Section 35. The appropriation for this program will be restricted under the existing authority of the Executive Director. However, the appropriation will require revision to reflect the reduction as noted in this requested budget action.

**24-35-103. C.R.S. (2009) Powers of executive director - deputies.**

(2) (a) Except as provided in paragraph (b) of this subsection (2), the executive director of the department of revenue, with the written approval of the governor, may combine existing groups, divisions, or subordinate departments or reduce the personnel in any group, division, or subordinate department or combined groups, divisions, or subordinate departments or in the department of revenue as a whole, in which case all employees so losing their positions for such reason, in the order of their seniority, shall be placed at the head of the eligible list of like qualifications and duties by the state personnel director. If such employee is a provisional employee, the employee shall not be placed at the head of any such list unless the employee has passed the regular examination of the state personnel system for such position and then only if his or her grade in such examination entitles such person to such position on said eligible list.

**Schedule 13**  
**Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11  Base Reduction Item FY 2010-11  Supplemental FY 2009-10  Budget Amendment FY 2010-11

Request Title: CDO Permanent FTE Elimination  
 Department: Revenue Dept. Approval by: *Ruth J. Hinder* Date: 8/19/09  
 Priority Number: ES-08 OSPB Approval: *John Z* Date: 8/21/09

	Fund	1	2	3	4	5	6	7	8	9	10
		Prior-Year Appropriation FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12
<b>Total of All Line Items</b>	<b>Total</b>	8,443,602	9,200,808	(154,092)	9,046,716	0	0	0	0	0	0
	FTE	0.0	109.9	(4.2)	105.7	0.0	0.0	0.0	0.0	0.0	0.0
	GF	7,114,229	7,317,684	(154,092)	7,163,592	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	1,216,998	1,628,095	0	1,628,095	0	0	0	0	0	0
	HUTF	7,905	187,294	0	187,294	0	0	0	0	0	0
	CFE/RF	104,470	67,735	0	67,735	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
<b>(1) Executive Director's Office, Short-term Disability</b>	<b>Total</b>	102,416	110,773	(219)	110,554	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	61,368	50,299	(219)	50,080	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	33,143	51,924	0	51,924	0	0	0	0	0	0
	HUTF	7,905	8,550	0	8,550	0	0	0	0	0	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
<b>(1) Executive Director's Office, S.B. 04-257 Amortization Equalization Disbursement</b>	<b>Total</b>	1,246,959	1,474,071	(2,825)	1,471,246	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	743,635	667,484	(2,825)	664,659	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	503,324	695,869	0	695,869	0	0	0	0	0	0
	HUTF	0	110,718	0	110,718	0	0	0	0	0	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
<b>(1) Executive Director's Office, S.B. 06-235 Supplemental Amortization Equalization Disbursement</b>	<b>Total</b>	573,932	905,680	(1,765)	903,915	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	339,477	412,795	(1,765)	411,030	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	234,455	424,859	0	424,859	0	0	0	0	0	0
	HUTF	0	68,026	0	68,026	0	0	0	0	0	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0



**Schedule 13  
Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11  Base Reduction Item FY 2010-11  Supplemental FY 2009-10  Budget Amendment FY 2010-11

Request Title: CDO Permanent FTE Elimination  
 Department: Revenue Dept. Approval by: Date:  
 Priority Number: ES-08 OSPB Approval: Date:

	Fund	1	2	3	4	5	6	7	8	9	10
		Prior-Year Appropriation FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12
(2) Central Department Operations Division, Personal Services	Total	5,388,194	5,538,667	(145,270)	5,393,397	0	0	0	0	0	0
	FTE	0.0	109.9	(4.2)	105.7	0.0	0.0	0.0	0.0	0.0	0.0
	GF	4,974,535	5,152,378	(145,270)	5,007,106	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	309,189	318,556	0	318,556	0	0	0	0	0	0
	HUTF	0	0	0	0	0	0	0	0	0	0
	CFE/RF	104,470	67,735	0	67,735	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
(2) Central Department Operations Division, Operating Expenses	Total	1,132,101	1,171,617	(4,013)	1,167,604	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	995,214	1,034,730	(4,013)	1,030,717	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	136,887	136,887	0	136,887	0	0	0	0	0	0
	HUTF	0	0	0	0	0	0	0	0	0	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0

Non-Line Item Request: None  
 Letternote Revised Text: None  
 Cash or Federal Fund Name and COFRS Fund Number:  
 Reappropriated Funds Source, by Department and Line Item Name:  
 Approval by OIT? Yes:  No:  N/A:   
 Schedule 13s from Affected Departments: Not applicable.



# DEPARTMENT OF REVENUE

*Budget Reduction Proposal  
August 24, 2009*

*Roxy Huber  
Executive Director*

## *ES-08 CDO Permanent FTE Elimination*

### **Proposal:**

The Department of Revenue proposes to eliminate 4.2 FTE in the Central Department Operations Division (CDO). These positions are located in various sections of the Division and are currently or will become vacant by October 2009. The estimated savings from these cuts is 4.2 FTE and \$154,092 General Fund in FY 2009-10 and 4.9 FTE and \$198,898 General Fund in FY 2010-11.

### **Summary of Request:**

- The Central Department Operations Division performs various functions, including processing of incoming checks and documents, outgoing mailings, edit corrections, and penalty assessments.
- The position cuts are in four sections, spreading the impact of the reductions across the Division. The areas are: Business Tax Clearing, Administration, the Pierce Street Annex, and Tax Files.
- Although two positions, or 22% of the total staff, will be cut in the Business Tax Clearing Section, the Department will use cross-trained CDO employees from other sections to help alleviate the workload impact.
- It is assumed that with two less FTE in Business Tax Clearing, there is a strong likelihood that not all sales tax returns will be processed by month-end, which may negatively impact sales tax distributions to the cities, counties, and local jurisdictions. In turn, this may negatively impact their cash flows.
- The remaining activities in Administration and Tax Files will be absorbed by remaining staff.

### **Assumptions and Tables to Show Calculations:**

Reductions – FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
(1) Executive Directors Office – Short-Term Disability	(\$219)	(\$219)	\$0	\$0	\$0	0.0
(1) Executive Directors Office – Amortization Equalization Disbursement	(\$2,825)	(\$2,825)	\$0	\$0	\$0	0.0
(1) Executive Directors Office – Supplemental Amortization Equalization Disbursement	(\$1,765)	(\$1,765)	\$0	\$0	\$0	0.0
(2) Central Department Operations Division, Personal Services	(\$145,270)	(\$145,270)	\$0	\$0	\$0	(4.2)
(2) Central Department Operations Division, Operating Expenses	(\$4,013)	(\$4,013)	\$0	\$0	\$0	0.0
<b>Total Reduction Savings</b>	<b>(\$154,092)</b>	<b>(\$154,092)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(4.2)</b>

Reductions – FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
(1) Executive Directors Office – Short-Term Disability	(\$260)	(\$260)	\$0	\$0	\$0	0.0
(1) Executive Directors Office – Amortization Equalization Disbursement	(\$4,022)	(\$4,022)	\$0	\$0	\$0	0.0
(1) Executive Directors Office – Supplemental Amortization Equalization Disbursement	(\$2,933)	(\$2,933)	\$0	\$0	\$0	0.0
(2) Central Department Operations Division, Personal Services	(\$187,029)	(\$187,029)	\$0	\$0	\$0	(4.9)
(2) Central Department Operations Division, Operating Expenses	(\$4,655)	(\$4,655)	\$0	\$0	\$0	0.0
<b>Total Reduction Savings</b>	<b>(\$198,898)</b>	<b>(\$198,898)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(4.9)</b>

FY 2009-10 Reduction								
Class	FTE	Salary Subtotal*	STD	AED	SAED	Operating Expenses	Pay out	Total Savings
Admin Asst II	(1.0)	(\$34,458)	(\$48)	(\$618)	(\$386)	(\$950)	\$0	(\$36,460)
Admin Asst II	(0.7)	(\$28,671)	(\$40)	(\$513)	(\$321)	(\$625)	\$7,992	(\$22,178)
Admin Asst II	(1.0)	(\$34,458)	(\$48)	(\$618)	(\$386)	(\$950)	\$0	(\$36,460)
Admin Asst II	(0.9)	(\$31,012)	(\$43)	(\$556)	(\$347)	(\$855)	\$0	(\$32,813)
Acct Tech I	(0.6)	(\$29,034)	(\$40)	(\$520)	(\$325)	(\$633)	\$4,371	(\$26,181)
<b>Total</b>	<b>(4.2)</b>	<b>(\$157,633)</b>	<b>(\$219)</b>	<b>(\$2,825)</b>	<b>(\$1,765)</b>	<b>(\$4,013)</b>	<b>\$12,363</b>	<b>(\$154,092)</b>

FY 2010-11 Reduction								
Class	FTE	Salary Subtotal*	STD	AED	SAED	Operating Expenses	Pay out	Total Savings
Admin Asst II	(1.0)	(\$34,458)	(\$48)	(\$741)	(\$540)	(\$950)	\$0	(\$36,737)
Admin Asst II	(1.0)	(\$43,551)	(\$60)	(\$937)	(\$683)	(\$950)	\$0	(\$46,181)
Admin Asst II	(1.0)	(\$34,458)	(\$48)	(\$741)	(\$540)	(\$950)	\$0	(\$36,737)
Admin Asst II	(0.9)	(\$31,012)	(\$43)	(\$667)	(\$486)	(\$855)	\$0	(\$33,063)
Acct Tech I	(1.0)	(\$43,551)	(\$60)	(\$937)	(\$683)	(\$950)	\$0	(\$46,181)
<b>Total</b>	<b>(4.9)</b>	<b>(\$187,029)</b>	<b>(\$260)</b>	<b>(\$4,022)</b>	<b>(\$2,933)</b>	<b>(\$4,655)</b>	<b>\$0</b>	<b>(\$198,898)</b>

\*Salary subtotal amounts include base salary and OSPB Common Policies or actuals for existing positions.

**Current Statutory Authority or Needed Statutory Change:**

There is no statutory change or Executive Order required to reduce the state support for this program. This proposal is allowed under Title 24, Section 35. The appropriation for this program will be restricted under the existing authority of the Executive Director. However, the appropriation will require revision to reflect the reduction as noted in this requested budget action.

**24-35-103. C.R.S. (2009) Powers of executive director - deputies.**

(2) (a) Except as provided in paragraph (b) of this subsection (2), the executive director of the department of revenue, with the written approval of the governor, may combine existing groups, divisions, or subordinate departments or reduce the personnel in any group, division, or subordinate department or combined groups, divisions, or subordinate departments or in the department of revenue as a whole, in which case all employees so losing their positions for such reason, in the order of their seniority, shall be placed at the head of the eligible list of like qualifications and duties by the state personnel director. If such employee is a provisional employee, the employee shall not be placed at the head of any such list unless the employee has passed the regular examination of the state personnel system for such position and then only if his or her grade in such examination entitles such person to such position on said eligible list.

**Schedule 13**  
**Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11 <input type="checkbox"/>	Base Reduction Item FY 2010-11 <input type="checkbox"/>	Supplemental FY 2009-10 <input checked="" type="checkbox"/>	Budget Amendment FY 2010-11 <input type="checkbox"/>
Request Title: Eliminate Cashiering Services to the Public at the Capitol Annex Building			
Department: Revenue	Dept. Approval by: <i>Randy Huber</i>		Date: 8/19/09
Priority Number: ES-09	OSPb Approval: <i>Jm 1/7</i>		Date: 8-21-09

	Fund	1	2	3	4	5	6	7	8	9	10
		Prior-Year Appropriation FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2008-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12
<b>Total of All Line Items</b>	<b>Total</b>	8,443,602	9,232,485	(85,231)	9,147,254	0	0	0	0	0	0
	FTE	109.9	109.9	(2.1)	107.8	0.0	0.0	0.0	0.0	0.0	0.0
	GF	7,114,229	7,349,361	(85,231)	7,264,130	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	1,078,350	1,526,088	0	1,526,088	0	0	0	0	0	0
	HUTF	146,553	289,301	0	289,301	0	0	0	0	0	0
	CFE/RF	104,470	67,735	0	67,735	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
<b>(1) Executive Director's Office, Short-term Disability</b>	<b>Total</b>	102,416	110,773	(116)	110,657	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	61,368	50,299	(116)	50,183	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	33,143	51,924	0	51,924	0	0	0	0	0	0
	HUTF	7,905	8,550	0	8,550	0	0	0	0	0	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
<b>(1) Executive Director's Office, S.B. 04-257 Amortization Equalization Disbursement</b>	<b>Total</b>	1,246,959	1,474,071	(1,497)	1,472,574	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	743,635	667,484	(1,497)	665,987	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	407,919	695,869	0	695,869	0	0	0	0	0	0
	HUTF	95,405	110,718	0	110,718	0	0	0	0	0	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
<b>(1) Executive Director's Office, S.B. 06-235 Supplemental Amortization Equalization Disbursement</b>	<b>Total</b>	573,932	905,680	(936)	904,744	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	339,477	412,795	(936)	411,859	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	191,212	424,859	0	424,859	0	0	0	0	0	0
	HUTF	43,243	68,026	0	68,026	0	0	0	0	0	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0

**Schedule 13  
Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11  Base Reduction Item FY 2010-11  Supplemental FY 2009-10  Budget Amendment FY 2010-11

Request Title: Eliminate Cashiering Services to the Public at the Capitol Annex Building  
 Department: Revenue Dept. Approval by: \_\_\_\_\_ Date: \_\_\_\_\_  
 Priority Number: ES-09 OSPB Approval: \_\_\_\_\_ Date: \_\_\_\_\_

	Fund	1	2	3	4	5	6	7	8	9	10
		Prior-Year Appropriation FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12
(2) Central Department Operations Division, Personal Services	Total	5,388,194	5,588,788	(80,782)	5,488,006	0	0	0	0	0	0
	FTE	109.9	109.9	(2.1)	107.8	0.0	0.0	0.0	0.0	0.0	0.0
	GF	4,974,535	5,182,497	(80,782)	5,101,715	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	309,189	216,549	0	216,549	0	0	0	0	0	0
	HUTF	0	102,007	0	102,007	0	0	0	0	0	0
	CFE/RF	104,470	67,735	0	67,735	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
(2) Central Department Operations Division, Operating Expenses	Total	1,132,101	1,173,173	(1,900)	1,171,273	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	995,214	1,036,286	(1,900)	1,034,386	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	136,887	136,887	0	136,887	0	0	0	0	0	0
	HUTF	0	0	0	0	0	0	0	0	0	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0

Non-Line Item Request: None  
 Letternote Revised Text: None  
 Cash or Federal Fund Name and COFRS Fund Number:  
 Reappropriated Funds Source, by Department and Line Item Name:  
 Approval by OIT? Yes:  No:  N/A:   
 Schedule 13s from Affected Departments: Not applicable.



# DEPARTMENT OF REVENUE

*Budget Reduction Proposal  
August 24, 2009*

*Roxy Huber  
Executive Director*

## *ES-09 Eliminate Cashiering Services to the Public at the Capitol Annex Building*

### **Proposal:**

The Department of Revenue proposes to eliminate cashiering services for the public at the Capitol Annex for a reduction of 2.1 FTE and \$85,231 General Fund in FY 2009-10 and 3.0 FTE and \$132,993 General Fund in FY 2010-11 and in future years.

### **Summary of Request:**

- The Department currently maintains a Cashiering Section at the Capitol Annex with five staff. In FY 2008-09, this unit received approximately 17,500 payment transactions from license applicants and taxpayers, an average of 70 transactions per day. The unit performs additional back office work as well as providing cashiering services, and must be staffed at the current level to provide customer service from 8:00 a.m. to 5:00 p.m., Monday through Friday.
- Annex cashier activities also include: packaging cigarette stamps for sale to cigarette distributors; receipt, inventory and retrieval of income tax refund warrants resulting from invalid addresses; researching and posting checks returned for non-sufficient funds and other reasons; and petty cash reimbursements to Department employees.
- The Department will eliminate the Cashiering Unit, transfer the two Account Technician II employees to a different section to continue the back office work (handling bank returned checks, putting unidentified payments into a suspense account, posting Annex received payments for Motor Vehicle programs, and fulfilling cigarette stamp orders, petty cash payouts) and eliminate the remaining three FTE.
- The Department will still accept and account for cash collected by internal Tax, Audit and Compliance activities such as search and seizures and sales of assets.
- Walk-in customers will be informed that cash payments cannot be accepted at this location, but front desk staff will be able to accept checks dropped off with tax returns. The front desk will be unable to provide receipts for such transactions.

### **Assumptions and Tables to Show Calculations:**

Reductions – FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
(1) Executive Directors Office – Short-Term Disability	(\$116)	(\$116)	\$0	\$0	\$0	0.0
(1) Executive Directors Office – Amortization Equalization Disbursement	(\$1,497)	(\$1,497)	\$0	\$0	\$0	0.0
(1) Executive Directors Office – Supplemental Amortization Equalization Disbursement	(\$936)	(\$936)	\$0	\$0	\$0	0.0
(2) Central Department Operations Division, Personal Services	(\$80,782)	(\$80,782)	\$0	\$0	\$0	(2.1)
(2) Central Department Operations Division, Operating Expenses	(\$1,900)	(\$1,900)	\$0	\$0	\$0	0.0
<b>Total Reduction Savings</b>	<b>(\$85,231)</b>	<b>(\$85,231)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(2.1)</b>

Reductions – FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
(1) Executive Directors Office – Short-Term Disability	(\$174)	(\$174)	\$0	\$0	\$0	0.0
(1) Executive Directors Office – Amortization Equalization Disbursement	(\$2,695)	(\$2,695)	\$0	\$0	\$0	0.0
(1) Executive Directors Office – Supplemental Amortization Equalization Disbursement	(\$1,965)	(\$1,965)	\$0	\$0	\$0	0.0
(2) Central Department Operations Division, Personal Services	(\$125,309)	(\$125,309)	\$0	\$0	\$0	(3.0)
(2) Central Department Operations Division, Operating Expenses	(\$2,850)	(\$2,850)	\$0	\$0	\$0	0.0
<b>Total Reduction Savings</b>	<b>(\$132,993)</b>	<b>(\$132,993)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(3.0)</b>

FY 2009-10 Reduction								
Class	FTE	Salary Subtotal*	STD	AED	SAED	Operating Expenses	Pay out	Total Savings
Acct Tech IV	(0.7)	(\$38,864)	(\$54)	(\$696)	(\$435)	(\$633)	\$2,287	(\$38,396)
Acct Tech I	(0.7)	(\$22,061)	(\$31)	(\$395)	(\$247)	(\$633)	\$340	(\$23,028)
Acct Tech I	(0.7)	(\$22,615)	(\$31)	(\$405)	(\$253)	(\$633)	\$130	(\$23,808)
<b>Total</b>	<b>(2.1)</b>	<b>(\$83,539)</b>	<b>(\$116)</b>	<b>(\$1,497)</b>	<b>(\$936)</b>	<b>(\$1,900)</b>	<b>\$2,757</b>	<b>(\$85,231)</b>

FY 2010-11 Reduction								
Class	FTE	Salary Subtotal*	STD	AED	SAED	Operating Expenses	Pay out	Total Savings
Acct Tech IV	(1.0)	(\$58,295)	(\$81)	(\$1,254)	(\$914)	(\$950)	\$0	(\$61,494)
Acct Tech I	(1.0)	(\$33,092)	(\$46)	(\$712)	(\$519)	(\$950)	\$0	(\$35,318)
Acct Tech I	(1.0)	(\$33,922)	(\$47)	(\$730)	(\$532)	(\$950)	\$0	(\$36,180)
<b>Total</b>	<b>(3.0)</b>	<b>(\$125,309)</b>	<b>(\$174)</b>	<b>(\$2,695)</b>	<b>(\$1,965)</b>	<b>(\$2,850)</b>	<b>\$0</b>	<b>(\$132,993)</b>

\*Salary subtotal amounts include base salary and OSPB Common Policies or actuals for existing positions.

- Workload is assumed to be reduced by eliminating returned warrant storage and tracking when the Income Tax Phase of CITA is implemented in 2009.
- It is assumed the two Account Technician I employees currently assigned to this section will exercise their bumping rights and displace two less senior Account Technician I employees at the Department's Pierce Cashier Section. It is also possible that one of the employees may choose to retire instead, which would make on-going savings greater but reduce FY 2009-10 savings due to a large leave payout. This calculation is based on the assumption that the two less senior positions will be laid off as of October 1, 2009.



**Current Statutory Authority or Needed Statutory Change:**

There is no statutory change or Executive Order required to reduce the state support for this program. This proposal is allowed under Title 24, Section 35. The appropriation for this program will be restricted under the existing authority of the Executive Director. However, the appropriation will require revision to reflect the reduction as noted in this requested budget action.

**24-35-103. Powers of executive director - deputies.**

(2) (a) Except as provided in paragraph (b) of this subsection (2), the executive director of the department of revenue, with the written approval of the governor, may combine existing groups, divisions, or subordinate departments or reduce the personnel in any group, division, or subordinate department or combined groups, divisions, or subordinate departments or in the department of revenue as a whole, in which case all employees so losing their positions for such reason, in the order of their seniority, shall be placed at the head of the eligible list of like qualifications and duties by the state personnel director. If such employee is a provisional employee, the employee shall not be placed at the head of any such list unless the employee has passed the regular examination of the state personnel system for such position and then only if his or her grade in such examination entitles such person to such position on said eligible list.

**Schedule 13**  
**Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11  Base Reduction Item FY 2010-11  Supplemental FY 2009-10  Budget Amendment FY 2010-11

Request Title: Information Technology Division Vacancy and Operating Reductions  
 Department: Revenue Dept. Approval by: *Randy Hinder* Date: 8/19/09  
 Priority Number: ES-10 OSPB Approval: *JMZ* Date: 8-21-09

		1	2	3	4	5	6	7	8	9	10
		Prior-Year Appropriation FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12
	Fund										
<b>Total of All Line Items</b>	<b>Total</b>	8,748,024	9,538,179	(433,503)	9,104,676	0	0	0	0	0	0
	FTE	79.9	79.9	(4.8)	75.1	0.0	0.0	0.0	0.0	0.0	0.0
	GF	5,916,249	6,415,424	(433,503)	5,981,921	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	2,357,923	2,185,139	0	2,185,139	0	0	0	0	0	0
	HUTF	0	538,369	0	538,369	0	0	0	0	0	0
	CFE/RF	473,852	399,247	0	399,247	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
<b>(1) Executive Director's Office, Short Term Disability</b>	<b>Total</b>	102,416	110,773	(437)	110,336	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	61,368	50,299	(437)	49,862	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	41,048	51,924	0	51,924	0	0	0	0	0	0
	HUTF	0	8,550	0	8,550	0	0	0	0	0	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
<b>(1) Executive Director's Office, S.B. 04-257 Amortization Equalization Disbursement</b>	<b>Total</b>	1,246,959	1,474,071	(5,642)	1,468,429	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	743,635	667,484	(5,642)	661,842	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	503,324	695,869	0	695,869	0	0	0	0	0	0
	HUTF	0	110,718	0	110,718	0	0	0	0	0	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
<b>(1) Executive Director's Office, S.B. 06-235 Supplemental Amortization Equalization Disbursement</b>	<b>Total</b>	573,932	905,680	(3,528)	902,152	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	339,477	412,795	(3,528)	409,267	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	234,455	424,859	0	424,859	0	0	0	0	0	0
	HUTF	0	68,026	0	68,026	0	0	0	0	0	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0

**Schedule 13  
Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11  Base Reduction Item FY 2010-11  Supplemental FY 2009-10  Budget Amendment FY 2010-11

Request Title: Information Technology Division Vacancy and Operating Reductions  
 Department: Revenue Dept. Approval by: \_\_\_\_\_ Date: \_\_\_\_\_  
 Priority Number: ES-10 OSPB Approval: \_\_\_\_\_ Date: \_\_\_\_\_

		1	2	3	4	5	6	7	8	9	10
Fund		Prior-Year Appropriation FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12
(3) Information Technology Division, (A)	Total	6,100,404	6,234,114	(359,342)	5,874,772	0	0	0	0	0	0
	FTE	79.9	79.9	(4.8)	75.1	0.0	0.0	0.0	0.0	0.0	0.0
Support Services	GF	4,047,456	4,560,533	(359,342)	4,201,191	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	1,579,096	923,259	0	923,259	0	0	0	0	0	0
	HUTF	0	351,075	0	351,075	0	0	0	0	0	0
	CFE/RF	473,852	399,247	0	399,247	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
(3) Information Technology Division, (A)	Total	724,313	813,541	(64,554)	748,987	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Support Services	GF	724,313	724,313	(64,554)	659,759	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	89,228	0	89,228	0	0	0	0	0	0
	HUTF	0	0	0	0	0	0	0	0	0	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0

Non-Line Item Request: None  
 Letternote Revised Text: None  
 Cash or Federal Fund Name and COFRS Fund Number:  
 Reappropriated Funds Source, by Department and Line Item Name:  
 Approval by OIT? Yes:  No:  N/A:   
 Schedule 13s from Affected Departments: Not applicable.



# DEPARTMENT OF REVENUE

*Budget Reduction Proposal  
August 24, 2009*

*Roxy Huber  
Executive Director*

## *ES-10 Information Technology Division Vacancy and Operating Reduction*

### **Proposal:**

The Department of Revenue proposes to eliminate 4.8 FTE in the Information Technology Division and reduce operating expenditures in an effort to balance the state budget for FY 2009-10 and FY 2010-11. These reductions total 4.8 FTE and \$433,503 General Fund in FY 2009-10 and 5.2 FTE and \$465,763 in FY 2010-11.

### **Summary of Request:**

- The Information Technology Division is currently appropriated 113.6 FTE and \$13.1 million total funds (\$5.4 million General Fund, \$7.4 million cash funds, and \$0.4 million reappropriated funds). This Division is responsible for the Department Systems Support and Colorado State Titling and Registration System (CSTARS).
- Each of the positions recommended for budget reductions work on customer service, application development for the business groups, and infrastructure services within the Department.
- There will be delays in changes and updates to programs, which may affect productivity and the ability to process revenues for the State.
- Included in this proposal are 1.5 FTE who serve the help desk and perform desktop support.
- Also included are 3.2 FTE IT Professionals and temporary staff, whose elimination will result in less available support for the implementation of the CITA project.
- The Division is recommending that 0.5 FTE from the infrastructure section be eliminated, which may impact the division's ability to deploy and maintain network infrastructure equipment, maintain network security devices such as firewalls, and perform regular audits of the base line system configuration of high risk servers and workstations.
- The proposed reduction in Operating Expenses may prevent the division from full compliance with new directives from the Office of Information Technology. Other consequences include maintenance deferral, canceling maintenance and support contracts, and the inability to upgrade software and hardware.
- The Governor's Office of Information Technology has been made aware that these vacant positions are proposed for elimination. The Department has not received feedback from the Governor's Office of Information Technology that indicates their disagreement with this proposal.

**Assumptions and Tables to Show Calculations:**

<b>Reductions – FY 2009-10</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
(1) Executive Directors Office – Short-Term Disability	(\$437)	(\$437)	\$0	\$0	\$0	0.0
(1) Executive Directors Office – Amortization Equalization Disbursement	(\$5,642)	(\$5,642)	\$0	\$0	\$0	0.0
(1) Executive Directors Office – Supplemental Amortization Equalization Disbursement	(\$3,528)	(\$3,528)	\$0	\$0	\$0	0.0
(3) Information Technology Division, (A) Support Services Personal Services	(\$359,342)	(\$359,342)	\$0	\$0	\$0	(4.8)
(3) Information Technology Division, (A) Support Services Operating Expenses	(\$64,554)	(\$64,554)	\$0	\$0	\$0	0.0
<b>Total Reduction Savings</b>	<b>(\$433,503)</b>	<b>(\$433,503)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(4.8)</b>

<b>Reductions – FY 2010-11</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
(1) Executive Directors Office – Short-Term Disability	(\$477)	(\$477)	\$0	\$0	\$0	0.0
(1) Executive Directors Office – Amortization Equalization Disbursement	(\$7,385)	(\$7,385)	\$0	\$0	\$0	0.0
(1) Executive Directors Office – Supplemental Amortization Equalization Disbursement	(\$5,385)	(\$5,385)	\$0	\$0	\$0	0.0
(3) Information Technology Division, (A) Support Services Personal Services	(\$387,962)	(\$387,962)	\$0	\$0	\$0	(5.2)
(3) Information Technology Division, (A) Support Services Operating Expenses	(\$64,554)	(\$64,554)	\$0	\$0	\$0	0.0
<b>Total Reduction Savings</b>	<b>(\$465,763)</b>	<b>(\$465,763)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(5.2)</b>

<b>FY 2009-10 Reduction</b>						
<b>Class</b>	<b>FTE</b>	<b>Salary*</b>	<b>STD</b>	<b>AED</b>	<b>SAED</b>	<b>Total General Fund</b>
Cust Support Coordinator. II	(0.9)	(\$46,686)	(\$65)	(\$837)	(\$523)	(\$48,110)
Cust Support Coordinator I	(0.5)	(\$20,598)	(\$29)	(\$369)	(\$231)	(\$21,228)
IT Pro V	(0.9)	(\$83,968)	(\$117)	(\$1,505)	(\$941)	(\$86,530)
IT Pro IV	(0.5)	(\$35,502)	(\$49)	(\$636)	(\$398)	(\$36,585)
IT Pro II	(0.2)	(\$11,121)	(\$15)	(\$199)	(\$125)	(\$11,461)
IT Pro III	(0.9)	(\$61,306)	(\$85)	(\$1,099)	(\$687)	(\$63,177)
IT Pro II	(0.9)	(\$55,610)	(\$77)	(\$997)	(\$623)	(\$57,307)
Temporary Resources	0.0	\$0	\$0	\$0	\$0	(\$44,551)
Operating Expenses						(\$64,554)
<b>Total</b>	<b>(4.8)</b>	<b>(\$314,791)</b>	<b>(\$437)</b>	<b>(\$5,642)</b>	<b>(\$3,528)</b>	<b>(\$433,503)</b>

FY 2010-11 Reduction						
Class	FTE	Salary*	STD	AED	SAED	Total General Fund
Cust Support Coordinator. II	(1.0)	(\$50,930)	(\$71)	(\$1,095)	(\$799)	(\$52,894)
Cust Support Coordinator I	(0.5)	(\$22,472)	(\$31)	(\$483)	(\$352)	(\$23,339)
IT Pro V	(1.0)	(\$91,601)	(\$127)	(\$1,970)	(\$1,436)	(\$95,135)
IT Pro IV	(0.5)	(\$38,730)	(\$54)	(\$833)	(\$607)	(\$40,224)
IT Pro II	(0.2)	(\$12,133)	(\$17)	(\$261)	(\$190)	(\$12,601)
IT Pro III	(1.0)	(\$66,880)	(\$93)	(\$1,438)	(\$1,049)	(\$69,460)
IT Pro II	(1.0)	(\$60,666)	(\$84)	(\$1,305)	(\$951)	(\$63,006)
Temporary Resources	0.0	\$0	\$0	\$0	\$0	(\$44,551)
Operating Expenses**						(\$64,554)
<b>Total</b>	<b>(5.2)</b>	<b>(\$343,411)</b>	<b>(\$477)</b>	<b>(\$7,385)</b>	<b>(\$5,385)</b>	<b>(\$465,763)</b>

\*Salary subtotal amounts include base salary and OSPB Common Policies or actuals for existing positions.

\*\*Operating Expense reductions include canceling maintenance and support contracts and delaying upgrades software and hardware.

**Current Statutory Authority or Needed Statutory Change:**

There is no statutory change or Executive Order required to reduce the state support for this program. This proposal is allowed under Title 24, Section 35. The appropriation for this program will be restricted under the existing authority of the Executive Director. However, the appropriation will require revision to reflect the reduction as noted in this requested budget action.

**24-35-103. C.R.S. (2009) Powers of executive director - deputies.**

(2) (a) Except as provided in paragraph (b) of this subsection (2), the executive director of the department of revenue, with the written approval of the governor, may combine existing groups, divisions, or subordinate departments or reduce the personnel in any group, division, or subordinate department or combined groups, divisions, or subordinate departments or in the department of revenue as a whole, in which case all employees so losing their positions for such reason, in the order of their seniority, shall be placed at the head of the eligible list of like qualifications and duties by the state personnel director. If such employee is a provisional employee, the employee shall not be placed at the head of any such list unless the employee has passed the regular examination of the state personnel system for such position and then only if his or her grade in such examination entitles such person to such position on said eligible list.