

JOINT BUDGET COMMITTEE



SUPPLEMENTAL BUDGET REQUESTS FY 2021-22 THROUGH FY 2023-24

IT CAPITAL

JBC WORKING DOCUMENT - SUBJECT TO CHANGE
STAFF RECOMMENDATION DOES NOT REPRESENT COMMITTEE DECISION

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CONTENTS

Section Overview	1
Summary: FY 2021-22 Appropriation and Recommendation	1
Request/Recommendation Descriptions	1
Summary: FY 2022-23 Appropriation and Recommendation	2
Request/Recommendation Descriptions	3
Summary: FY 2023-24 Appropriation and Recommendation	4
Request/Recommendation Descriptions	4
Prioritized Supplemental Requests	5
FY 2021-22 HED: Mines Reenvisioning Institution ERP	5
Department Request:	5
Staff Recommendation:	5
Staff Analysis:	5
FY 2021-22 DHS/BHA: Health Infrastructure Investments	6
Department Request:	6
Staff Recommendation:	6
Staff Analysis:	6
FY 2021-22 HED: ASU, Western, FLC Digital Transformation Experience	8
Department Request:	8
Staff Recommendation:	8
FY 2022-23 HED: CC Aurora Rescope Improving Student Access to Tech	9
Department Request:	9
Staff Recommendation:	9
Staff Analysis:	9
FY 2023-24 DEC: Universal Preschool Program IT Capital	10
Department Request:	10
Staff Recommendation:	10
Staff Analysis:	11
Previously Approved Interim Supplemental Request	13
FY 2022-23 DEC: Unified Experience and Early Childhood Data Trust	13
Department Request:	13
Summary:	13
Committee Action:	14

IT CAPITAL

SECTION OVERVIEW

The Information Technology Projects (IT Capital) section of the Long Bill includes funding appropriated to state departments and institutions of higher education for information technology capital projects. Capital construction appropriations are primarily supported by General Fund transferred to the Information Technology Capital Account (IT Capital Account) within the Capital Construction Fund. The Joint Technology Committee reviews all IT capital requests and makes IT capital funding recommendations to the Joint Budget Committee.

SUMMARY: FY 2021-22 APPROPRIATION AND RECOMMENDATION

IT CAPITAL: RECOMMENDED CHANGES FOR FY 2021-22

	TOTAL FUNDS	CAPITAL CONSTRUCTION FUND	CASH FUNDS	REAPPROP. FUNDS	FEDERAL FUNDS
FY 2021-22 APPROPRIATION					
SB 21-205 Long Bill (IT Capital only)	\$65,935,383	\$28,711,790	\$29,977,393	\$0	\$7,246,200
HB 22-1185 IT Capital Supplemental	950,960	950,960	0	0	0
CURRENT FY 2021-22 APPROPRIATION	\$66,886,343	\$29,662,750	\$29,977,393	\$0	\$7,246,200
RECOMMENDED CHANGES					
Current FY 2021-22 Appropriation	\$66,886,343	\$29,662,750	\$29,977,393	\$0	\$7,246,200
HED: Mines Reenvisioning Institution ERP	1,141,115	0	1,141,115	0	0
DHS/BHA: Health Infrastructure Investments	0	0	0	0	0
HED: ASU, Western, FLC Digital Transformation Experience	0	0	0	0	0
RECOMMENDED FY 2021-22 APPROPRIATION	\$68,027,458	\$29,662,750	\$31,118,508	\$0	\$7,246,200
RECOMMENDED INCREASE/(DECREASE)	\$1,141,115	\$0	\$1,141,115	\$0	\$0
Percentage Change	1.7%	0.0%	3.8 %	n/a	0.0%
FY 2021-22 EXECUTIVE REQUEST	\$68,027,458	\$29,662,750	\$31,118,508	\$0	\$7,246,200
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0

REQUEST/RECOMMENDATION DESCRIPTIONS

HED: MINES REENVISIONING INSTITUTION ERP: The request includes approving an increase of \$1.1 million cash funds from institutional sources to support phase three of its Reenvisioning Institution Enterprise Resource Plan (ERP). The original timeframe was extended by six months, increasing costs, to allow themselves time to further test payroll, and include HR and identity access functions, that were not part of the original scope. Given that the third phase of the project was not funded in Fiscal Year 2023-24, Mines removed the student information system (SIS) portion of this project, which was slated for the fourth phase. However, additional cash spending authority is required to finish out the project. The Joint Technology Committee recommended approving the requested

change. Thus JBC Staff recommends approval of the request. This change does not require additional General Fund transfers to the Capital Construction Fund.

DHS/BHA: HEALTH INFRASTRUCTURE INVESTMENTS: The request includes extending appropriations made in FY 2021-22 that expire at the end of FY 2023-24 through FY 2024-25. This funding along with S.B. 21-137, H.B. 22-1278, and S.B. 22-177 contain funding for different but interconnected technology initiatives representative of the goal of establishing a systems-wide model for organizing and implementing care coordination and behavioral health data infrastructure that prioritizes access to care to all people of Colorado, enables and holds providers and care navigators to be accountable for providing quality whole person behavioral health care, and leverages Colorado's broader health information technology ecosystem to minimize cost, reduce technical debt, reduce provider and public burden and ultimately maximize scalability and sustainability. The Joint Technology Committee recommended approving the supplemental request. Thus, JBC Staff recommends approving the requested change.

HED: ASU, WESTERN, FLC DIGITAL TRANSFORMATION EXPERIENCE: The request includes a revision to the cash fund allocations between Adams State University, Fort Lewis College, and Western Colorado University for the institution-funded portion of a combined Digital Transformation Initiative for Rural Higher Education project, which were allocated to each institution as one-third of \$92,920 from institution sources. The impacted institutions have agreed to split the total amount in differing amounts and submitted this request with the support of the Colorado Commission on Higher Education. Joint Technology Committee (JTC) recommended approving the request. JBC Staff recommendation is to approve the requested change, which results in the costs being split \$32,661 from Fort Lewis College, \$30,530 from Adams State, and \$29,729 from Western Colorado, which modifies S.B. 21-205 (Long Bill) as amended by H.B. 22-1185 (Supplemental Bill).

SUMMARY: FY 2022-23 APPROPRIATION AND RECOMMENDATION

IT CAPITAL: RECOMMENDED CHANGES FOR FY 2022-23

	TOTAL FUNDS	CAPITAL CONSTRUCTION FUND	CASH FUNDS	REAPPROP. FUNDS	FEDERAL FUNDS
FY 2022-23 APPROPRIATION					
HB 22-1329 Long Bill (IT Capital only)	\$146,428,435	\$109,102,442	\$17,186,989	\$0	\$20,139,004
CURRENT FY 2022-23 APPROPRIATION	\$146,428,435	\$109,102,442	\$17,186,989	\$0	\$20,139,004
RECOMMENDED CHANGES					
Current FY 2022-23 Appropriation	\$146,428,435	\$109,102,442	\$17,186,989	\$0	\$20,139,004
Previously approved supplemental DEC Unified Experience	0	0	0	0	0
HED: CC of Aurora Rescope Improving Student Access Tech	0	0	0	0	0
RECOMMENDED FY 2022-23 APPROPRIATION	\$146,428,435	\$109,102,442	\$17,186,989	\$0	\$20,139,004
RECOMMENDED INCREASE/(DECREASE)	\$0	\$0	\$0	\$0	\$0
Percentage Change	0.0%	0.0%	0.0 %	n/a	0.0%
FY 2022-23 EXECUTIVE REQUEST					
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0

REQUEST/RECOMMENDATION DESCRIPTIONS

PREVIOUSLY APPROVED SUPPLEMENTAL DEC UNIFIED EXPERIENCE: The recommendation includes extending appropriations for the Department of Early Childhood’s (DEC) Unified Experience and Early Childhood Data Trust project through FY 2023-24, which the Joint Technology Committee (JTC) recommended approving. On June 20, 2023, the Joint Budget Committee approved an Emergency Interim Supplemental (1331) to extend funding through June 30, 2024. The funding itself originated as federal Child Care and Development Fund provided as a supplement to Colorado via the federal America Rescue Plan Act (ARPA). Removing the restriction ensures the Department continues to have access to the remaining \$8.8 million from the initial appropriation to meet the federal deadlines. No additional funds are impacted, only those that have already been appropriated.

HED: CC OF AURORA RESCOPE IMPROVING STUDENT ACCESS TECH: The request includes permission to reallocate funding initially approved in FY 2022-23 for the Community College of Aurora’s project titled Improving Student Access to Technology. Specifically, the institution would like to utilize \$409,685 of the total amount appropriated for the project, \$529,915, that was allocated for “classroom computing” for similar improvements to classroom IT infrastructure. If approved, the funding would modernize and make resources more accessible to students and faculty through labs and computer loan programs, increasing number of laptop carts in high-use locations, and update classroom technology to improve ability to deliver quality educational content remotely. Joint Technology Committee (JTC) recommended approving the request. JBC Staff recommendation is to approve the requested change.

SUMMARY: FY 2023-24 APPROPRIATION AND RECOMMENDATION

IT CAPITAL: RECOMMENDED CHANGES FOR FY 2023-24					
	TOTAL FUNDS	CAPITAL CONSTRUCTION FUND	CASH FUNDS	REAPPROP. FUNDS	FEDERAL FUNDS
FY 2023-24 APPROPRIATION					
SB 23-214 Long Bill (IT Capital only)	\$124,261,834	\$64,890,922	\$8,184,071	\$996,386	\$50,190,455
CURRENT FY 2023-24 APPROPRIATION	\$124,261,834	\$64,890,922	\$8,184,071	\$996,386	\$50,190,455
RECOMMENDED CHANGES					
Current FY 2023-24 Appropriation	\$124,261,834	\$64,890,922	\$8,184,071	\$996,386	\$50,190,455
DEC: Universal Preschool Program IT Capital	2,501,250	2,501,250	0	0	0
RECOMMENDED FY 2023-24 APPROPRIATION	\$126,763,084	\$67,392,172	\$8,184,071	\$996,386	\$50,190,455
RECOMMENDED INCREASE/(DECREASE)	\$2,501,250	\$2,501,250	\$0	\$0	\$0
Percentage Change	2.0%	3.9%	0.0 %	0.0%	0.0%
FY 2023-24 EXECUTIVE REQUEST					
Request Above/(Below) Recommendation	\$773,750	\$773,750	\$0	\$0	\$0

REQUEST/RECOMMENDATION DESCRIPTIONS

DEC: UNIVERSAL PRESCHOOL PROGRAM IT CAPITAL: The request includes an increase of \$3.3 million from the Capital Construction Fund to continue development and accelerate improvements to the Universal Preschool Application system. The system launched for use in the 2023 application period with a minimum viable product that automates much of the matching performed between students and providers, but which requires many manual processes to overcome students with special situations such as IEPs. The Joint Technology Committee recommended approving the request in part, in the amount the Department of Early Childhood (DEC) is able to expend before June 30, 2024, and asked for the project to be included in OSPB prioritization for FY 2024-25 and FY 2025-26. The JBC Staff recommendation is thus to approve an increase of \$2.5 million, the amount DEC portends it can spend prior to the end of the fiscal year. JBC Staff requests permission to include any amounts appropriated from the Capital Construction Fund in the supplemental bill in the Capital Transfers bill that will travel with the supplemental bill package.

PRIORITIZED SUPPLEMENTAL REQUESTS

FY 2021-22 HED: MINES REENVISIONING INSTITUTION ERP

	REQUEST	RECOMMENDATION
TOTAL	\$1,141,115	\$1,141,115
FTE	0.0	0.0
Capital Construction Funds (Originates as General Fund)	0	0
Cash Funds (Institutional Sources)	1,141,115	1,141,115
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? **YES**

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request is the result of data that was not available when the original appropriation was made, specifically that the state would choose not to fund phase three or four of the project.

DEPARTMENT REQUEST: The Colorado School of Mines is requesting \$1.1 million in cash spending authority to complete the implementation of the Enterprise Resources Plan (ERP) modernization project. The project started as a collaborative effort with Metropolitan State University Denver (MSU Denver). MSU Denver and Mines both received state and cash funds spending authority in FY 2021-22 and FY 2022-23 for the first two phases of a project to modernize the institutions' ERP systems and Student Information Systems (SIS).

STAFF RECOMMENDATION: The Joint Technology Committee recommends approving the requested change. Thus, JBC Staff recommends the Committee approve the request. Because the funds are from institutional sources, no additional funding is required to be transferred to the IT Capital Account of the Capital Construction Fund.

STAFF ANALYSIS: The supplemental budget request is being made after the Colorado School of Mines obligated the funds to finalize the project when phase three of funding was not appropriated in FY 2023-24. Mines reports that the implementation of the ERP and systems that interface with human resources and finance systems were more complex than original estimates. It also had to abandon its efforts related to the SIS when phase three went unfunded, a component of which would have also required a phase four round of funding.

Planning (ERP) platform on July 1, 2023. Their original timeframe was extended by six months, increasing costs, to allow time to further test payroll, and include HR and identity access functions, that were not part of the original scope.

With the goal of avoiding sunk costs, Mines chose to designate part of its institutional General Funds to finalize the components of the ERP that were nearly complete. These funds originate as tuition, state funding, and overhead charged for auxiliary and research activities.

The Joint Technology Committee did not raise concerns about this request. Based on their recommendation and the fact the funding is from institutional sources, JBC Staff recommends the

Committee approve the request and avoid introducing further difficulties when phased funding evaporates for later project phases.

FY 2021-22 DHS/BHA: HEALTH INFRASTRUCTURE INVESTMENTS

	REQUEST	RECOMMENDATION
TOTAL	\$0	\$0
FTE	0.0	0.0
Capital Construction Funds (Originates as General Fund)	0	0
Cash Funds	0	0
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? YES

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request is the result of an unforeseen contingency, specifically the continually evolving priorities of the legislature.

DEPARTMENT REQUEST: The Department requests an extension of spending authority, through FY 2024-25, to continue projects related to Behavioral Health Infrastructure Investments. This funding was authorized initially in FY 2021-22 through FY 2023-24. The total amount approved from the capital construction IT fund was \$8,446,918, including \$6,616,918 capital construction fund and \$1,830,000 federal funds. The purpose for these funds is to develop or improve upon:

- Bed capacity tracking system
- Consolidated behavioral health data collection system
- Health information exchange; and
- Virtual crisis telehealth application.

STAFF RECOMMENDATION: The Joint Technology Committee recommended approving the requested change. Thus, JBC Staff recommends that the Committee extend the appropriation by an additional year through FY 2024-25.

STAFF ANALYSIS: The supplemental budget request continues to address technology recommendations made by the Behavioral Health Task Force created by Governor Polis. This funding along with S.B. 21-137, H.B. 22-1278, and S.B. 22-177 contain funding for different but interconnected technology initiatives representative of the goal of establishing a systems-wide model for organizing and implementing care coordination and behavioral health data infrastructure that prioritizes access to care to all people of Colorado, enables and holds providers and care navigators to be accountable for providing quality whole person behavioral health care, and leverages Colorado's broader health information technology ecosystem to minimize cost, reduce technical debt, reduce provider and public burden and ultimately maximize scalability and sustainability.

The Behavioral Health Administration (BHA) reports that of the amount appropriated, \$1.2 million has been expended thus far. BHA reports it anticipates being able to spend all funds by the end of FY 2024-25 if granted the extension request. It also reports that extensive product roadmaps for delivering

this work have been developed to ensure delivery of functional and secure technology along with budget plans for how the funding will be spent.

The BHA indicates it has contracted for development of a platform to manage bed capacity and facilitate matches to care for people in need and is currently building out foundational functionality that prioritizes provider value and ease of use. BHA expects to launch in FY 2023-24, and would like to continue iteratively improving features in response to end user needs to deliver high value impact and large scale adoption. The BHA states it has completed the initial research phase for a consolidated behavioral health data collection system and that it has held interviews with over 50 experts and 15 provider organizations as part of the research phase for the project.

Due to legislative changes to the BHA and delays due to establishing the organization, technology expenditures moved more slowly than usual and there were multiple material changes to technology requirements and priorities based on changes in BHA's founding structure and funding. Therefore, the BHA is requesting an additional year of spending authority to continue in designing and delivering technology that will ultimately be most impactful to Coloradans. The BHA is not requesting any additional funding for this request.

Without an extension of spending authority, the BHA will continue to invest in these projects to the best of its ability with the given timelines. It is likely that BHA will be unable to spend all of the funding during this duration of time and there will be some elements of these projects which will not be accomplished or may remain at or may not reach a minimum viable product status. Additionally, increasing the velocity of current roadmapped development activities would result in increasing risks associated with technology not meeting the needs of end users. This would fragment adoption and utilization that in the case of bed capacity tracking and data modernization would drive more manual and inconsistent processes and administrative burden.

The Joint Technology Committee did not raise any concerns about this project and recommended the Joint Budget Committee approve the appropriation extension. Thus, JBC Staff recommends the Committee approve the requested change. Approving the request will amend the appropriation with a footnote granting one additional year of spending authority for the original appropriation.

FY 2021-22 HED: ASU, WESTERN, FLC DIGITAL TRANSFORMATION EXPERIENCE

	REQUEST	RECOMMENDATION
TOTAL	\$0	\$0
FTE	0.0	0.0
Capital Construction Funds (Originates as General Fund)	0	0
Cash Funds	0	0
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? YES

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request is the result data that was not available, specifically third-party negotiations for cost sharing.

DEPARTMENT REQUEST: Adams State University, Fort Lewis College, and Western Colorado University (the Institutions) seek to revise the funding split of the cash funds portion of their combined IT project entitled Digital Transformation Experience based on a mutually agreed to funding allocation. The project was funded with an original appropriation of \$9,291,975 comprised of \$9.2 million Capital Construction Fund and \$92,920 from cash funds from institutional sources. The cash fund sources were designated to be allocated to each Institution for one-third of the total amount, such that each institution would pay about \$30,974. The modified allocation would designate that \$32,661 comes from Fort Lewis College, \$30,530 from Adams State, and \$29,729 from Western Colorado.

STAFF RECOMMENDATION: The Joint Technology Committee recommended approving the requested change. Because this request impacts only institutional fund sources and raised no other concerns, JBC Staff did not dedicate time to evaluating the underlying project details in making this recommendation. Thus, JBC Staff recommends that the Committee adjust letternotes to reflect the allocation determined by mutual assent of the impacted Institutions.

FY 2022-23 HED: CC AURORA RESCOPE IMPROVING STUDENT ACCESS TO TECH

	REQUEST	RECOMMENDATION
TOTAL	\$0	\$0
FTE	0.0	0.0
Capital Construction Funds (Originates as General Fund)	0	0
Cash Funds	0	0
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? YES

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request is the result of an unforeseen contingency in discovering the need to improve core systems of the College prior to undertaking its approved IT Capital project.

DEPARTMENT REQUEST: The request includes permission to reallocate funding initially approved in FY 2022-23 for the Community College of Aurora's project titled Improving Student Access to Technology. Specifically, the institution would like to utilize \$409,685 of the total amount appropriated for the project, \$529,915, that was allocated for "classroom computing" for similar improvements to classroom IT infrastructure. If approved, the funding would modernize and make resources more accessible to students and faculty through labs and computer loan programs, increasing number of laptop carts in high-use locations, and update classroom technology to improve ability to deliver quality educational content remotely.

STAFF RECOMMENDATION: Joint Technology Committee (JTC) recommended approving the request. JBC Staff opinion is that the goals and proposed uses are consistent with the type of improvements envisioned with the original request and are just evolving with changes in higher education delivery. JBC Staff recommendation is to approve the requested change.

STAFF ANALYSIS: The Community College of Aurora (CCA) is requesting spending authority to reallocate funds appropriated in FY 2022-23 originally intended for professional services to instead spend on equipment upgrades. The reason for this request is that the college needed to invest in repairs and improvements to its core infrastructure to avoid catastrophic equipment failure and/or disruption to mission critical services in advance of receiving capital funds. As a result, CCA is requesting authority to reallocate \$34,842 in funding for classroom computing needs. CCA was initially appropriated \$469,839 for Equipment and is requesting authority to reallocate Professional Services funds to increase Equipment funding to a total of \$504,861. If approved it anticipates being able to fully expend the appropriation by the end of FY 2023-24.

CCA states that it has been able to use capital IT funds to improve student access to technology by addressing its wireless infrastructure and by providing a more robust wireless coverage. CCA further states that it is experiencing some challenges with classroom infrastructure, and believes that a reallocation in funding will allow it to make significant improvements to these areas. CCA indicates that much of the reallocated funds will be utilized to improve accessibility to technology for its students through investing in computer labs, student laptops, and remote learning infrastructure.

No additional state or institutional funds are being requested or recommended. The Joint Technology Committee recommended approving the requested change. JBC Staff recommends the Committee approve the request.

FY 2023-24 DEC: UNIVERSAL PRESCHOOL PROGRAM IT CAPITAL

	REQUEST	RECOMMENDATION
TOTAL	\$2,501,250	\$2,501,250
FTE	0.0	0.0
Capital Construction Funds (Originates as General Fund)	3,275,000	2,501,250
Cash Funds	0	0
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? **YES**

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request is the result of data that was not available when the original appropriation was made such that the DEC has received additional information in order to complete functions beyond the minimum viable product based on feedback from Providers, Administrative Units, Districts, and Families.

DEPARTMENT REQUEST: The Colorado Department of Early Childhood (CDEC) requests a one-time increase of \$3,275,000 from the IT Capital Account of the Capital Construction Fund spending authority in FY 2023-24 for a capital technology project in order to support improvements to the Universal Preschool Program Application system for continued integration and build out. In year one of the Universal Preschool Program, the DEC launched a minimum viable product for the functionalities needed to support the initial implementation of the Universal Preschool Program, which includes the provider portal, family application, performance reporting integration and dashboard, family and provider matching algorithm, and integration with other systems for licensing. These functionalities allowed the Universal Preschool Program to match families with providers and to develop baseline reporting capabilities for the first year of implementation of the program. Stakeholder feedback indicated significant need for system improvements to address administrative burden and placement challenges. The DEC seeks to continue to prioritize the user experience of providers and families and intends to be responsive to customer needs and compliance requirements through necessary IT enhancements.

STAFF RECOMMENDATION: Staff recommends that the Committee approve an increase of \$2,501,250 from the Capital Construction Fund in FY 2023-24 and include a like amount in the capital transfer bill that travels with the supplemental package. This recommendation would be implementing the recommendation made by the Joint Technology Committee (JTC). To implement the JTC recommendation, the appropriation should also include a footnote restricting spending to FY 2023-24, because generally appropriations from the Capital Construction Fund carry a three-year appropriation.

The Committee may also wish to approve the Department request. The Department and OSPB have interpreted the direction given to them by the JTC as requiring the project to be split into two projects, with the second to be submitted as a IT capital project during the January 2025 supplemental budget

cycle for the remaining \$773,750 in FY 2024-25. This interpretation creates an inherent gap in funding between June 2024 and approval of the supplemental. While the JBC taking action that differs from the JTC recommendation triggers a required meeting during preparation of the Long Bill, that section of statute does not apply to the supplemental budget process.

STAFF ANALYSIS: The Department of Early Childhood’s (DEC) Supplemental IT Capital Project request of \$3.275 million Capital Construction Fund supports critical system enhancements to the Universal Preschool Application system for program year two, which begins in early 2024 with the Universal Preschool Program provider and family enrollment. The cost of the request is inclusive of application vendor enhancements, OIT technical support and collaboration (technical oversight, data architecture to support data analysis, data visualization and reporting), vendor IT project management, product management, user experience design and validation, and vendor help desk. The enhancement work is ongoing and iterative, with a goal of delivering as much new functionality as possible by June 30, 2024, with continued work into FY 2024-25 for the completion of these enhancements.

The DEC explains it has taken a data-driven approach to defining its year-long product roadmap to ensure the plan addresses the biggest pain points from the first year of Universal Preschool, including manual program adjustments, manual placements of students with Individualized Education Programs (IEPs), and application declines that caused uncertainty and disruption for families. The DEC and its vendors developed proposed solutions and validated them with focus groups of early childhood providers, Administrative Units (AUs), and Local Coordinating Organizations (LCOs), with focus groups of families planned for January and February.

The DEC states it is confident that each vendor has capacity to effectively and quickly scale-up IT services to achieve these enhancements on-time and within the requested budget. The DEC defined the IT Capital Project request scope and funding level by working collaboratively with vendors to complete discovery, define level of effort, and perform cost analyses on the critical needs for program Year two. The Supplemental IT Capital Project request also includes planned funding for FY 2024-25 for beginning phased work on program year three enhancements using an agile approach; these enhancements will ensure the Universal Preschool Program can meet the needs of children, families, and providers.

The DEC and OSPB have communicated that this request is part of the Governor’s balanced budget submission, and its impact on available General Fund for budget requests in FY 2024-25 has been accounted for. JBC Staff notes that there is no known reduction or “savings” from some other part of the budget being redirected here specifically.

The Joint Technology Committee voted to approve funding for just FY 2023-24 and asked the DEC to provide an estimate regarding how much of the original request could be expended by the end of the fiscal year. Information provided to the JTC and JBC Staff indicate that DEC anticipates expending \$2,501,250 by the end of FY 2023-24. As mentioned in the recommendation, the DEC and OSPB interpreted the guidance given by the JTC to mean that it should submit the remaining \$773,750 anticipated to be spent in FY 2024-25 as an IT capital budget request during the 2025 supplemental cycle. The JBC Staff interpretation is that the JTC’s concern with funding the supplemental request in FY 2024-25 was jumping ahead of the line for those IT Capital projects the JTC and JBC are already considering as part of the FY 2024-25 Long Bill. Therefore, JBC Staff believes the JTC desired that

OSPB prioritize the funds for the remaining portion of the project within the existing IT capital project list.

Due to this conflict in understanding the intent of the JTC, JBC Staff recommends the Committee communicate with members of the JTC to understand which direction to take. **Staff recommends that the Committee approve an increase of \$2,501,250 from the Capital Construction Fund in FY 2023-24** and include a like amount in the capital transfer bill that travels with the supplemental package. To implement the JTC recommendation, the appropriation should also include a footnote restricting spending to FY 2023-24, because generally appropriations from the Capital Construction Fund carry a three-year appropriation.

PREVIOUSLY APPROVED INTERIM SUPPLEMENTAL REQUEST

FY 2022-23 DEC: UNIFIED EXPERIENCE AND EARLY CHILDHOOD DATA TRUST

	REQUEST	APPROVED
TOTAL	\$0	\$0
FTE	0.0	0.0
General Fund	0	0
Cash Funds	0	0
Federal Funds	0	0

DEPARTMENT REQUEST: The Department of Early Childhood (DEC) requested the Joint Budget Committee to approve an emergency supplemental to extend spending authority of an appropriation made in FY 2022-23 for two additional years, consistent with most other capital and IT capital projects funded through the Long Bill. The Department originally requested three-year spending authority for this IT capital project as part of the FY 2021-22 *Colorado Department of Human Services (CDHS) S4 Early Childhood Federal Stimulus Funds Spending Authority* request. The request predated the creation of the Department of Early Childhood. At the time of funding, the project had not yet been planned in detail.

SUMMARY: Due to the data being unavailable concerning scoping the project among other critical planning elements, JTC expressed a desire to keep a close watch on the project. To achieve this, JTC recommended to the JBC that it include a one-year restriction on this appropriation to ensure the project remained on track and to communicate any legislative branch concerns via quarterly updates.

The DEC and OSPB presented this request to the JTC during the June 7, 2023 meeting. On a vote of 3-2 with one excused, the Joint Technology Committee recommended approving the request to eliminate the footnote restricting spending to only one-year. The federal funds appropriated in FY 2022-23 must be fully expended by September 30, 2024, any remaining funds will be returned to the federal government. Of the original appropriation of \$14.65 million, the DEC has expended \$2.3 million and has obligated another \$2.3 million. Approving the request ensures the Department continues to have access to the remaining \$8.8 million from the initial appropriation to meet the federal deadlines.

Brief updates on DEC's progress thus far on the project, pursuant to H.B. 22-1197 (Effective Date DEC), the Department has developed and launched the Universal Preschool application and has been working with the Office of Information Technology to complete the next phase of the project. The continuation of spending authority will allow DEC to complete a comprehensive analysis of existing data and technology systems, create secured and shared data for research and analytics, and create a unified application for childhood services.

The Department and OSPB assert the implementation of the Early Childhood Data Trust (ECDT) project will support Colorado's goals to use data, programs, and services to enhance early education for Colorado children, families, and early childhood professionals. The analysis and sharing of data will provide important information to providers and state leadership such as cross-program

participation, demand of services, conditions of the workforce, and other important information to better enhance equity and accessibility. The next milestone expected to implementing payments to providers through the system.

JBC staff analyst for the Department of Early Childhood also reviewed this 1331 request for any anomalies or inconsistencies based on staff analysis provided for DEC's regular budget request from the 2023-24 budget cycle, *R7 Continuation of Federal Stimulus Strategies*, and did not find any specific concerns with recommending approving the requested change.

The DEC indicates that it is exploring “sustainable funding” for future enhancements to the system, so the JBC may prepare itself for an operating request to address future funding once the full project is deployed to come during the next budget cycle or two.

COMMITTEE ACTION: Staff recommended the Committee approve the request, which would have eliminated a footnote that restricted spending be completed by the end of FY 2022-23. The result of the recommendation would be to allow spending through FY 2024-25. The Joint Budget Committee voted to authorize the emergency supplemental by extending the footnote restriction such that spending must be completed by June 30, 2024.
