

COLORADO OFFICE OF THE STATE AUDITOR



STATE OF COLORADO

CASH FUNDS UNCOMMITTED RESERVES FISCAL YEAR ENDED JUNE 30, 2020



NOVEMBER 2020

PERFORMANCE AUDIT

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November 12, 2020

DIANNE E. RAY, CPA
—
STATE AUDITOR

Members of the Legislative Audit Committee:

This report contains the results of a performance audit of the *Cash Funds Uncommitted Reserves Report* for the Fiscal Year Ended June 30, 2020. The audit was conducted pursuant to Section 24-30-207(3), C.R.S., which requires the State Auditor to conduct an audit of the *Cash Funds Uncommitted Reserves Report* prepared by the Office of the State Controller. This report presents our findings, conclusions, and recommendations, and the responses of the various departments.



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REPORT HIGHLIGHTS



CASH FUNDS UNCOMMITTED RESERVES

FISCAL YEAR ENDED JUNE 30, 2020

PERFORMANCE AUDIT, NOVEMBER 2020

STATE OF COLORADO
OFFICE OF THE STATE CONTROLLER

CONCERN

Seven departments did not comply with uncommitted cash fund reserves statutory requirements.

KEY FACTS AND FINDINGS

- We determined that seven departments had funds with excess uncommitted reserves as of June 30, 2020. The departments that we identified as having cash funds with excess uncommitted reserves as of June 30, 2020, are:
 - Department of Agriculture
 - Department of Law
 - Department of Personnel and Administration
 - Department of Public Health and Environment
 - Department of Public Safety
 - Department of Regulatory Agencies
 - Department of State
- Within those seven departments, 17 total cash funds had excess uncommitted reserves totaling approximately \$9.1 million.
 - The total number of departments with excess uncommitted reserves decreased by five from the prior year.
 - The total number of funds with excess uncommitted reserves remained consistent with the prior year.
 - Total excess uncommitted reserves decreased by approximately \$15.5 million from the prior year.
- The Department of Public Safety has had one cash fund with excess uncommitted reserves for 3 consecutive years; as a result, the OSC will be required to restrict its spending authority in accordance with Section 24-75-402(12), C.R.S., beginning in Fiscal Year 2021.
- The Department of Law has had one cash fund with excess uncommitted reserves for four consecutive years; as a result, the OSC began restricting its spending authority in Fiscal Year 2020 in accordance with Section 24-75-402(12), C.R.S. and will continue to restrict its spending authority in Fiscal Year 2021.

BACKGROUND

- Section 24-75-402, C.R.S., limits the amount that departments can keep in certain cash funds at the end of a fiscal year.
- A cash fund has an excess uncommitted reserve when the year-end balance is greater than statutory reserve limits.
- The Office of the State Controller (OSC) is required to prepare the Cash Funds Excess Uncommitted Reserves Report annually by September 20 to determine which funds are in compliance.

KEY RECOMMENDATION

- The departments with excess uncommitted reserves should take appropriate action to ensure that all cash funds are in compliance with applicable statutory requirements.

The departments agreed with the recommendations.



CHAPTER 1

OVERVIEW

In 1998, the General Assembly limited the amount of reserves that state agencies may maintain in cash funds by passing Senate Bill 98-194. Codified in Section 24-75-402, C.R.S., the law establishes a reserve limit for all cash funds, except those specifically exempted, equal to 16.5 percent of the total expenditures in the fund during the fiscal year. This amount is roughly equal to a 2-month spending reserve. Some funds may be subject to alternative maximum reserve limits that statutes establish elsewhere. If a particular fund's uncommitted reserve balance exceeds the applicable statutory limit, the agency responsible for the fund is required to reduce fees accordingly or increase expenditures in order to reduce the excess.

To help enforce these constraints, the General Assembly included a provision requiring the State Controller to produce an annual report of the uncommitted reserves that exist in each state cash fund. The Legislature codified this provision in Section 24-30-207, C.R.S., which specifically requires that the State Controller submit the *Cash Funds Uncommitted Reserves Report* (Report) to the Office of State Planning and Budgeting (OSPB) and the Joint Budget Committee (JBC) on or before September 20 of each year. The law also requires the State Auditor to audit the Report.

METHODOLOGY TO IDENTIFY CASH FUNDS WITH EXCESS UNCOMMITTED RESERVES

Section 24-75-402, C.R.S., prescribes a methodology to determine the amount of excess uncommitted reserves for each of the State's cash funds. EXHIBIT 1.1 demonstrates the activity and account balances used to calculate the excess uncommitted reserve of a hypothetical cash fund to illustrate the methodology.

Fund balance, adjusted for exempt assets and previously appropriated amounts, and revenue, categorized by fee and non-fee sources, are used to calculate the amount of each cash fund's uncommitted reserves. Statute limits the amount of uncommitted reserves a fund can have at the end of each fiscal year. Funds that have any amount of uncommitted reserves in excess of either the statutory maximum or the JBC-approved alternative maximum, as applicable, have "excess uncommitted reserves" and are out of compliance. The Exhibit shows that cash fund "Z" has an excess uncommitted reserve of \$283,000 at the end of the fiscal year.

**EXHIBIT 1.1. HYPOTHETICAL BALANCES FOR CASH FUND Z
CALCULATION OF EXCESS UNCOMMITTED RESERVE
BALANCES AS OF JUNE 30, 20XX**

HYPOTHETICAL BALANCES:

Ending fund balance	\$ 400,000	A	
Exempt assets (e.g. inventory)	\$ 1,000	B	
Capital Reserve	\$ 1,000	C	
Previously appropriated fund balance (e.g., capital construction)	\$ 3,000	D	
Fiscal Year 20XX revenue and expenses:			
Fee revenue	\$ 200,000	E	
Non-fee revenue	\$ 50,000	F	
Total revenue	\$ 250,000	G	
Total expenses	\$ 200,000	H	

STEPS USED TO CALCULATE THE AMOUNT OF EXCESS UNCOMMITTED RESERVES:

1 CALCULATE THE UNCOMMITTED RESERVE

Reduce fund balance by exempt assets and any
previously appropriated fund balance

Fund balance	\$ 400,000	A	
LESS: Exempt assets	\$ (1,000)	B	
Capital reserve	\$ (1,000)	C	
Previously appropriated fund balance	\$ (3,000)	D	
Reduced fund balance			\$ 395,000

Multiply reduced fund balance by the ratio of fee
revenue to total revenue

Fee revenue	\$ 200,000	E	
Total revenue	\$ 250,000	G	
Ratio of fee revenue to total revenue			80%
Uncommitted reserve			\$ 316,000
<i>(Note: Reduced fund balance multiplied by the ratio.)</i>			

2 CALCULATE THE MAXIMUM RESERVE

Multiply total expenses by 16.5 percent

Total expenses	\$ 200,000	H	
	x 16.5%		
Maximum reserve			\$ 33,000

3 CALCULATE THE EXCESS UNCOMMITTED RESERVE

Subtract maximum reserve from the uncommitted
reserve

EXCESS UNCOMMITTED RESERVE			\$ 283,000
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CASH FUNDS UNCOMMITTED RESERVES FOR FISCAL YEAR 2020

The purpose of Section 24-75-402, C.R.S., was not only to eliminate excess uncommitted reserves existing on June 30, 1998, but also to keep all cash funds from increasing their uncommitted reserves in future years.

In Fiscal Year 2015, the General Assembly changed the requirements for calculating excess uncommitted reserves through House Bill 15-1261, which stated that only funds with uncommitted reserves greater than \$200,000 with an excess are out of compliance. The General Assembly also added a provision that allows departments to request that the State Controller average the calculated uncommitted reserve for a cash fund over a multi-year period if the program has a multi-year revenue collection period. As of the date of this report, the Office of the State Controller (OSC) indicates that it has not received any requests to average uncommitted reserves in accordance with this provision.

The bill also added a provision allowing departments to submit a request to the JBC to waive these reserve requirements for a specific period. Departments can specifically request either a full exemption for a cash fund or the establishment of an alternative maximum reserve amount for the cash fund. This waiver could be for any amount. EXHIBIT 1.2 shows the cash funds that have JBC-approved waivers as of the date of this report. The funds in this table noted as having an “Exemption” waiver are excluded from the cash funds reporting requirements and are, therefore, not included in any tables or appendices. The funds in this table noted as having an “Alternative Maximum” waiver are included in tables and appendices, and are included in this report if they have uncommitted reserves in excess of their alternative maximum reserve.

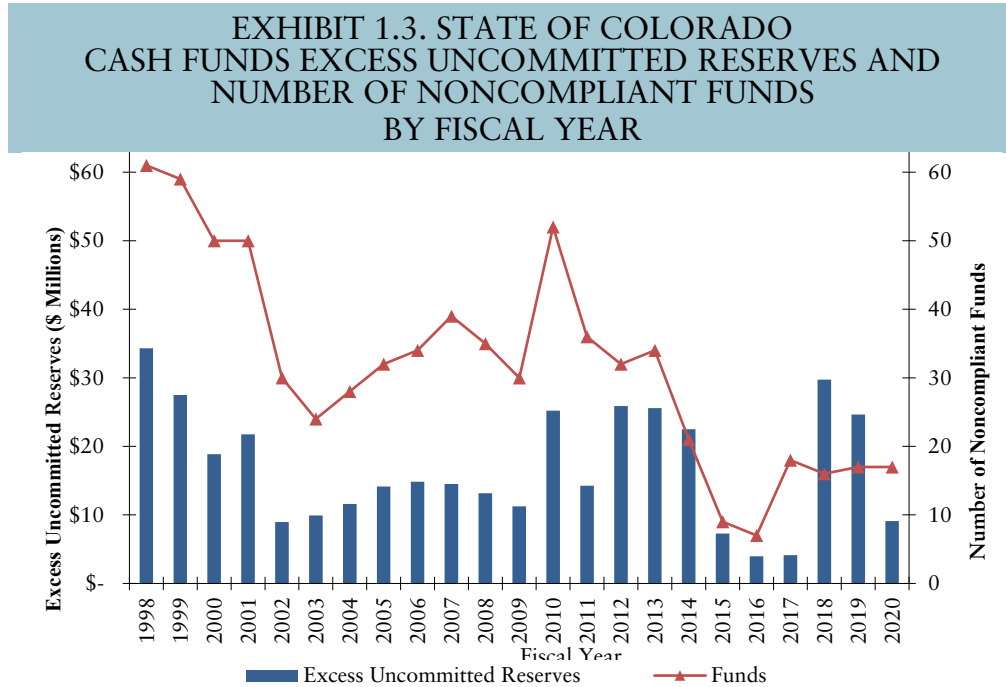
**EXHIBIT 1.2. STATE OF COLORADO
JOINT BUDGET COMMITTEE APPROVED CASH FUND WAIVERS
FOR CASH FUNDS WITH EXCESS UNCOMMITTED RESERVES EFFECTIVE
AS OF FISCAL YEAR 2020**

FUND NAME	WAIVER TYPE	MAXIMUM RESERVE	ALTERNATIVE MAXIMUM RESERVE	WAIVER PERIOD (FISCAL YEARS)
EDUCATION				
Educator Licensure Cash Fund	Exemption	N/A	N/A	2019 through 2021
HIGHER EDUCATION				
Private Occupational Schools Fund	Exemption	N/A	N/A	2020 through 2022
HUMAN SERVICES				
Child Care Licensing Cash Fund	Exemption	N/A	N/A	2019 through 2021
Records and Reports Fund	Exemption	N/A	N/A	2020 through 2022
LABOR AND EMPLOYMENT				
Conveyance Safety Fund	Alternative Maximum	\$235,018	\$1,500,000	2019 through 2021
Wage Theft Enforcement Fund	Exemption	N/A	N/A	2020 through 2021
Workers' Compensation Cost Containment Fund	Exemption	N/A	N/A	2019 through 2021
LOCAL AFFAIRS				
Building Regulation Fund	Alternative Maximum	\$190,177	\$380,354	2019 through 2021
Private Activity Bond Allocations Fund	Alternative Maximum	\$13,557	\$246,495	2019 through 2021
PERSONNEL & ADMINISTRATION				
Self-insured Property Fund	Exemption	N/A	N/A	2020
State Archives and Records Fund	Exemption	N/A	N/A	2019 through 2020
PUBLIC HEALTH AND ENVIRONMENT				
Hazardous Substance Response Fund	Alternative Maximum	\$720,069	\$10,000,000	2018 through 2020
Vital Statistics Record Cash Fund	Exemption	N/A	N/A	2018 through 2020
PUBLIC SAFETY				
CBI Identification Unit Fund	Exemption	N/A	N/A	2019 through 2021
REVENUE				
Liquor Enforcement Division and State Licensing Authority	Exempt	N/A	N/A	2020 through 2022
Marijuana Cash Fund ¹	Exempt	N/A	N/A	2020 through 2022
SOURCE: Joint Budget Committee letters to the Office of the State Controller dated March 2017 through June 2020.				
¹ This fund is distinct from the Medical Marijuana Cash Fund administered by Public Health and Environment.				

The Fiscal Year 2020 Cash Funds Report (Report) indicates that, overall, Section 24-75-402, C.R.S., has reduced total excess uncommitted reserves since 1998. The Report shows 17 cash funds with excess uncommitted reserves of about \$9.1 million, compared with 61 cash funds with excess uncommitted reserves of about \$34.3 million identified in the Fiscal Year 1998 Report. From Fiscal Year 2019 to Fiscal Year 2020 the total excess uncommitted reserves decreased by

\$15.5 million, and the total number of funds stayed the same.

EXHIBIT 1.3 shows the excess uncommitted reserves by fiscal year and the number of noncompliant funds since the implementation of the original cash funds legislation in Fiscal Year 1998.



SOURCE: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for Fiscal Years 1998 through 2020*.

NOTE: Beginning with Fiscal Year 2015, funds with excess uncommitted reserves are defined as funds with uncommitted reserves greater than \$200,000 with an excess. For Fiscal Years 1998 through 2014, the definition applied to funds with uncommitted reserves greater than \$50,000 with an excess.

TAXPAYER'S BILL OF RIGHTS (TABOR) IMPLICATIONS

Each year, the OSC prepares the *Schedule of Computations Required Under Article X, Section 20, of the State Constitution (TABOR)*, which calculates the annual amount of TABOR revenue collected by the State. If the State collects revenue in excess of a calculated limit, it must refund that excess to taxpayers. The excess has traditionally been paid from tax revenues in the General Fund, rather than fee revenues in cash funds.

TABOR revenue consists of two major parts: state tax revenues including income and sales taxes, and fees from cash-funded activities. The financial information relating to fee revenue contained in this audit report is a component of all fees from cash-funded activities. As reported by the State Controller as of September 1, 2020, the State had approximately \$14.9 billion in TABOR revenue for Fiscal Year 2020. This included \$4.8 billion recorded in all cash funds, with \$291 million in cash funds subject to the requirements of this report. Fiscal Year 2020 revenue was under the limit by \$82.5 million. When the State's TABOR revenue exceeds the limit, excess fee revenue in cash funds may influence whether the State will owe TABOR refunds. Section 24-75-402(3)(c), C.R.S., requires a department to reduce fees or increase expenditures if the department has excess uncommitted reserves.

EXHIBIT 1.4 lists the top 10 individual funds with the largest excess uncommitted reserves balances, and their corresponding departments. The exhibit also shows the total number of years, not necessarily consecutive, that each fund has been out of compliance with statutory requirements.

**EXHIBIT 1.4. STATE OF COLORADO
CASH FUNDS WITH 10 LARGEST EXCESS UNCOMMITTED
RESERVES BALANCES AS OF JUNE 30, 2020,
WITH COMPARISON OF BALANCES AS OF JUNE 30, 2019**

DEPARTMENT	FUND NAME	EXCESS UNCOMMITTED RESERVES 2019	EXCESS UNCOMMITTED RESERVES 2020	TOTAL NUMBER OF YEARS OUT OF COMPLIANCE ¹
Department of Public Safety	School Safety Resource Center Cash Fund	0	\$2,321,824	1
Department of Personnel and Administration	Supplier Database Cash Fund	0	\$2,096,339	8
Department of Agriculture	Industrial Hemp Registration Program Fund	\$1,229,338	\$1,178,171	2
Department of Public Safety	Instant Criminal Background Check Fund	0	\$838,106	3
Department of Regulatory Agencies	Conservation Easements Cash Fund	0	\$520,110	1
Department of Regulatory Agencies	Telecommunications Utility Fund	0	\$475,222	2
Department of State	Department of State Cash Fund	\$323,820	\$400,328	13
Department of Regulatory Agencies	Real Estate Cash Fund	0	\$319,443	6
Department of Law	Uniform Consumer Credit Code Cash Fund	\$140,729	\$193,429	10
Department of Public Health and Environment	Medical Marijuana Cash Fund	\$31,699	\$190,239	15

SOURCE: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2003, through 2020*.

¹ Total number of years out of compliance may not necessarily represent consecutive years.

RESTRICTION OF SPENDING AUTHORITY

Section 24-75-402(12), C.R.S., requires the State Controller to restrict spending authority for cash funds that have been out of compliance for 3 consecutive fiscal years. Specifically, this statute instructs the State Controller to restrict spending of any appropriation from the cash fund for the next fiscal year in an amount equal to the lesser of the excess uncommitted reserve or the applicable maximum reserve requirement. Statute also instructs the State Controller to release the restriction when the fund complies with the maximum or alternative maximum reserve requirement, or when the Joint Budget Committee approves an exemption waiver for the fund.

EXHIBIT 1.5 provides a listing of the cash funds with excess uncommitted reserves for 2 or more consecutive years as of June 30, 2020. As shown in the exhibit the Public School Construction and Inspection Cash Fund at the Department of Public Safety has had an excess uncommitted reserve for 3 consecutive years. As a result, this fund is now subject to spending authority restriction in Fiscal Year 2021, in accordance with statute. The Uniform Consumer Credit Code Cash Fund at the Department of Law has had an excess uncommitted reserve for 4 consecutive years, and therefore, was subject to the spending authority restriction in Fiscal Year 2020 and will continue to be subject to the restriction in Fiscal Year 2021, in accordance with statute. The remaining funds, which have had excesses for 2 consecutive years, will be subject to the spending authority restriction in Fiscal Year 2022 if they continue to have an excess uncommitted reserve at the end of Fiscal Year 2021.

**EXHIBIT 1.5. STATE OF COLORADO
CASH FUNDS WITH TWO OR MORE CONSECUTIVE YEARS OF EXCESS
UNCOMMITTED RESERVES AS OF JUNE 30, 2020**

FUND NAME	EXCESS UNCOMMITTED RESERVES		
	2018	2019	2020
AGRICULTURE			
Industrial Hemp Registration Program	\$0	\$1,229,338	\$1,178,171
LAW			
Uniform Consumer Credit Code Cash Fund ¹	\$202,047	\$140,729	\$193,429
PUBLIC HEALTH AND ENVIRONMENT			
Assisted Living Residence Fund	\$0	\$336,177	\$10,910
Home Care Agency	\$0	\$89,965	\$39,520
Medical Marijuana Cash Fund	\$0	\$31,699	\$190,239
SUBTOTAL	\$0	\$457,841	\$240,669
PUBLIC SAFETY			
Public School Construction and Inspection Cash Fund	\$3,014,118	\$1,748,630	\$7,341
REGULATORY AGENCIES			
Prescription Drug Monitoring	\$0	\$480,061	\$174,278
Division of Securities Cash Fund	\$0	\$713,942	\$75,011
SUBTOTAL	\$0	\$1,194,003	\$249,289
STATE			
Department of State Cash Fund	\$0	\$323,820	\$400,328
GRAND TOTAL	\$3,216,165	\$5,094,331	\$2,269,227

SOURCE: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2018, through 2020*.

¹ This fund has been out of compliance for 4 consecutive years.

REPORTING REQUIREMENTS

Section 24-75-402(5), C.R.S., identifies specific funds to be excluded from the Report, as well as criteria for exclusion. These criteria include the exclusion of any cash fund established to fund capital construction, any trust fund, and any cash fund with uncommitted reserves of less than \$200,000. Additionally, during Fiscal Year 2011, a legal memorandum from the Office of Legislative Legal Services concluded that fee revenue set in statute should be excluded from the cash fund's fee revenue in the calculation of excess uncommitted reserves.

CURRENT AND PRIOR YEAR COMPLIANCE

In our *Fiscal Year 2020 Cash Funds Uncommitted Reserves* audit report we have made recommendations to seven departments for 17 funds with excess uncommitted reserves that were out of compliance with Section 24-75-402(3)(c), C.R.S. By comparison, in the previous year, as a result of our Fiscal Year 2019 audit, we made recommendations to 12 departments for 17 cash funds that were out of compliance.

EXHIBIT 1.6 shows cash funds with any excess uncommitted reserves at the end of Fiscal Year 2020 or Fiscal Year 2019. The complete Report with all cash funds with uncommitted reserves greater than \$200,000 at the end of Fiscal Year 2020 and subject to Section 24-75-402, C.R.S., is on PAGES 50 and 51.

**EXHIBIT 1.6. STATE OF COLORADO
CASH FUNDS UNCOMMITTED RESERVES REPORT SUMMARY
FOR THE FISCAL YEARS ENDED JUNE 30, 2019 AND 2020
CASH FUNDS WITH EXCESS UNCOMMITTED RESERVES
GREATER THAN \$0**

FUND NAME	EXCESS UNCOMMITTED RESERVES	
	FISCAL YEAR 2019	FISCAL YEAR 2020
DEPARTMENT OF AGRICULTURE		
Industrial Hemp Registration Program Cash Fund	\$1,229,338	\$1,178,171
DEPARTMENT OF HIGHER EDUCATION		
Private Occupational School Division Cash Fund	\$115,980	\$0
DEPARTMENT OF HUMAN SERVICES		
Records And Reports Fund	\$270,740	\$0
JUDICIAL BRANCH		
Judicial Information Technology Cash Fund	\$3,115,385	\$0
DEPARTMENT OF LABOR AND EMPLOYMENT		
Conveyance Safety Fund	\$376,218	\$0
DEPARTMENT OF LAW		
Collection Agency Cash Fund	\$146,020	\$0
Uniform Consumer Credit Code Cash Fund	\$140,729	\$193,429
SUBTOTAL	\$286,749	\$193,429
DEPARTMENT OF MILITARY AND VETERANS AFFAIRS		
Chargeable Quarters and Billeting Cash Fund	\$694,205	\$0
DEPARTMENT OF PERSONNEL & ADMINISTRATION		
Supplier Database Cash Fund	\$0	\$2,096,339
DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT		
Radiation Control Fund	\$0	\$97,872
Medical Marijuana Cash Fund	\$31,699	\$190,239
Assisted Living Residence Fund	\$336,177	\$10,910
Home Care Agency Cash Fund	\$89,965	\$39,520
Trauma System Cash Fund	\$0	\$186,607
SUBTOTAL	\$457,841	\$525,148
DEPARTMENT OF PUBLIC SAFETY		
Public School Construction and Inspection Fund	\$1,748,630	\$7,341
School Safety Resource Center Cash Fund	\$0	\$2,321,824
Instant Criminal Background Check Fund	\$0	\$838,106
Health Facility Construction and Inspection Fund	\$865,245	\$0
SUBTOTAL	\$2,613,875	\$3,167,271
DEPARTMENT OF REGULATORY AGENCIES		
Prescription Drug Monitoring Fund	\$480,061	\$174,278
Conservation Easements Cash Fund	\$0	\$520,110
Real Estate Cash Fund	\$0	\$319,443
Division of Securities Cash Fund	\$713,942	\$75,011
Telecommunications Utility Fund	\$0	\$475,222
SUBTOTAL	\$1,194,003	\$1,564,064
DEPARTMENT OF REVENUE		
Marijuana Cash Fund	\$13,926,918	\$0
Liquor Enforcement Division & State Licensing Authority	\$71,334	\$0
SUBTOTAL	\$13,998,252	\$0
DEPARTMENT OF STATE		
Department of State Cash Fund	\$323,820	\$400,328
GRAND TOTAL	\$24,676,407	\$9,124,750

SOURCE: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2019 and 2020*, prepared by the Office of the State Controller.

AUDIT PURPOSE, SCOPE, AND METHODOLOGY

We conducted this performance audit pursuant to Section 24-30-207(3), C.R.S., which requires the State Auditor to perform an audit of the OSC's annual Report. We performed our audit work on the Fiscal Year 2020 Report during the period July 2020 through October 2020. We appreciate the cooperation and assistance provided by the State Controller and OSC staff, as well as staff at the various departments. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The key audit objectives were to determine compliance of the State's cash funds in accordance with Section 24-75-402, C.R.S., and to determine whether the schedules contained in the State Controller's Report were prepared in accordance with Statute. The full Report is included on page 50 of this audit report.

To accomplish our audit objectives, we:

- Determined whether the schedules contained in the Report, as prepared by the OSC, were prepared in accordance with statute.
- Obtained an understanding of internal control that is significant within the context of audit objectives. If significant to audit objectives, we evaluated the effectiveness of internal control in relation to the State Controller's preparation of the financial report.
- Determined whether departments complied with Section 24-75-402, C.R.S., for cash funds with excess uncommitted reserves as of the Fiscal Year Ended June 30, 2020.

- Determined whether the OSC has created policies and procedures to ensure creation of an accurate list of funds for which they are required to restrict spending authority in accordance with Section 24-75-402(12), C.R.S.
- Followed up on prior year audit recommendations.

We relied on sampling to support some of our audit work. We selected a nonstatistical sample of 100 of the total 514 funds and performed detail testing of the various balances reported in the OSC's Report. We chose the sample to provide sufficient coverage of those areas that were significant to the objectives of this audit and the results of our sample testing were not intended to be projected to the entire population. However, the sample results are valid for confirming that the departments generally recorded cash fund information in accordance with the OSC's Fiscal Procedures Manual (FPM). The OSC publishes the FPM each year to communicate policies and procedures to the departments, and it includes detailed policies for recording transactions related to cash funds. This is the main way the OSC communicates internal control information externally to each department. As required by auditing standards, we planned our audit work to assess the effectiveness of those internal controls that were significant to our audit objectives. Specifically, our work related to internal control included the following components and underlying principles based on guidance issued by the U.S. Government Accountability Office.

SIGNIFICANT INTERNAL CONTROL COMPONENTS AND UNDERLYING PRINCIPLES REVIEWED DURING THE AUDIT	
Risk Assessment <ul style="list-style-type: none"> Identify, Analyze, and Respond to Change 	Information and Communication <ul style="list-style-type: none"> Communicate Externally
Control Activities <ul style="list-style-type: none"> Design Activities for the Information System Implement Control Activities 	Monitoring <ul style="list-style-type: none"> Perform Monitoring Activities Evaluate Issues and Remediate Deficiencies
SOURCE: U.S. Government Accountability Office, Standards for Internal Control in the Federal Government (Green Book).	

Our conclusions on the effectiveness of those controls that were significant to our audit objectives, as well as specific details about the audit work supporting our findings, conclusions, and recommendations are described in the remainder of this report. The Office of the State Controller reviewed a draft of this report and each department reviewed their respective findings and recommendations. We have incorporated the department and OSC comments into the report where relevant. The written responses to the recommendations and the related implementation dates are the sole responsibility of each department.

OVERALL CONCLUSION

Based on the results of our audit we determined the schedules contained in the Report, as prepared by the OSC, were prepared in accordance with Section 24-75-402, et. seq., C.R.S., including within the deadline for submission to the OSPB and JBC outlined in Section 24-30-207(3), C.R.S. We obtained an understanding of internal controls that were significant within the context of our audit objectives, evaluated the effectiveness of internal control in relation to the State Controller's preparation of the financial report, and found no deficiencies. We determined that the OSC has created and implemented policies and procedures to ensure creation of an accurate list of funds for which they are required to restrict spending authority in accordance with Section 24-75-402(12), C.R.S. We followed up on prior year audit recommendations and found no problems.

We determined that seven departments did not comply with Section 24-75-402, C.R.S., for cash funds with excess uncommitted reserves as of the Fiscal Year Ended June 30, 2020. We describe specific details regarding these instances of noncompliance, our findings, and recommendations to the various departments in CHAPTER 2.



CHAPTER 2

FINDINGS AND RECOMMENDATIONS

COMPLIANCE WITH STATUTORY RESERVE REQUIREMENTS

Cash funds statutes list key dates that specify when cash funds should comply with statutory requirements. Section 24-75-402(6), C.R.S., specifies that excess uncommitted reserves limitations do not apply to funds that have been in existence for fewer than 2 full fiscal years.

WHAT AUDIT WORK WAS PERFORMED AND WHAT WAS THE PURPOSE?

As part of our audit of the Fiscal Year 2020 *Cash Funds Uncommitted Reserves Report* (Report) we reviewed the departments' cash fund balances, obtained fund descriptions, and performed testwork on significant balances. The purpose of our audit work was to determine departments' compliance with statutory limits on excess uncommitted cash funds reserves.

HOW WERE THE RESULTS OF THE AUDIT WORK MEASURED?

Departments are allowed to keep cash fund reserves subject to limits as outlined in statute. If a cash fund is found to be out of compliance with the statutory limits, Section 24-75-402(3)(c) C.R.S. requires that departments take action to reduce excess uncommitted reserves by decreasing fees charged to citizens, taking into account any increases in expenditures from the fund. Section 24-75-402(12) C.R.S. also requires the State Controller to restrict spending authority of funds that have been out of compliance for 3 consecutive years.

WHAT PROBLEM DID THE AUDIT WORK IDENTIFY?

During our audit, we found that seven departments had excess uncommitted reserves as of the end of Fiscal Year 2020 totaling approximately \$9.1 million in 17 cash funds that are subject to statutory limits. The departments and funds not in compliance as of June 30, 2020, are described in the following department sections in this report, along with the number of years each fund has shown an excess, based on the first year of required compliance.

WHY DID THIS PROBLEM OCCUR?

The seven departments with excess uncommitted reserves for Fiscal Year 2020 did not take action to ensure statutory compliance with cash funds uncommitted reserves limits such as reducing fees, spending down the balance, or seeking a waiver from the Joint Budget Committee.

WHY DOES THIS PROBLEM MATTER?

As discussed in Chapter 1, because the departments did not take the necessary action to reduce fees, excess reserves were not mitigated effectively. Further, because cash fund fees are considered part of TABOR revenue, excess cash reserves contribute to the State potentially exceeding TABOR limits in a given year. For Fiscal Year 2020 the State was under the TABOR excess revenues cap by \$82.5 million according to the State Controller's September 1 TABOR certification letter.

DEPARTMENT OF AGRICULTURE

As of June 30, 2020, the Department of Agriculture had one cash fund out of compliance with Section 24-75-402(3)(c), C.R.S., with excess uncommitted reserves totaling approximately \$1.2 million.

INDUSTRIAL HEMP REGISTRATION PROGRAM CASH FUND

PURPOSE: To test hemp crops to ensure that tetrahydrocannabinol (THC) levels comply with requirements. Fees are charged for inspections and based on land area.

FIRST YEAR OF REQUIRED COMPLIANCE: Fiscal Year 2016

STATUS: Fiscal Year 2020 was the 2nd year since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

EXHIBIT 2.1. INDUSTRIAL HEMP REGISTRATION PROGRAM CASH FUND

FISCAL YEAR	AMOUNT OF EXCESS
2016–2018 ¹	\$ –
2019	\$ 1,229,338
2020	\$ 1,178,171

SOURCE: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2016, through 2020*.

¹ This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

RECOMMENDATION 1

The Department of Agriculture should take appropriate action to ensure that the Industrial Hemp Registration Program Cash Fund complies with applicable cash funds statutory requirements.

RESPONSE

DEPARTMENT OF AGRICULTURE

AGREE. IMPLEMENTATION DATE: JUNE 2023

Following the 2018 Agricultural Improvement Act (Federal Farm Bill) identifying Hemp as an agricultural crop, and more recently, USDA interim final rules on October 31, 2019 (7 CFR Part 990) for the Establishment of a Domestic Hemp Production Program, the Department has worked diligently to meet the requirements of these rules and develop an emerging agricultural industry in the State of Colorado. In response, the Department coordinated the Colorado Hemp Advancement and Management Plan (CHAMP) initiative, which brought collaboration with leading state, local, and tribal agencies, as well as industry experts. This initiative has identified opportunities to develop a more sustainable program and driven supplemental funding requests during the 2020 legislative session. Additionally, on June 18, 2020, the Department submitted the Colorado State Hemp Management Plan to USDA in response to the interim final rule, outlining the management plan of the Industrial Hemp program in the State of Colorado. During the 2020 legislative session, the Department also sought and obtained a cash fund maximum reserve exemption waiver from the Joint Budget Committee for Fiscal Years 2020-21, 2021-22, and 2022-23. These exemptions align with the Department's deployed strategy to bring the Industrial Hemp Registration program Cash Fund into compliance.

DEPARTMENT OF LAW

As of June 30, 2020, the Department of Law had one cash fund out of compliance with Section 24-75-402(3)(c), C.R.S., with excess uncommitted reserves totaling approximately \$193,000.

UNIFORM CONSUMER CREDIT CODE CASH FUND

PURPOSE: To collect license fees and court awards related to the enforcement of the Uniform Consumer Credit Code.

FIRST YEAR OF REQUIRED COMPLIANCE: Fiscal Year 2003.

STATUS: Fiscal Year 2020 was the 10th year in total since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S. The Fund has been out of compliance for 4 consecutive years and is, therefore, also subject to continuing spending restrictions noted in Section 24-75-402(12), C.R.S.

EXHIBIT 2.2. UNIFORM CONSUMER CREDIT CODE CASH FUND

FISCAL YEAR	AMOUNT OF EXCESS
2003	\$ 146,836
2004 ¹	\$ –
2005	\$ 69,796
2006	\$ 187,293
2007	\$ 113,989
2008–2010 ¹	\$ –
2011	\$ 35,918
2012	\$ 176,400
2013–2016 ¹	\$ –
2017	\$ 369,028
2018	\$ 202,047
2019	\$ 140,729
2020	\$ 193,429

SOURCE: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2003, through 2020*.

¹ This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

RECOMMENDATION 2

The Department of Law should immediately address the Uniform Consumer Credit Code Fund's excess uncommitted reserves in order to meet the requirements for the State Controller to release any spending restrictions on the fund.

RESPONSE

DEPARTMENT OF LAW

AGREE. IMPLEMENTATION DATE: JUNE 2021

The DOL has taken appropriate action to reduce the end of year fund balance for this fund by over \$200K over the past two fiscal years. However, this fund experienced a reduction in actual expenses as compared to estimated expenses in FY20 due, in part, to the reduction of activities associated with the COVID pandemic. The DOL's January 2020 fee setting for this fund and the estimated expenses through the end of the current licensing period (January 2021), will put the fund at an estimated \$50K fund balance at that time. As such, the DOL will be positioned to establish new fees for this fund in January 2021, that will address the targeted fund balance requirements by the end of FY21. The DOL anticipates this fund to be in compliance by the end of FY 21.

DEPARTMENT OF PERSONNEL AND ADMINISTRATION

As of June 30, 2020, the Department of Personnel and Administration had one cash fund out of compliance with Section 24-75-402(3)(c), C.R.S., with excess uncommitted reserves totaling approximately \$2.1 million.

SUPPLIER DATABASE CASH FUND

PURPOSE: To maintain the centralized database of providers of goods and services.

FIRST YEAR OF REQUIRED COMPLIANCE: Fiscal Year 2003

STATUS: Fiscal Year 2020 was the 8th year since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

EXHIBIT 2.3. SUPPLIER DATABASE CASH FUND	
FISCAL YEAR	AMOUNT OF EXCESS
2003-2009 ¹	\$ –
2010	\$ 142,569
2011	\$ 88,699
2012	\$ 181,983
2013	\$ 259,252
2014	\$ 1,295,229
2015	\$ 2,209,436
2016	\$ 1,805,137
2017-2019 ¹	\$ –
2020	\$ 2,096,339

SOURCE: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2003, through 2020*.

¹ This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

RECOMMENDATION 3

The Department of Personnel and Administration should take appropriate action to ensure that the Supplier Database Cash Fund complies with applicable cash funds statutory requirements.

RESPONSE

DEPARTMENT OF PERSONNEL AND ADMINISTRATION

AGREE. IMPLEMENTATION DATE: JUNE 2021

The Department of Personnel & Administration continues to work toward ensuring the Supplier Database Fund complies with statutory requirements. For Fiscal Years 2021 and 2022, the Department will utilize \$2.9 million and \$2.8 million from this fund, respectively, to offset CORE allocations through the CORE common policy request. The Department will continue to use this fund to offset common policy allocations for CORE. Additionally, this fund may be used to backfill an estimated procurement card rebate shortfall of about \$700,000 in the Division of Accounts and Control, State Procurement and Contracts Unit as authorized in letter note by the Legislature in the Fiscal Year 2021 Long Bill, HB20-1360.

DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

As of June 30, 2020, the Department of Public Health and Environment had five cash funds out of compliance with Section 24-75-402(3)(c), C.R.S., with excess uncommitted reserves totaling approximately \$525,000.

ASSISTED LIVING RESIDENCE FUND

PURPOSE: To support inspections and licensing of assisted living residences to ensure the protection of health and safety for residents who cannot live independently.

FIRST YEAR OF REQUIRED COMPLIANCE: Fiscal Year 2001

STATUS: Fiscal Year 2020 was the 14th year in total since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

EXHIBIT 2.4. ASSISTED LIVING RESIDENCE FUND	
FISCAL YEAR	AMOUNT OF EXCESS
2001–2002 ¹	\$ –
2003	\$ 307,280
2004	\$ 382,317
2005	\$ 182,142
2006	\$ 59,848
2007	\$ 81,393
2008	\$ 33,287
2009	\$ 60,746
2010	\$ 279,220
2011	\$ 472,596
2012	\$ 311,202
2013	\$ 302,604
2014	\$ 64,034
2015–2018 ¹	\$ –
2019	\$ 336,177
2020	\$ 10,910

SOURCE: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2001, through 2020.*

¹ This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

HOME CARE AGENCY CASH FUND

PURPOSE: To administer and enforce standards for home healthcare agencies.

FIRST YEAR OF REQUIRED COMPLIANCE: Fiscal Year 2011

STATUS: Fiscal Year 2020 was the 5th year in total since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

EXHIBIT 2.5. HOME CARE AGENCY CASH FUND	
FISCAL YEAR	AMOUNT OF EXCESS
2011	\$ 24,378
2012	\$ 254,091
2013	\$ 12,648
2014–2018 ¹	\$ –
2019	\$ 89,965
2020	\$ 39,520
SOURCE: Office of the State Auditor analysis of the <i>Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2011, through 2020.</i>	
¹ This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.	

RADIATION CONTROL FUND

PURPOSE: To license, track and inspect special nuclear material, source material, by-product material, well logging and tracer studies, and human use material, in accordance with the requirements set forth by the Nuclear Regulatory Commission.

FIRST YEAR OF REQUIRED COMPLIANCE: Fiscal Year 2001

STATUS: Fiscal Year 2020 was the 3rd year in total since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

EXHIBIT 2.6. RADIATION CONTROL FUND

FISCAL YEAR	AMOUNT OF EXCESS
2001	\$ 98,739
2002-2016 ¹	\$ –
2017	\$ 126,601
2018-2019 ¹	\$ –
2020	\$ 97,872

SOURCE: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2001, through 2020*.

¹ This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

MEDICAL MARIJUANA CASH FUND

PURPOSE: To create an identification registry for cardholders and partially offset the costs of administering the medical marijuana program.

FIRST YEAR OF REQUIRED COMPLIANCE: Fiscal Year 2004

STATUS: Fiscal Year 2020 was the 15th year in total since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

EXHIBIT 2.7. MEDICAL MARIJUANA CASH FUND

FISCAL YEAR	AMOUNT OF EXCESS
2004 ²	\$ 282
2005 ²	\$ 16,170
2006 ²	\$ 23,018
2007 ²	\$ 84,580
2008 ²	\$ 189,920
2009 ²	\$ 222,546
2010 ²	\$ 4,127,911
2011 ²	\$ 7,321,922
2012	\$ 11,322,309
2013	\$ 12,542,567
2014	\$ 12,977,819
2015	\$ 1,426,724
2016	\$ 169,156
2017-2018 ¹	\$ –
2019	\$ 31,699
2020	\$ 190,239

SOURCE: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2001, through 2020*.

¹ This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

² This fund was not reported with excess uncommitted reserves for these years due to the Department's improper coding of revenue.

TRAUMA SYSTEM CASH FUND

PURPOSE: To support a program to designate qualifying health care facilities as trauma centers.

FIRST YEAR OF REQUIRED COMPLIANCE: Fiscal Year 2003

STATUS: Fiscal Year 2020 was the 10th year in total since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

EXHIBIT 2.8. TRAUMA SYSTEM CASH FUND	
FISCAL YEAR	AMOUNT OF EXCESS
2003 ¹	\$ –
2004	\$ 27,299
2005	\$ 37,244
2006 ¹	\$ –
2007	\$ 66,734
2008	\$ 77,864
2009	\$ 48,484
2010	\$ 25,923
2011	\$ 137,884
2012	\$ 132,045
2013	\$ 211,745
2014-2019 ¹	\$ –
2020	\$ 186,607

SOURCE: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2003, through 2020*.

¹ This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

RECOMMENDATION 4

The Department of Public Health and Environment should take appropriate action related to its cash funds excess uncommitted reserves including the following:

- A Ensuring that the Assisted Living Residence Fund complies with applicable cash funds statutory requirements.
- B Ensuring that the Home Care Agency Cash Fund complies with applicable cash funds statutory requirements.
- C Ensuring that the Radiation Control Fund complies with applicable cash funds statutory requirements.
- D Ensuring that the Medical Marijuana Cash Fund complies with applicable cash funds statutory requirements.
- E Ensuring that the Trauma System Cash Fund complies with applicable cash funds statutory requirements.

RESPONSE

DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

- A AGREE. IMPLEMENTATION DATE: JUNE 2021

Pursuant to HB17-1285, this fund had a fee increase for SFY19. The fee increase was implemented to aid in sustaining the fund over the course of five years. Phase 2 of the fee increase went into effect on 7/1/2019. The intent of the fee increase was to gain excess fund balance in the first few years (SFY20 being year two) and slowly use that fund

balance in subsequent years as expenses increase. In addition, the Department experienced a net increase of 27 facilities during SFY20.

B AGREE. IMPLEMENTATION DATE: JUNE 2021

This fund had an increase of 60 new facilities in SFY20. The Department also experienced turnover in positions that were difficult to fill. The Department will continue to work toward filling vacancies and utilizing the excess fund balance. We anticipate the fund will be in compliance by the end of SFY21.

C AGREE. IMPLEMENTATION DATE: JUNE 2021

Due to previous deficit cash balances, several positions were frozen within this fund to become compliant. The Department has experienced an increase in revenue in SFY20 from inspection fees and registrations of equipment associated with urgent care facilities. The Department has now been able to fully staff this fund, while still experiencing some staff turnover within these positions.

D AGREE. IMPLEMENTATION DATE: JUNE 2021

The Department anticipated using the cash fund reserves to make some additional technical enhancements to the Medical Marijuana Registration System (MMRS) after the FY20 legislative session; however, due to the global pandemic, that did not happen. This fiscal year we will review our program needs in conjunction with our spending authority to determine what enhancements may be needed. Additionally, the program anticipates a number of bills to be introduced during the FY21 legislative session that, if passed, will require further MMRS system modifications. We will re-assess fees in the spring of FY21 when we may better anticipate the costs of any forthcoming required system upgrades and will adjust fees accordingly at that time to bring fund balance into compliance and meet all expected obligations.

E AGREE. IMPLEMENTATION DATE: JUNE 2021

The Department found that some of the trauma facilities were behind in making their payments, due to a change from a three year cycle to an annual cycle. The Department conducted an extensive reconciliation during SFY20 to collect these outstanding balances and anticipates that future revenue levels will be more consistent in future fiscal years.

DEPARTMENT OF PUBLIC SAFETY

As of June 30, 2020, the Department of Public Safety had three cash funds out of compliance with Section 24-75-402(3)(c), C.R.S., with excess uncommitted reserves totaling approximately \$3.2 million.

PUBLIC SCHOOL CONSTRUCTION AND INSPECTION FUND

PURPOSE: To record the costs and fees associated with the public school construction and inspection program administered by the division of fire prevention and control.

FIRST YEAR OF REQUIRED COMPLIANCE: Fiscal Year 2011

STATUS: Fiscal Year 2020 was the 3rd year in total since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S. The Fund has been out of compliance for 3 consecutive years and is, therefore, also subject to spending restrictions noted in Section 24-75-402(12), C.R.S.

EXHIBIT 2.9. PUBLIC SCHOOL CONSTRUCTION AND INSPECTION FUND

FISCAL YEAR	AMOUNT OF EXCESS
2011–2017 ¹	\$ –
2018	\$ 3,014,118
2019	\$ 1,748,630
2020	\$ 7,341

SOURCE: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2011, through 2020*.

¹ This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

INSTANT CRIMINAL BACKGROUND CHECK FUND

PURPOSE: To report costs and fees related to the Department's performance of criminal history record checks.

FIRST YEAR OF REQUIRED COMPLIANCE: Fiscal Year 2015

STATUS: Fiscal Year 2020 was the third year in total since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

EXHIBIT 2.10. INSTANT CRIMINAL BACKGROUND CHECK FUND

FISCAL YEAR	AMOUNT OF EXCESS
2015	\$ 1,418,615
2016	\$ 747,725
2017-2019 ¹	\$ –
2020	\$ 838,106

SOURCE: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2015, through 2020.*

¹ This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

SCHOOL SAFETY RESOURCE CENTER CASH FUND

PURPOSE: To promote safe learning environments for Colorado schools by charging attendance fees for training programs and conferences.

FIRST YEAR OF REQUIRED COMPLIANCE: Fiscal Year 2013

STATUS: Fiscal Year 2020 was the 1st year in total since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

EXHIBIT 2.11. SCHOOL SAFETY RESOURCE CENTER CASH FUND

FISCAL YEAR	AMOUNT OF EXCESS
2013–2019 ¹	\$ –
2020	\$ 2,321,824

SOURCE: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2013, through 2020.*

¹ This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

RECOMMENDATION 5

The Department of Public Safety should take appropriate action related to its cash funds excess uncommitted reserves including the following:

- A Immediately addressing the Public School Construction and Inspection Fund's excess uncommitted reserves in order to meet the requirements for the State Controller to release any spending restrictions on the Fund.
- B Ensuring that the Instant Criminal Background Check Fund complies with applicable cash funds statutory requirements.
- C Ensuring that the School Safety Resource Center Cash Fund complies with applicable cash funds statutory requirements.

RESPONSE

DEPARTMENT OF PUBLIC SAFETY

- A AGREE. IMPLEMENTATION DATE: JULY 2020

The Public School Construction and Inspection Fund (fund 22S0) first became non-compliant in FY18. The construction safety inspection program supported by this fund became fully staffed during FY18, which is consuming some of the excess fund balance and improving fund balance forecasting. The fund program managers are actively managing the fund balance, adjusting expenditures where possible, and recommending fee adjustments as appropriate. A fee reduction was implemented in March, 2018, and as a result, the excess uncommitted reserves had fallen by more than half during FY19, and were just \$7,341 by June 30, 2020.

Additionally, the department received a waiver of the excess uncommitted reserves limitation to allow for an alternate reserve percentage from the Joint Budget Committee in June 2020. The alternate reserve waiver is effective for three years beginning with the FY 2020-21 operational year. Although the waiver was anticipated to include FY 2019-20, as of July 1, 2020, the fund is now under waiver.

B AGREE. IMPLEMENTATION DATE: JUNE 2022

The Instant Criminal Background Check Fund (fund 27J0) first became non-compliant in FY 2019-20, as a prolonged surge in gun purchases began in March 2020 due to the COVID-19 national pandemic and civic unrest which created an unexpected increase in revenue. Because the Department experienced the higher workload in the last quarter of the fiscal year, it did not have enough time to bring the fund into compliance by June 30, 2020.

Because the higher than expected workload has continued beyond FY 2019-20, the Department is requested an additional \$1.2 million in FY 2020-21 spending authority to hire additional staff to manage the ongoing workload, which should draw down the excess fund balance. The JBC approved this request on September 18, 2020.

C AGREE. IMPLEMENTATION DATE: JUNE 2022

The School Safety Resource Center first became non-compliant in FY 2020. However, the excess uncommitted fund balance was brought about by legislative action, when SB18-269 injected \$5.0 million general fund money into the fund. Therefore, this amount is not revenue generated from fees. Because the School Safety Resource Center will probably not be able to spend down the fund balance in the next two years, we will likely request a waiver for this fund.

DEPARTMENT OF REGULATORY AGENCIES

As of June 30, 2020, the Department of Regulatory Agencies had five cash funds out of compliance with Section 24-75-402(3)(c), C.R.S., with excess uncommitted reserves totaling approximately \$1.6 million.

PRESCRIPTION DRUG MONITORING FUND

PURPOSE: To collect prescription license fees to support the costs of the Division of Professions and Occupations in implementing the Prescription Drug Monitoring Program.

FIRST YEAR OF REQUIRED COMPLIANCE: Fiscal Year 2007

STATUS: Fiscal Year 2020 was the 7th year in total since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

EXHIBIT 2.12. PRESCRIPTION DRUG MONITORING FUND

FISCAL YEAR	AMOUNT OF EXCESS
2007–2008 ¹	\$ –
2009	\$ 129,482
2010	\$ 69,556
2011	\$ 120,412
2012 ¹	\$ –
2013	\$ 57,577
2014–2016 ¹	\$ –
2017	\$ 183,608
2018 ¹	\$ –
2019	\$ 480,061
2020	\$ 174,278

SOURCE: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2007, through 2020*.

¹This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

DIVISION OF SECURITIES CASH FUND

PURPOSE: To collect registration fees assessed on security sellers and protect investors by providing funds for Division staff to investigate cases of potential investment fraud, provide licensing and examination of investment advisers and stockbrokers, and for outreach and educational presentations.

FIRST YEAR OF REQUIRED COMPLIANCE: Fiscal Year 2001

STATUS: Fiscal Year 2020 was the 9th year in total since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

EXHIBIT 2.13. DIVISION OF SECURITIES CASH FUND		
FISCAL YEAR	AMOUNT OF EXCESS	
2001	\$	112,625
2002–2004 ¹	\$	–
2005	\$	279,648
2006	\$	288,343
2007	\$	230,010
2008	\$	47,333
2009 ¹	\$	–
2010	\$	85,207
2011–2013 ¹	\$	–
2014	\$	165,190
2015–2018 ¹	\$	–
2019	\$	713,942
2020	\$	75,011

SOURCE: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2001, through 2020.*

¹ This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

CONSERVATION EASEMENTS CASH FUND

PURPOSE: To ensure the soundness of state income tax credits for conservations easements by certifying organizations that hold conservation easements, determining credibility of appraisals, and assessing the qualifications of deeds of conservation easements.

FIRST YEAR OF REQUIRED COMPLIANCE: Fiscal Year 2020

STATUS: Fiscal Year 2020 was the 1st year in total since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

EXHIBIT 2.14. CONSERVATION EASEMENTS CASH FUND

FISCAL YEAR	AMOUNT OF EXCESS
2020	\$ 520,110

SOURCE: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2020*.

REAL ESTATE CASH FUND

PURPOSE: To collect fees for licenses, fines, and registrations for real estate brokers to support the Division's mission to protect the public from incompetent and dishonest real estate practitioners.

FIRST YEAR OF REQUIRED COMPLIANCE: Fiscal Year 2003

STATUS: Fiscal Year 2020 was the 6th year in total since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

EXHIBIT 2.15. REAL ESTATE CASH FUND

FISCAL YEAR	AMOUNT OF EXCESS
2003	\$ 1,034,446
2004	\$ 615,426
2005	\$ 1,167,900
2006	\$ 1,018,346
2007–2010 ¹	\$ –
2011	\$ 19,426
2012–2019 ¹	\$ –
2020	\$ 319,443

SOURCE: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2003, through 2020*.

¹ This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

TELECOMMUNICATIONS UTILITY FUND

PURPOSE: To collect fees to defray the full amount of administrative expenses of the public utilities commission for the supervision and regulation of telecommunications public utilities.

FIRST YEAR OF REQUIRED COMPLIANCE: Fiscal Year 2017

STATUS: Fiscal Year 2020 was the 2nd year since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

EXHIBIT 2.16. TELECOMMUNICATIONS UTILITY FUND

FISCAL YEAR	AMOUNT OF EXCESS
2017	\$ 229,030
2018-2019 ¹	\$ –
2020	\$ 475,222

SOURCE: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2017, through 2020.*

¹This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

RECOMMENDATION 6

The Department of Regulatory Agencies should take the appropriate action related to its cash funds excess uncommitted reserves including the following:

- A Ensuring that the Prescription Drug Monitoring Fund complies with applicable cash funds statutory requirements.
- B Ensuring that the Division of Securities Cash Fund complies with applicable cash funds statutory requirements.
- C Ensuring that the Conservation Easements Cash Fund complies with applicable cash funds statutory requirements.
- D Ensuring that the Real Estate Cash Fund complies with applicable cash funds statutory requirements.
- E Ensuring that the Telecommunications Utility Fund complies with applicable cash funds statutory requirements.

RESPONSE

DEPARTMENT OF REGULATORY AGENCIES

A AGREE. IMPLEMENTATION DATE: JUNE 2022

The Department agrees with the recommendation and continually monitors all fund balances for compliance with Senate Bill 98-194's limitations on excess uncommitted reserves. Due to oscillating renewal schedules for prescriptive authority licensees, this fund routinely encounters high renewal volume and low renewal volume in alternating years. The Department implemented fee reductions

effective FY 2019-20 in order to achieve compliance as swiftly as possible while avoiding deficit status in out-years. Thus far, the Department has reduced excess balance by 74% (from \$480k to \$174k) between June 2019 and June 2020, and a \$267k statutory fund balance transfer on July 1, 2020, has further greatly reduced fund balance. However, the fund must return to non-compliance during FY 20-21 in order to avert a fund balance deficit in FY 21-22, based on the timing of license renewals, so a revised implementation date of June 2022 is listed here.

B AGREE. IMPLEMENTATION DATE: JUNE 2021

The Department agrees with the recommendation and continually monitors all fund balances for compliance with Senate Bill 98-194's limitations on excess uncommitted reserves. The Department implemented aggressive fee reductions for this fund at the earliest opportunity, reducing fees by approximately 75% and taking revenue significantly below program costs. Excess fund balance was nearly eliminated by June 2020 having been reduced by 90% (from \$714k to \$75k) since June 2019. A revised implementation date reflects that compliance will occur in Fall 2020.

C AGREE. IMPLEMENTATION DATE: JUNE 2023

The Department agrees with the recommendation and continually monitors all fund balances for compliance with Senate Bill 98-194's limitations on excess uncommitted reserves. With respect to the Conservation Cash Fund, the Department intends to significantly reduce fees at the earliest feasible date, and additionally it is expected that expenditures increase in step with future hiring. However, the excess balance results from revenue in 2019 that exceeded 250% of program costs, and as a result it will take several years to achieve compliance even with aggressive fee reductions. While compliance is possible by June 2022, the Department forecasts compliance as of no later than June 2023.

D AGREE. IMPLEMENTATION DATE: JUNE 2023

The Department agrees with the recommendation and continually monitors all fund balances for compliance with Senate Bill 98-194's limitations on excess uncommitted reserves. With respect to the Division of Real Estate Cash Fund, the Department has already acted to aggressively reduce fees at the earliest possible date, reducing license fees by more than 50%. Given the timing of this fund's license cycle, in which only 1/3 of licenses pay fees each year, it is likely to take multiple fiscal years for compliance to be achieved without also causing a deficit. As such, while it is possible that compliance will be achieved earlier, the Department presently forecasts compliance no later than June 2023.

E AGREE. IMPLEMENTATION DATE: JUNE 2022

The Department agrees with the recommendation and continually monitors all fund balances for compliance with Senate Bill 98-194's limitations on excess uncommitted reserves. With respect to the Telecommunications Fixed Utility Fund, the Department expects increased expenditures to significantly reduce fund balance during FY 20-21. While it is possible this may achieve compliance as soon as the current fiscal year, the Department also intends to reduce fee assessments to the fund at the earliest opportunity (June 2021) such that compliance will occur no later than June 2022.

DEPARTMENT OF STATE

As of June 30, 2020, the Department of State had one cash fund out of compliance with Section 24-75-402(3)(c), C.R.S., with excess uncommitted reserves totaling approximately \$400,000.

DEPARTMENT OF STATE CASH FUND

PURPOSE: To record collection of business licensing fee revenue and disbursement of licensing payments.

FIRST YEAR OF REQUIRED COMPLIANCE: Fiscal Year 2003

STATUS: Fiscal Year 2020 was the 13th year in total since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

EXHIBIT 2.17. DEPARTMENT OF STATE CASH FUND

FISCAL YEAR	AMOUNT OF EXCESS
2003	\$ 4,757,996
2004	\$ 4,667,217
2005	\$ 2,554,809
2006	\$ 2,847,940
2007	\$ 709,445
2008	\$ 2,069,888
2009 ¹	\$ –
2010	\$ 1,911,907
2011	\$ 3,221,197
2012	\$ 4,061,078
2013–2015 ¹	\$ –
2016	\$ 248,901
2017	\$ 575,161
2018 ¹	\$ –
2019	\$ 323,820
2020	\$ 400,328

SOURCE: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2003, through 2020*.

¹ This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

RECOMMENDATION 7

The Department of State should take appropriate action to ensure that the Department of State Cash Fund complies with applicable cash funds statutory requirements.

RESPONSE

DEPARTMENT OF STATE

AGREE. IMPLEMENTATION DATE: JUNE 2021

The Department of State (Department) expected the Cash Fund to be in compliance at the end of FY 2019-20. However, expenses were lower in FY 2019-20 than expected, in part due to the COVID-19 pandemic. In FY 2020-21, the Department projects expenses to increase, driven by its matching funds obligation for the supplemental Help America Vote Act (HAVA) funds provided by the CARES Act, new lease costs, increased common policy costs, and reduced vacancy savings. As such, the Department expects the Cash Fund to be in compliance with its alternative maximum reserve by the end of FY 2020-21.



CASH FUNDS

UNCOMMITTED RESERVES

REPORT FOR THE

FISCAL YEAR ENDED

JUNE 30, 2020

STATE OF COLORADO
CASH FUNDS UNCOMMITTED RESERVES REPORT
REPORT OF FUNDS WITH UNCOMMITTED RESERVES GREATER THAN \$200,000
FISCAL YEAR 2020 AS OF JUNE 30, 2020

FUND	FUND BALANCE (NOTE 4) ¹	EXEMPT ASSETS (NOTE 5)	CAPITAL RESERVE (NOTE 6)	PREVIOUSLY APPROPRIATED FUND BALANCE (NOTE 7)	FEE REVENUE (NOTE 8)
Department of Agriculture					
Inspection and Consumer Services Cash Fund	1,624,863	-	-	-	3,221,233
Plant Health, Pest Control and Environmental Protection Fund	1,809,042	-	-	-	4,787,300
Industrial Hemp Registration Program Cash Fund	1,345,470	-	-	-	1,020,516
SUBTOTAL	4,779,375	-	-	-	9,029,049
Health Care Policy & Financing					
Children's Basic Health Plan Trust	11,658,137	-	-	-	1,001,760
Medicaid Nursing Facility Cash Fund	1,290,968	-	-	-	57,932,274
SUBTOTAL	12,949,105	-	-	-	58,934,034
Judicial Branch					
Judicial Information Technology Cash Fund	7,299,905	1,652,682	5,197,837	-	17,577,228
Judicial Collection Enhancement Fund	4,876,420	-	-	-	509,646
SUBTOTAL	12,176,325	1,652,682	5,197,837	-	18,086,874
Labor and Employment					
Boiler Inspection Fund	235,703	-	-	-	1,457,106
Conveyance Safety Fund	1,396,281	-	-	-	597,858
SUBTOTAL	1,631,984	-	-	-	2,054,964
Law					
Uniform Consumer Credit Code Cash Fund	489,978	223	-	-	1,728,753
Legal Services Cash Fund	6,674,216	2,525,484	1,183,336	-	3,305,244
SUBTOTAL	7,164,194	2,525,707	1,183,336	-	5,033,997
Military and Veterans Affairs					
Chargeable Quarters and Billeting Cash Fund	225,237	-	-	-	853,748
Personnel and Administration					
Supplier Database Cash Fund	5,064,512	-	-	-	1,676,154
Public Health and Environment					
Hazardous Substances Response Fund	8,643,979	-	-	-	2,079,812
Radiation Control Fund	570,198	-	-	-	3,228,894
Trauma System Cash Fund	287,899	-	-	-	806,458
Medical Marijuana Cash Fund	520,741	-	-	-	2,098,447
Home Care Agency Cash Fund	253,883	-	-	-	1,257,599
Assisted Living Residence Fund	568,330	-	-	-	3,269,606
SUBTOTAL	10,845,030	-	-	-	12,740,816
Public Safety					
Public School Construction and Inspection Fund	520,060	-	-	-	1,236,154
School Safety Resource Center Cash Fund	2,716,631	-	-	-	46,130
Instant Criminal Background Check Fund	1,432,919	19,182	-	-	4,450,171
Health Facility Construction and Inspection Fund	226,326	-	-	-	368,094
SUBTOTAL	4,895,936	19,182	-	-	6,100,549
Regulatory Agencies					
Conservation Easements Cash Fund	558,333	-	-	-	256,375
Public Utilities Commission Fixed Utility Fund	2,029,350	1,035	-	-	12,587,943
Public Utilities Commission Motor Carrier Fund	335,854	-	-	-	2,188,508
Division of Professions and Occupations Cash Fund	1,637,153	20	-	-	27,509,293
Prescription Drug Monitoring Fund	630,899	-	-	-	288,866
Telecommunications Utility Fund	589,272	-	-	-	1,100,823
Real Estate Cash Fund	1,569,939	-	-	-	7,889,441
Division of Securities Cash Fund	954,505	21,036	-	-	4,632,742
Public Deposit Administration Fund	356,307	-	-	-	5,111,474
Financial Services Cash Fund	302,799	-	-	-	1,925,922
Division of Insurance Cash	683,623	38,487	-	-	7,884,323
SUBTOTAL	9,648,034	60,578	-	-	71,375,710
Revenue					
Racing Cash Fund	209,544	-	-	-	1,387,962
Auto Dealers License Fund	609,451	1,584	-	-	3,993,442
SUBTOTAL	818,995	1,584	-	-	5,381,404
Department of State					
Department of State Cash Fund	6,110,113	1,048,059	-	-	24,140,259
GRAND TOTAL	\$ 76,308,840	\$ 5,307,792	\$ 6,381,173	\$ -	\$ 215,407,558

¹ Note numbers in column headings refer to the Notes to the Cash Funds Uncommitted Reserves Report beginning on Page 53, prepared by the Office of the State Controller.

SOURCE: Office of the State Controller.

TOTAL REVENUE	TOTAL EXPENSE	NON-FEE FUND BALANCE (NOTE 9)	UNCOMMITTED RESERVE (NOTE 10)	MAXIMUM RESERVE (NOTE 11)	ALTERNATIVE MAXIMUM RESERVE (NOTE 12)	EXCESS UNCOMMITTED RESERVE (NOTE 13)
3,352,886	3,218,145	63,801	1,561,062	530,994	1,609,073	-
4,924,530	4,205,630	50,412	1,758,630	693,929	2,102,815	-
1,023,516	990,031	3,944	1,341,526	163,355		1,178,171
9,300,932	8,413,806	118,157	4,661,218	1,388,278	3,711,888	1,178,171
15,905,585	22,861,547	10,923,888	734,249	3,772,155	-	-
57,972,555	58,205,671	897	1,290,071	9,603,936	-	-
73,878,140	81,067,218	10,924,785	2,024,320	13,376,091	-	-
18,065,211	18,898,568	12,139	437,247	3,118,264	-	-
6,705,292	7,467,833	4,505,780	370,640	1,232,192	-	-
24,770,503	26,366,401	4,517,919	807,887	4,350,456	-	-
1,468,846	1,473,000	1,884	233,819	243,045	1,355,009	-
679,238	1,424,350	167,289	1,228,992	235,018	1,500,000	-
2,148,084	2,897,350	169,173	1,462,811	478,063	2,855,009	-
1,755,759	1,750,258	7,533	482,222	288,793	-	193,429
46,631,016	45,568,521	2,755,206	210,190	7,518,806	-	-
48,386,775	47,318,779	2,762,739	692,412	7,807,599	-	193,429
869,823	1,479,982	4,163	221,074	244,197	-	-
3,133,620	3,712,949	2,355,536	2,708,976	612,637	-	2,096,339
2,195,778	4,364,056	456,516	8,187,463	720,069	10,000,000	-
3,228,794	2,862,693	(18)	570,216	472,344	-	97,872
817,916	589,447	4,033	283,866	97,259	-	186,607
2,109,364	1,986,709	2,695	518,046	327,807	-	190,239
1,257,599	1,299,172	-	253,883	214,363	-	39,520
3,282,815	3,364,443	2,287	566,043	555,133	-	10,910
12,892,266	14,466,520	465,513	10,379,517	2,386,975	10,000,000	525,148
1,273,863	3,014,083	15,395	504,665	497,324	-	7,341
46,130	2,392,770	-	2,716,631	394,807	-	2,321,824
4,453,672	3,481,938	1,111	1,412,626	574,520	-	838,106
384,072	1,408,416	9,416	216,910	232,389	-	-
6,157,737	10,297,207	25,922	4,850,832	1,699,040	-	3,167,271
256,375	231,653	-	558,333	38,223	-	520,110
13,917,307	13,868,886	193,742	1,834,573	2,288,366	-	-
2,462,333	2,428,843	37,349	298,505	400,759	-	-
28,585,873	29,525,115	61,656	1,575,477	4,871,644	-	-
606,470	764,992	330,397	300,502	126,224	-	174,278
1,100,823	691,214	-	589,272	114,050	-	475,222
8,353,826	7,049,840	87,272	1,482,667	1,163,224	-	319,443
4,632,742	5,202,776	-	933,469	858,458	-	75,011
5,147,167	5,599,779	2,471	353,836	923,964	-	-
1,942,665	1,846,042	2,610	300,189	304,597	-	-
12,150,737	13,792,068	226,523	418,613	2,275,691	-	-
79,156,318	81,001,208	942,020	8,645,436	13,365,200	-	1,564,064
1,387,962	1,340,486	-	209,544	221,180	-	-
3,993,442	3,799,337	-	607,867	626,891	-	-
5,381,404	5,139,823	-	817,411	848,071	-	-
25,100,625	24,899,008	193,677	4,868,377	4,108,336	4,468,049	400,328
\$ 291,176,227	\$ 307,060,251	\$ 22,479,604	\$ 42,140,271	\$ 50,664,943	\$ 21,034,946	\$ 9,124,750



NOTES

TO THE CASH FUNDS
UNCOMMITTED RESERVES
REPORT

NOTE 1. PURPOSE

Section 24-30-207, Colorado Revised Statutes (C.R.S.), requires the State Controller to prepare the *Cash Funds Uncommitted Reserves Report* showing the amount of uncommitted reserves credited to each of the State of Colorado's cash funds. Fund definitions within this report are based on GAAP definitions, rather than the statutory definition of any particular fund. This report will be audited annually by the State Auditor. The report is to be delivered to the Office of State Planning and Budgeting and to the Joint Budget Committee on or before September 20 of each year.

NOTE 2. CASH FUND DEFINED

Section 24-75-402(2)(b) C.R.S. defines "cash fund" to mean any fund that is established by law for a specific program or purpose and that includes money from fees; except that "cash fund" excludes the state general fund, any federal fund, and any fund used by a state institution of higher education.

NOTE 3. CASH FUNDS EXCLUDED

The following cash funds are specifically excluded from the cash funds uncommitted reserves report. If applicable, the repeal date or waiver expiration date for the exclusion of the fund is listed in parentheses.

- Any cash fund for which revenue is derived solely from fees, the amounts of which are established by the federal government;
- Any cash fund for which revenue is derived solely from fees set by the Colorado Supreme Court in the exercise of its exclusive authority to regulate the practice of law;
- Any cash fund for which revenue is derived solely from fees set by an enterprise, as defined in Section 24-77-102(3), C.R.S., or a special purpose authority;
- Any cash fund that is established to fund capital construction;

- Any cash fund for which the reserve amounts are based on actuarial requirements;
- Any trust fund;
- Any cash fund with uncommitted reserves of less than \$200,000;
- The Highway Users' Tax Fund;
- The State Highway Fund;
- The Petroleum Storage Tank Fund;
- The Brand Inspection Fund;
- The Motorcycle Operator Safety Training Fund (9/1/2020);
- The Worker's Compensation Cash Fund;
- The Emergency Fire Fund;
- The Wildland Fire Equipment Repair Cash Fund;
- The Wildland Fire Cost Recovery Fund;
- The Wildfire Emergency Response Fund;
- The Wildfire Preparedness Fund;
- The Colorado Firefighting Air Corps Fund;
- The Enterprise Services Cash Fund;
- The Oil and Gas Conservation and Environmental Response Fund;
- The Licensing Services Cash Fund;
- The Cybersecurity Cash Fund;
- The Governor's Mansion Maintenance Fund;

- The Justice Center Cash Fund;
- The Justice Center Maintenance Fund;
- The Small Business Recovery Fund;
- The Vital Statistics Record Cash Fund (7/1/2020);
- The State Archives and Records Cash Fund (7/1/2020);
- The CBI Identification Unit Cash Fund (7/1/2020);
- The Educator Licensure Cash Fund (7/1/2021);
- The Child Care Licensing Cash Fund (7/1/2021);
- The Workers' Compensation Cost Containment Fund (7/1/2021);
- The Self-Insured Property Fund (7/1/2020);
- The Marijuana Cash Fund (7/1/2022);
- The Liquor Enforcement Division and State Licensing Authority Cash Fund (7/1/2022);
- The Records and Reports Fund (7/1/2022);
- The Private Occupational Schools Fund (7/1/2022);
- The Wage Theft Enforcement Fund (7/1/2022); and
- Any cash fund used to fund a single program if the program has been in existence less than two full fiscal years.

HB18-1006 provided for an exemption from Section 24-75-402, C.R.S. for the Newborn Hearing Screening Fund (created in Section 25-4-1006(3), C.R.S.) and the Newborn Genetics Fund (created in Section 25-4-1006, C.R.S.). This exclusion is not included in Section 24-75-402, C.R.S, but it was determined that based on the specific language in the bill, the intent of the legislation was to exclude both funds from

the Cash Funds Uncommitted Reserves Report from FY2019 through FY2022.

NOTE 4. FUND BALANCE

Fund balance is the net of total assets and total liabilities in each fund as of June 30, 2020. This amount does not include net assets related to pension liabilities.

NOTE 5. EXEMPT ASSETS

Exempt assets are any long-term assets or non-monetary current assets held by the fund at June 30, 2020. "Non-monetary" current assets are those that either cannot be converted to cash or are held with the intent of being used rather than converted to cash, including but not limited to consumable inventory and prepaid expenses.

NOTE 6. CAPITAL RESERVE

The capital reserve is the amount equal to the depreciation of depreciable components of a capital outlay or capital construction, where a cash fund has been appropriated moneys for capital purposes.

NOTE 7. PREVIOUSLY APPROPRIATED FUND BALANCE

Previously appropriated fund balance is that portion of fund balance that has been appropriated for capital construction or other multi-year purposes.

NOTE 8. FEE REVENUE

Fee revenue means any moneys collected by an entity, except that fee revenue does not include:

- Any moneys collected from sources excluded from state fiscal year spending, as defined in Section 24-77-102(17), C.R.S.;
- Any moneys received through the imposition of penalties or fines or surcharges imposed on any person convicted of a crime;

- Any moneys appropriated from the state general fund;
- Any moneys received through the imposition of taxes;
- Any moneys received from charges or assessments, the amount of which are not determined by the entity;
- Any moneys received from gifts or donations;
- Any moneys received from local government grants or contracts;
- Any moneys received through direct transfers from another entity, an enterprise, or a special purpose authority; or
- Any moneys received as interest or other investment income.

NOTE 9. NON-FEE FUND BALANCE

Non-fee fund balance is calculated by subtracting any exempt assets, capital reserve, and previously appropriated fund balance from total fund balance and multiplying the result times the ratio of non-fee revenue to total revenue.

NOTE 10. UNCOMMITTED RESERVE

Uncommitted reserve is calculated by subtracting any exempt assets, capital reserve, and previously appropriated fund balance from total fund balance and multiplying the result by the ratio of fee revenue to total revenue.

NOTE 11. MAXIMUM RESERVE

Maximum reserve is calculated as 16.5 percent of Fiscal Year 2020 expenditures of the cash fund.

NOTE 12. ALTERNATIVE MAXIMUM RESERVE

In some cases, an alternative maximum reserve is used in place of a maximum reserve when there is a reserve limit established by statute or by waiver approved by the Joint Budget Committee.

NOTE 13. EXCESS UNCOMMITTED RESERVE

Excess uncommitted reserve is the amount by which the uncommitted reserve exceeds the alternative maximum reserve (if provided) or the maximum reserve of the cash fund.



APPENDIX A



DESCRIPTIONS OF CASH FUNDS

These cash funds are included on the *Cash Funds Uncommitted Reserves Report* (PAGES 50 and 51) for the Fiscal Year Ended June 30, 2020, prepared by the Office of the State Controller.

AGRICULTURE

16R0	Inspection and Consumer Services Cash Fund	This fund is used to record activity related to the administration of several inspection and consumer service programs. The Department charges fees to inspect and register certain agricultural activity to increase consumer safety.
23S0	Plant Health, Pest Control, and Environment Protection Fund	This fund is used to record activity related to the implementation, administration, and enforcement of environmental provisions including, but not limited to: biological pest control, bee inspection efforts, ground water protection efforts, and pesticide applicator license and inspection efforts. The Department charges fees, fines, and penalties to ensure environmental protection.
28J0	Industrial Hemp Registration Program Cash Fund	This fund is used to record activity related to the administration of the Industrial Hemp program. This program regulates the cultivation of industrial hemp by sampling hemp crops to ensure tetrahydrocannabinol (THC) concentration levels comply with requirements. The Department charges registration fees based on size and use of land area on which the individual/entity will conduct industrial hemp operations, and fees for crop inspection.

HEALTH CARE POLICY & FINANCING

11G0	Children's Basic Health Plan Trust	This fund is used to record activity related to the administration of the Children's Basic Health Plan which provides insurance and healthcare services. The Department charges fees to enrollees based on family size.
22X0	Medicaid Nursing Facility Cash Fund	This fund is used to record activity related to the administration of the State's Medicaid program. The Department charges daily fees to Medicaid nursing facilities for non-Medicare resident patients and uses the revenue to provide nursing and other services to Medicaid patients. These expenditures increase the federal reimbursement amount for the State under the Medicaid program.

JUDICIAL BRANCH

21X0	Judicial Information Technology Cash Fund	This fund is used to record fees assessed by the Department on electronic document filings, court database and record searches, and access to the court case management system (ICON/Eclipse). The Department uses this revenue to replace hardware and maintain the network on which the e-filing and public access programs operate.
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26J0	Judicial Collection Enhancement Fund	This fund is used to record activity related to the Department's enforcement and collection of restitution, fines, fees, costs, surcharges, and other monetary assessments set by the courts. The Department charges fees to defendants who need payment plans for additional time to pay such items.
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LABOR AND EMPLOYMENT

1370	Boiler Inspection Fund	This fund is used to record fees received from license and inspection of boilers and other pressure vessels. The Department uses this revenue to ensure boilers used in the State meet safety requirements. The Department charges fees to inspect and control the design, construction, operation, maintenance, and repair of boilers and other pressure vessels.
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13D0	Conveyance Safety Fund	This fund is used to record fees used to increase the safety of public conveyance systems in the State. The Department charges fees to conveyance owners for registration, construction permits and inspection certificates. It also charges fees for licensure of industry professionals.
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LAW

1510	Uniform Consumer Credit Code Cash Fund	This fund is used to record activity related to the administration and enforcement of the Uniform Consumer Credit Code (UCCC). The Department charges licensing and other fees based on credit volume.
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26Q0	Legal Services Cash Fund	This fund charges fees for legal services and other costs. Funds are used to pay costs of those legal services provided by the Department.
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MILITARY AND VETERANS AFFAIRS

26N0	Chargeable Quarters and Billeting Cash Fund	This fund is used to record activity related to the lodging facility at the Ft. Carson National Guard training site. The Department charges fees to individuals that use the facility based on room types, including meeting rooms and storage lockers. National Guard regulations dictate rules associated with operation of this type of facility. The Department is responsible for several operating costs including, but not limited to payroll, contractors, supplies, services, etc. along with furniture, fixture and equipment life-cycle replacement. Rates are calculated to cover the estimated costs of these items.
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PERSONNEL AND ADMINISTRATION

2810	Supplier Database Cash Fund	Fees are assessed for registration in the centralized database of providers of goods and services to the State. Monies are used to fund the operational costs of maintaining the database.
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PUBLIC HEALTH AND ENVIRONMENT

1160	Hazardous Substances Response Fund	This fund is used to record activity related to the State's obligation under Comprehensive Environmental Response and Compensation Liability Act (CERCLA). The Department charges fees for design, construction, operations, maintenance, and remedial actions of the various sites that hold hazardous substances. The Department also charges a tipping fee to landfill operators and collects a reimbursement fee from the federal Department of the Army for the oversight of the Rocky Mountain Arsenal.
1230	Radiation Control Fund	This fund is used to record activity related to ensuring radiation-producing machines comply with regulations set forth by the Nuclear Regulatory Commission and the State Radiation Control Program. The Department charges fees for low-level radiation permits, x-ray inspection and certification, machine registrations, uranium mill permits, disposal, and management of radioactive materials.
12A0	Trauma System Cash Fund	This fund is used to pay for the direct and indirect costs of evaluating and designating applicant health care facilities as Trauma Centers. Fees are charged periodically and rates are commensurate with the level of designation related to the type and amount of resources a facility has available to care for injured patients.
14V0	Medical Marijuana Cash Fund	This fund is used to record activity related to the Department's administration of the State's medical marijuana program. The Department charges fees to growers, sellers, and patients. The Department uses the revenue to ensure patients suffering from legitimate debilitating medical conditions are able to safely gain access to medical marijuana.
22R0	Home Care Agency Cash Fund	This fund is used to record activity related to the Department's oversight of home care agencies in the State. The Department charges fees for licensure of certified providers.
2460	Assisted Living Residence Fund	This fund is used to record activity related to the Department's oversight of assisted living residences in the State. The Department charges fees for licensing, inspection, and complaint investigation of assisted living residences. The Department also charges fees per bed fees change based on Medicaid utilization rate.

PUBLIC SAFETY

22S0	Public School Construction and Inspection Fund	This fund is used to record activity related to the construction and inspection of public schools. The Department charges permit fees for new school construction projects, and periodic inspection fees of construction operations.
25M0	School Safety Resource Center Cash Fund	This fund is used to record activity related to the School Safety Resource Program that promotes safe learning environments for Colorado schools. The Department charges attendance fees to attendees of training programs and conferences.

27J0	Instant Criminal Background Check Fund	This fund is used to record activity related to the Department's administration of the Colorado Bureau of Investigations (CBI) program. The Department charges fees to provide instant background checks through the National Instant Criminal Background Check System (NICS).
27K0	Health Facility Construction and Inspection Fund	This fund is used to record activity related to the Department's inspection of health facilities as well as their construction. The Department charges fees to plan and execute reviews and inspections of health facilities during and after their construction.
REGULATORY AGENCIES		
1291	Conservation Easements Cash Fund	The fund was created to protect the public by ensuring the soundness of state income tax credits for conservations easements, certifying organizations to hold conservation easements, determine the credibility of appraisals, and assessing the qualifications of deeds of conservation easements. The Department charges annual fees to applicants and organizations seeking conservation tax credits.
1840	Public Utilities Commission Fixed Utility Fund	This fund is used to provide supervision and regulation of the public utilities operating under the Department's Office of Consumer Counsel. The Department charges annual assessments against fixed utilities proportional to public utility company's gross intrastate operating revenue.
1850	Public Utilities Commission Motor Carrier Fund	This fund is used to record activity related to the Department's administration of the Public Utilities Commission program. The Department charges fees to supervise and regulate motor vehicle carriers in the State.
1890	Division of Professions and Occupations Cash Fund	This fund is used to record activity related to the issuance and renewal of occupational licenses for numerous separate professional boards and programs, such as the Accountancy Board, Dental Board, and Plumbers Board. The various boards charge fees to professionals for obtaining and maintaining licensure to perform certain activities in the State.
18S0	Prescription Drug Monitoring Fund	The fund is used to record activity related to the Department's Division of Professions and Occupations' implementation of the Prescription Drug Monitoring Program. The Department charges assessments against licensees who have medical prescriptive authority.
2006	Telecommunications Utility Fund	The fund exists to defray the full amount determined by the general assembly for the administration expenses of the commission for the supervision and regulation of telecommunications public utilities paying such fees. The Department charges fees in the form of annual assessments to telecommunications fixed utilities in proportion to their gross interstate operating revenue.

2120	Real Estate Cash Fund	This fund is used to record activity related to the Department's regulation of real estate practitioners. The Department charges application and renewal fees for real estate brokers and appraisers.
2130	Division of Securities Cash Fund	This fund is used to record activity related to the Department's regulation of securities sales agents in the State. The Department charges fees for the registration of those agents and other fees for the regulation of nonexempt securities and municipal bonds issued by certain political subdivisions.
2440	Public Deposit Administration Fund	This fund is used to record activity related to the Department's Division of Banking and its mission to serve and protect the public interest by promoting a safe financial institutions industry through continuous quality regulation and supervision. The Department charges assessments to financial institutions and various fees as authorized by statute, including charter applications, money transmitter licenses, change fees, and miscellaneous minor fees.
2720	Financial Services Cash Fund	This fund is used to record activity related to the Department's Division of Financial Services and its mission to serve and protect the public interest by promoting a safe and sound financial institutions industry through continuous quality regulation and supervision. The Department charges assessments to financial institutions based on assets. Fees are adjusted biennially.
2820	Division of Insurance Cash Fund	This fund is used to record activity related to the Department's oversight of business insurance in the State. The department charges fees to self-insurance pools, medical-surgical and health services corporations, nonprofit hospitals, and cash-bail agents designated for the Division of Insurance.

REVENUE

16V0	Racing Cash Fund	This fund is used to record fees for occupational licenses and business licenses and from racetracks for racetrack meet licenses. Monies used for the promotion of racing, establishment of high standards of sport and fair play, and promotion of the health and safety of the animals involved in racing events.
1920	Auto Dealers License Board	This fund is used to record activity related to the Department's oversight of the Motor Vehicle Dealer Board. The Department charges fees for the licensing of motor vehicle dealers, wholesalers, buyer agents, and salespersons.

STATE

2000	Department of State Cash Fund	This fund is used to record activity related to the operation of the Department of State. The Department charges fees for filing articles of incorporation, issuing official certificates, and making official copies of documents.
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APPENDIX B



CASH FUNDS UNCOMMITTED RESERVES REPORT FOR THE FISCAL YEAR JUNE 30, 2020 ALL FUNDS

The *Cash Funds Uncommitted Reserves Report* (PAGES 50 and 51) prepared by the Office of the State Controller does not include funds that have an uncommitted reserves balance of less than \$200,000. The following report includes all of the cash funds with fee revenue and uncommitted reserve balances at June 30, 2020, greater than zero.

STATE OF COLORADO
CASH FUNDS UNCOMMITTED RESERVES REPORT
REPORT OF FUNDS WITH UNCOMMITTED RESERVES AND FEE REVENUE GREATER THAN \$0
FISCAL YEAR 2020 AS OF JUNE 30, 2020

FUND	FUND BALANCE (NOTE 4) ¹	EXEMPT ASSETS (NOTE 5)	CAPITAL RESERVE (NOTE 6)	PREVIOUSLY APPROPRIATED FUND BALANCE (NOTE 7)
Department of Agriculture				
Agricultural Products Inspection Fund	58,971	950	-	-
Veterinary Vaccine and Service Fund	30,121	-	-	-
Inspection and Consumer Services Cash Fund	1,624,863	-	-	-
Dangerous Dog Fund	20,947	-	-	-
Wine Development Fund	344,889	-	-	-
Plant Health, Pest Control and Environmental Protection Fund	1,809,042	-	-	-
Colorado Aquaculture Fund	3,887	-	-	-
Industrial Hemp Registration Program Cash Fund	1,345,470	-	-	-
Pet Animal Care and Facility Fund	96,876	-	-	-
SUBTOTAL	5,335,066	950	-	-
Department of Corrections				
Correctional Education Program Fund	110,166	-	-	-
Department of Education				
Other Education Special Revenue Funds	3,168,679	152,247	-	-
Office of the Governor				
Donations - Governor's Office	2,373,988	-	-	-
Travel and Tourism Promotion Fund	6,425,051	-	-	-
Travel and Tourism Additional Sources Fund	86,049	-	-	-
Creative Industries Cash Fund	2,471,130	-	-	-
Advanced Industries Export Acceleration Cash Fund	61,825	-	-	-
Creative District Community Loan Fund	16,173	-	-	-
SUBTOTAL	11,434,216	-	-	-
Department of Health Care Policy and Financing				
Children's Basic Health Plan Trust	11,658,137	-	-	-
Medicaid Buy-In Cash Fund	6,704	-	-	-
Service Fee Fund	49,621	-	-	-
Medicaid Nursing Facility Cash Fund	1,290,968	-	-	-
Department of Health Care Policy and Financing Cash Fund	27,585	-	-	-
SUBTOTAL	13,033,015	-	-	-
Department of Higher Education				
State Historical Museum and Preservation Grant Fund	7,674,999	20,731	-	-
History Colorado Restricted Donations	1,093,587	4,630	-	-
SUBTOTAL	8,768,586	25,361	-	-
Department of Human Services				
Alcohol and Drug Abuse Counselor Training Fund	6,208	-	-	-
Controlled Substance Program Fund	16,471	-	-	-
Food Distribution Program Service Fund	492,020	-	-	-
Work Therapy Cash Fund	111,301	21,849	9,844	-
SUBTOTAL	626,000	21,849	9,844	-
Judicial Branch				
Judicial Information Technology Cash Fund	7,299,905	1,652,682	5,197,837	-
Judicial Collection Enhancement Fund	4,876,420	-	-	-
Mediation Cash Fund	30,774	-	-	-
Other Judicial Special Revenue Funds	250,348	28,044	-	-
SUBTOTAL	12,457,447	1,680,726	5,197,837	-
Department of Labor and Employment				
Boiler Inspection Fund	235,703	-	-	-
Utilization Review	34,355	-	-	-
Conveyance Safety Fund	1,396,281	-	-	-
Workmens' Compensation Self-Insurance Fund	86,555	-	-	-
Public Safety Inspection Fund	79,328	-	-	-
Liquefied Petroleum Gas Inspection Fund	178,780	-	-	-
Employment Support Fund	45,958,540	17,518	-	-
Physicians Accreditation Program Fund	190,358	-	-	-
SUBTOTAL	48,159,900	17,518	-	-
Department of Law				
Collection Agency Cash Fund	135,156	223	-	-
Uniform Consumer Credit Code Cash Fund	489,978	223	-	-
Insurance Fraud Cash Fund	102,713	14,971	-	-
Legal Services Cash Fund	6,674,216	2,525,484	1,183,336	-
Safe2Tell Cash Fund	4,597	-	-	-
P.O.S.T. Board Cash Fund	1,204,272	72,097	-	-
SUBTOTAL	8,610,932	2,612,998	1,183,336	-
Legislative Branch				
Legislative Department Cash	14,917,498	13,136	-	-
Other Legislature Special Revenue Funds	31,320	-	-	-
SUBTOTAL	14,948,818	13,136	-	-
Department of Local Affairs				
Donations - Local Affairs	10,764	-	-	-
Moffat Tunnel Cash Fund	154,453	-	-	-
Building Regulation Fund	182,736	-	-	-
Private Activity Bond Allocation Fund	145,883	-	-	-
Board Assessment Appeals Cash Fund	182,826	-	-	-
SUBTOTAL	676,662	-	-	-
Department of Military and Veterans Affairs				
Chargeable Quarters and Billeting Cash Fund	225,237	-	-	-
Veterans One-Stop Center Cash Fund	30,184	-	-	-
SUBTOTAL	255,421	-	-	-

¹ Note numbers in column headings refer to the Notes to the Cash Funds Uncommitted Reserves Report beginning on Page 53, prepared by the Office of the State Controller.

SOURCE: Office of the State Controller.

FEE REVENUE (NOTE 8)	TOTAL REVENUE	TOTAL EXPENSE	NON-FEE FUND BALANCE (NOTE 9)	UNCOMMITTED RESERVE (NOTE 10)	MAXIMUM RESERVE (NOTE 11)	ALTERNATIVE MAXIMUM RESERVE (NOTE 12)	EXCESS UNCOMMITTED RESERVE (NOTE 13)
2,067,906	2,080,026	2,140,218	338	57,683	353,136	-	-
393,533	393,533	385,040	-	30,121	63,532	-	-
3,221,233	3,352,886	3,218,145	63,801	1,561,062	530,994	1,609,073	-
50	2,085	-	20,445	502	-	-	502
41,915	872,837	774,749	328,327	16,562	127,834	-	-
4,787,300	4,924,530	4,205,630	50,412	1,758,630	693,929	2,102,815	-
3,700	3,700	1,936	-	3,887	319	-	3,568
1,020,516	1,023,516	990,031	3,944	1,341,526	163,355	-	1,178,171
883,345	899,337	888,993	1,723	95,153	146,684	-	-
12,419,498	13,552,450	12,604,742	468,990	4,865,126	2,079,783	3,711,888	1,182,241
394,063	481,290	494,606	19,966	90,200	81,610	-	8,590
1,634	193,761	157,069	2,990,994	25,438	25,916	-	-
45,000	1,806,509	1,164,270	2,314,852	59,136	192,105	-	-
425	867,385	13,809,032	6,421,903	3,148	2,278,490	-	-
589,932	598,417	718,140	1,220	84,829	118,493	-	-
12,243	1,499,166	2,685,253	2,450,949	20,181	443,067	-	-
2,500	179,547	175,402	60,964	861	28,941	-	-
4,980	5,274	153	902	15,271	25	-	15,246
655,080	4,956,298	18,552,250	11,250,790	183,426	3,061,121	-	15,246
1,001,760	15,905,585	22,861,547	10,923,888	734,249	3,772,155	-	-
3,823,214	3,823,214	3,824,432	-	6,704	631,031	-	-
303,580	2,139,733	2,140,076	42,581	7,040	353,113	-	-
57,932,274	57,972,555	58,205,671	897	1,290,071	9,603,936	-	-
158,064	168,431	167,343	1,698	25,887	27,612	-	-
63,218,892	80,009,518	87,199,069	10,969,064	2,063,951	14,387,847	-	-
2,359	5,808,503	10,469,138	7,651,159	3,109	1,727,408	-	-
26,126	2,225,996	2,574,691	1,076,176	12,781	424,824	-	-
28,485	8,034,499	13,043,829	8,727,335	15,890	2,152,232	-	-
13,550	13,550	11,201	-	6,208	1,848	-	4,360
10,450	10,794	9,309	525	15,946	1,536	-	14,410
264,210	1,208,662	1,013,491	384,466	107,554	167,226	-	-
334,743	403,293	332,216	13,531	66,077	54,816	-	11,261
622,953	1,636,299	1,366,217	398,522	195,785	225,426	-	30,031
17,577,228	18,065,211	18,898,568	12,139	437,247	3,118,264	-	-
509,646	6,705,292	7,467,833	4,505,780	370,640	1,232,192	-	-
2,375	2,375	-	-	30,774	-	-	30,774
274,595	579,004	597,060	116,875	105,429	98,515	-	6,914
18,363,844	25,351,882	26,963,461	4,634,794	944,090	4,448,971	-	37,688
1,457,106	1,468,846	1,473,000	1,884	233,819	243,045	1,355,009	-
28,386	28,386	17,116	-	34,355	2,824	-	31,531
597,858	679,238	1,424,350	167,289	1,228,992	235,018	1,500,000	-
148,000	148,001	214,244	1	86,554	35,350	-	51,204
256,075	265,801	310,814	2,903	76,425	51,284	-	25,141
303,064	307,642	328,795	2,660	176,120	54,251	-	121,869
18,555	38,094,735	34,104,139	45,918,645	22,377	5,627,183	-	-
118,555	118,555	77,700	-	190,358	12,821	-	177,537
2,927,599	41,111,204	37,950,158	46,093,382	2,049,000	6,261,776	2,855,009	407,282
824,000	862,964	1,018,073	6,092	128,841	167,982	-	-
1,728,753	1,755,759	1,750,258	7,533	482,222	288,793	-	193,429
1,959,890	1,986,483	2,220,853	1,175	86,567	366,441	-	-
3,305,244	46,631,016	45,568,521	2,755,206	210,190	7,518,806	-	-
11,030	11,366	15,370	136	4,461	2,536	-	1,925
153,449	5,278,010	5,228,177	1,099,259	32,916	862,649	-	-
7,982,366	56,525,598	55,801,252	3,869,401	945,197	9,207,207	-	195,354
4,189	3,988,994	2,490,687	14,888,710	15,652	410,963	-	-
9,465	9,465	9,817	-	31,320	1,620	-	29,700
13,654	3,998,459	2,500,504	14,888,710	46,972	412,583	-	29,700
5,180	166,849	166,849	10,430	334	27,530	-	-
26,659	33,434	167,563	31,298	123,155	27,648	400,000	-
1,125,503	1,191,334	1,152,587	10,098	172,638	190,177	380,354	-
185,218	185,318	82,165	79	145,804	13,557	246,495	-
13,264	332,144	394,556	175,525	7,301	65,102	-	-
1,355,824	1,909,079	1,963,720	227,430	449,232	324,014	1,026,849	-
853,748	869,823	1,479,982	4,163	221,074	244,197	-	-
15,068	35,819	20,183	17,486	12,698	3,330	-	9,368
868,816	905,642	1,500,165	21,649	233,772	247,527	-	9,368

STATE OF COLORADO
CASH FUNDS UNCOMMITTED RESERVES REPORT
REPORT OF FUNDS WITH UNCOMMITTED RESERVES AND FEE REVENUE GREATER THAN \$0
FISCAL YEAR 2020 AS OF JUNE 30, 2020

FUND	FUND BALANCE (NOTE 4) ¹	EXEMPT ASSETS (NOTE 5)	CAPITAL RESERVE (NOTE 6)	PREVIOUSLY APPROPRIATED FUND BALANCE (NOTE 7)
Department of Natural Resources				
Land and Water Management Fund	15,000	-	-	-
Satellite Monitoring System Cash Fund	25,745	128	-	-
Mined Land Reclamation Fund	996,185	-	-	-
Water Resources Cash Fund	267,225	473	-	-
Emergency Dam Repair Cash Fund	427,773	-	-	-
SUBTOTAL	1,731,928	601	-	-
Department of Personnel and Administration				
Disability Support Fund	369,516	-	-	-
Supplier Database Cash Fund	5,064,512	-	-	-
Administrative Hearings Fund	1,186,201	209,771	156,034	-
SUBTOTAL	6,620,229	209,771	156,034	-
Department of Public Health and Environment				
Hazardous Substances Response Fund	8,643,979	-	-	-
Solid Waste Management Reserve Fund	453,237	-	-	-
Stationary Sources Fund	880,481	18,654	-	-
Lead Hazard Reduction Fund	61,990	-	-	-
Radiation Control Fund	570,198	-	-	-
Hazardous Waste Service Fund	870,219	-	-	-
Trauma System Cash Fund	287,899	-	-	-
Fixed and Rotary-Wing Ambulances Cash Fund	46,090	-	-	-
Medical Marijuana Cash Fund	520,741	-	-	-
Marijuana Tax Cash Fund	343,898	-	-	-
Wholesale Food Manufacturing & Storage Protection Cash Fund	1,196,857	-	-	-
Commerce and Industry Sector Fund	366,413	-	-	-
Community Integrated Health Care Service Agencies	19,010	-	-	-
Medication Administration Fund	52,879	-	-	-
Home Care Agency Cash Fund	253,883	-	-	-
Visa Waiver Program Fund	2,906	-	-	-
Assisted Living Residence Fund	568,330	-	-	-
Health Facilities General Licensure Cash Fund	197,218	-	-	-
Food Protection Cash Fund	576,680	-	-	-
Laboratory Cash Fund	59,706	-	-	-
Ozone Protection Fund	81,314	-	-	-
Pollution Prevention Fund	213,459	-	-	-
Hazardous Waste Commission Fund	101,427	-	-	-
Emergency Medical Services Account	154,343	-	-	-
SUBTOTAL	16,523,157	18,654	-	-
Department of Public Safety				
Fire Service Education and Training Fund	66,098	-	-	-
Fire Suppression Cash Fund	93,348	-	-	-
Fireworks Licensing Cash Fund	24,919	-	-	-
Sex Offender Treatment Provider Fund	1,028	-	-	-
Domestic Violence Treatment Provider Fund	46,510	-	-	-
Firefighter, First and Haz Mat Responder Certification Fund	124,756	-	-	-
Criminal Justice Training Fund	72,221	-	-	-
Cigarette Ignition Standards & Firefighter Protection Act	52,487	-	-	-
Public School Construction and Inspection Fund	520,060	-	-	-
School Safety Resource Center Cash Fund	2,716,631	-	-	-
State Patrol Special Events Fund	171,645	-	-	-
Instant Criminal Background Check Fund	1,432,919	19,182	-	-
Health Facility Construction and Inspection Fund	226,326	-	-	-
SUBTOTAL	5,548,948	19,182	-	-
Department of Regulatory Agencies				
Conservation Easements Cash Fund	558,333	-	-	-
Public Utilities Commission Fixed Utility Fund	2,029,350	1,035	-	-
Public Utilities Commission Motor Carrier Fund	335,854	-	-	-
Division of Professions and Occupations Cash Fund	1,637,153	20	-	-
Prescription Drug Monitoring Fund	630,899	-	-	-
Viatical Settlements Cash Fund	122,363	-	-	-
Disabled Telephone Users Fund	117,169	-	-	-
Telecommunications Utility Fund	589,272	-	-	-
Real Estate Cash Fund	1,569,939	-	-	-
Division of Securities Cash Fund	954,505	21,036	-	-
Colorado High Cost Administration Fund	101,095	-	-	-
Consumer Outreach and Education Fund	37,210	-	-	-
Public Deposit Administration Fund	356,307	-	-	-
Financial Services Cash Fund	302,799	-	-	-
Division of Insurance Cash	683,623	38,487	-	-
SUBTOTAL	10,025,871	60,578	-	-

¹ Note numbers in column headings refer to the Notes to the Cash Funds Uncommitted Reserves Report beginning on Page 53, prepared by the Office of the State Controller.

SOURCE: Office of the State Controller.

FEE REVENUE (NOTE 8)	TOTAL REVENUE	TOTAL EXPENSE	NON-FEE FUND BALANCE (NOTE 9)	UNCOMMITTED RESERVE (NOTE 10)	MAXIMUM RESERVE (NOTE 11)	ALTERNATIVE MAXIMUM RESERVE (NOTE 12)	EXCESS UNCOMMITTED RESERVE (NOTE 13)
101,800	104,429	164,429	378	14,622	27,131	-	-
317,091	320,836	351,709	299	25,318	58,032	-	-
5,212	988,005	948,323	990,930	5,255	156,473	-	-
18,195	511,526	295,877	257,264	9,488	48,820	-	-
2,742	173,545	74,969	421,014	6,759	12,370	-	-
445,040	2,098,341	1,835,307	1,669,885	61,442	302,826	-	-
26,640	67,398	102,563	223,460	146,056	16,923	-	129,133
1,676,154	3,133,620	3,712,949	2,355,536	2,708,976	612,637	-	2,096,339
22,827	6,628,882	6,058,415	817,571	2,825	999,638	-	-
1,725,621	9,829,900	9,873,927	3,396,567	2,857,857	1,629,198	-	2,225,472
2,079,812	2,195,778	4,364,056	456,516	8,187,463	720,069	10,000,000	-
549	4,092,175	5,013,148	453,176	61	827,169	-	-
35,632	13,255,272	14,072,701	859,510	2,317	2,321,996	-	-
76,002	77,780	70,901	1,417	60,573	11,699	-	48,874
3,228,894	3,228,794	2,862,693	(18)	570,216	472,344	-	97,872
4,567	2,268,599	3,197,739	868,467	1,752	527,627	-	-
806,458	817,916	589,447	4,033	283,866	97,259	-	186,607
114,615	115,098	80,718	193	45,897	13,318	-	32,579
2,098,447	2,109,364	1,986,709	2,695	518,046	327,807	-	190,239
36,877	26,740,537	27,557,931	343,424	474	4,547,059	-	-
2,140	1,136,041	834,213	1,194,602	2,255	137,645	-	-
611,832	1,399,579	1,468,695	206,234	160,179	242,335	-	-
17,100	17,100	9,443	-	19,010	1,558	-	17,452
92,008	92,008	92,149	-	52,879	15,205	-	37,674
1,257,599	1,257,599	1,299,172	-	253,883	214,363	-	39,520
16,500	16,659	22,855	28	2,878	3,771	-	-
3,269,606	3,282,815	3,364,443	2,287	566,043	555,133	-	10,910
2,194,794	2,194,794	2,210,782	-	197,218	364,779	-	-
60,472	1,436,913	1,260,688	552,411	24,269	208,014	-	-
790,834	791,756	855,312	70	59,636	141,126	-	-
205,395	207,583	191,864	857	80,457	31,658	-	48,799
1,450	177,159	193,987	211,712	1,747	32,008	-	-
81,415	81,415	15,388	-	101,427	2,539	-	98,888
9,790,521	10,364,873	10,904,523	8,553	145,790	1,799,246	-	-
26,873,519	77,357,607	82,519,557	5,166,167	11,338,336	13,615,727	10,000,000	809,414
55,760	56,931	27,090	1,360	64,738	4,470	-	60,268
179,339	180,013	134,066	350	92,998	22,121	-	70,877
34,230	34,238	13,030	6	24,913	2,150	-	22,763
14,025	14,158	14,209	10	1,018	2,344	-	-
33,519	34,635	20,624	1,499	45,011	3,403	-	41,608
214,500	216,598	172,491	1,208	123,548	28,461	-	95,087
97,650	110,474	81,865	8,384	63,837	13,508	-	50,329
14,000	14,000	13,469	-	52,487	2,222	-	50,265
1,236,154	1,273,863	3,014,083	15,395	504,665	497,324	-	7,341
46,130	46,130	2,392,770	-	2,716,631	394,807	-	2,321,824
723	2,466,707	2,879,045	171,595	50	475,042	-	-
4,450,171	4,453,672	3,481,938	1,111	1,412,626	574,520	-	838,106
368,094	384,072	1,408,416	9,416	216,910	232,389	-	-
6,744,295	9,285,491	13,653,096	210,334	5,319,432	2,252,761	-	3,558,468
256,375	256,375	231,653	-	558,333	38,223	-	520,110
12,587,943	13,917,307	13,868,886	193,742	1,834,573	2,288,366	-	-
2,188,508	2,462,333	2,428,843	37,349	298,505	400,759	-	-
27,509,293	28,585,873	29,525,115	61,656	1,575,477	4,871,644	-	-
288,866	606,470	764,992	330,397	300,502	126,224	-	174,278
11,430	11,430	1,773	-	122,363	293	-	122,070
3,902,437	3,910,800	4,088,546	251	116,918	674,610	-	-
1,100,823	1,100,823	691,214	-	589,272	114,050	-	475,222
7,889,441	8,353,826	7,049,840	87,272	1,482,667	1,163,224	-	319,443
4,632,742	4,632,742	5,202,776	-	933,469	858,458	-	75,011
250,127	252,904	202,739	1,110	99,985	33,452	-	66,533
248,288	251,486	232,734	473	36,737	38,401	-	-
5,111,474	5,147,167	5,599,779	2,471	353,836	923,964	-	-
1,925,922	1,942,665	1,846,042	2,610	300,189	304,597	-	-
7,884,323	12,150,737	13,792,068	226,523	418,613	2,275,691	-	-
75,787,992	83,582,938	85,527,000	943,854	9,021,439	14,111,956	-	1,752,667

STATE OF COLORADO
CASH FUNDS UNCOMMITTED RESERVES REPORT
REPORT OF FUNDS WITH UNCOMMITTED RESERVES AND FEE REVENUE GREATER THAN \$0
FISCAL YEAR 2020 AS OF JUNE 30, 2020

FUND	FUND BALANCE (NOTE 4) ¹	EXEMPT ASSETS (NOTE 5)	CAPITAL RESERVE (NOTE 6)	PREVIOUSLY APPROPRIATED FUND BALANCE (NOTE 7)
Department of Revenue				
Racing Cash Fund	209,544	-	-	-
Auto Dealers License Fund	609,451	1,584	-	-
Private Letter Ruling Fund	26,481	-	-	-
Tax Lien Certification Fund	52,666	-	-	-
Prepaid Wireless Trust Cash Fund	25,646	-	-	-
Gambling Payment Intercept Fund	90,746	-	-	-
Limited Gaming Fund	2,765,627	15,194	-	-
Colorado DRIVES Fund	18,145,137	-	-	-
SUBTOTAL	21,925,298	16,778	-	-
Department of State				
Department of State Cash Fund	6,110,113	1,048,059	-	-
Department of Transportation				
Aviation Fund	13,740,011	-	-	-
Department of Treasury				
AIR Account	6,214,073	-	-	-
Unclaimed Property Fund	234,015,348	3,545	-	-
SUBTOTAL	240,229,421	3,545	-	-
Grand Total	\$ 450,039,884	\$ 5,901,953	\$ 6,547,051	\$ -

¹ Note numbers in column headings refer to the Notes to the Cash Funds Uncommitted Reserves Report beginning on Page 53, prepared by the Office of the State Controller.

SOURCE: Office of the State Controller.

FEE REVENUE (NOTE 8)	TOTAL REVENUE	TOTAL EXPENSE	NON-FEE FUND BALANCE (NOTE 9)	UNCOMMITTED RESERVE (NOTE 10)	MAXIMUM RESERVE (NOTE 11)	ALTERNATIVE MAXIMUM RESERVE (NOTE 12)	EXCESS UNCOMMITTED RESERVE (NOTE 13)
1,387,962	1,387,962	1,340,486	-	209,544	221,180	-	-
3,993,442	3,993,442	3,799,337	-	607,867	626,891	-	-
8,500	8,500	8,500	-	26,481	1,403	-	25,078
5,764	5,764	-	-	52,666	-	-	52,666
7,815	7,815	-	-	25,646	-	-	25,646
10,721	10,721	4,700	-	90,746	776	-	89,970
824,841	82,583,190	82,446,698	2,722,962	27,471	13,603,705	-	-
1,150	30,949,288	12,804,151	18,144,463	674	2,112,685	-	-
6,240,195	118,946,682	100,403,872	20,867,425	1,041,095	16,566,640	-	193,360
24,140,259	25,100,625	24,899,008	193,677	4,868,377	4,108,336	4,468,049	400,328
1,561	26,305,436	27,410,710	13,739,196	815	4,522,767	-	-
3,640	9,612,993	10,065,033	6,211,720	2,353	1,660,730	-	-
10,780	105,008,292	96,647,016	233,987,780	24,023	15,946,758	-	-
14,420	114,621,285	106,712,049	240,199,500	26,376	17,607,488	-	-
\$ 250,825,610	\$ 705,794,284	\$ 712,931,568	\$ 390,947,632	\$ 46,643,248	\$ 117,633,712	\$ 22,061,795	\$ 10,855,209

