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STATE OF COLORADO

CASH FUNDS UNCOMMITTED RESERVES FISCAL YEAR ENDED JUNE 30, 2015



FEBRUARY 2016 PERFORMANCE AUDIT

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DIANNE E. RAY, CPA

STATE AUDITOR

February 16, 2016

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, 2015. 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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CONCERN

The Office of the State Controller (OSC) did not meet the statutory deadline for the cash funds report. In addition, six departments had cash funds with excess uncommitted reserves and were out of compliance.

KEY FACTS AND FINDINGS

- The OSC submitted the cash funds report on January 22, 2016, which was 4 months beyond the September 20 statutory requirement.
- We identified problems that contributed to the failure to meet the statutory deadline such as:
  - Delays occurred in closing the State's accounting periods.
  - The internal control process was ineffective in identifying problems early.
- We determined that six departments had funds with excess uncommitted reserves as of June 30, 2015.
  - Within those six departments, nine total cash funds had excess uncommitted reserves of $7.3 million. This was a decrease from the previous year with eight departments and 21 total cash funds and a total of $22.5 million, due in part to statutory changes.
- The departments that we identified as having cash funds with excess uncommitted reserves as of June 30, 2015, are:
  - Department of Agriculture
  - Department of Law
  - Department of Personnel & Administration
  - Department of Public Health and Environment
  - Department of Public Safety
  - Department of Revenue
- We found that the Department of Public Safety submitted incomplete cash fund information to the OSPB as of June 30, 2015.

BACKGROUND

- Section 24-75-402, C.R.S. limits the amount departments can keep in certain cash funds at the end of a fiscal year.
- The OSC is required to prepare the Cash Funds Excess Uncommitted Reserves Report by September 20 to determine which funds are in compliance.
- Each department verifies the financial information prepared by the OSC. This information is audited as part of the Statewide Financial audit.
- The Office of State Planning and Budgeting (OSPB) requires departments to submit cash fund information with their annual budget packages.

KEY RECOMMENDATIONS

- The OSC should ensure that it prepares and issues the cash funds report in accordance with statutory deadlines.
- The departments with excess uncommitted reserves should monitor excess uncommitted reserves to ensure all cash funds are in compliance with statutory requirements and submit the required compliance plans in accordance with OSPB guidelines.

The Departments generally agreed with the recommendations.

STATE · OF · COLORADO

UNION AND CONSTITUTION

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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 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 in the 1998 legislation requiring the Office of the State Controller (OSC or 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 derive the amount of excess uncommitted reserves. EXHIBIT 1.1 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)	$ 2,000	B	
	Previously appropriated fund balance (e.g., capital construction)	$ 3,000	C	
	Fiscal Year 20XX revenue and expenses:			
	Fee revenue	$ 200,000	D	
	Non-fee revenue	$ 50,000	E	
	Total revenue	$ 250,000	F	
	Total expenses	$ 200,000	G	
STEPS USED TO CALCULATE THE AMOUNT OF EXCESS UNCOMMITTED RESERVES:				
1	CALCULATE THE UNCOMMITTED RESERVE			
A	Reduce fund balance by exempt assets and any previously appropriated fund balance			
	Fund balance	$ 400,000	A	
LESS:	Exempt assets	$ (2,000)	B	
	Previously appropriated fund balance	$ (3,000)	C	
	Reduced fund balance			$ 395,000
B	Multiply reduced fund balance by the ratio of fee revenue to total revenue			
	Fee revenue	$ 200,000	D	
	Total revenue	$ 250,000	F	
	Ratio of fee revenue to total revenue			80%
	Uncommitted reserve			$ 316,000
	(Note: Reduced fund balance multiplied by the ratio.)			
2	CALCULATE THE MAXIMUM RESERVE			
A	Multiply total expenses by 16.5 percent			
	Total expenses	$ 200,000	G	
	x	16.5%		
	Maximum reserve			$ 33,000
3	CALCULATE THE EXCESS UNCOMMITTED RESERVE			
A	Subtract maximum reserve from the uncommitted reserve			
	EXCESS UNCOMMITTED RESERVE			$ 283,000

CHANGES IN EXCESS UNCOMMITTED RESERVES DURING FISCAL YEAR 2015

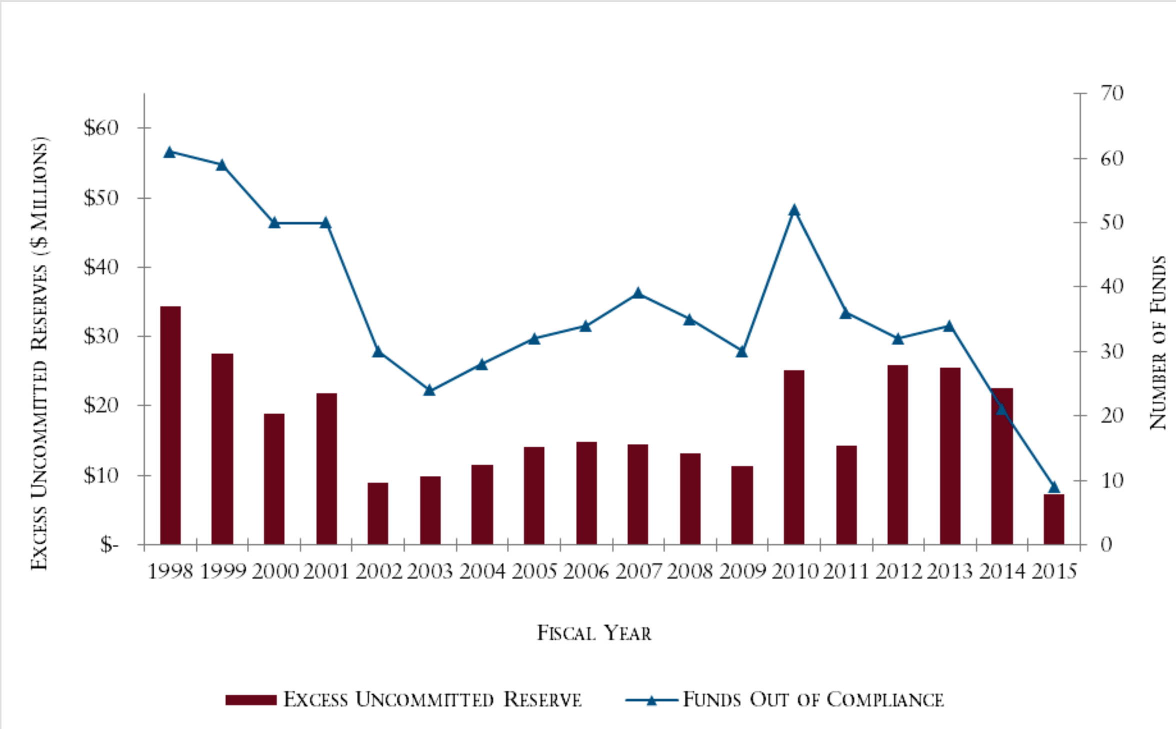
The purpose of Section 24-75-402, C.R.S., was not only to eliminate excess uncommitted reserves existing on June 30, 1998, but also to keep all cash funds from increasing their uncommitted reserves in future years.

In Fiscal Year 2015, the General Assembly changed the requirements for calculating excess uncommitted reserves [House Bill 15-1261], stating that only funds with uncommitted reserves greater than $200,000 with an excess are out of compliance. Prior to Fiscal Year 2015, a fund was out of compliance if it had an uncommitted reserve balance greater than $50,000 with an excess.

The Fiscal Year 2015 *Report* indicates that, overall, Section 24-75-402, C.R.S., has reduced total excess uncommitted reserves since 1998. The Fiscal Year 2015 *Report* shows nine cash funds with excess uncommitted reserves of about $7.3 million, compared with 61 cash funds with excess uncommitted reserves of about $34.3 million in the Fiscal Year 1998 *Report*. Further, the total excess uncommitted reserves decreased by $15.2 million and 12 funds from Fiscal Year 2014 to Fiscal Year 2015, due in part to the statutory change described above. If the previous cap of $50,000 in uncommitted reserves had still been in effect for Fiscal Year 2015, there would have been 22 funds out of compliance, with total excess uncommitted reserves of about $8.2 million, or an increase of one fund and a decrease of $14.3 million from Fiscal Year 2014.

EXHIBIT 1.2 shows the excess uncommitted reserves by fiscal year and the number of noncompliant funds since Fiscal Year 1998.

EXHIBIT 1.2. STATE OF COLORADO
CASH FUNDS EXCESS UNCOMMITTED RESERVES
AND NUMBER OF FUNDS
BY FISCAL YEAR



SOURCE: Office of the State Auditor analysis of the Cash Funds Uncommitted Reserves Report for Fiscal Years 1998 through 2015.
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.

EXHIBIT 1.3 lists the nine individual funds out of compliance and each of their corresponding departments, along with the total number of years the funds have been out of compliance with statutory requirements.

EXHIBIT 1.3. STATE OF COLORADO CASH FUNDS WITH EXCESS UNCOMMITTED RESERVES BALANCES AS OF JUNE 30, 2015				
DEPARTMENT	FUND NAME	NUMBER OF YEARS OUT OF COMPLIANCE	EXCESS UNCOMMITTED RESERVES 2015	EXCESS UNCOMMITTED RESERVES 2014
Public Health and Environment	Medical Marijuana	12	$1,426,724	$12,977,819
Public Health and Environment	Newborn Genetics	8	1,335,988	2,022,921
Department of Revenue	Auto Dealers License Fund	8	196,059	618,714
Revenue	Liquor Law Enforcement	8	333,340	704,503
Personnel & Administration	Supplier Database	6	2,209,436	1,295,229
Department of Agriculture	Inspection and Consumer Services Cash Fund	5	93,819	519,857
Department of Agriculture	Agricultural Products Inspection Fund	3	154,541	-
Department of Law	Insurance Fraud Cash Fund	1	115,851	-
Public Safety	Instant Criminal Background Check	1	1,418,615	-
		TOTAL	$ 7,284,373	$18,139,043

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

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, and the annual TABOR revenue limit. If the State collects revenue in excess of the limit, it must refund that excess to taxpayers. The excess has traditionally been paid from the General Fund, not 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 OSC as of September 1, 2015, the State had over $12.5 billion in TABOR revenue for Fiscal Year 2015. This included $2.7 billion in all cash funds, with $1.2 billion in funds subject to the requirements of this report.

TABOR allows the State to keep revenue up to the calculated limit that is based on revenue and collections from prior fiscal years; this limit is known as the Excess State Revenues Cap (Cap). Fiscal Year 2015 revenue exceeded the Cap by almost $150 million.

Section 24-75-402(3)(c), C.R.S., requires a department to reduce fees if the department has excess uncommitted reserves. The General Assembly added a new provision in 2015 via House Bill 15-1261 that decreased the number of funds that have been out of compliance for three or more consecutive years. Codified in Section 24-75-402(12), C.R.S., 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 a waiver for the fund beginning in Fiscal Year 2016. The State Controller's restriction could reduce cash fund spending beginning with Fiscal Year 2018.

When the State's TABOR revenue exceeds the Cap, excess fee revenue in cash funds may impact whether the State will owe TABOR refunds.

DEPARTMENT REPORTING REQUIREMENTS TO OSPB

Each year, the OSPB requires each department to submit a budget packet by November 1. As part of that annual submission, the OSPB requires departments to include detailed information for all cash funds that have an appropriation from the General Assembly, including funds that are otherwise exempt from the requirements of Section 24-75-402, C.R.S. This detailed information is a report known as the "Schedule 9". The purpose of this Schedule is to provide summary financial information to the OSPB and the JBC to assist with budget and funding decisions.

The OSPB also requires departments to submit a compliance plan in its Schedule 9 for any fund that has an excess uncommitted reserve greater than $200,000. The July 2015 budget instructions indicate that these plans may contain information regarding whether the department plans to increase expenditures, reduce fees, or both. Of the six departments with excess uncommitted reserves, four departments were required to submit compliance plans. In our review of these compliance plans, we noted that one department did not submit a required compliance plan as part of its budget submission. A recommendation addressed to that department is located in CHAPTER 2.

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 if a cash fund has fees set in statute, those funds are excluded from fee revenue in the calculation of excess uncommitted reserves.

House Bill 15-1261 specifically added state institutions of higher education to exempted entities, added repeal dates to the exclusion for 20 funds effective for Fiscal Year 2018, and added four funds to the excluded list. A complete list of excluded funds can be found in NOTE 3 on PAGE 51. The legislation also removed the exclusion for the Department of Personnel Revolving Fund.

EXHIBIT 1.4 shows a summary of the *Report*. The summary includes only cash funds with uncommitted reserves of more than $200,000 as of June 30, 2015 or 2014, and provides the amount of excess uncommitted reserves at the end of Fiscal Year 2015 and 2014. We applied the same methodology of reporting only cash funds with uncommitted reserves of more than $200,000 to the Fiscal Year 2014 balances. The complete *Report* with all cash funds with uncommitted reserves fee revenue greater than $0 and subject to Section 24-75-402, C.R.S., is on PAGES 46 and 47.

EXHIBIT 1.4. STATE OF COLORADO
CASH FUNDS UNCOMMITTED RESERVES REPORT SUMMARY FOR THE FISCAL YEAR ENDED JUNE 30, 2015 – CASH FUNDS WITH UNCOMMITTED RESERVES EQUAL TO OR GREATER THAN $200,000 AND EXCESS UNCOMMITTED RESERVES (WITH COMPARATIVE AMOUNTS FOR EXCESS UNCOMMITTED RESERVES OF CASH FUNDS WITH UNCOMMITTED RESERVES EQUAL TO OR GREATER THAN $200,000 FOR THE FISCAL YEAR ENDED JUNE 30, 2014)

		2015							2014[1]
FUND		FEE REVENUE	TOTAL REVENUE	TOTAL EXPENSE	NON-FEE FUND BALANCE	UNCOMMITTED RESERVES	TARGET/ ALTERNATIVE RESERVE	EXCESS UNCOMMITTED RESERVE	EXCESS UNCOMMITTED RESERVE
DEPARTMENT OF AGRICULTURE									
1030	Agricultural Products Inspection	$ 2,444,724	$ 2,450,145	$ 2,228,868	$ 1,158	$ 522,304	$ 367,763	$ 154,541	$ -
16R0	Inspect & Consumer Service Cash	3,056,770	3,164,298	3,434,201	63,703	1,810,919	1,717,100	93,819	519,857
	SUBTOTAL	5,501,494	5,614,443	5,663,069	64,861	2,333,223	2,084,863	248,360	519,857
DEPARTMENT OF EDUCATION									
2930	Educator Licensure[1]				N/A				33,069
DEPARTMENT OF LAW									
16Z0	Insurance Fraud Cash	2,024,836	2,040,920	1,649,922	3,083	388,088	272,237	115,851	-
DEPARTMENT OF NATURAL RESOURCES									
1700	Oil & Gas Conservation[1]				N/A				2,998,563
DEPARTMENT OF PERSONNEL & ADMINISTRATION									
2810	Supplier Database Cash	1,638,037	2,482,015	1,987,825	1,307,378	2,537,427	327,991	2,209,436	1,295,229
DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT									
1210	Newborn Genetics	6,693,694	6,693,694	7,273,632	-	2,536,137	1,200,149	1,335,988	2,022,921
14V0	Medical Marijuana Cash	1,663,877	1,808,046	13,059,804	163,030	1,881,555	454,831	1,426,724	12,977,819
2460	Assisted Living Residence[1]				N/A				64,034
2650	Hlth Fac Gen'l Licensure[1]				N/A				192,408
26A0	Laboratory Cash[1]				N/A				151,225
	SUBTOTAL	8,357,571	8,501,740	20,333,436	163,030	4,417,692	1,654,980	2,762,712	15,408,407
DEPARTMENT OF PUBLIC SAFETY									
27J0	Instant Criminal Background Check	3,138,731	3,160,029	2,967,333	12,948	1,908,225	489,610	1,418,615	-
DEPARTMENT OF REGULATORY AGENCIES									
1890	Div Of Professions And Occupations[1]				N/A				379,545
19U0	Mortgage Co & Loan Originator[1]				N/A				66,981
2130	Div Of Securities Cash[1]				N/A				165,190
2440	Public Deposit Administration[1]				N/A				84,982
	SUBTOTAL	-	-	-	-	-	-	-	696,698
DEPARTMENT OF REVENUE									
1920	Auto Dealer License	3,046,165	3,185,314	3,497,759	35,319	773,189	577,130	196,059	618,714
2360	Liquor Law Enforcement	2,421,775	2,553,443	2,840,533	43,605	802,028	468,688	333,340	704,503
	SUBTOTAL	5,467,940	5,738,757	6,338,292	78,924	1,575,217	1,045,818	529,399	1,323,217
	GRAND TOTAL	$26,128,609	$27,537,904	$38,939,877	$1,630,224	$13,159,872	$5,875,499	$7,284,373	$22,275,040

SOURCE: Office of the State Auditor Analysis of the Cash Funds Uncommitted Reserves Report for the Fiscal Years Ended June 30, 2015and 2014 prepared by the Office of the State Controller.
[1] Fiscal Year 2015 uncommitted reserves are less than $200,000 for these funds; however these funds had uncommitted reserves greater than $200,000 and excess uncommitted reserves for Fiscal Year 2014. We have only included funds from 2014 that have uncommitted reserves greater than $200,000 with an excess, in accordance with statutory changes that were effective beginning with Fiscal Year 2015.

AUDIT PURPOSE, SCOPE, AND METHODOLOGY

Section 24-30-207(3), C.R.S., requires the State Auditor to conduct an audit of the OSC's *Report*. We performed our audit work during the period June 2015 through January 2016. We acknowledge the cooperation and assistance provided by the State Controller and staff at the OSC, as well as staff at the various departments.

The overall objective of our audit was 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 *Report* is included in the Financial Information section of this audit report.

We also performed testwork to determine if departments submitted cash funds information to the OSPB in accordance with OSPB requirements. The instructions require departments to submit detailed information, known as the "Schedule 9", for each cash fund that has an appropriation from the General Assembly. If a cash fund has an excess uncommitted reserve greater than $200,000, departments must also submit a compliance plan. We examined whether departments submitted a separate Schedule 9 and required compliance plan for each fund that had reportable excesses.

Our audit work was designed to assess the effectiveness of those internal controls that were significant to our audit objectives. Our conclusions on the effectiveness of those controls are described in the audit findings and recommendations.

To accomplish our audit objectives, we:

- Researched applicable state laws and regulations.
- Reviewed the OSC's calculation for Excess Uncommitted Reserves.
- Reviewed the internal controls the OSC has in place including the OSC's procedures for preparing the *Report*.

- Reviewed departments' compliance with cash fund statutes and OSPB rules.

We conducted this audit in accordance with Government Auditing Standards issued by the Comptroller General of the United States. 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 scope of this audit does not include an opinion on the fair presentation, in all material respects, of the financial position of cash funds included in the financial statements for the State of Colorado. The financial statements for the State of Colorado are being reviewed as part of the Fiscal Year 2015 Statewide Financial Audit. As of the date of this report, the State's accounting records remain open for Fiscal Year 2015 and therefore, the cash fund balances contained in this report upon which our conclusions are based may be subject to change. This report is based on the cash funds report provided by the OSC on January 22, 2016, with further updates received on February 12, 2016.

We planned our audit work to assess the effectiveness of those internal controls that were significant to our audit objectives. Our conclusions about the effectiveness of those controls, as well as specific details regarding instances of noncompliance with applicable cash funds statutes to support our findings, conclusions and recommendations are described in CHAPTER 2.

CHAPTER 2

FINDINGS AND RECOMMENDATIONS

OSC COMPLIANCE AND CONTROLS OVER CASH FUNDS REPORTING

As noted previously, Section 24-30-207(3), C.R.S., instructs the Office of the State Controller (OSC or State Controller) to create a report of the State's uncommitted reserves, known as the *Cash Funds Uncommitted Reserves Report* (*Report*). The *Report* is calculated in accordance with Section 24-75-402, C.R.S. The annual report of the uncommitted reserves for each cash fund must be submitted to the Office of State Planning and Budgeting (OSPB) and the Joint Budget Committee (JBC) on or before September 20 of each year. The OSPB and JBC use this information to assist with budget planning and funding decisions.

The OSC utilizes information contained in the State's financial accounting system to prepare the *Report*. At the beginning of Fiscal Year 2015, the State converted its 22-year-old financial accounting and reporting system to a new system called the Colorado Operations Resource Engine (CORE).

WHAT AUDIT WORK WAS PERFORMED AND WHAT WAS ITS PURPOSE?

We reviewed the OSC's process over the preparation of the *Report* to determine key internal controls and compliance with applicable statutes. We obtained the Fiscal Year 2015 *Report* from the OSC and reviewed the key calculations and significant balances on the report, which included testing of fee revenue.

The purpose of the audit work was to evaluate the OSC's controls over the preparation of the report to determine if the OSC complied with its statutory requirement to create an accurate report of the State's cash funds by the statutorily required deadline.

HOW WERE THE RESULTS OF THE AUDIT WORK MEASURED?

The OSC is required to submit the *Report* to the OSPB and JBC on or before September 20 each year.

The OSC provides guidance to assist departments in recording accounting transactions such as fee revenue on CORE. The primary guidance provided by the OSC is the fiscal procedures manual, which is updated annually by the OSC. As part of the process to prepare the final *Report*, the OSC distributes sections of the draft *Report* to each department to obtain their feedback and approval of the figures in the report. The OSC calls this procedure the "turnaround process". The turnaround process is a key control utilized by the OSC in ensuring the accuracy of the *Report*. Because statute requires that the OSC prepare this report by September 20, the OSC typically provides a draft *Report* to departments in August.

WHAT PROBLEM DID THE AUDIT WORK IDENTIFY AND WHY DID THE PROBLEM OCCUR?

The OSC did not meet the September 20, 2015, statutory deadline for cash fund reporting. Rather, the OSC submitted a preliminary Fiscal Year 2015 *Report* to the OSPB and JBC on November 2, 2015, and the final *Report* on January 22, 2016, or 4 months beyond the statutory deadline.

Overall, we identified problems in the following interrelated areas that contributed to the failure to meet the statutory deadline.

- **OSC DID NOT CLOSE ACCOUNTING PERIODS IN A TIMELY MANNER.** The OSC experienced significant delays in closing the Fiscal Year 2015 financial accounting records that enabled departments to make adjustments beyond the September 20 statutory reporting deadline. Because of these delays, the OSC was unable to meet its statutory reporting requirements. As of the date of this report on February 16, the accounting records for Fiscal Year 2015 remain open for adjustments.

- **THE TURNAROUND REPORT PROCESS WAS NOT EFFECTIVE.** The OSC started their turnaround process by distributing the Fiscal Year 2015 turnaround draft *Report* to departments on October 19, 2015, to obtain their feedback on the accuracy of cash fund balances. However, the OSC did not require each department to respond, and indicated that responses were not necessary if there were no changes to the report.

  Based on our review and follow-up inquiries with departments who had funds contained on the draft *Report*, seven departments made adjustments in the accounting system as late as February 2016 that revised fee revenues in 19 cash funds. Accounting adjustments including these that were posted as late as February 2016, contributed to the OSC's delay in submitting the final *Report*.

WHY DOES THIS PROBLEM MATTER?

By not meeting the statutory deadline for submitting the Fiscal Year 2015 *Report* in September, the departments, OSPB, and JBC did not have timely information regarding cash funds in order to make budget decisions during the annual budget setting process that began in November. Further, the departments may have detected fee revenue adjustments in a timely manner during the turnaround process if the OSC had required a response. Additionally, the departments with non-compliant funds that did not take timely action to reduce fees and excess uncommitted reserves may not have been able to adequately assess the need to adjust fees due to untimely closings of accounting periods during the fiscal year. Excess fees contribute to TABOR revenue that the State collects in future years.

RECOMMENDATION 1

The Office of the State Controller should ensure that it prepares and issues the *Cash Funds Uncommitted Reserves Report* in accordance with the statutory deadline by:

A Ensuring fiscal year accounting periods in the Colorado Operations Resource Engine system are closed in a timely manner.

B Formalizing communication and requiring department response to ensure that the cash fund turnaround process provides an effective control to ensure accurate reporting.

RESPONSE

OFFICE OF THE STATE CONTROLLER

A AGREE. IMPLEMENTATION DATE: AUGUST 2016.

In this first year in CORE, accounting periods have been on a delayed closing schedule primarily due to building and implementing labor allocation. In CORE, as well as in other modern ERP systems, labor allocation is handled in the payroll module, a function that the State's legacy payroll system (CPPS) was not capable of performing so the State had to build the Colorado Labor Allocation System (CLAS) in CPPS as a temporary solution. Ultimately, timeliness lies in resolution of labor allocation and reengineering payroll processes that will occur with the implementation of the new Human Resources Information System (HRIS) in Fiscal Year 2018. In the interim, the OSC is working diligently with its vendors and the departments to achieve stability until the new HRIS is implemented. With successful stabilization, the OSC anticipates closing Fiscal Year 2016 in a more timely manner. To compensate for the late close, the OSC worked with

OSPB and the JBC on an alternate timeframe to provide preliminary Report information (November 2, 2015), which was met.

B AGREE. IMPLEMENTATION DATE: AUGUST 2016.

The OSC did work with the departments throughout the preparation of the report on an informal basis, and will formalize its process to require a response from all departments on the Cash Funds Turnaround Report in the future.

COMPLIANCE WITH STATUTORY RESERVE REQUIREMENTS

Cash funds statutes list key dates that specify when cash funds should be in compliance. Based on the balance of excess uncommitted reserves in the fund at the end of Fiscal Year 1998, cash funds were required to be in compliance by either the end of Fiscal Year 2001, or by the end of Fiscal Year 2003. 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 two full fiscal years.

OSPB budget instructions state that departments must submit detailed cash funds information on the Schedule 9, with their annual budget submissions in November for each cash fund that has an appropriation from the General Assembly, even if the fund is otherwise exempt from the requirements of Section 24-75-402, C.RS. OSPB also requires departments to include compliance plans for all funds that had excess uncommitted reserves greater than $200,000 as of the end of the most recent fiscal year.

WHAT AUDIT WORK WAS PERFORMED AND WHAT WAS THE PURPOSE?

As part of our Fiscal Year 2015 audit of the *Report,* we reviewed departments' cash funds, obtained fund descriptions, and performed testwork on significant balances. We examined budget packet submissions to OSPB for the six departments that had cash funds with excess uncommitted reserves at the end of Fiscal Year 2015. We found that all departments submitted a required Schedule 9 with their annual budget submission for their cash funds. We also examined the

Schedule 9 submissions to determine if departments included compliance plans when required.

The purpose of our audit work was to determine compliance with limits on excess uncommitted reserves and compliance with OSPB rules related to cash funds.

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, statute requires that departments take action to reduce excess uncommitted reserves by decreasing fees charged to citizens.

WHAT PROBLEM DID THE AUDIT WORK IDENTIFY?

During our audit, we found that six departments had excess uncommitted reserves for Fiscal Year 2015 totaling approximately $7.3 million in nine cash funds that are subject to limits outlined in Section 24-75-402, C.R.S. The departments and funds not in compliance as of June 30, 2015, 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.

Additionally, we found that one of the six departments with excess uncommitted reserves, the Department of Public Safety, did not include the required compliance plan for one fund that was out of compliance.

WHY DID THIS PROBLEM OCCUR?

Departments are not effectively monitoring their cash fund balances and taking action to ensure compliance with cash funds uncommitted reserves in accordance with statutory limits.

WHY DOES THIS PROBLEM MATTER?

As discussed in CHAPTER 1, by the departments not taking the necessary action to reduce fees, excess reserves are not effectively mitigated. Further, because cash fund fees are considered part of TABOR revenue, excess cash reserves can contribute to the State exceeding TABOR limits in the current year.

DEPARTMENT OF AGRICULTURE

As of June 30, 2015, the Department of Agriculture had two cash funds out of compliance, with excess uncommitted reserves totaling approximately $248,000.

AGRICULTURAL PRODUCTS INSPECTION FUND

PURPOSE: Fixed fees assessed for the inspection and certification of fruits, vegetables, and other agricultural products. All Monies collected pay for operational costs.

FIRST YEAR OF REQUIRED COMPLIANCE: Fiscal Year 2003.

STATUS: Fiscal Year 2015 was the third year the Fund was not in compliance.

EXHIBIT 2.1. AGRICULTURAL PRODUCTS INSPECTION FUND

FISCAL YEAR	AMOUNT OF EXCESS
2003-2007*	$ –
2008	$ 27,353
2009	$ 40,802
2010-2014*	$ –
2015	$ 154,541

SOURCE: Office of the State Auditor analysis of the Cash Funds Uncommitted Reserves Report for the Fiscal Years Ended June 30, 2003–2015.
*This fund was in compliance during these years.

INSPECTION AND CONSUMER SERVICE FUND

PURPOSE: To issue inspection certificates for scales, eggs, meat, fertilizer, feed, grain, and anhydrous ammonia.

FIRST YEAR OF REQUIRED COMPLIANCE: Fiscal Year 2006.

STATUS: Fiscal Year 2015 was the fifth year the Fund was not in compliance.

EXHIBIT 2.2. INSPECTION AND CONSUMER SERVICE FUND	
FISCAL YEAR	AMOUNT OF EXCESS
2006-2007*	$ –
2008	$ 456,991
2009*	$ –
2010	$ 124,408
2011-2012*	$ –
2013	$ 724,084
2014	$ 519,857
2015	$ 93,819

SOURCE: Office of the State Auditor analysis of the Cash Funds Uncommitted Reserves Report for the Fiscal Years Ended June 30, 2006–2015.
*This fund was in compliance during these years.

RECOMMENDATION 2

The Department of Agriculture should ensure compliance with applicable cash funds statutes by monitoring its excess uncommitted reserves and taking the appropriate action as follows:

A Ensuring the Agricultural Products Inspection Fund complies with statutory requirements.

B Ensuring the Inspection and Consumer Service Fund complies with statutory requirements.

RESPONSE

DEPARTMENT OF AGRICULTURE

A AGREE. IMPLEMENTATION DATE: AUGUST 2016.

The Agricultural Products Inspection Fund collects revenues for fruit and vegetable inspection. Fees were unchanged from FY 2013-14 to FY 2014-15. Over the same time period, the program experienced a 31% increase of issued phytosanitary certificates. This resulted in additional reveue that was not included in the original fee setting. The Department plans to review fees in order to bring this fund into compliance.

B AGREE. IMPLEMENTATION DATE: DECEMBER 2016.

This overage occurred when the legislature restored over $1 million in general fund appropriations to the Inspection Consumer Service (ICS) Division in 2011, which lowered the reserve fund target balance by $500,000. Fees were lowered in these programs so the general fund appropriation did fund operations as intended. The Division's cash fund is allowed a reserve of 50% of the previous years' cash fund expenses. The balance prior to 2011 was at the maximum allowable reserve of approximately $2 million. However, because cash fund expenses were reduced by the amount of the $1 million general fund appropriations the allowable reserve was also reduced, creating an excess reserve. The Department plans spend down the overage in the fund over the next year through expenditures for the new centralized on-line licensing system, and relocation of ICS to the Department's new offices.

DEPARTMENT OF LAW

As of June 30, 2015, the Department of Law had one cash fund out of compliance, with excess uncommitted reserves totaling approximately $116,000.

INSURANCE FRAUD CASH FUND

PURPOSE: To provide adequate funds to the Colorado Department of Law for the investigation and prosecution of allegations of insurance fraud.

FIRST YEAR OF REQUIRED COMPLIANCE: Fiscal Year 2014.

STATUS: Fiscal Year 2015 was the first year the Fund was not in compliance.

EXHIBIT 2.3. TRAVEL AND TOURISM ADDITIONAL SOURCES

FISCAL YEAR	AMOUNT OF EXCESS
2014*	$ –
2015	$ 115,851

SOURCE: Office of the State Auditor analysis of the Cash Funds Uncommitted Reserves Report for the Fiscal Years Ended June 30, 2014–2015.
*This fund was in compliance during this year.

RECOMMENDATION 3

The Department of Law should ensure compliance with applicable cash funds statutes by monitoring its excess uncommitted reserves and taking the appropriate action to ensure the Insurance Fraud Cash Fund complies with statutory requirements.

RESPONSE

DEPARTMENT OF LAW

AGREE. IMPLEMENTATION DATE: JULY 2015.

The Department of Law is ongoing in its efforts to comply with all fiscal and statutory requirements, including Senate Bill 98-194. The Department consistently monitors cash reserves and includes the impact of SB98-194 requirements as one component of annual fee setting. The Department of Law works closely with those in the Division of Insurance charged with fee setting to accommodate program needs (e.g., increases in insurance fraud investigations), as well as taking the fund balance and estimated reserves into consideration. The fee charged to regulated insurance companies was reduced during fee setting in April 2015 to address the projected excess reserves. The Department will continue to monitor all its cash funds for compliance with SB98-194 and make adjustments to fees when necessary.

DEPARTMENT OF PERSONNEL & ADMINISTRATION

As of June 30, 2015, the Department of Personnel & Administration had one cash fund out of compliance, with excess uncommitted reserves totaling approximately $2,210,000.

SUPPLIER DATABASE FUND

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

FIRST YEAR OF REQUIRED COMPLIANCE: Fiscal Year 2003.

STATUS: Fiscal Year 2015 was the sixth year the Fund was not in compliance.

EXHIBIT 2.4. SUPPLIER DATABASE FUND	
FISCAL YEAR	AMOUNT OF EXCESS
2003-2009*	$ –
2010	$ 142,569
2011	$ 88,699
2012	$ 181,983
2013	$ 259,252
2014	$ 1,295,229
2015	$ 2,209,436

SOURCE: Office of the State Auditor analysis of the Cash Funds Uncommitted Reserves Report for the Fiscal Years Ended June 30, 2003–2015.
*This fund was in compliance during these years.

RECOMMENDATION 4

The Department of Personnel & Administration should ensure compliance with applicable cash funds statutes by monitoring its excess uncommitted reserves and taking the appropriate action to ensure the Supplier Database Fund complies with statutory requirements.

RESPONSE

DEPARTMENT OF PERSONNEL & ADMINISTRATION

AGREE. IMPLEMENTATION DATE: JUNE 2018.

For the past several years, the Department of Personnel & Administration has worked toward ensuring the Supplier Database Fund complies with statutory requirements. Despite those efforts the fund still remains out of compliance. For Fiscal Years 2016 and 2017, the Department plans to utilize $1.7 million and $3.2 million from this fund, respectively, to offset CORE allocations through the CORE common policy request. Additionally, for Fiscal Year 2018 the Department will continue to use this fund to offset common policy allocations for CORE.

Revenue received in this fund is not generated by fees charged to the public, but rather this fund receives volume rebates derived from State and local government spending for purchases made through cooperative purchasing agreements.

DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

As of June 30, 2015, the Department of Public Health and Environment had two cash funds out of compliance, with excess uncommitted reserves totaling approximately $2,763,000.

NEWBORN GENETICS FUND

PURPOSE: To support newborn screening, follow-up care, genetic counseling, and educational programs and functions.
FIRST YEAR OF REQUIRED COMPLIANCE: Fiscal Year 2001.
STATUS: Fiscal Year 2015 was the eighth year the Fund was not in compliance.

EXHIBIT 2.5. NEWBORN GENETICS FUND

FISCAL YEAR	AMOUNT OF EXCESS
2001-2003*	$ –
2004	$ 322,335
2005	$ 619,513
2006-2009*	$ –
2010	$ 653,048
2011	$ 1,992,418
2012	$ 2,330,296
2013	$ 2,064,259
2014	$ 2,022,921
2015	$ 1,335,988

SOURCE: Office of the State Auditor analysis of the Cash Funds Uncommitted Reserves Report for the Fiscal Years Ended June 30, 2001–2015.
*This fund was in compliance during these years.

MEDICAL MARIJUANA 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 2015 was the twelfth year the Fund was not in compliance.

EXHIBIT 2.6. MEDICAL MARIJUANA FUND	
FISCAL YEAR	AMOUNT OF EXCESS
2004*	$ 282
2005*	$ 16,170
2006*	$ 23,018
2007*	$ 84,580
2008*	$ 189,920
2009*	$ 222,546
2010*	$ 4,127,911
2011*	$ 7,321,922
2012	$ 11,322,309
2013	$ 12,542,567
2014	$ 12,977,819
2015	$ 1,426,724

SOURCE: Office of the State Auditor analysis of the Cash Funds Uncommitted Reserves Report for the Fiscal Years Ended June 30, 2004–2015.
* This fund was not reported with excess uncommitted reserves for these years due to the Department's improper coding of revenue.

RECOMMENDATION 5

The Department of Public Health and Environment should ensure compliance with applicable cash funds statutes by monitoring its excess uncommitted reserves and taking the appropriate action as follows:

A Ensuring the Newborn Genetics Fund complies with statutory requirements.

B Ensuring the Medical Marijuana Fund complies with statutory requirements.

RESPONSE

DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

A AGREE. IMPLEMENTATION DATE: JUNE 30, 2017.

Periodically, the Department petitions the State Board of Health (BOH) to add tests to the Newborn Screening Panel as needed. Because the cost of adding a new test can be significant ($350,000 to $1 million, an excess uncommitted cash fund reserve greater than the 16.5% limitation is required. This would provide sufficient funding to address the multi-year cyclical nature of adding new tests to the panel over time. For example, recently the BOH added the Pompe Disease test to the Newborn Screening Panel as recommended by the Colorado Newborn Screening Advisory Committee. However, because revised cost projections to add Pompe were significantly higher than initially estimated, the Department requested, and the JBC approved, the removal of $483,149 and 1.0 FTE in the FY 2015-16 Long Bill that was intended to fund the new test. These high costs made it prohibitive to add the new test within existing cash fund reserves. Due to the TABOR implications of raising fees to fund its ongoing costs, the Pompe test was defunded. Therefore, the Department would like to discuss the need for an alternative minimum reserve balance for the Newborn Genetics Fund to address the large impact that adding a newborn screening test presents and its impact on the fund.

B AGREE. IMPLEMENTATION DATE: JUNE 30, 2016.

The Department has initiated a variety of measures to reduce excess uncommitted reserves in the Medical Marijuana Fund. The Colorado Board of Health reduced the application fee twice; once in January 2012 from $90 to $35, and again in February, 2014 from $35 to $15. (Note: Revenue reduction efforts have been offset by revenue increases resulting from a greater number of program registrants since the introduction and sale of adult-use marijuana in January 2014.)

In addition, the Department and the Governor's Office submitted budget requests in Fiscal Year 2014-15 to use fund resources to support initiatives related to medical marijuana research and data management. Through these efforts, the fund will be in compliance by the end of Fiscal Year 2015-16. The General Assembly approved $10 million for marijuana research studies (which is exempt from the 16.5% reserve requirement through Fiscal Year 2018-19 per Senate Bill 14-155), $1,117,284 for the Medical Marijuana Registration System (Capital Construction appropriation per House Bill 14-1336), and $1,068,560 for the creation of a Caregiver Registry System (per Senate Bill 15-014).

DEPARTMENT OF PUBLIC SAFETY

As of June 30, 2015, the Department of Public Safety had one cash fund out of compliance, with excess uncommitted reserves totaling approximately $1,419,000.

INSTANT CRIMINAL BACKGROUND CHECK FUND

PURPOSE: To conduct criminal history record checks

FIRST YEAR OF REQUIRED COMPLIANCE: Fiscal Year 2015.

STATUS: Fiscal Year 2015 was the first year the Fund was not in compliance.

EXHIBIT 2.7. INSTANT CRIMINAL BACKGROUND CHECK FUND	
FISCAL YEAR	AMOUNT OF EXCESS
2015	$ 1,418,615

SOURCE: Office of the State Auditor analysis of the Cash Funds Uncommitted Reserves Report for the Fiscal Year Ended June 30, 2015.

OSPB REPORTING REQUIREMENTS

OSPB budget instructions state that departments must include a compliance plan for all funds that are not in compliance with Section 24-75-402, C.R.S. In November 2015, we examined budget packet submissions to OSPB for the Department of Public Safety and found that the compliance plan was not complete for the Instant Criminal Background Check Fund.

RECOMMENDATION 6

The Department of Public Safety should ensure compliance with applicable cash funds statutes by monitoring its excess uncommitted reserves and taking the appropriate action as follows:

A Ensuring the Instant Criminal Background Check Fund complies with statutory requirements.

B Ensuring that the Department submits the required compliance plan for each cash fund with excess uncommitted reserves in accordance with Office of State Planning and Budgeting guidelines.

RESPONSE

DEPARTMENT OF PUBLIC SAFETY

DISAGREE.

The instant criminal background check cash fund is exempt from the limit on uncommitted reserves imposed by CRS 24-75-402 for fiscal year 2015, and we disagree with the auditor's finding to the contrary. CRS 24-75-402 (6) provides an exemption from these limitations for "any cash fund used to fund a single program if the program has been in existence less than two full fiscal years." The methodology used by the state controller's office to determine whether a fund is subject to the limitation is to count backward two years from the current fiscal year to determine whether the fund existed two years prior. However, this methodology works correctly only for those funds coming into existence on July 1 of that year. In this case, the OSC incorrectly determined that this fund's exempt years to be FY13 and FY14. The Instant Criminal Background Check Cash Fund was created pursuant to HB13-1228, signed into law by the governor on March 20, 2013. Because FY13 was not a complete fiscal year for this fund, the fund's exemption years are FY14 and FY15, and this fund does not become subject to the excess uncommitted reserves limitation until FY16.

AUDITOR'S ADDENDUM:

Cash Funds statute Section 24-75-402(6), C.R.S. states that, "…the limitations specified in this section shall not apply to any cash fund used to fund a single program if the program has been in existence ***less than two full fiscal years.****[Emphasis added]" The Instant Criminal Background Check Cash Fund (Fund) was created pursuant to HB13-1228, which was signed into law by the governor on March 20, 2013. The Fund was in existence for the two full Fiscal Years 2014 and 2015; thus, it does not meet the exception of "less than two full fiscal years" as of June 30, 2015. Therefore, the Department is required to comply with the applicable cash funds statutes, including when a cash fund should be in compliance with excess uncommitted reserve requirements.*

DEPARTMENT OF REVENUE

As of June 30, 2015, the Department of Revenue had two cash funds out of compliance, with excess uncommitted reserves totaling approximately $529,000.

AUTO DEALER LICENSE BOARD FUND

PURPOSE: To support the regulatory oversight function of the Motor Vehicle Dealer Board.

FIRST YEAR OF REQUIRED COMPLIANCE: Fiscal Year 2001.

STATUS: Fiscal Year 2015 was the eighth year the Fund was not in compliance.

EXHIBIT 2.8. AUTO DEALER LICENSE BOARD FUND	
FISCAL YEAR	AMOUNT OF EXCESS
2001	$ 163,256
2002-2006*	$ –
2007	$ 569,256
2008-2009*	$ –
2010	$ 644,669
2011	$ 331,550
2012	$ 144,635
2013	$ 488,433
2014	$ 618,714
2015	$ 196,059

SOURCE: Office of the State Auditor analysis of the Cash Funds Uncommitted Reserves Report for the Fiscal Years Ended June 30, 2001–2015.
*This fund was in compliance during these years.

LIQUOR LAW ENFORCEMENT FUND

PURPOSE: To support the administration, licensing, and enforcement of Colorado liquor laws.

FIRST YEAR OF REQUIRED COMPLIANCE: Fiscal Year 2003.

STATUS: Fiscal Year 2015 was the eighth year the Fund was not in compliance.

EXHIBIT 2.9. LIQUOR LAW ENFORCEMENT FUND	
FISCAL YEAR	AMOUNT OF EXCESS
2003-2007*	$ –
2008	$ 210,305
2009	$ 358,335
2010	$ 455,866
2011	$ 482,663
2012	$ 520,137
2013	$ 581,702
2014	$ 704,503
2015	$ 333,340

SOURCE: Office of the State Auditor analysis of the Cash Funds Uncommitted Reserves Report for the Fiscal Years Ended June 30, 2003–2015.
*This fund was in compliance during these years.

RECOMMENDATION 7

The Department of Revenue should ensure compliance with applicable cash funds statutes by monitoring its excess uncommitted reserves and taking the appropriate action as follows:

A Ensuring the Auto Dealer License Board Fund complies with statutory requirements.

B Ensuring the Liquor Law Enforcement Fund complies with statutory requirements.

RESPONSE

DEPARTMENT OF REVENUE

A AGREE: AUTO DEALERS LICENSE FUND: JUNE 30, 2016.

As part of the FY 2015-16 Auto Dealers License Fund fee-setting process, the Auto Industry Division and the Motor Vehicle Dealer Licensing Board worked cooperatively to develop fee and licensing models to ensure the fund would have sufficient revenue to fully support the appropriation while reducing the uncommitted reserve per the statutory requirement. At the meeting held April 21, 2015, the Board recommended a 5% overall fee decrease, based on a projected 3% growth in licensing activity, with the following exceptions: (1) continuation of the Off-Premise Permit Fee at $300; (2) continuation of the Reprint Fee at $25; and (3) continuation of the Late Fee at $50. FY 2015-16 fee adjustments were rounded to the nearest $1. Pursuant to 12-6-110(5)(a) and (b), C.R.S., fees are analyzed and adjusted annually to reflect the direct and indirect costs of the Division for the upcoming operating year. Future fees will be adjusted accordingly. Projections indicate that the FY 2015-

16 year-end fund balance will comply with the maximum reserve balance requirement.

B AGREE: LIQUOR ENFORCEMENT CASH FUND: JUNE 30, 2016.

The Liquor Enforcement Division developed a new revenue projection and fee-setting model for the Liquor Enforcement Cash Fund and reduced specific fees January 1, 2015, with the goal of fully complying with the uncommitted reserve requirement by the end of FY 2015-16. The Application Fee for New Licenses (includes Concurrent Review, and Transfer License) decreased from $1,025 to $600, a reduction of $425 or 41%. The fee reduction is expected to end June 30, 2016, or earlier if the cash fund is in compliance with the 16.5% maximum reserve balance sooner. Projections indicate that the FY 2015-16 year-end fund balance will comply with the maximum reserve balance requirement.

CASH FUNDS

UNCOMMITTED RESERVES
REPORT FOR THE
FISCAL YEAR ENDED
JUNE 30, 2015

STATE OF COLORADO
CASH FUNDS UNCOMMITTED RESERVES REPORT
REPORT OF FUNDS WITH UNCOMMITTED RESERVES GREATER THAN $200,000
FISCAL YEAR 2015 AS OF JUNE 30, 2015

	FUND	FUND BALANCE (NOTE 4)	EXEMPT ASSETS (NOTE 5)	CAPITAL RESERVE (NOTE 6)	PREVIOUSLY APPROPRIATED FUND BALANCE (NOTE 7)	FEE REVENUES (NOTE 8)
Department of Agriculture						
1030	Agricultural Products Inspection Fund	$ 529,008	$ 5,546	$ -	$ -	$ 2,444,724
16R0	Inspection and Consumer Services Cash Fund	1,874,622	-	-	-	3,056,770
23S0	Plant Health, Pest Control and Environmental Protection Fund	1,072,677	22,146	-	-	4,282,973
SUBTOTAL		3,476,307	27,692	-	-	9,784,467
Department of Health Care Policy and Financing						
22X0	Medicaid Nursing Facility Cash Fund	376,091	-	-	-	45,473,754
24A0	Hospital Provider Fee Cash Fund	3,573,022	-	-	-	528,370,519
SUBTOTAL		3,949,113	-	-	-	573,844,273
Department of Higher Education						
4390	State Historical Fund	39,936,724	1,444	-	-	1,795,209
5090	Enterprise Services Fund	560,843	202,698	15,195	-	1,653,037
SUBTOTAL		40,497,567	204,142	15,195	-	3,448,246
Judicial Branch						
26J0	Judicial Collection Enhancement Fund	4,602,576	407	-	-	493,750
Department of Labor and Employment						
1370	Boiler Inspection Fund	430,634	-	-	-	1,147,265
Department of Law						
1510	Uniform Consumer Credit Code Cash Fund	223,664	-	-	-	1,785,664
16Z0	Insurance Fraud Cash Fund	391,171	-	-	-	2,024,836
SUBTOTAL		614,835	-	-	-	3,810,500
Department of Local Affairs						
23V0	Housing Development Grant Fund	4,539,440	-	-	-	600,976
Department of Personnel & Administration						
2810	Supplier Database Cash Fund	3,844,805	-	-	-	1,638,037
6040	Debt Collection Fund	777,763	252,345	252,345	-	2,977,263
SUBTOTAL		4,622,568	252,345	252,345	-	4,615,300
Department of Public Health and Environment						
1210	Newborn Genetics Fund	2,536,137	-	-	-	6,693,694
14V0	Medical Marijuana Cash Fund	2,756,553	-	-	711,968	1,663,877
26A0	Laboratory Cash Fund	216,954	-	-	-	1,038,672
SUBTOTAL		5,509,644	-	-	711,968	9,396,243
Department of Public Safety						
27J0	Instant Criminal Background Check Fund	1,944,188	23,015	-	-	3,138,731
Department of Regulatory Agencies						
1890	Division of Professions and Occupations Cash Fund	2,703,865	20	-	-	22,962,861
2130	Division of Securities Cash Fund	467,971	4,750	-	-	4,195,797
2440	Public Deposit Administration Fund	723,109	-	-	-	4,439,580
SUBTOTAL		3,894,945	4,770	-	-	31,598,238
Department of Revenue						
1920	Auto Dealers License Fund	810,764	2,256	-	-	3,046,165
2360	Liquor Enforcement Division & State Licensing Authority	849,197	3,564	-	-	2,421,775
4040	Colorado Title and Registration Fund (Costars)	10,338,470	-	-	-	577,801
4370	Licensing Services Cash Fund	4,490,656	115,306	-	-	21,699,849
SUBTOTAL		16,489,087	121,126	-	-	27,745,590
Department of State						
2000	Department of State Cash Fund	3,326,722	340,590	-	-	19,015,317
GRAND TOTAL		$ 93,897,626	$ 974,087	$ 267,540	$ 711,968	$ 688,638,896

SOURCE: Office of the State Controller.

TOTAL REVENUE	TOTAL EXPENSE	NON-FEE FUND BALANCE (NOTE 9)	UNCOMMITTED RESERVES (NOTE 10)	MAXIMUM RESERVE (NOTE 11)	ALTERNATIVE MAXIMUM RESERVE (NOTE 12)	EXCESS UNCOMMITTED RESERVE (NOTE 13)
$ 2,450,145	$ 2,228,868	$ 1,158	$ 522,304	$ 367,763	$ -	$ 154,541
3,164,298	3,434,201	63,703	1,810,919	566,643	1,717,100	93,819
4,360,389	5,006,599	18,652	1,031,879	826,089	2,503,300	-
9,974,832	10,669,668	83,513	3,365,102	1,760,495		248,360
45,485,153	46,012,163	94	375,997	7,592,007	-	-
528,786,555	532,121,644	2,811	3,570,211	87,800,071	-	-
574,271,708	578,133,807	2,905	3,946,208	95,392,078		-
27,484,932	27,101,251	37,326,863	2,608,417	4,471,706	-	-
1,968,694	1,944,827	54,988	287,962	320,896	-	-
29,453,626	29,046,078	37,381,851	2,896,379	4,792,602		-
5,512,249	4,884,013	4,189,938	412,231	805,862	-	-
1,152,671	1,283,962	2,020	428,614	211,854	1,009,910	-
1,796,459	1,573,403	1,344	222,320	259,611	-	-
2,040,920	1,649,922	3,083	388,088	272,237	-	115,851
3,837,379	3,223,325	4,427	610,408	531,848		115,851
8,807,781	6,937,492	4,229,703	309,737	1,144,686	-	-
2,482,015	1,987,825	1,307,378	2,537,427	327,991	-	2,209,436
3,981,903	3,781,015	68,897	204,176	623,867	-	-
6,463,918	5,768,840	1,376,275	2,741,603	951,858		2,209,436
6,693,694	7,273,632	-	2,536,137	1,200,149	-	1,335,988
1,808,046	13,059,804	163,030	1,881,555	2,154,868	454,831	1,426,724
1,124,839	1,371,674	16,620	200,334	226,326	-	-
9,626,579	21,705,110	179,650	4,618,026	3,581,343		2,762,712
3,160,029	2,967,333	12,948	1,908,225	489,610	-	1,418,615
23,825,457	25,683,704	97,892	2,605,953	4,237,811	-	-
4,195,797	4,602,064	-	463,221	759,341	-	-
4,468,158	4,592,213	4,625	718,484	757,715	-	-
32,489,412	34,877,981	102,517	3,787,658	5,754,867		-
3,185,314	3,497,759	35,319	773,189	577,130	-	196,059
2,553,443	2,840,533	43,605	802,028	468,688	-	333,340
13,839,915	11,871,897	9,906,850	431,620	1,958,863	-	-
26,060,797	23,117,092	732,160	3,643,190	3,814,320	-	-
45,639,469	41,327,281	10,717,934	5,650,027	6,819,001		529,399
19,878,791	20,341,285	129,708	2,856,424	3,356,312	-	-
$ 750,268,444	$ 761,166,175	$ 58,413,389	$ 33,530,642	$ 125,592,416	$ 5,685,141	$ 7,284,373

NOTES

TO THE CASH FUNDS UNCOMMITTED RESERVES REPORT

NOTE 1—PURPOSE

Section 24-30-207, Colorado Revised Statutes, requires the State Controller to prepare a report showing the amount of uncommitted reserves credited to each of the State of Colorado's cash funds. This report is prepared in accordance with the statutory definitions and may not agree to financial reports prepared on a Generally Accepted Accounting Principles (GAAP) basis. The report must be audited 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), Colorado Revised Statutes, defines "cash fund" to mean any fund that is established by law for a specific program or purpose and that includes moneys from fees, other than 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 reserves report. As applicable, the repeal 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), Colorado Revised Statutes, 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;

SOURCE: Office of the State Controller.

- 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 Hazardous Substance Response Fund (7/1/2017);
- The Land and Water Management Fund (7/1/2017);
- The Brand Inspection Fund;
- The Colorado State Fair Authority Cash Fund (7/1/2017);
- The Motorcycle Operator Safety Training Fund (7/1/2017);
- The Cost Containment Fund (7/1/2017);
- The Workers' Compensation Cash Fund (7/1/2017);
- The State Commission on Judicial Performance Cash Fund (7/1/2017);
- The Colorado Disabled Telephone Users Fund (7/1/2017);
- The Colorado Bureau of Investigation Identification Unit Fund (7/1/2017);
- The Department of Human Services Buildings and Grounds Cash Fund (7/1/2017);
- The Judicial Department Information Technology Cash Fund (7/1/2017);
- The Private Activity Bond Allocations Fund (7/1/2017);
- The Colorado High Cost Administration Fund (7/1/2017);
- The Public School Construction and Inspection Cash Fund (7/1/2017);
- The Health Facility Construction and Inspection Cash Fund (7/1/2017);
- The Marijuana Cash Fund (7/1/2017);
- 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 Efficient Schools and Communities Performance Contracting Fund (7/1/2017);
- The Medical Marijuana Program Cash Fund, but only with respect to the portion of the fund transferred to or available for transfer to

SOURCE: Office of the State Controller.

the health research subaccount created in Section 25-1.5-106(17)(d), C.R.S. (7/1/2017);

- The Enterprise Services Cash Fund;
- The Public Safety Inspection Fund (7/1/2017);
- The Employee Leasing Company Certification Fund (7/1/2017);
- The Conveyance Safety Fund (7/1/2017);
- The Oil and Gas Conservation and Environmental Response Fund; and
- Any cash fund used to fund a single program if the program has been in existence less than two full fiscal years.

Although the Private Activity Bond Allocations Fund is specifically excluded from the cash reserves report until July 1, 2017 based on the cash funds report statute, the language included in the fund's enabling statute provides for an alternate maximum reserve for the fund for Fiscal Years prior to July 1, 2019. The alternative maximum reserve is applicable to funds reported on the cash reserves report. Therefore, we are including the fund in the cash reserves report in Appendix B for informational purposes only.

NOTE 4—FUND BALANCE

Fund balance is the net of total assets and total liabilities in each fund as of June 30, 2015. 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, 2015. "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

SOURCE: Office of the State Controller.

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

Section 24-75-402(2)(e) defines fee revenue to mean 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), Colorado Revised Statutes;
- 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 established in law and over which the entity has no authority to change or are otherwise 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 and previously appropriated fund balance from total fund balance and multiplying the result times the ratio of non-fee revenue to total revenue.

SOURCE: Office of the State Controller.

NOTE 10—UNCOMMITTED RESERVE

Uncommitted reserve is calculated by subtracting any exempt assets 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 defined as 16.5 percent of Fiscal Year 2015 expenditures.

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.

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.

SOURCE: Office of the State Controller.

APPENDIX A

DESCRIPTIONS OF CASH FUNDS

These cash funds are included on the Cash Funds Uncommitted Reserves Report (PAGES 46 and 47) for the Fiscal Year Ended June 30, 2015, prepared by the Office of the State Controller.

AGRICULTURE		
1030	Agricultural Products Inspection	Fees are assessed for the inspection and certification of fruits and vegetables. All monies collected pay for operational costs.
16R0	Inspection and Consumer Services	Fees are charged to issue inspection certificates for scales, eggs, meat, fertilizer, feed, grain, anhydrous ammonia.
23S0	Plant Health, Pest Control, and Environment Protection	Fees, fines, and penalties are collected to implement, administer, and enforce provisions including, but not limited to: biological pest control, bee inspection efforts, ground water protection efforts, and pesticide applicator license and inspection efforts.
HEALTH CARE POLICY AND FINANCING		
22X0	Medicaid Nursing Facility	Created by HB 08-1114, the fund is used to collect provider fees on health care items or services provided by nursing facility providers for the purpose of obtaining federal financial participation under the state's medical assistance program. The provider fees shall be used to sustain or increase reimbursement for providing medical care under the state's medical assistance program for nursing facility providers.
24A0	Hospital Provider Fee	Created by HB 09-1293, the fund is used to collect provider fees on health care items or services provided by hospital providers for the purpose of obtaining federal financial participation under the state's medical assistance program. The provider fees shall be used to sustain or increase reimbursement for providing medical care under the state's medical assistance program for hospital providers and to expand services to additional populations as defined by the Act.
HIGHER EDUCATION		
4390	State Historical Fund	Activity previously recorded in the Limited Gaming Fund is now recorded in the State Historical Fund per Section 12-47.1-1201, C.R.S. Limited Gaming Revenue is generated from authorized gaming activities derived from tax, application and license fees, as well as fines levied by the Division of Gaming. Fees in this fund also

		include all monies received by History Colorado to include museum admission, rentals, earned revenue and other fees for services as well as gifts, donations and grants.
5090	Enterprise Services Fund	Fees are generated by operations from the stores in the museums, microphoto services, the rental program, summer programs, and traveling exhibits.
JUDICIAL		
26J0	Judicial Collection Enhancement Fund	This fund contains monies from a fee assessed for a payment plan for any defendant who requires additional time to pay for all fines, fees, costs, surcharges, or other monetary assessments with regard to the sentencing, disposition, or adjudication of a felony, misdemeanor, juvenile delinquency petition, petty offense, traffic offense, or traffic infraction. In accordance with Section 16-11-101.6, C.R.S., the initial payment plan fee is $25. In addition, a late penalty fee of $10 may be assessed against a defendant each time a payment toward the fines, fee, costs, surcharges, or other amounts owed is not received on or before the date due. The money collected shall remain in the fund for appropriation to the judicial department for ongoing enforcement and collection of restitution, fines, fees, costs, surcharges, and other monetary assessments.
LABOR AND EMPLOYMENT		
1370	Boiler Inspection Fund	Inspection fees support a boiler inspection program that enforces statutory rules and regulations established to control the design, construction, operation, maintenance, and repair of boilers and pressure vessels in the State of Colorado.
LAW		
1510	Uniform Consumer Credit Code Cash Fund	This fund was created pursuant to Section 5-6-204(1), C.R.S. All fees collected under the provision of the code are for the purposes of the administration and enforcement of the uniform consumer credit code.
16Z0	Insurance Fraud Cash Fund	This fund was created pursuant to Section 10-3-207, C.R.S., for the purpose of providing adequate funds to the Colorado Department of Law for the investigation and prosecution of allegations of insurance fraud.
LOCAL AFFAIRS		
23V0	Housing Development Grant Fund	The fund consists of moneys appropriated to the Colorado affordable housing construction grants and loan fund by the General Assembly, and all moneys collected by the division from various sources for this purpose. The purpose of these monies is to fund the

		development or redevelopment costs incurred prior to the completion or occupancy of low- or moderate-income housing, or for rehabilitation of such housing.
PERSONNEL & ADMINISTRATION		
2810	Supplier Database	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.
6040	Debt Collection	Collection fees are assessed to individuals for collection of past due debts owed to the State. Monies are used to fund the operations of the Central Collection Services unit.
PUBLIC HEALTH AND ENVIRONMENT		
1210	Newborn Genetics	Fee revenue consists of charges for laboratory blood tests for newborns and for genetic counseling; the fees shall be utilized to conduct newborn screening, follow-up care, and genetic counseling, as well as to provide educational awareness programs.
14V0	Medical Marijuana Cash Fund	Fees are received from the identification registry program for card holders. The fees partially offset the direct and indirect costs of administering the medical marijuana program.
26A0	Laboratory Cash Fund	Cash fees are assessed to customers submitting microbiological specimens (i.e., HIV, West Nile, Hantavirus, Tuberculosis, Pertussis, Syphilis Serology, etc.), environmental samples (water, soil and air filters), and forensic (Toxicology) samples. Cash fees are also assessed for environmental and forensic laboratory certifications.
PUBLIC SAFETY		
27J0	Instant Criminal Background Check Fund	Fee revenue in this fund consists of monies received from the collection of a fee for performing instant criminal background checks.
REGULATORY AGENCIES		
1890	Division of Professions & Occupations	Fees are collected for the issuance and renewal of occupational licenses for 38 separate professional boards, such as the Accountancy Board, Dental Board, and Plumbers Board. Monies are used to fund the operations of the Division of Professions and Occupations.
2130	Division of Securities	Fees are collected for the registration of securities sales agents and the regulation of nonexempt securities and municipal bonds issued by certain political subdivisions. Monies are used to fund the operations of the Division of Securities.

2440	Public Deposit Administration	All fees are derived from an annual fee established by the banking board for every eligible public depository. Monies are used for the administration and enforcement of the provisions of this fund.
REVENUE		
1920	Auto Dealers License Board	Fees are for the licensing of motor vehicle dealers, wholesalers, buyer agents, and salespersons. Fees are for the purpose of supporting the regulatory oversight function of the Motor Vehicle Dealer Board. Monies can be used by the Motor Vehicle Dealer Board to pay for the Board's administration. Any funds remaining at the end of the fiscal year are to be used for educational and enforcement purposes.
2360	Liquor Law Enforcement	A licensing fee of $25 is collected from manufacturers, distributors, wholesalers, and retailers of liquor. Application fees for licenses and permits are also collected. Fees are used for costs associated with the overall administration, licensing, and enforcement of Colorado liquor laws.
4040	Colorado Title and Registration Fund	Various fees are collected for the purpose of providing funds for the operation of the Colorado State Titling and Registration System that the State and counties use for motor vehicle titling and registration.
4370	Licensing Services Cash Fund	The Licensing Services Cash Fund receives revenue from fees assessed for the issuance of identification documents and special license plates, and interest income. Activities for which fees may be charged for the issuance of identification documents are established in Section 42-2-114.5 C.R.S. These activities include the issuance of driver's licenses, instruction permits, identification cards, commercial driver's licenses, driving records, and other similar activities.
SECRETARY OF STATE		
2000	Secretary of State Fees	Fees are collected for filing articles of incorporation, issuing official certificates, and making official copies of documents. Monies are used to fund the operational costs of the Department of State.

APPENDIX B

CASH FUNDS UNCOMMITTED RESERVES REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2015
ALL FUNDS

The *Cash Funds Uncommitted Reserves Report* (PAGES 46 and 47) 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 uncommitted reserve balances at June 30, 2015, greater than zero.

STATE OF COLORADO
CASH FUNDS UNCOMMITTED RESERVES REPORT
REPORT OF FUNDS WITH UNCOMMITTED RESERVES GREATER THAN $0
FISCAL YEAR 2015 AS OF JUNE 30, 2015

	FUND	FUND BALANCE (NOTE 4)	EXEMPT ASSETS (NOTE 5)	CAPITAL RESERVE (NOTE 6)	PREVIOUSLY APPROPRIATED FUND BALANCE (NOTE 7)
Department of Agriculture					
1030	Agricultural Products Inspection Fund	$ 529,008	$ 5,546	$ -	$ -
1040	Veterinary Vaccine and Service Fund	15,528	-	-	-
2610	Colorado Aquaculture Fund	6,771	-	-	-
2940	Pet Animal Care and Facility Fund	85,561	-	-	-
16R0	Inspection and Consumer Services Cash Fund	1,874,622	-	-	-
17Q0	Dangerous Dog Fund	22,376	-	-	-
22L0	Agriculture Management Fund	1,747,776	21,401	-	-
23S0	Plant Health, Pest Control and Environmental Protection Fund	1,072,677	22,146	-	-
SUBTOTAL		5,354,319	49,093	-	-
Department of Education					
2930	Educator Licensure Cash Fund	116,646	-	-	-
700D	Other Education Special Revenue Funds	2,734,877	81,163	-	-
SUBTOTAL		2,851,523	81,163	-	-
Office of the Governor					
1560	Economic Development Fund	24,754,224	1,849	-	-
115E	Donations - Governor's Office	2,334,247	918	-	-
13N0	Travel and Tourism Promotion Fund	17,188,013	5,241	-	-
21K0	Venture Capital Authority Staffing Fund	47,340	-	-	-
25N0	Creative Industries Cash Fund	4,638,333	3,066	-	-
28B0	Economic Gardening Project Fund	13,188	-	-	-
SUBTOTAL		48,975,345	11,074	-	-
Department of Health Care Policy and Financing					
11G0	Children's Basic Health Plan Trust	18,291,469	-	-	-
15B0	Medicaid Buy-In Cash Fund	9,917	-	-	-
16Y0	Service Fee Fund	366	-	-	-
22X0	Medicaid Nursing Facility Cash Fund	376,091	-	-	-
24A0	Hospital Provider Fee Cash Fund	3,573,022	-	-	-
SUBTOTAL		22,250,865	-	-	-
Department of Higher Education					
2220	Private Occupational Schools Fund	179,009	-	-	-
4390	State Historical Fund	39,936,724	1,444	-	-
5090	Enterprise Services Fund	560,843	202,698	15,195	-
7250	History Colorado Restricted Donations	1,499,834	625	-	-
SUBTOTAL		42,176,410	204,767	15,195	-
Department of Human Services					
1250	Alcohol and Drug Abuse Counselor Training Fund	640	-	-	-
5160	Work Therapy Cash Fund	153,510	5,479	5,479	-
12T0	Child Care Licensing Cash Fund	43,290	-	-	-
15M0	Controlled Substance Program Fund	2,415	-	-	-
17K0	Records and Reports Fund	71,930	-	-	-
18R0	Food Distribution Program Service Fund	237,238	-	-	-
SUBTOTAL		509,023	5,479	5,479	-
Judicial Branch					
2860	Mediation Cash Fund	20,527	-	-	-
26J0	Judicial Collection Enhancement Fund	4,602,576	407	-	-
700J	Other Judicial Special Revenue Funds	113,893	24,907	-	-
SUBTOTAL		4,736,996	25,314	-	-
Department of Labor and Employment					
1360	Displaced Homemakers	44,901	-	-	-
1370	Boiler Inspection Fund	430,634	-	-	-
1390	Utilization Review	43,056	-	-	-
1400	Workmens' Compensation Self-Insurance Fund	85,975	-	-	-
1440	Liquefied Petroleum Gas Inspection Fund	61,398	-	-	-
2590	Physicians Accreditation Program Fund	56,918	-	-	-
SUBTOTAL		722,882	-	-	-

SOURCE: Office of the State Controller.

FEE REVENUES (NOTE 8)	TOTAL REVENUE	TOTAL EXPENSE	NON-FEE FUND BALANCE (NOTE 9)	UNCOMMITTED RESERVES (NOTE 10)	MAXIMUM RESERVE (NOTE 11)	ALTERNATIVE MAXIMUM RESERVE (NOTE 12)	EXCESS UNCOMMITTED RESERVE (NOTE 13)
$ 2,444,724	$ 2,450,145	$ 2,228,868	$ 1,158	$ 522,304	$ 367,763	$ -	$ 154,541
350,390	350,454	422,617	3	15,525	69,732	-	-
4,200	4,200	8,826	-	6,771	1,456	-	5,315
783,421	794,054	792,776	1,146	84,415	130,808	-	-
3,056,770	3,164,298	3,434,201	63,703	1,810,919	566,643	1,717,100	93,819
2,450	2,660	63	1,767	20,609	10	-	20,599
1,360	3,116,420	3,654,884	1,725,622	753	603,056	-	-
4,282,973	4,360,389	5,006,599	18,652	1,031,879	826,089	2,503,300	-
10,926,288	14,242,620	15,548,834	1,812,051	3,493,175	2,565,557	4,220,400	274,274
2,726,354	2,726,354	3,103,752	-	116,646	512,119	-	-
37,589	1,536,179	658,163	2,588,780	64,934	108,597	-	-
2,763,943	4,262,533	3,761,915	2,588,780	181,580	620,716	-	-
3,591	750,268	1,623,518	24,633,903	118,472	267,880	-	-
53,410	3,060,140	3,333,700	2,292,604	40,725	550,061	-	-
8,392	15,555,524	15,246,178	17,173,502	9,270	2,515,619	-	-
608	57,257	36,180	46,837	503	5,970	-	-
39,481	4,288,174	2,667,393	4,592,590	42,677	440,120	-	-
9,750	9,750	-	-	13,188	-	-	13,188
115,232	23,721,113	22,906,969	48,739,436	224,835	3,779,650	-	13,188
896,127	110,083,531	105,729,240	18,142,569	148,900	17,445,325	-	-
1,534,986	1,534,986	1,540,608	-	9,917	254,200	-	-
214,730	2,104,624	2,104,412	329	37	347,228	-	-
45,473,754	45,485,153	46,012,163	94	375,997	7,592,007	-	-
528,370,519	528,786,555	532,121,644	2,811	3,570,211	87,800,071	-	-
576,490,116	687,994,849	687,508,067	18,145,803	4,105,062	113,438,831	-	-
848,379	848,379	775,902	-	179,009	128,024	-	50,985
1,795,209	27,484,932	27,101,251	37,326,863	2,608,417	4,471,706	-	-
1,653,037	1,968,694	1,944,827	54,988	287,962	320,896	-	-
21,893	2,956,722	1,781,862	1,488,108	11,101	294,007	-	-
4,318,518	33,258,727	31,603,842	38,869,959	3,086,489	5,214,633	-	50,985
1,050	1,050	1,050	-	640	173	-	467
473,894	481,307	422,048	2,196	140,356	69,638	-	70,718
715,289	719,152	798,658	233	43,057	131,779	-	-
2,675	2,705	5,712	27	2,388	942	-	1,446
666,097	666,097	738,072	-	71,930	121,782	-	-
147,823	806,325	890,833	193,745	43,493	146,987	-	-
2,006,828	2,676,636	2,856,373	196,201	301,864	471,301	-	72,631
4,476	4,476	-	-	20,527	-	-	20,527
493,750	5,512,249	4,884,013	4,189,938	412,231	805,862	-	-
251,630	605,819	652,254	52,025	36,961	107,622	-	-
749,856	6,122,544	5,536,267	4,241,963	469,719	913,484	-	20,527
115,867	115,867	110,737	-	44,901	18,272	-	26,629
1,147,265	1,152,671	1,283,962	2,020	428,614	211,854	1,009,910	-
33,474	33,474	34,546	-	43,056	5,700	-	37,356
172,000	172,000	133,264	-	85,975	21,989	-	63,986
230,439	230,988	192,588	146	61,252	31,777	-	29,475
99,212	99,212	83,335	-	56,918	13,750	-	43,168
1,798,257	1,804,212	1,838,432	2,166	720,716	303,342	1,009,910	200,614

STATE OF COLORADO
CASH FUNDS UNCOMMITTED RESERVES REPORT
REPORT OF FUNDS WITH UNCOMMITTED RESERVES GREATER THAN $0
FISCAL YEAR 2015 AS OF JUNE 30, 2015

FUND		FUND BALANCE (NOTE 4)	EXEMPT ASSETS (NOTE 5)	CAPITAL RESERVE (NOTE 6)	PREVIOUSLY APPROPRIATED FUND BALANCE (NOTE 7)
Department of Law					
1500	Collection Agency Cash Fund	$ 126,200	$ -	$ -	$ -
1510	Uniform Consumer Credit Code Cash Fund	223,664	-	-	-
2960	P.O.S.T. Board Cash Fund	1,526,196	-	-	-
16Z0	Insurance Fraud Cash Fund	391,171	-	-	-
26Q0	Legal Services Cash Fund	3,045,815	951,320	152,024	-
SUBTOTAL		5,313,046	951,320	152,024	-
Legislative Branch					
24S0	Legislative Department Cash	8,854,248	-	-	-
700M	Other Legislature Special Revenue Funds	18,498	-	-	-
SUBTOTAL		8,872,746	-	-	-
Department of Local Affairs					
11E0	Moffat Tunnel Cash Fund	187,403	-	-	-
16E0	Private Activity Bond Allocation Fund	119,164	-	-	-
7460	Housing Rehabilitation Revolving Loans	2,363,734	290,467	-	-
7470	HUD Community Development Block Grant Fund	1,668,116	249	-	-
14D0	Mortgage Fraud Custodial Funds	38,490,182	7,285,181	-	-
23V0	Housing Development Grant Fund	4,539,440	-	-	-
SUBTOTAL		47,368,039	7,575,897	-	-
Department of Military Affairs					
11J0	Western Slope Military Veterans Cemetery Fund	154,983	-	-	-
Department of Natural Resources					
1660	Satellite Monitoring System Cash Fund	195,052	-	-	-
1680	Office of Active and Inactive Mines Operation Fund	49,060	-	-	-
2560	Mined Land Reclamation Fund	756,331	-	-	-
16S0	Well Inspection Cash Fund	86,478	-	-	-
23D0	Interbasin Compact Committee Operation Fund	1,193,873	-	-	-
27F0	Colorado Avalanche Information Center	18,476	-	-	-
SUBTOTAL		2,299,270	-	-	-
Department of Personnel & Administration					
2810	Supplier Database Cash Fund	3,844,805	-	-	-
6040	Debt Collection Fund	777,763	252,345	252,345	-
22Y0	Professional Development Cash Fund	156,790	-	-	-
24Y0	State Archives and Public Records Cash Fund	81,349	-	-	-
SUBTOTAL		4,860,707	252,345	252,345	-
Department of Public Health and Environment					
1170	Solid Waste Management Reserve Fund	1,209,797	-	-	-
1210	Newborn Genetics Fund	2,536,137	-	-	-
1230	Radiation Control Fund	384,604	-	-	-
1240	Vital Records Fund	115,856	-	-	-
2240	Medication Administration Fund	47,264	-	-	-
2650	Health Facilities General Licensure Cash Fund	136,042	-	-	-
2750	Ozone Protection Fund	154,685	-	-	-
2770	Pollution Prevention Fund	70,380	-	-	-
2790	Hazardous Waste Commission Fund	30,315	-	-	-
11S0	Lead Hazard Reduction Fund	33,139	-	-	-
12A0	Trauma System Cash Fund	6,938	-	-	-
13L0	Fixed and Rotary-Wing Ambulances Cash Fund	61,144	-	-	-
14V0	Medical Marijuana Cash Fund	2,756,553	-	-	711,968
17B0	Coroner Training Fund	10,604	-	-	-
23Y0	Visa Waiver Program Fund	1,817	-	-	-
26A0	Laboratory Cash Fund	216,954	-	-	-
SUBTOTAL		7,772,229	-	-	711,968

SOURCE: Office of the State Controller.

FEE REVENUES (NOTE 8)	TOTAL REVENUE	TOTAL EXPENSE	NON-FEE FUND BALANCE (NOTE 9)	UNCOMMITTED RESERVES (NOTE 10)	MAXIMUM RESERVE (NOTE 11)	ALTERNATIVE MAXIMUM RESERVE (NOTE 12)	EXCESS UNCOMMITTED RESERVE (NOTE 13)
$ 912,700	$ 919,126	$ 798,845	$ 882	$ 125,318	$ 131,809	$ -	$ -
1,785,664	1,796,459	1,573,403	1,344	222,320	259,611	-	-
425,395	4,297,586	3,785,336	1,375,126	151,070	624,580	-	-
2,024,836	2,040,920	1,649,922	3,083	388,088	272,237	-	115,851
2,667,482	38,076,413	34,315,878	1,806,389	136,082	5,662,120	-	-
7,816,077	47,130,504	42,123,384	3,186,824	1,022,878	6,950,357	-	115,851
3,946	4,061,988	3,204,640	8,845,647	8,601	528,766	-	-
7,116	7,116	4,822	-	18,498	796	-	17,702
11,062	4,069,104	3,209,462	8,845,647	27,099	529,562	-	17,702
26,659	28,399	36	11,482	175,921	6	-	175,915
124,419	124,419	80,954	-	119,164	13,357	258,594	-
26	21,830	33	2,070,798	2,469	5	-	2,464
1,525	26,342,860	29,476,450	1,667,770	97	4,863,614	-	-
25,253	23,202,141	1,993,957	31,171,038	33,963	329,003	-	-
600,976	8,807,781	6,937,492	4,229,703	309,737	1,144,686	-	-
778,858	58,527,430	38,488,922	39,150,791	641,351	6,350,671	258,594	178,379
83	182,712	171,888	154,913	70	28,362	-	-
324,741	326,190	266,223	866	194,186	43,927	-	150,259
12,399	311,487	316,882	47,107	1,953	52,286	-	-
236	1,060,796	1,041,730	756,163	168	171,885	-	-
211,245	218,075	177,328	2,708	83,770	29,259	-	54,511
405	745,472	441,142	1,193,224	649	72,788	-	-
24,943	805,809	787,361	17,904	572	129,915	-	-
573,969	3,467,829	3,030,666	2,017,972	281,298	500,060	-	204,770
1,638,037	2,482,015	1,987,825	1,307,378	2,537,427	327,991	-	2,209,436
2,977,263	3,981,903	3,781,015	68,897	204,176	623,867	-	-
40,594	967,923	820,201	150,214	6,576	135,333	-	-
97,378	125,141	152,047	18,048	63,301	25,088	-	38,213
4,753,272	7,556,982	6,741,088	1,544,537	2,811,480	1,112,279	-	2,247,649
405,120	3,493,149	3,700,842	1,069,490	140,307	610,639	-	-
6,693,694	6,693,694	7,273,632	-	2,536,137	1,200,149	-	1,335,988
656,473	3,012,179	2,764,413	300,784	83,820	456,128	-	-
544,200	3,247,969	3,632,476	96,444	19,412	599,359	-	-
308,746	308,746	276,592	-	47,264	45,638	-	1,626
2,063,591	2,063,638	2,445,839	3	136,039	403,563	-	-
17,772	228,016	178,335	142,629	12,056	29,425	-	-
86,127	139,182	117,857	26,828	43,552	19,446	-	24,106
65,499	65,499	73,423	-	30,315	12,115	-	18,200
20,051	78,873	83,788	24,714	8,425	13,825	-	-
481,998	482,958	502,220	14	6,924	82,866	-	-
7,175	7,958	13,720	6,016	55,128	2,264	-	52,864
1,663,877	1,808,046	13,059,804	163,030	1,881,555	2,154,868	454,831	1,426,724
36,000	36,000	31,155	-	10,604	5,141	-	5,463
8,750	8,795	10,672	9	1,808	1,761	-	47
1,038,672	1,124,839	1,371,674	16,620	200,334	226,326	-	-
14,097,745	22,799,541	35,536,442	1,846,581	5,213,680	5,863,513	454,831	2,865,018

STATE OF COLORADO
CASH FUNDS UNCOMMITTED RESERVES REPORT
REPORT OF FUNDS WITH UNCOMMITTED RESERVES GREATER THAN $0
FISCAL YEAR 2015 AS OF JUNE 30, 2015

	FUND	FUND BALANCE (NOTE 4)	EXEMPT ASSETS (NOTE 5)	CAPITAL RESERVE (NOTE 6)	PREVIOUSLY APPROPRIATED FUND BALANCE (NOTE 7)
Department of Public Safety					
12E0	Fireworks Licensing Cash Fund	$ 26,387	$ -	$ -	$ -
18E0	Sex Offender Treatment Provider Fund	1,284	-	-	-
2030	Firefighter, First and Haz Mat Responder Certification Fund	8,959	-	-	-
2710	State Patrol Special Events Fund	35,484	-	-	-
12B0	Fire Service Education and Training Fund	31,736	-	-	-
12C0	Fire Suppression Cash Fund	33,777	-	-	-
16C0	Sex Offender Registry Fund	12,768	-	-	-
18F0	Domestic Violence Treatment Provider Fund	28,241	-	-	-
19Q0	Identity Theft Financial Fraud Fund	402,522	7,645	-	-
21N0	Criminal Justice Training Fund	52,590	-	-	-
22N0	Cigarette Ignition Standards & Firefighter Protection Act	57,126	-	-	-
22P0	Wildland-Urban Interface Training Fund	96,419	-	-	-
25M0	School Safety Resource Center Cash Fund	3,265	-	-	-
27J0	Instant Criminal Background Check Fund	1,944,188	23,015	-	-
SUBTOTAL		2,734,746	30,660	-	-
Department of Regulatory Agencies					
1850	Public Utilities Commission Motor Carrier Fund	41,543	-	-	-
1880	Hazardous Materials Safety Fund	148,336	-	-	-
1890	Division of Professions and Occupations Cash Fund	2,703,865	20	-	-
2130	Division of Securities Cash Fund	467,971	4,750	-	-
2440	Public Deposit Administration Fund	723,109	-	-	-
2720	Financial Services Cash Fund	56,447	-	-	-
2820	Division of Insurance Cash	186,812	830	-	-
18S0	Prescription Drug Monitoring Fund	251,278	-	-	-
19U0	Mortgage Company and Loan Originator Licensing Cash Fund	103,209	-	-	-
22H0	Certificate of Conservation Easement Holders Fund	4,389	-	-	-
22J0	Consumer Outreach and Education Fund	13,217	-	-	-
25Q0	HOA Information and Resource Center Cash Fund	72,428	-	-	-
27T0	Moving Outreach Fund	7,174	-	-	-
SUBTOTAL		4,779,778	5,600	-	-
Department of Revenue					
1920	Auto Dealers License Fund	810,764	2,256	-	-
2360	Liquor Enforcement Division & State Licensing Authority	849,197	3,564	-	-
2370	Tax Lien Certification Fund	19,718	-	-	-
4010	Limited Gaming Fund	2,573,759	31,248	-	-
4040	Colorado Title and Registration Fund (Costars)	10,338,470	-	-	-
4350	License Plate Cash Fund	453,234	-	-	-
4370	Licensing Services Cash Fund	4,490,656	115,306	-	-
4380	First Time Drunk Driving Offender Account	4,044,419	-	-	-
16V0	Racing Cash Fund	146,829	-	-	-
20A0	Private Letter Ruling Fund	26,481	-	-	-
25C0	Prepaid Wireless Trust Cash Fund	1,102	-	-	-
26B0	Gambling Payment Intercept Fund	41,325	-	-	-
SUBTOTAL		23,795,954	152,374	-	-
Department of State					
2000	Department of State Cash Fund	3,326,722	340,590	-	-
Department of Treasury					
4060	AIR Account	3,640,539	-	-	-
8270	Unclaimed Property Fund	79,115,203	1,852	-	-
SUBTOTAL		82,755,742	1,852	-	-
GRAND TOTAL		$ 321,611,325	$ 9,687,528	$ 425,043	$ 711,968

SOURCE: Office of the State Controller.

FEE REVENUES (NOTE 8)	TOTAL REVENUE	TOTAL EXPENSE	NON-FEE FUND BALANCE (NOTE 9)	UNCOMMITTED RESERVES (NOTE 10)	MAXIMUM RESERVE (NOTE 11)	ALTERNATIVE MAXIMUM RESERVE (NOTE 12)	EXCESS UNCOMMITTED RESERVE (NOTE 13)
$ 23,875	$ 24,238	$ 25,735	$ 395	$ 25,992	$ 4,246	$ -	$ 21,746
11,625	11,677	11,938	6	1,278	1,970	-	-
187,712	188,366	241,086	31	8,928	39,779	-	-
54,119	2,758,557	2,758,557	34,788	696	455,162	-	-
18,699	18,994	10,765	493	31,243	1,776	-	29,467
102,345	102,478	101,582	44	33,733	16,761	-	16,972
740	888	6,498	2,128	10,640	1,072	-	9,568
5,077	5,463	14,051	1,995	26,246	2,318	-	23,928
45,150	543,181	412,191	362,054	32,823	68,012	-	-
75,475	87,193	80,389	7,068	45,522	13,264	-	32,258
12,980	12,980	46,422	-	57,126	7,660	-	49,466
550	51,520	32,673	95,390	1,029	5,391	-	-
2,520	21,741	18,726	2,887	378	3,090	-	-
3,138,731	3,160,029	2,967,333	12,948	1,908,225	489,610	-	1,418,615
3,679,598	6,987,305	6,727,946	520,227	2,183,859	1,110,111	-	1,602,020
2,090,062	2,272,270	2,233,998	3,331	38,212	368,610	-	-
525	251,714	301,714	148,027	309	49,783	-	-
22,962,861	23,825,457	25,683,704	97,892	2,605,953	4,237,811	-	-
4,195,797	4,195,797	4,602,064	-	463,221	759,341	-	-
4,439,580	4,468,158	4,592,213	4,625	718,484	757,715	-	-
1,757,668	1,764,271	1,723,472	211	56,236	284,373	-	-
8,865,919	11,178,537	10,991,724	38,476	147,506	1,813,634	-	-
470,578	607,818	375,652	56,736	194,542	61,983	-	132,559
839,744	879,133	1,034,456	4,624	98,585	170,685	-	-
102,389	102,389	102,458	-	4,389	16,906	-	-
129,735	130,624	141,399	90	13,127	23,331	-	-
212,331	214,184	218,506	627	71,801	36,053	-	35,748
3,497	3,563	-	133	7,041	-	-	7,041
46,070,686	49,893,915	52,001,360	354,772	4,419,406	8,580,225	-	175,348
3,046,165	3,185,314	3,497,759	35,319	773,189	577,130	-	196,059
2,421,775	2,553,443	2,840,533	43,605	802,028	468,688	-	333,340
5,099	5,099	-	-	19,718	-	-	19,718
767,182	112,103,690	111,865,736	2,525,111	17,400	18,457,846	-	-
577,801	13,839,915	11,871,897	9,906,850	431,620	1,958,863	-	-
41,595	5,580,498	5,154,785	449,856	3,378	850,540	-	-
21,699,849	26,060,797	23,117,092	732,160	3,643,190	3,814,320	-	-
67,074	1,770,710	2,696,801	3,891,218	153,201	444,972	-	-
1,341,921	1,411,248	1,463,174	7,213	139,616	241,424	-	-
13,974	13,974	-	-	26,481	-	-	26,481
4,116	4,116	4,116	-	1,102	679	-	423
18,225	18,225	7,300	-	41,325	1,205	-	40,120
30,004,776	166,547,029	162,519,193	17,591,332	6,052,248	26,815,667	-	616,141
19,015,317	19,878,791	20,341,285	129,708	2,856,424	3,356,312	-	-
5,790	8,638,443	8,492,713	3,638,099	2,440	1,401,298	-	-
10,645	61,851,762	44,243,271	79,099,735	13,616	7,300,140	-	-
16,435	70,490,205	52,735,984	82,737,834	16,056	8,701,438	-	-
$ 725,986,916	$ 1,231,614,581	$ 1,195,188,319	$ 272,677,497	$ 38,109,289	$ 197,206,071	$ 5,943,735	$ 8,655,097