

State of Colorado

Cash Funds Uncommitted Reserves Fiscal Year Ended June 30, 2022

Performance Audit
October 2022
2257P



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KERRI L. HUNTER, CPA, CFE • STATE AUDITOR

October 20, 2022

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, 2022. 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. The report presents our findings, conclusions, and recommendations, and the responses of various departments.

Kerri L. Hunter



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Descriptions of Cash Funds

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Appendix B

Cash Funds Uncommitted Reserves Report for the Fiscal Year Ended
June 30, 2022 – All Funds

B1

Report Highlights



Cash Funds Uncommitted Reserves Fiscal Year Ended June 30, 2022

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Key Concern

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

Key Findings

- We determined that nine departments had funds with excess uncommitted reserves as of June 30, 2022. The departments that we identified as having cash funds with excess uncommitted reserves as of June 30, 2022, are:
 - Department of Agriculture
 - Department of Health Care Policy and Financing
 - Department of Law
 - Department of Local Affairs
 - Department of Personnel & Administration
 - Department of Public Health and Environment
 - Department of Public Safety
 - Department of Regulatory Agencies
 - Department of Revenue
- Within those nine departments, 18 total cash funds had excess uncommitted reserves totaling approximately \$16.4 million
 - The total number of departments with excess uncommitted reserves increased by four from the prior year.
 - The total number of funds with excess uncommitted reserves decreased by one from the prior year.
 - Total excess uncommitted reserves increased by approximately \$1.4 million from the prior year.
- The Department of Personnel and Administration had a cash fund with excess uncommitted reserves for 3 consecutive years; as a result, the OSC will be required to restrict its spending authority in accordance with Section 24-75-402(12), C.R.S., beginning in Fiscal Year 2023.
- The Department of Public Health and Environment and the Department of Regulatory Agencies have had cash funds with excess uncommitted reserves for 4 consecutive years; as a result, the OSC began restricting both departments' spending authority in Fiscal Year 2022 in accordance with Section 24-75-402(12), C.R.S. and will continue to restrict its spending authority in Fiscal Year 2023.

Background

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

Recommendations Made

18

Responses

Agree: **18**

Partially Agree: **0**

Disagree: **0**



Chapter 1

Overview

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

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

Methodology to Identify Cash Funds with Excess Uncommitted Reserves

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

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

Exhibit 1.1
Hypothetical Balances for Cash Fund Z
Calculation of Excess Uncommitted Reserve
Balances as of June 30, 20XX

Hypothetical Balances:			
Ending fund balance		\$ 400,000	A
Exempt assets (e.g. inventory)		\$ 1,000	B
Capital Reserve		\$ 1,000	C
Previously appropriated fund balance (e.g., capital construction)		\$ 3,000	D
Fiscal Year 20XX revenue and expenses:			
Fee revenue		\$ 200,000	E
Non-fee revenue		\$ 50,000	F
Total revenue		\$ 250,000	G
Total expenses		\$ 200,000	H
Steps used to calculate the amount of excess uncommitted reserves:			
1 Calculate the uncommitted reserve			
Reduce fund balance by exempt assets and any previously appropriated fund balance			
Fund balance		\$ 400,000	A
Less: Exempt assets		\$ (1,000)	B
Capital reserve		\$ (1,000)	C
Previously appropriated fund balance		\$ (3,000)	D
Reduced fund balance			\$ 395,000
Multiply reduced fund balance by the ratio of fee revenue to total revenue			
Fee revenue		\$ 200,000	E
Total revenue		\$ 250,000	G
Ratio of fee revenue to total revenue			80%
Uncommitted reserve			\$ 316,000
<i>(Note: Reduced fund balance multiplied by the ratio.)</i>			
2 Calculate the Maximum reserve			
Multiply total expenses by 16.5 percent			
Total expenses		\$ 200,000	H
X		16.5%	
Maximum reserve			\$ 33,000
3 Calculate the excess uncommitted reserve			
Subtract maximum reserve from the uncommitted reserve			
Excess uncommitted reserve			\$ 283,000

Cash Funds Uncommitted Reserves for Fiscal Year 2022

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

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

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

Exhibit 1.2
State of Colorado
Joint Budget Committee Approved Cash Fund Waivers for Cash Funds
with Excess Uncommitted Reserves Effective as of Fiscal Year 2022

Fund Name	Waiver Type	Maximum Reserve	Alternative Maximum Reserve	Waiver Period (Fiscal Years)
Agriculture				
Industrial Hemp Registration Program Cash Fund	Exemption	N/A	N/A	2021 through 2023
Education				
Educator Licensure Cash Fund	Exemption	N/A	N/A	2022 through 2023
Higher Education				
Private Occupational Schools Fund	Exemption	N/A	N/A	2020 through 2022
Human Services				
Records and Reports Fund	Exemption	N/A	N/A	2020 through 2022
Labor and Employment				
Conveyance Safety Fund	Alternative Maximum	\$155,333	\$1,500,000	2022 through 2023
Wage Theft Enforcement Fund	Exemption	N/A	N/A	2022 through 2025
Workers' Compensation Cost Containment Fund	Exemption	N/A	N/A	2021 through 2022
Public Health and Environment				
Home Care Agency Fund	Exemption	N/A	N/A	2022
Assisted Living Residence Cash Fund	Exemption	N/A	N/A	2022 through 2023
Radiation Control Fund	Exemption	N/A	N/A	2022 through 2023
Public Safety				
Health Facility Construction and Inspection Cash Fund	Alternative Maximum	\$318,409	\$578,925	2021 through 2023
Public School Construction and Inspection Cash Fund	Alternative Maximum	\$367,474	\$890,846	2021 through 2023
School Safety Resource Cash Fund	Exemption	N/A	N/A	2022 through 2023
Instant Criminal Background Check Cash Fund	Exemption	N/A	N/A	2022 through 2024
Revenue				
Liquor Enforcement Division and State Licensing Authority	Exemption	N/A	N/A	2020 through 2022
Marijuana Cash Fund ¹	Exemption	N/A	N/A	2020 through 2022

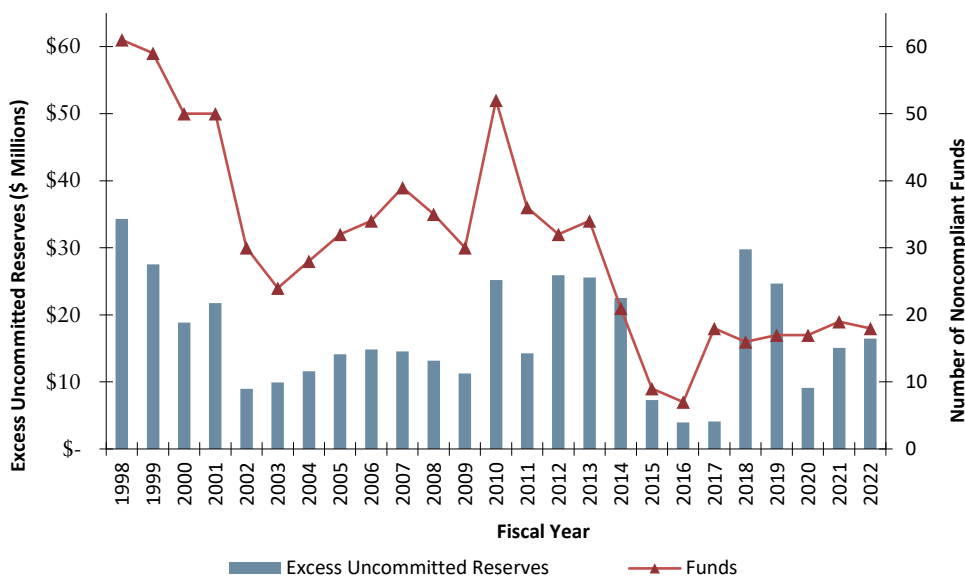
Source: Joint Budget Committee letters to the Office of the State Controller dated March 2019 through April 2022.

¹This fund is distinct from the Medical Marijuana Cash Fund administered by the Department of Public Health and Environment.

The Fiscal Year 2022 Report indicates that, overall, Section 24-75-402, C.R.S., has reduced total excess uncommitted reserves since 1998. The Report shows 18 cash funds with excess uncommitted reserves of about \$16.4 million, compared with 61 cash funds with excess uncommitted reserves of about \$34.3 million identified in the Fiscal Year 1998 Report. From Fiscal Year 2021 to Fiscal Year 2022 the total excess uncommitted reserves increased by approximately \$1.4 million, and the total number of funds decreased by one.

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

Exhibit 1.3
State of Colorado
Cash Funds Excess Uncommitted Reserves
and Number of Noncompliant Funds by Fiscal Year



Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for Fiscal Years 1998 through 2022*.

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

Taxpayer’s Bill of Rights (TABOR) Implications

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

income and sales taxes, and fees from cash-funded activities. The financial information relating to fee revenue contained in this audit report is a component of all fees from cash-funded activities. As reported by the State Controller as of September 1, 2022, the State had approximately \$19.7 billion in TABOR revenue for Fiscal Year 2022. This included \$5.5 billion recorded in all cash funds, with \$275.5 million in cash funds subject to the requirements of this report. Fiscal Year 2022 revenue was over the limit by \$3.7 billion. When the State's TABOR revenue exceeds the limit, excess fee revenue in cash funds may influence whether the State will owe TABOR refunds. Section 24-75-402(3)(c), C.R.S., requires a department to reduce fees or increase expenditures if the department has excess uncommitted reserves.

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

Exhibit 1.4
State of Colorado
Cash Funds with 10 Largest Excess Uncommitted Reserves Balances
as of June 30, 2022 with Comparison of Balances as of June 30, 2021

Department	Fund Name	Excess Uncommitted Reserves 2021	Excess Uncommitted Reserves 2022	Total Number of Years out of Compliance ¹
Department of Regulatory Agencies	Division of Professions and Occupations Cash Fund	\$0	\$3,882,428	9
Department of Public Health and Environment	Hazardous Substances Response Fund	\$4,159,019	\$2,657,591	2
Department of Regulatory Agencies	Public Utilities Commission Fixed Utility Fund	\$0	\$2,201,883	4
Department of Personnel and Administration	Supplier Database Cash Fund	\$2,752,337	\$1,826,120	10
Department of Local Affairs	Mobile Home Park Act Dispute Resolution and Enforcement	\$0	\$1,194,430	1
Department of Public Health and Environment	Vital Records	\$663,304	\$963,899	4
Department of Agriculture	Plant Health, Pest Control and Environmental Protection Fund	\$0	\$794,659	1
Department of Health Care Policy and Financing	Department of Health Care Policy and Financing Cash Fund	\$0	\$548,979	1
Department of Public Safety	Colorado Bureau of Investigation Identification Unit Fund	\$0	\$541,662	2
Department of Law	Uniform Consumer Credit Code Cash Fund	\$0	\$299,336	11

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2001, through 2022*.

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

Restriction of Spending Authority

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

Exhibit 1.5 provides a listing of the cash funds with excess uncommitted reserves for 2 or more consecutive years as of June 30, 2022. As shown in the exhibit the Supplier Database Cash Fund at the Department of Personnel and Administration had an excess uncommitted reserve for 3 consecutive years. As a result, this fund is now subject to spending authority restriction in Fiscal Year 2023, in accordance with statute. The Medical Marijuana Cash Fund at the Department of Public Health and Environment and the Division of Securities Cash Fund at the Department of Regulatory Agencies had an excess uncommitted reserve for 4 consecutive years, and therefore, were subject to the spending authority restriction in Fiscal Year 2022. These two funds will continue to be subject to the restriction in Fiscal Year 2023.

The remaining funds, which have had excesses for 2 consecutive years, will be subject to the spending authority restriction in Fiscal Year 2024 if they continue to have an excess uncommitted reserve at the end of Fiscal Year 2023.

Exhibit 1.5
State of Colorado
Cash Funds with 2 or More Consecutive Years of Excess
Uncommitted Reserves as of June 30, 2022

Fund Name	Excess Uncommitted Reserves			
	2019	2020	2021	2022
Department of Personnel and Administration				
Disability Support	\$0	\$0	\$217,959	\$267,169
Supplier Database Cash Fund	\$0	\$2,096,339	\$2,752,337	\$1,826,120
Subtotal	\$0	\$2,096,339	\$2,970,296	\$2,093,289
Department of Public Health and Environment				
Hazardous Substances Response Fund	\$0	\$0	\$4,159,019	\$2,657,591
Vital Records Fund	\$0	\$0	\$663,304	\$963,899
Medical Marijuana Cash Fund	\$31,699	\$190,239	\$24,665	\$10,718
Subtotal	\$31,699	\$190,239	\$4,846,988	\$3,632,208
Department of Regulatory Agencies				
Division of Securities Cash Fund	\$713,942	\$75,011	\$105,715	\$208,616
Department of Revenue				
Auto Dealers License Fund	\$0	\$0	\$1,162,700	\$233,245
Grand Total	\$745,641	\$2,361,589	\$9,085,699	\$6,167,358

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2019, through 2022*.

Reporting Requirements

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

Current and Prior Year Compliance

In our *Fiscal Year 2022 Cash Funds Uncommitted Reserves* audit report we have made recommendations to nine departments for 18 funds with excess uncommitted reserves that were out of compliance with Section 24-75-402(3)(c), C.R.S. By comparison, in the previous year, as a result of our Fiscal Year 2021 audit, we made recommendations to five departments for 19 cash funds that were out of compliance.

Exhibit 1.6 shows cash funds with any excess uncommitted reserves at the end of Fiscal Year 2022 or Fiscal Year 2021. The complete Report with all cash funds with uncommitted reserves greater than \$200,000 at the end of Fiscal Year 2022 and subject to Section 24-75-402, C.R.S., is on pages 42 and 43.

Exhibit 1.6
State of Colorado
Cash Funds Excess Uncommitted Reserves Summary
for the Fiscal Years Ended June 30, 2021 and 2022

Fund Name	Excess Uncommitted Reserves	
	Fiscal Year 2021	Fiscal Year 2022
Department of Agriculture		
Inspection and Consumer Services Cash Fund	\$0	\$126,664
Plant Health, Pest Control and Environmental Protection	\$0	\$794,659
Subtotal	\$0	\$921,323
Department of Health Care Policy and Financing		
Department of Health Care Policy and Financing Cash Fund	\$0	\$548,979
Department of Law		
Uniform Consumer Credit Code Cash Fund	\$0	\$299,336
Student Loan Ombudsperson and Loan Servicer Licensing Fund	\$0	\$204,096
Subtotal	\$0	\$503,432
Department of Local Affairs		
Building Regulation Fund	\$0	\$295,150
Private Activity Bond Allocation Fund	\$0	\$186,639
Mobile Home Park Act Dispute Resolution and Enforcement Fund	\$0	\$1,194,430
Subtotal	\$0	\$1,676,219
Department of Personnel and Administration		
Disability Support Fund	\$217,959	\$267,169
Supplier Database Cash Fund	\$2,752,337	\$1,826,120
Subtotal	\$2,970,296	\$2,093,289
Department of Public Health and Environment		
Hazardous Substances Response Fund	\$4,159,019	\$2,657,591
Radiation Control Fund	\$366,340	\$0
Vital Records Fund	\$663,304	\$963,899
Trauma System Cash Fund	\$315,309	\$0
Medical Marijuana Cash Fund	\$24,665	\$10,718
Home Care Agency Cash Fund	\$15,415	\$0
Assisted Living Residence Fund	\$182,922	\$0
Laboratory Cash Fund	\$114,286	\$0
Subtotal	\$5,841,260	\$3,632,208

Exhibit 1.6 (continued)
State of Colorado
Cash Funds Excess Uncommitted Reserves Summary
for the Fiscal Years Ended June 30, 2021 and 2022

Fund Name	Excess Uncommitted Reserves	
	Fiscal Year 2021	Fiscal Year 2022
Department of Public Safety		
Colorado Bureau of Investigation Identification Unit Fund	\$0	\$541,662
School Safety Resource Center Cash Fund	\$299,724	\$0
Instant Criminal Background Check Fund	\$1,632,224	\$0
Subtotal	\$1,931,948	\$541,662
Department of Regulatory Agencies		
Conservation Easements Cash Fund	\$433,650	\$0
Public Utilities Commission Fixed Utility Fund	\$0	\$2,201,883
Division of Professions and Occupations Cash Fund	\$0	\$3,882,428
Prescription Drug Monitoring Fund	\$62,471	\$0
Telecommunications Utility Fund	\$337,539	\$0
Real Estate Cash Fund	\$1,990,598	\$0
Division of Securities Cash Fund	\$105,715	\$208,616
Subtotal	\$2,929,973	\$6,292,927
Department of Revenue		
Racing Cash Fund	\$223,609	\$0
Auto Dealers License Fund	\$1,162,700	\$233,245
Subtotal	\$1,386,309	\$233,245
Grand Total	\$15,059,786	\$16,443,284

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2021 and 2022*, prepared by the Office of the State Controller.

Audit Purpose, Scope, and Methodology

We conducted this performance audit pursuant to Section 24-30-207(3), C.R.S., which requires the State Auditor to perform an audit of the OSC’s annual Report. We performed our audit work on the Fiscal Year 2022 Report during the period July 2022 through October 2022. We appreciate the cooperation and assistance provided by the State Controller and OSC staff, as well as staff at the various departments. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The key audit objectives were to determine compliance of the State’s cash funds in accordance with Section 24-75-402, C.R.S., and to determine whether the schedules contained in the State

Controller's Report were prepared in accordance with Statute. The full Report is included on pages 42 and 43 of this audit report.

To accomplish our audit objectives, we performed the following audit work:

- Determined whether the schedules contained in the Report, as prepared by the OSC, were prepared in accordance with statute.
- Obtained an understanding of internal control that is significant within the context of audit objectives. If significant to audit objectives, we evaluated the effectiveness of internal control in relation to the OSC's preparation of the financial report.
- Determined whether departments complied with Section 24-75-402, C.R.S., for cash funds with excess uncommitted reserves as of the Fiscal Year Ended June 30, 2022.
- Determined whether the OSC has created policies and procedures to ensure creation of an accurate list of funds for which they are required to restrict spending authority in accordance with Section 24-75-402(12), C.R.S.
- Followed up on prior year audit recommendations.

We relied on sampling to support some of our audit work. We selected a nonstatistical sample of 100 of the total 517 funds and performed detailed testing of the various balances reported in the OSC's Report. We chose the sample to provide sufficient coverage of those areas that were significant to the objectives of this audit and the results of our sample testing were not intended to be projected to the entire population. However, the sample results are valid for confirming that the departments generally recorded cash fund information in accordance with the OSC's Fiscal Procedures Manual (FPM) and, along with the other audit work performed, provide sufficient, reliable evidence as the basis for our findings, conclusions, and recommendations. The OSC publishes the FPM each year to communicate policies and procedures to the departments, and it includes detailed policies for recording transactions related to cash funds. This is the main way the OSC communicates internal control information externally to each department.

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

Overall Conclusion

Based on the results of our audit we determined the schedules contained in the Report, as prepared by the OSC, were prepared in accordance with Section 24-75-402, et. seq., C.R.S., including within the deadline for submission to the OSPB and JBC outlined in Section 24-30-207(3), C.R.S. We obtained an understanding of internal controls that were significant within the context of our audit objectives, evaluated the effectiveness of internal control in relation to the State Controller's preparation of the financial report, and found no deficiencies.

We determined that the OSC has created and implemented policies and procedures to ensure creation of an accurate list of funds for which they are required to restrict spending authority in accordance with Section 24-75-402(12), C.R.S.

We determined that nine departments did not comply with Section 24-75-402, C.R.S., for cash funds with excess uncommitted reserves as of the Fiscal Year Ended June 30, 2022. During our review of prior year audit recommendations, we determined that departments implemented our Fiscal Year 2021 recommendations for 12 cash funds across 4 departments, and 7 cash funds across 4 departments continued to be out of compliance. We describe specific details regarding these instances of noncompliance, our findings, and recommendations to the various departments in Chapter 2.

Chapter 2

Findings and Recommendations

Compliance with Statutory Reserve Requirements

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

What audit work was performed and what was the purpose?

As part of our audit of the Fiscal Year 2022 *Cash Funds Uncommitted Reserves Report* (Report) we reviewed the departments' cash fund balances, obtained fund descriptions, and performed testwork on significant balances. The purpose of our audit work was to determine departments' compliance with statutory limits on excess uncommitted cash funds reserves.

How were the results of the audit work measured?

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

What problem did the audit work identify?

During our audit, we found that nine departments had excess uncommitted reserves as of the end of Fiscal Year 2022, totaling approximately \$16.4 million within 18 cash funds that are subject to statutory limits. The departments and funds not in compliance as of June 30, 2022, are described in the following department sections in this report, along with the number of years each fund has shown an excess, based on the first year of required compliance.

Why did this problem occur?

The nine departments with excess uncommitted reserves for Fiscal Year 2022 did not take action to ensure statutory compliance with cash funds uncommitted reserves limits such as reducing fees, spending down the balance, or seeking a waiver from the Joint Budget Committee.

Why does this problem matter?

As discussed in Chapter 1, because the departments did not take the necessary action to reduce fees, excess reserves were not mitigated effectively. Further, because cash fund fees are considered part of TABOR revenue, excess cash reserves contribute to the State potentially exceeding TABOR limits in a given year. For Fiscal Year 2022, the State was over the TABOR excess revenues cap by \$3.7 billion according to the State Controller's September 1 TABOR certification letter.

Department of Agriculture

As of June 30, 2022, the Department of Agriculture had two cash funds out of compliance with Section 24-75-402(3)(c), C.R.S., with excess uncommitted reserves totaling approximately \$0.9 million.

Inspection and Consumer Services Cash Fund

Purpose: Fees are charged 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 2022 was the 7th year in total since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.1

Inspection and Consumer Services Cash Fund

Fiscal Year	Amount of Excess
2006-2007 ¹	\$ –
2008	\$456,991
2009 ¹	\$ –
2010	\$124,408
2011-2012 ¹	\$ –
2013	\$724,084
2014	\$519,857
2015	\$93,819
2016 ¹	\$ –
2017	\$189,301
2018-2021 ¹	\$ –
2022	\$126,664

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports* for the Fiscal Years Ended June 30, 2006, through 2022.

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

Plant, Health, Pest Control and Environmental Protection Fund

Purpose: To collect fees, fines, and penalties related to the enforcement of environmental provisions such as biological pest control, bee inspections, ground water protection, and pesticide applicator license and inspections.

First Year of Required Compliance: Fiscal Year 2011.

Status: Fiscal Year 2022 was the 1st year since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.2

Plant, Health, Pest Control and Environmental Protection Fund

Fiscal Year	Amount of Excess
2011-2021 ¹	\$ –
2022	\$794,659

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports* for the Fiscal Years Ended June 30, 2011, through 2022.

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

Recommendation 1

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

- A. Ensuring that the Inspection and Consumer Services Cash Fund complies with applicable cash funds statutory requirements.
- B. Ensuring that the Plant, Health, Pest Control and Environmental Protection Fund complies with applicable cash funds statutory requirements.

Response

Department of Agriculture

A. Agree

Implementation Date: June 2023

- We will focus on one-time expenses to cover the purchase and maintenance of laboratory instruments in the biochemistry and metrology laboratory and the weights and measures program. Both laboratories are partially funded by the Inspection and Consumer Services (ICS) Fund 16R0. Instrument purchase and maintenance can be very costly. The ICS Fund 16R0 will purchase a \$40,000 comparator for the metrology lab. The fund will purchase a \$74,000 autoclave and a \$38,000 DNA purification system for the biochemistry lab. In addition, the weights and measure program will spend \$11,000 on hanging weight kits and \$2,800 for replacement weight kit cases. The total amount spent out of the ICS Fund 16R0 will be \$165,800.
- We will shift expenses from the General Fund to the ICS Cash Fund where appropriate.
- We have moved personnel expenses from ICS Fund 16R0 over to new federal funding programs. Receipt of these federal funds ultimately reduces the allocation of existing personnel that would otherwise go to Fund 16R0. However, these are temporarily funded projects with federal grants. ICS can look to move some of the personnel services back to 16R0 to help reduce the fund balance. As part of this evaluation, we would evaluate the guidelines of potential federal funding sources to determine if we could move expenses to that source.
- The Colorado Department of Agriculture (CDA) will look into the feasibility and need of a fee reduction or fee holiday if the methods above do not achieve a proper reduction in the reserve balance.

B. Agree

Implementation Date: June 2023

The Division of Plants Industry has a few strategies to reduce the fund balance in 23S0

1. New Database System: CDA will procure a new licensing and inspection software system through a national multi-agency and multi-million-dollar initiative in FY23. CDA intends to design the Pesticide modules with additional spending authority received through an approved decision item in 2021. We intend to use an estimated \$325,000 to build the modules for pesticides and other programs funded through 23S0.
2. San Luis Valley Well Monitoring Project: CDA collected revenue over FY21 and FY22 through the Pesticide program to expand the groundwater project. In FY22, CDA received an increase of \$385,000 in spending authority in 23S0 for well monitoring in the San Luis Valley. This project should be completed by the end of FY23.
3. Pesticides Program Personnel Services: CDA will ensure we maximize spending authority for all programs funded by 23S0 to adequately support the necessary services we provide to customers, including quickly filling vacant positions.
4. Reduction of Fees: CDA will look into the feasibility and need for a fee reduction or fee holiday if the methods above do not achieve a proper reduction in the reserve balance.

Implementation Dates:

1. New Database System: Planned implementation date will be through fiscal year end FY23 (June 2023).
2. San Luis Valley Well Monitoring Project: Planned implementation date will be through fiscal year end FY23 (June 2023).
3. Pesticides Program Personnel Services: This will occur throughout the fiscal year as we continue to evaluate the needs of the program.

Department of Health Care Policy and Financing

As of June 30, 2022, the Department of Health Care Policy and Financing had one cash fund out of compliance with Section 24-75-402(3)(c), C.R.S., with excess uncommitted reserves totaling approximately \$0.5 million.

Department of Health Care Policy and Financing Cash Fund

Purpose: To collect fees for provider screenings which are used to offset provider screening costs.

First Year of Required Compliance: Fiscal Year 2003.

Status: Fiscal Year 2022 was the 1st year since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.3 Department of Health Care Policy and Financing Cash Fund

Fiscal Year	Amount of Excess
2003-2021 ¹	\$-
2022	\$548,979

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2003, through 2022.*

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

Recommendation 2

The Department of Health Care Policy and Financing should take appropriate action to ensure that the Department of Health Care Policy and Financing Cash Fund complies with applicable cash funds statutory requirements.

Response

Department of Health Care Policy and Financing

Agree

Implementation Date: June 2023

The Department did not have enough spending authority to fully spend down the cash fund. To implement the recommendation, the Department will work through the normal budget process to increase spending authority for the cash fund. Once the spending authority is increased, the Department will be able to utilize enough cash fund revenue to comply with statute.

Department of Law

As of June 30, 2022, the Department of Law had two cash funds out of compliance with Section 24-75-402(3)(c), C.R.S., with excess uncommitted reserves totaling approximately \$0.5 million.

Uniform Consumer Credit Code Cash Fund

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

First year of required compliance: Fiscal Year 2003.

Status: Fiscal Year 2022 was the 11th year in total since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.4 Uniform Consumer Credit Code Cash Fund

Fiscal Year	Amount of Excess
2003	\$ 146,836
2004 ¹	\$ –
2005	\$69,796
2006	\$187,293
2007	\$113,989
2008-2010 ¹	\$ –
2011	\$35,918
2012	\$176,400
2013-2016 ¹	\$ –
2017	\$369,028
2018	\$202,047
2019	\$140,729
2020	\$193,429
2021 ¹	\$ –
2022	\$299,336

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2003, through 2022*.

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

Student Loan Ombudsperson and Loan Servicer Licensing Fund

Purpose: To record the licensing and investigation fees collected for the purpose of administering and enforcing the student loan servicers and private education lenders.

First Year of Required Compliance: Fiscal Year 2022.

Status: Fiscal Year 2022 was the 1st year since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.5

Student Loan Ombudsperson and Loan Servicer Licensing Fund

Fiscal Year	Amount of Excess
2022	\$204,096

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Report for the Fiscal Year Ended June 30, 2022*.

Recommendation 3

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

- A. Ensuring that the Uniform Consumer Credit Code Cash Fund complies with applicable cash funds statutory requirements.
- B. Ensuring that the Student Loan Ombudsperson and Loan Servicer Licensing Fund complies with applicable cash funds statutory requirements.

Response

Department of Law

- A. Agree
Implementation Date: June 2024

The Department of Law will propose legislation, during the 2023 session, to address current uncertainties in fee setting, which may include the statutory timing of fees and other administrative remedies. The exact language of proposed legislation is unknown for this October 2022 response to audit staff, due to the uncertainty of the November election. The DOL will work with the AG and sponsors after November to propose language that will better enable DOL staff to forecast revenues to cover budgeted expenditures while meeting cash fund compliance requirements. The DOL anticipates legislative changes will enable the DOL to address the current January fee dates for this fund and meet compliance requirements by June 30, 2024.

B. Agree

Implementation Date: June 2023

The Student Loan regulatory program has had to address various uncertainties in the market, since the inception of the regulatory program. The number of licenses is still unsettled in this program. Currently, several prominent federal student loan servicing firms are exiting the industry. Additionally, SB21-057 added private lenders, creditors, and collection agencies connected with student loans to the regulatory footprint of the Colorado Student Loan Servicers Act, beginning September, 2021.

The DOL has made judicious efforts in forecasting the number of entities that license and pay fees annually against anticipated budgeted expenditures.

The DOL now has full staffing and is in a position to best predict anticipated expenditures annually. Although the market continues to change, the DOL is anticipating with 2 years of fee settings and one full cycle of private lender licensing to draw from, that fee setting for January 2023 will align with expenditures and fund balance requirements, thereby permitting this fund's compliance with statutory fund balance requirements in June, 2023.

Department of Local Affairs

As of June 30, 2022, the Department of Local Affairs had three cash funds out of compliance with Section 24-75-402(3)(c), C.R.S., with excess uncommitted reserves totaling approximately \$1.7 million.

Building Regulation Fund

Purpose: To collect registration fees charged to installers and sellers of manufactured homes as well as various other fees established by the State Housing Board.

First Year of Required Compliance: Fiscal Year 2003.

Status: Fiscal Year 2022 was the 10th year in total since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.6
Building Regulation Fund

Fiscal Year	Amount of Excess
2003-2004 ¹	\$ –
2005	\$550,006
2006	\$931,721
2007	\$1,106,743
2008	\$1,197,489
2009 ¹	\$ –
2010	\$204,546
2011	\$337,518
2012	\$377,677
2013-2015 ¹	\$ –
2016 ²	\$53,275
2017	\$117,864
2018-2021 ¹	\$ –
2022	\$295,150

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2003, through 2022*.

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

²This fund was not reported with excess uncommitted reserves in the Fiscal Year 2016 Report due to the erroneous omission of the fund in the prior year.

Private Activity Bond Allocation Fund

Purpose: To collect administrative fees for direct allocations or from entities that receive bonding authority.

First Year of Required Compliance: Fiscal Year 2003.

Status: Fiscal Year 2022 was the 3rd year in total since the Fund’s inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.7
Private Activity Bond Allocation Fund

Fiscal Year	Amount of Excess
2003-2006 ¹	\$ –
2007	\$41,720
2008	\$90,944
2009-2021 ¹	\$ –
2022	\$186,639

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2003, through 2022*.

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

Mobile Home Park Act Dispute Resolution and Enforcement Fund

Purpose: To collect fees for the purpose of administering the mobile home park act dispute resolution and enforcement program.

First Year of Required Compliance: Fiscal Year 2022.

Status: Fiscal Year 2022 was the 1st year since the Fund’s inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.8
Mobile Home Park Act Dispute Resolution and Enforcement Fund

Fiscal Year	Amount of Excess
2022	\$1,194,430

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Report for the Fiscal Year Ended June 30, 2022.*

Recommendation 4

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

- A. Ensuring that the Building Regulation Fund complies with applicable cash funds statutory requirements.
- B. Ensuring that the Private Activity Bond Allocation Fund complies with applicable cash funds statutory requirements.
- C. Ensuring that the Mobile Home Park Act Dispute Resolution and Enforcement Fund complies with applicable cash funds statutory requirements.

Response

Department of Local Affairs

- A. Agree
Implementation Date: June 2025

The Department of Local Affairs agrees that the Building Regulation Fund is out of compliance with the statutory reserve requirements. A resolution plan is in place to bring the excess reserves in the fund into compliance by June 2025. Working through the budgetary process, a Decision Item was submitted November 1st for inclusion in the FY 2024 budget that would provide for

additional appropriation for both ongoing and temporary staffing resources to meet the increased demands and accompanying fee revenue for the Building Regulation Program. Also, pursuant to HB 22-1329 Long Bill footnote 79a, the program received one-time authority to increase spending by 115.0 percent for FY 2023. In addition, HB22-1242 added additional program and fee authority for regulating Tiny Homes manufacture, sale and installation. With these additional program changes and anticipated additional spending authority for FY 2024, the department anticipates full compliance will be accomplished by June 2025 but will be analyzing the need for fee adjustments in early FY 2024.

B. Agree

Implementation Date: June 2023

The Department of Local Affairs agrees that the Private Activity Bond Allocation Fund is out of compliance with the statutory reserve requirements. This fund receives bond issuance fees to support the direct and indirect costs of a small program (only 1.0 FTE). The amount and timing of the program's fee income is unpredictable because projects that receive bonds have up to three years to close and generate fees. As a result, it is difficult to manage the program's revenues to match its spending each fiscal year. A resolution plan is in place to bring the excess reserves in the fund into compliance by June 2023. This will be accomplished primarily by the filling of the program position that had been vacant for much of FY 2021 and part of FY 2022. As a result, the department anticipates the fund will have uncommitted reserves of less than \$200,000 by June 2023.

C. Agree

Implementation Date: June 2024

The Department of Local Affairs agrees that the Mobile Home Park Act Dispute Resolution and Enforcement Fund is out of compliance with the statutory reserve requirements. A resolution plan is in place to bring the excess reserves in the fund into compliance by June 2024. This will be accomplished primarily by the filling of positions that had not yet been hired to administer the program.

House Bill 19-1309 added enforcement of the Mobile Home Park Act and implementation and oversight of the Mobile Home Park Act Dispute Resolution and Enforcement Program to DOLA functions starting FY 2021. This program entered the second full year of operations in FY 2022 and has not yet fully experienced the complete life-cycle for adjudicating complaints and therefore was not yet fully staffed. In early FY 2023, two new positions were filled to process complaints, one park sale administrator and two new compliance investigators positions will be filled by December 1, and an outreach liaison position will be filled by the end of this fiscal year. The department expects to be in compliance with the statute by June of 2024.

Department of Personnel and Administration

As of June 30, 2022, the Department of Personnel and Administration had two cash funds out of compliance with Section 24-75-402(3)(c), C.R.S., with excess uncommitted reserves totaling approximately \$2.1 million.

Disability Support Fund

Purpose: To record the funds received from the sale of registration numbers for license plates to benefit Colorado’s disability community.

First Year of Required Compliance: Fiscal Year 2015.

Status: Fiscal Year 2022 was the 2nd year since the Fund’s inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.9 Disability Support Fund

Fiscal Year	Amount of Excess
2015-2020 ¹	\$ –
2021	\$217,959
2022	\$267,169

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2015, through 2022*.

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

Supplier Database Cash Fund

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

First Year of Required Compliance: Fiscal Year 2003.

Status: Fiscal Year 2022 was the 10th year in total since the Fund’s inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S. The Fund has been out of compliance for 3 consecutive years and is, therefore, also subject to continuing spending restrictions noted in Section 24-75-402(12), C.R.S.

Exhibit 2.10
Supplier Database Cash Fund

Fiscal Year	Amount of Excess
2003-2009 ¹	\$ –
2010	\$142,569
2011	\$88,699
2012	\$181,983
2013	\$259,252
2014	\$1,295,229
2015	\$2,209,436
2016	\$1,805,137
2017-2019 ¹	\$ –
2020	\$2,096,339
2021	\$2,752,337
2022	\$1,826,120

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2003, through 2022.*

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

Recommendation 5

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

- A. Ensuring that the Disability Support Fund complies with applicable cash funds statutory requirements.
- B. Immediately addressing the Supplier Database Cash Fund’s excess uncommitted reserves in order to meet the requirements for the State Controller to release any spending restrictions on the Fund.

Response

Department of Personnel and Administration

- A. Agree
 Implementation Date: August 2022

The Disability Support Fund was technically subject to the requirements of 24-75-402 through the end of FY 2021-22, even though the Department fulfilled its previous obligation of securing an exemption from the requirements. The exemption was granted through SB 22-217 with the adoption of 24-75-402 (5) (yy). Because that legislation did not include a safety clause, the Disability Support Fund was still required to comply with 24-75-402 through the end of FY 2021-22. The Department is now in compliance.

B. Agree

Implementation Date: June 2024

The Department of Personnel & Administration agrees that the Supplier Database Cash Fund is out of compliance with its statutory reserve requirements. Even though the Department was successful in spending down \$4.1 million of this fund's balance in FY 2021-22 as noted in the previous year's response, revenues far exceeded expectations due to an economic recovery spending bounce as well as vendor reconciliation of fees and rebates due the State from FY 2020-21 activity. The Department anticipates spending approximately \$3.6 million out of this fund in FY 2022-23, and through the normal budget process bringing the fund into compliance by FY 23-2024.

Department of Public Health and Environment

As of June 30, 2022, the Department of Public Health and Environment had three cash funds out of compliance with Section 24-75-402(3)(c), C.R.S., with excess uncommitted reserves totaling approximately \$3.6 million.

Hazardous Substances Response Fund

Purpose: To record activities related to the actions of the various sites that hold hazardous substances.

First Year of Required Compliance: Fiscal Year 2018.

Status: Fiscal Year 2022 was the 2nd year since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.11 Hazardous Substances Response Fund

Fiscal Year	Amount of Excess
2018-2020 ¹	\$ –
2021	\$4,159,019
2022	\$2,657,591

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2018, through 2022*.

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

Vital Records Fund

Purpose: To maintain the vital statistics system.

First Year of Required Compliance: Fiscal Year 2003.

Status: Fiscal Year 2022 was the 4th year in total since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.12 Vital Records Fund

Fiscal Year	Amount of Excess
2003-2008 ¹	\$ –
2009	\$28,590
2010	\$271,261
2011-2020 ¹	\$ –
2021	\$663,304
2022	\$963,899

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2003, through 2022.*

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

Medical Marijuana Cash Fund

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

First Year of Required Compliance: Fiscal Year 2004.

Status: Fiscal Year 2022 was the 17th year in total since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S. The Fund has been out of compliance for 4 consecutive years and is, therefore, also subject to continuing spending restrictions noted in Section 24-75-402(12), C.R.S.

Exhibit 2.13
Medical Marijuana Cash Fund

Fiscal Year	Amount of Excess
2004 ²	\$282
2005 ²	\$16,170
2006 ²	\$23,018
2007 ²	\$84,580
2008 ²	\$189,920
2009 ²	\$222,546
2010 ²	\$4,127,911
2011 ²	\$7,321,922
2012	\$11,322,309
2013	\$12,542,567
2014	\$12,977,819
2015	\$1,426,724
2016	\$169,156
2017-2018 ¹	\$ –
2019	\$31,699
2020	\$190,239
2021	\$24,665
2022	\$10,718

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2004, through 2022*.

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

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

Recommendation 6

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

- A. Ensuring that the Hazardous Substances Response Fund complies with applicable cash funds statutory requirements.
- B. Ensuring that the Vital Records Fund complies with applicable cash funds statutory requirements.

- C. Immediately addressing the Medical Marijuana Cash Fund's excess uncommitted reserves in order to meet the requirements for the State Controller to release any spending restrictions on the Fund.

Response

Department of Public Health and Environment

- A. Agree

Implementation Date: July 2023

The Hazardous Substance Response Fund (HSRF) maintains a significant balance, as required to meet the State's long-term obligations under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), known as Superfund. The current total long-term liability is approximately \$199M through FY2050-51 and the estimated liability through FY2024-25 is about \$18M.

The HSRF cannot maintain a balance at the statutory cap of 16.5%, which is currently about \$895,000, as that is considerably less than the expected need in the next three years and longer term. The Department will continue to look for alternatives to resolve the conflicting information regarding this fund.

- B. Agree

Implementation Date: June 2023

Program staff agrees with recommendation and intend to comply with applicable cash funds statutory requirements by June 2023.

The 2022 excess uncommitted reserve was exacerbated by a combination of collections activities, a reduction of expense and the stop of work on the office's large capital construction project to replace the Birth Registry computer system. Work resumed on the capital project in July 2022 and is expected to expend most, if not all, of the available cash collected by the end of Fiscal Year 2022-23, thus bringing the fund into compliance.

- C. Agree

Implementation Date: June 2023

Program staff agrees with the recommendation and will address the excess uncommitted reserve in this fund through a restriction of \$10,718 in funds.

This is the second year that the program is having funds restricted. In the last year the program worked with the Board of Health to implement a modest fee increase to begin to raise funds needed to implement the new requirements of House Bill 21-1317 (staffing and systemic upgrades). To maximize available cash, the program also limited expenditures. The program

expects to exhaust the balance, while at the same time balancing the potential trend of reduced medical marijuana registry applications. The reduced applications have resulted in a marked reduction in cash collection in the first quarter of the fiscal year.

Department of Public Safety

As of June 30, 2022, the Department of Public Safety had one cash fund out of compliance with Section 24-75-402(3)(c), C.R.S., with excess uncommitted reserves totaling approximately \$0.5 million.

Colorado Bureau of Investigation Identification Unit Fund

Purpose: To record the costs and fees associated with genetic testing of offenders performed by the Colorado Bureau of Investigation.

First Year of Required Compliance: Fiscal Year 2012.

Status: Fiscal Year 2022 was the 2nd year since the Fund’s inception that the Fund was not in compliance with Section 24-75- 402(3)(c), C.R.S.

Exhibit 2.14
Colorado Bureau of Investigation Identification Unit Fund

Fiscal Year	Amount of Excess
2012-2017 ¹	\$-
2018	\$1,843,441
2019-2021 ¹	\$-
2022	\$541,662

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2012, through 2022*.

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

Recommendation 7

The Department of Public Safety should take appropriate action to ensure that the Colorado Bureau of Investigation Identification Unit Fund complies with applicable cash funds statutory requirements.

Response

Department of Public Safety

Agree

Implementation Date: June 2023

The Colorado Bureau of Investigation Identification Unit Fund is used to record fees collected for fingerprint criminal history record checks and name criminal history record checks. The Department of Public Safety intends to request a waiver of the excess reserves for this fund from the Joint Budget Committee for Fiscal Year 2023. Additionally, there is one year left on an IT capital construction project appropriated from this fund for the Colorado Crime Information Center cloud migration. If the waiver is not approved and the project does not use the excess funds the department will consider whether a reduction in the fees is appropriate.

Department of Regulatory Agencies

As of June 30, 2022, the Department of Regulatory Agencies had three cash funds out of compliance with Section 24-75-402(3)(c), C.R.S., with excess uncommitted reserves totaling approximately \$6.3 million.

Public Utilities Commission Fixed Utility Fund

Purpose: To account for the administrative expenses of the Public Utilities Commission for the supervision and regulation of public utilities.

First Year of Required Compliance: Fiscal Year 2001.

Status: Fiscal Year 2022 was the 4th year in total since the Fund’s inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.15
Public Utilities Commission Fixed Utility Fund

Fiscal Year	Amount of Excess
2001-2011 ¹	\$-
2012	\$233,340
2013	\$224,955
2014-2017 ¹	\$-
2018	\$ 71,997
2019-2021 ¹	\$-
2022	\$2,201,883

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2001, through 2022.*
¹This fund was either in compliance or not required to comply with Section 24-75-402(3)(c), C.R.S., during these years.

Division of Professions and Occupations Cash Fund

Purpose: To collect fees for the purpose of protecting the public through effective licensure and enforcement of professions and occupations.

First Year of Required Compliance: Fiscal Year 2001.

Status: Fiscal Year 2022 was the 9th year in total since the Fund’s inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.16
Division of Professions and Occupations Cash Fund

Fiscal Year	Amount of Excess
2001	\$473,453
2002 ¹	\$–
2003	\$761,732
2004 ¹	\$–
2005	\$1,247,399
2006	\$1,503,696
2007-2010 ¹	\$–
2011	\$1,877,326
2012 ¹	\$–
2013	\$637,249
2014	\$379,545
2015-2017 ¹	\$–
2018	\$465,247
2019-2021 ¹	\$–
2022	\$3,882,428

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2001, through 2022*.

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

Division of Securities Cash Fund

Purpose: To collect registration for the purpose of protecting investors by investigating cases of potential investment fraud, examining licensed investment advisers and stockholders, and conducting outreach and educational presentations.

First Year of Required Compliance: Fiscal Year 2001.

Status: Fiscal Year 2022 was the 11th year in total since the Fund’s inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S. The Fund has been out of compliance for 4

consecutive years and is, therefore, also subject to continuing spending restrictions noted in Section 24-75-402(12), C.R.S.

Exhibit 2.17
Division of Securities Cash Fund

Fiscal Year	Amount of Excess
2001	\$112,625
2002–2004 ¹	\$ –
2005	\$279,648
2006	\$288,343
2007	\$230,010
2008	\$47,333
2009 ¹	\$ –
2010	\$85,207
2011–2013 ¹	\$ –
2014	\$165,190
2015–2018 ¹	\$ –
2019	\$713,942
2020	\$75,011
2021	\$105,715
2022	\$208,616

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2001, through 2022*.

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

Recommendation 8

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

- A. Ensuring that the Public Utilities Commission Fixed Utility Fund complies with applicable cash funds statutory requirements.
- B. Ensuring that the Division of Professions and Occupations Cash Fund complies with applicable cash funds statutory requirements.
- C. Immediately addressing the Division of Securities Cash Fund’s excess uncommitted reserves in order to meet the requirements for the State Controller to release any spending restrictions on the Fund.

Response

Department of Regulatory Agencies

A. Agree

Implementation Date: June 2023

The Department agrees with the recommendation and continually monitors all fund balances for compliance with Senate Bill 98-194's limitations on excess uncommitted reserves. With respect to the Fixed Utility Fund, action was taken in June 2022 to reduce the FY 2022-23 assessment by over \$3.2 million in order to address excess fund balance while also accommodating increased appropriations, with a fund balance target of 10%. Compliance is expected as of June 2023.

B. Agree

Implementation Date: June 2024

The Department agrees with the recommendation and continually monitors all fund balances for compliance with Senate Bill 98-194's limitations on excess uncommitted reserves. With respect to the Division of Professions and Occupations Cash Fund, action has already been taken to reduce fees across a number of professional licensing boards as well electrical and plumbing inspection/permit fees. With multiple year license cycles and a wide range of license renewal dates and schedules, compliance is targeted at the board level, with resulting overall fund compliance targeted no later than June 2024. It is important to note that \$15 million in General Fund transfers to this cash fund resulting from HB 22-1298 and HB 22-1299 has enabled the further reduction of fees. The impact of this on fund balance formula calculations may affect the date of compliance, and the Department will work with the State Controller's Office on this issue.

C. Agree

Implementation Date: September 2022

This recommendation remains partially implemented, as under-spending occurring outside of the control of the Department continues to affect compliance for this fund, and immediate further action is being taken. The Department implemented aggressive fee reductions for this fund at the earliest opportunity several years ago, reducing fees by approximately 75% and taking revenue significantly below program costs. Excess fund balance was nearly eliminated by June 2020 having been reduced by 90% (from \$714k to \$75k) since June 2019, requiring fee restorations to avert deficit. The Department made significant progress and would have entirely eliminated the excess by June 2021, but unexpected underspending by another State department during FY 20-21 (\$227k) and FY 21-22 (\$233k) delayed compliance that would have occurred in both of these years. That said, the cumulative impact of fee reductions has resulted in a 10.3% fund balance as of August 2022. Future fee adjustments will be made to ensure continued compliance by June 2023 without resulting in fund balance deficit.

Department of Revenue

As of June 30, 2022, the Department of Revenue had one cash fund out of compliance with Section 24-75-402(3)(c), C.R.S., with excess uncommitted reserves totaling approximately \$0.2 million.

Auto Dealers License Fund

Purpose: To record activity related to the regulatory oversight function of the Motor Vehicle Dealer Board.

First Year of Required Compliance: Fiscal Year 2001.

Status: Fiscal Year 2022 was the 11th year in total since the Fund's inception that the Fund was not in compliance with Section 24-75-402(3)(c), C.R.S.

Exhibit 2.18 Auto Dealers License Fund

Fiscal Year	Amount of Excess
2001	\$163,256
2002-2006 ¹	\$ –
2007	\$569,256
2008-2009 ¹	\$ –
2010	\$644,669
2011	\$331,550
2012	\$144,635
2013	\$488,433
2014	\$618,714
2015	\$196,059
2016 ¹	\$ –
2017	\$183,138
2018-2020 ¹	\$ –
2021	\$1,162,700
2022	\$233,245

Source: Office of the State Auditor analysis of the *Cash Funds Uncommitted Reserves Reports for the Fiscal Years Ended June 30, 2001, through 2022*.

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

Recommendation 9

The Department of Revenue should take appropriate action to ensure that the Auto Dealers License Fund complies with applicable cash funds statutory requirements.

Response

Department of Revenue

Agree

Implementation Date: June 2023

As part of the Fiscal Year 2020-21 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 operations while reducing the excess uncommitted reserve per the statutory requirement. In April 2021, the Motor Vehicle Dealer Licensing Board approved a 35% fee reduction. Although the automotive industry is uncertain and can be volatile, the reduction in fees is reasonable to ensure there is adequate cash to fund operations and to comply with the reserve requirement by the end of Fiscal Year 2022-23. The division will continue to monitor and evaluate revenue and fund balance health to ensure compliance.



**Cash Funds Uncommitted
Reserves Report for the
Fiscal Year Ended
June 30, 2022**

State of Colorado
Cash Funds Uncommitted Reserves Report
Report of Funds with Uncommitted Reserves Greater Than \$200,000
Fiscal Year 2022 as of June 30, 2022

Fund	Fund Balance (Note 4) ¹	Exempt Assets (Note 5)	Capital Reserve (Note 6)	Previously Appropriated Fund Balance (Note 7)	Fee Revenue (Note 8)
Department of Agriculture					
Inspection and Consumer Services Cash Fund	\$1,958,177	\$0	\$10,517	\$0	\$3,615,797
Plant Health, Pest Control and Environmental Protection Fund	3,435,005	-	17,062	-	5,980,167
Subtotal	5,393,182	-	27,579	-	9,595,964
Health Care Policy & Financing					
Medicaid Nursing Facility Cash Fund	1,113,548	-	-	-	56,088,825
Department of Health Care Policy and Financing Cash Fund	578,163	-	-	-	547,680
Subtotal	1,691,711	-	-	-	56,636,505
Human Services					
Child Care Licensing Cash Fund	233,230	-	-	-	2,028,012
Judicial Branch					
Judicial Information Technology Cash Fund	14,999,595	3,214,940	7,208,762	-	28,550,463
Labor and Employment					
Boiler Inspection Fund	396,238	-	-	-	1,441,809
Conveyance Safety Fund	1,109,665	-	-	-	643,736
Subtotal	1,505,903	-	-	-	2,085,545
Law					
Uniform Consumer Credit Code Cash Fund	775,806	-	168,806	-	2,494,796
Student Loan Ombudsperson and Loan Servicer Licensing Fund	284,549	-	3,314	-	596,483
Subtotal	1,060,355	-	172,120	-	3,091,279
Local Affairs					
Moffat Tunnel Cash Fund	229,751	-	-	-	44,318
Building Regulation Fund	500,897	-	-	-	1,089,462
Private Activity Bond Allocation Fund	210,126	-	-	-	149,927
Mobile Home Park Act Dispute Resolution and Enforcement	1,390,460	-	-	-	1,130,886
Subtotal	2,331,234	-	-	-	2,414,593
Personnel and Administration					
Disability Support Fund	447,507	100,000	-	-	120,791
Supplier Database Cash Fund	5,895,806	-	-	-	1,932,515
Subtotal	6,343,313	100,000	-	-	2,053,306
Public Health and Environment					
Hazardous Substances Response Fund	4,004,129	-	-	-	1,982,769
Vital Records Fund	1,535,588	-	-	-	3,820,007
Medical Marijuana Cash Fund	365,876	-	-	-	2,074,064
Subtotal	5,905,593	-	-	-	7,876,840
Public Safety					
Colorado Bureau of Investigation Identification Unit Fund	2,894,064	7,427	-	-	9,909,343
Public School Construction and Inspection Fund	343,611	-	-	-	2,443,874
Health Facility Construction and Inspection Fund	393,329	-	-	-	1,976,438
Subtotal	3,631,004	7,427	-	-	14,329,655
Regulatory Agencies					
Public Utilities Commission Fixed Utility Fund	5,346,876	60,142	-	-	18,561,813
Public Utilities Commission Motor Carrier Fund	292,851	8,512	-	-	2,102,593
Division of Professions and Occupations Cash Fund	8,929,615	140,476	-	-	31,517,851
Disabled Telephone Users Fund	630,029	1,257	-	-	4,163,544
Telecommunications Utility Fund	251,071	5,592	-	-	1,738,280
Real Estate Cash Fund	1,281,835	39,073	-	-	5,271,297
Division of Securities Cash Fund	1,035,163	9,428	-	-	5,021,708
Public Deposit Administration Fund	666,457	29,967	-	-	6,413,937
Subtotal	18,433,897	294,447	-	-	74,791,023
Revenue					
Auto Dealers License Fund	1,298,007	7,815	-	-	3,581,333
Sports Betting Fund	12,253,994	17,477	-	-	2,343,907
Subtotal	13,552,001	25,292	-	-	5,925,240
Department of State					
Department of State Cash Fund	4,970,637	827,404	0	0	26,770,090
Grand Total	\$80,051,655	\$4,469,510	\$7,408,461	\$0	\$236,148,515

¹ Note numbers in column headings refer to the Notes to the Cash Funds Uncommitted Reserves Report beginning on page 46, prepared by the Office of the State Controller.
Source: Office of the State Controller.

Total Revenue	Total Expense	Non-Fee Fund Balance (Note 9)	Uncommitted Reserve (Note 10)	Maximum Reserve (Note 11)	Alternative Maximum Reserve (Note 12)	Excess Uncommitted Reserve (Note 13)
\$3,746,141	\$3,506,458	\$67,767	\$1,879,893	\$578,566	\$1,753,229	\$126,664
6,129,519	5,080,003	83,282	3,334,661	838,200	2,540,002	794,659
9,875,660	8,586,461	151,049	5,214,554	1,416,766	4,293,231	921,323
56,132,621	56,297,182	869	1,112,679	9,289,035	-	-
552,083	148,927	4,611	573,552	24,573	-	548,979
56,684,704	56,446,109	5,480	1,686,231	9,313,608	-	548,979
2,035,532	2,087,849	862	232,368	344,495	-	-
32,006,560	26,852,863	494,109	4,081,784	4,430,722	-	-
1,479,116	1,478,145	9,994	386,244	243,894	1,299,734	-
686,570	941,415	69,230	1,040,435	155,333	1,500,000	-
2,165,686	2,419,560	79,224	1,426,679	399,227	2,799,734	-
2,515,478	1,834,384	4,991	602,009	302,673	-	299,336
602,260	451,158	2,698	278,537	74,441	-	204,096
3,117,738	2,285,542	7,689	880,546	377,114	-	503,432
46,589	109	11,199	218,552	18	400,000	-
1,153,718	1,077,876	27,897	473,000	177,850	-	295,150
149,927	142,347	-	210,126	23,487	-	186,639
1,170,344	903,943	46,879	1,343,581	149,151	-	1,194,430
2,520,578	2,124,275	85,975	2,245,259	350,506	400,000	1,676,219
151,276	62,479	70,029	277,478	10,309	-	267,169
4,553,187	4,098,456	3,393,441	2,502,365	676,245	-	1,826,120
4,704,463	4,160,935	3,463,470	2,779,843	686,554	-	2,093,289
2,234,661	5,425,401	451,347	3,552,782	895,191	-	2,657,591
3,828,181	3,444,912	3,279	1,532,309	568,410	-	963,899
2,078,694	2,147,536	815	365,061	354,343	-	10,718
8,141,536	11,017,849	455,441	5,450,152	1,817,944	-	3,632,208
11,123,539	12,302,320	315,092	2,571,545	2,029,883	-	541,662
2,445,065	2,227,114	167	343,444	367,474	890,846	-
2,300,773	1,929,749	55,447	337,882	318,409	578,925	-
15,869,377	16,459,183	370,706	3,252,871	2,715,766	1,469,771	541,662
20,275,286	15,988,282	446,784	4,839,950	2,638,067	-	2,201,883
2,344,128	2,396,135	29,298	255,041	395,362	-	-
32,529,995	28,080,267	273,467	8,515,672	4,633,244	-	3,882,428
4,168,775	3,805,979	789	627,983	627,987	-	-
1,841,652	2,112,580	13,779	231,700	348,576	-	-
5,597,863	7,642,469	72,500	1,170,262	1,261,007	-	-
5,021,709	4,952,239	-	1,025,735	817,119	-	208,616
6,434,698	6,030,694	2,054	634,436	995,065	-	-
78,214,106	71,008,645	838,671	17,300,779	11,716,427	-	6,292,927
4,417,417	4,925,777	244,194	1,045,998	812,753	-	233,245
15,390,974	11,707,779	10,373,005	1,863,512	1,931,784	-	-
19,808,391	16,633,556	10,617,199	2,909,510	2,744,537	-	233,245
40,330,488	41,079,862	1,393,087	2,750,146	6,778,177	6,836,766	0
\$275,474,819	\$261,162,689	\$17,962,962	\$50,210,722	\$43,091,843	\$15,799,502	\$16,443,284



**Notes to the Cash Funds
Uncommitted Reserves Report**

Note 1. Purpose

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

Note 2. Cash Fund Defined

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

Note 3. Cash Funds Excluded

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

- Any cash fund for which revenue is derived solely from fees, the amounts of which are established by the federal government;
- Any cash fund for which revenue is derived solely from fees set by the Colorado Supreme Court in the exercise of its exclusive authority to regulate the practice of law;
- Any cash fund for which revenue is derived solely from fees set by an enterprise, as defined in Section 24-77-102(3), C.R.S., or a special purpose authority;
- Any cash fund that is established to fund capital construction;
- Any cash fund for which the reserve amounts are based on actuarial requirements;
- Any trust fund;
- Any cash fund with uncommitted reserves of less than \$200,000;
- The Highway Users' Tax Fund;
- The State Highway Fund;

Source: Notes prepared by the Office of the State Controller

- The Petroleum Storage Tank Fund;
- The Brand Inspection Fund;
- The Worker’s Compensation Cash Fund;
- The Emergency Fire Fund;
- The Wildland Fire Equipment Repair Cash Fund;
- The Wildland Fire Cost Recovery Fund;
- The Wildfire Emergency Response Fund;
- The Wildfire Preparedness Fund;
- The Colorado Firefighting Air Corps Fund;
- The Enterprise Services Cash Fund;
- The Oil and Gas Conservation and Environmental Response Fund;
- The Licensing Services Cash Fund;
- The Cybersecurity Cash Fund;
- The Governor’s Mansion Maintenance Fund;
- The Justice Center Cash Fund;
- The Justice Center Maintenance Fund;
- The Small Business Recovery Fund;
- The Emergency Invasive-Pest Response Fund;
- The Community Behavioral Health Disaster Preparedness and Response Cash Fund;
- The Community Impact Cash Fund;
- The 988 Crisis Hotline Cash Fund;
- The Commission on Judicial Discipline Special Cash Fund;
- The Regional Navigation Campus Cash Fund;
- The Marijuana Cash Fund (7/1/2022);
- The Liquor Enforcement Division and State Licensing Authority Cash Fund (7/1/2022);

Source: Notes prepared by the Office of the State Controller

- The Records and Reports Fund (7/1/2022);
- The Private Occupational Schools Fund (7/1/2022);
- The Wage Theft Enforcement Fund (7/1/2022);
- The Worker's Compensation Premium Cost Containment Fund (7/1/2022);
- The Home Care Agency Fund (7/1/2022);
- The Industrial Hemp Registration Program Cash Fund (7/1/2023);
- The Educator Licensure Cash Fund (7/1/2023);
- The Assisted Living Residence Cash Fund (7/1/2023);
- The Radiation Control Fund (7/1/2023);
- The School Safety Resource Cash Fund (7/1/2023);
- The Instant Criminal Background Check Cash Fund (7/1/2024); and
- Any cash fund used to fund a single program if the program has been in existence less than two full fiscal years.

HB18-1006 provided for an exemption from Section 24-75-402, C.R.S. for the Newborn Hearing Screening Fund (created in Section 25-4-1006(3), C.R.S.) and the Newborn Genetics Fund (created in Section 25-4-1006, C.R.S.). This exclusion is not included in Section 24-75-402, C.R.S, but it was determined that based on the specific language in the bill, the intent of the legislation was to exclude both funds from the Cash Funds Uncommitted Reserves Report from FY2019 through FY2022.

HB17-1119 provided for an exemption from Section 24-75-402, C.R.S. for the Colorado Uninsured Employer Fund (created in Section 8-67-105, C.R.S.). This exclusion is not included in Section 24-75-402, C.R.S, but it was determined that based on the specific language in the bill, the intent of the legislation was to exclude the fund from the Cash Funds Uncommitted Reserves Report as a permanent exclusion.

Note 4. Fund Balance

Fund balance is the net of total assets and total liabilities in each fund as of June 30, 2022. This amount does not include net assets related to pension liabilities.

Source: Notes prepared by the Office of the State Controller

Note 5. Exempt Assets

Exempt assets are any long-term assets or non-monetary current assets held by the fund at June 30, 2022. "Non-monetary" current assets are those that either cannot be converted to cash or are held with the intent of being used rather than converted to cash, including but not limited to consumable inventory and prepaid expenses.

Note 6. Capital Reserve

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

Note 7. Previously Appropriated Fund Balance

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

Note 8. Fee Revenue

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

- Any moneys collected from sources excluded from state fiscal year spending, as defined in Section 24-77-102(17), C.R.S.;
- Any moneys received through the imposition of penalties or fines or surcharges imposed on any person convicted of a crime;
- Any moneys appropriated from the state general fund;
- Any moneys received through the imposition of taxes;
- Any moneys received from charges or assessments, the amount of which are not determined by the entity;
- Any moneys received from gifts or donations;
- Any moneys received from local government grants or contracts;
- Any moneys received through direct transfers from another entity, an enterprise, or a special purpose authority; or
- Any moneys received as interest or other investment income.

Note 9. Non-Fee Fund Balance

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

Note 10. Uncommitted Reserve

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

Note 11. Maximum Reserve

Maximum reserve is calculated as 16.5 percent of Fiscal Year 2022 expenditures of the cash fund.

Note 12. Alternative Maximum Reserve

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

Note 13. Excess Uncommitted Reserve

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

Source: Notes prepared by the Office of the State Controller

Appendix A

Descriptions of Cash Funds

These cash funds are included on the *Cash Funds Uncommitted Reserves Report* (pages 42 and 43) for the Fiscal Year Ended June 30, 2022, prepared by the Office of the State Controller.

Agriculture

Inspection and
Consumer Services
Cash Fund

This fund is used to record activity related to the administration of several inspection and consumer service programs. The Department charges fees to inspect and register certain agricultural activity to increase consumer safety.

Plant Health, Pest
Control and Environmental
Protection Fund

This fund is used to record activity related to the implementation, administration, and enforcement of environmental provisions including, but not limited to: biological pest control, bee inspection efforts, ground water protection efforts, and pesticide applicator license and inspection efforts. The Department charges fees, fines, and penalties to ensure environmental protection.

Health Care Policy & Financing

Medicaid Nursing
Facility Cash Fund

This fund is used to record activity related to the administration of the State's Medicaid program. The Department charges daily fees to Medicaid nursing facilities for non-Medicare resident patients and uses the revenue to provide nursing and other services to Medicaid patients in nursing facilities. These expenditures increase the federal reimbursement amount for the State under the Medicaid program.

Department of Health Care Policy
and Financing Cash Fund

This fund is used to collect fees for provider screenings which are used to offset provider screening costs.

Human Services

Child Care Licensing
Cash Fund

This fund is used to collect fees from childcare licensing applications, reapplications, and renewals. All funds collected from these fees are used in the operation of child care licensing activities.

Judicial Branch

Judicial Information
Technology Cash Fund

This fund is used to record fees assessed by the Department on electronic document filings, court database and record searches, and access to the court case management system (ICON/Eclipse). The Department uses this revenue to replace hardware and maintain the network on which the e-filing and public access programs operate

Labor and Employment

Boiler Inspection Fund This fund is used to record fees received from license and inspection of boilers and other pressure vessels. The Department uses this revenue to ensure boilers used in the State meet safety requirements. The Department charges fees to inspect and control the design, construction, operation, maintenance, and repair of boilers and other pressure vessels.

Conveyance Safety Fund This fund is used to record fees used to increase the safety of public conveyance systems in the State. The Department charges fees to conveyance owners for registration, construction permits, and inspection certificates. It also charges fees for licensure of industry professionals.

Law

Uniform Consumer Credit Code Cash Fund This fund is used to record activity related to the administration and enforcement of the Uniform Consumer Credit Code (UCCC). The Department charges licensing and other fees based on credit volume.

Student Loan Ombudsperson and Loan Servicer Licensing Fund This fund is used to record the licensing and investigation fees collected for the purpose of supporting the licensing program and ombudsperson's office.

Local Affairs

Moffat Tunnel Cash Fund This fund is used to record activity related to annual lease revenues for the facilitation of transportation between the eastern and western portions of the state through operation and maintenance of the Moffat tunnel.

Building Regulation Fund This fund is used to collect registration fees charged to installers and sellers of manufactured homes as well as various other fees established by the State Housing Board. Funds are used to inspect factory built (modular) housing, commercial structures, and manufactured homes to ensure the health and safety of Colorado residents who purchase these units.

Private Activity Bond Allocation Fund This fund is used to collect administrative fees for direct allocations, or from entities that receive bonding authority.

Mobile Home Park Act Dispute Resolution and Enforcement This fund is used to record activity related to the collection of registration fees from mobile home park landlords for dispute resolution between mobile home owners and mobile home park landlords, and determining whether violations of the law occurred and taking enforcement actions.

Personnel and Administration

Disability Support Fund This fund is used to record the funds received from the sale of registration numbers for license plates to benefit Colorado's disability community.

Supplier Database Cash Fund	This fund is used to collect fees assessed for registration in the centralized database of providers of goods and services to the State. Monies are used to fund the operational costs of maintaining the database.
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Public Health and Environment

Hazardous Substances Response Fund	This fund is used to record activity related to the State’s obligation under the Comprehensive Environmental Response and Compensation Liability Act. The Department charges fees for design, construction, operations, maintenance, and remedial actions of the various sites that hold hazardous substances. The Department also charges a tipping fee to landfill operators and collects a reimbursement fee from the federal Department of the Army for the oversight of the Rocky Mountain Arsenal.
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Vital Records Fund	This fund was established in the Vital Statistics Act of 1984 to receive fees collected by the Office of the State Registrar. Fees collected for certified copies of birth and death certificates, marriage licenses, decrees of divorce, etc.
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Medical Marijuana Cash Fund	This fund is used to record activity related to the Department’s administration of the State’s medical marijuana program. The Department charges fees to growers, sellers, and patients. The Department uses the revenue to ensure patients suffering from legitimate debilitating medical conditions are able to safely gain access to medical marijuana.
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Public Safety

Colorado Bureau of Investigation Identification Unit Fund	This fund is used to record monies collected by the Department for the purposes of fingerprint criminal history record checks and name criminal history record checks and associated expenses. Name search and fingerprint fees are used for the direct and indirect costs associated with conducting criminal history record checks.
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Public School Construction and Inspection Fund	This fund is used to record activity related to the construction and inspection of public schools. The Department charges permit fees for new school construction projects, and periodic inspection fees of construction operations.
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Health Facility Construction and Inspection Fund	This fund is used to record activity related to the Department’s inspection of health facilities as well as their construction. The Department charges fees to plan and execute reviews and inspections of health facilities during and after their construction
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Regulatory Agencies

Public Utilities Commission Fixed Utility Fund	This fund is used to provide supervision and regulation of the public utilities operating under the Department's Office of Consumer Counsel. The Department charges annual assessments against fixed utilities proportional to public utility company's gross intrastate operating revenue.
Public Utilities Commission Motor Carrier Fund	This fund is used to record activity related to the Department's administration of the Public Utilities Commission program. The Department charges fees to supervise and regulate motor vehicle carriers in the State.
Division of Professions and Occupations Cash Fund	This fund is used to record activity related to the issuance and renewal of occupational licenses for numerous separate professional boards and programs, such as the Accountancy Board, Dental Board, and Plumbers Board. The various boards charge fees to professionals for obtaining and maintaining licensure to perform certain activities in the State.
Disabled Telephone Users Fund	This fund is used to record activity related to the Department's telephone relay service for disabled telephone users. The Department charges per month per access line surcharge fees to all business and residential telephone customers. The Department is now applying the fee to wireless customers.
Telecommunications Utility Fund	This fund exists to defray the full amount determined by the general assembly for the administrative expenses of the commission for the supervision and regulation of telecommunications public utilities paying such fees. The Department charges fees in the form of annual assessments to telecommunications fixed utilities in proportion to their gross interstate operating revenue.
Real Estate Cash Fund	This fund is used to record activity related to the Department's regulation of real estate practitioners. The Department charges application and renewal fees for real estate brokers and appraisers.
Division of Securities Cash Fund	This fund is used to record activity related to the Department's regulation of securities sales agents in the State. The Department charges fees for the registration of those agents and other fees for the regulation of nonexempt securities and municipal bonds issued by certain political subdivisions.
Public Deposit Administration Fund	This fund is used to record activity related to the Department's Division of Banking and its mission to serve and protect the public interest by promoting a safe financial institutions industry through continuous quality regulation and supervision. The Department charges assessments to financial institutions and various fees as authorized by statute, including charter applications, money transmitter licenses, change fees, and miscellaneous minor fees.

Revenue

Auto Dealers
License Fund

This fund is used to record activity related to the Department's oversight of the Motor Vehicle Dealer Board. The Department charges fees for the licensing of motor vehicle dealers, wholesalers, buyer agents, and salespersons.

Sports Betting Fund

This fund is used to record monies collected related to sports betting activities. The State imposes a 10 percent tax on the net sports betting proceeds reported by operators. Revenue generated from sports betting taxes is distributed to beneficiaries including entities that can demonstrate revenue loss attributable to sports betting, the Department of Human Services, and the Water Plan Implementation Cash Fund

State

Department
of State
Cash Fund

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

Appendix B



Cash Funds Uncommitted Reserves Report for the Fiscal Year Ended June 30, 2022 All Funds

The *Cash Funds Uncommitted Reserves Report* (pages 42 and 43) prepared by the Office of the State Controller does not include funds that have an uncommitted reserves balance of less than \$200,000. The following report includes all of the cash funds with fee revenue and uncommitted reserve balances at June 30, 2022, greater than zero.

State of Colorado
Cash Funds Uncommitted Reserves Report
Report of All Funds with Uncommitted Reserves and Fee Revenue Greater than \$0
Fiscal Year 2022 as of June 30, 2022

Fund	Fund Balance (Note 4) ¹	Exempt Assets (Note 5)	Capital Reserve (Note 6)	Previously Appropriated Fund Balance (Note 7)
Department of Agriculture				
Agricultural Products Inspection Fund	\$205,330	\$802	\$0	\$0
Veterinary Vaccine and Service Fund	30,277	-	-	-
Inspection and Consumer Services Cash Fund	1,958,177	-	10,517	-
Dangerous Dog Fund	22,041	-	-	-
Wine Development Fund	516,693	-	-	-
Plant Health, Pest Control and Environmental Protection Fund	3,435,005	-	17,062	-
Colorado Aquaculture Fund	5,760	-	-	-
Pet Animal Care and Facility Fund	121,460	-	-	-
Subtotal	6,294,743	802	27,579	-
Department of Corrections				
Correctional Education Program Fund	126,961	-	-	-
Office of the Governor				
Travel and Tourism Additional Sources Fund	91,258	-	-	-
Minority Business Fund	5,930	-	-	-
Electric Vehicle Grant Fund	1,215,950	-	-	-
Creative District Community Loan Fund	25,796	-	-	-
Subtotal	1,338,934	-	-	-
Department of Health Care Policy and Financing				
Children's Basic Health Plan Trust	5,221,982	-	-	-
Service Fee Fund	50,331	-	-	-
Medicaid Nursing Facility Cash Fund	1,113,548	-	-	-
Department of Health Care Policy and Financing Cash Fund	578,163	-	-	-
Subtotal	6,964,024	-	-	-
Department of Higher Education				
Community Museums Cash Fund	253,421	225,400	-	-
History Colorado Unrestricted Donations	548,733	-	-	-
History Colorado Restricted Donations	2,676,315	1,255	-	-
Subtotal	3,478,469	226,655	-	-
Department of Human Services				
Child Care Licensing Cash Fund	233,230	-	-	-
Controlled Substance Program Fund	86,208	-	-	-
Food Distribution Program Service Fund	539,912	-	-	-
Work Therapy Cash Fund	214,611	21,849	12,025	-
Subtotal	1,073,961	21,849	12,025	-
Judicial Branch				
Judicial Information Technology Cash Fund	14,999,595	3,214,940	7,208,762	-
Judicial Collection Enhancement Fund	2,847,971	-	-	-
Mediation Cash Fund	58,799	-	-	-
Other Judicial Special Revenue Funds	168,888	-	-	-
Subtotal	18,075,253	3,214,940	7,208,762	-
Department of Labor and Employment				
Boiler Inspection Fund	396,238	-	-	-
Conveyance Safety Fund	1,109,665	-	-	-
Workmens' Compensation Self-Insurance Fund	187,949	-	-	-
Public Safety Inspection Fund	134,920	-	-	-
Liquefied Petroleum Gas Inspection Fund	186,158	-	-	-
Employment Support Fund	54,299,381	48,594	-	-
Physicians Accreditation Program Fund	137,667	-	-	-
Subtotal	56,451,978	48,594	-	-
Department of Law				
Collection Agency Cash Fund	150,527	-	90,798	-
Uniform Consumer Credit Code Cash Fund	775,806	-	168,806	-
Student Loan Ombudsperson and Loan Servicer Licensing Fund	284,549	-	3,314	-
Insurance Fraud Cash Fund	241,820	5,509	168,103	-
Legal Services Cash Fund	4,593,214	2,850,476	1,731,445	-
P.O.S.T. Board Cash Fund	1,595,527	3,852	106,956	-
Subtotal	7,641,443	2,859,837	2,269,422	-
Legislative Branch				
Legislative Department Cash	17,593,045	33,392	-	-
Other Legislature Special Revenue Funds	33,383	-	-	-
Subtotal	17,626,428	33,392	-	-
Department of Local Affairs				
Building Regulation Fund	500,897	-	-	-
Private Activity Bond Allocation Fund	210,126	-	-	-
Housing Development Grant Fund	129,926,546	13,993,104	-	-
Indirect Cost Excess Recovery Fund	284,228	-	-	-
Board Assessment Appeals Cash Fund	386,998	-	-	-
Mobile Home Park Act Dispute Resolution and Enforcement	1,390,460	-	-	-
Subtotal	132,699,255	13,993,104	-	-
Department of Military and Veterans Affairs				
Western Slope Military Veterans Cemetery Fund	94,621	-	-	-

¹Note numbers in column headings refer to the Notes to the Cash Funds Uncommitted Reserves Report beginning on page 46, prepared by the Office of the State Controller.

Source: Office of the State Controller.

Fee Revenue (Note 8)	Total Revenue	Total Expense	Non-Fee Fund Balance (Note 9)	Uncommitted Reserve (Note 10)	Maximum Reserve (Note 11)	Alternative Maximum Reserve (Note 12)	Excess Uncommitted Reserve (Note 13)
\$2,251,426	\$2,459,747	\$2,386,159	\$17,322	\$187,206	\$393,716	\$0	\$0
420,793	420,793	420,893	-	30,277	69,447	-	-
3,615,797	3,746,141	3,506,458	67,767	1,879,893	578,566	1,753,229	126,664
1,650	1,894	401	2,839	19,202	66	-	19,136
38,117	852,263	843,829	493,584	23,109	139,232	-	-
5,980,167	6,129,519	5,080,003	83,282	3,334,661	838,200	2,540,002	794,659
3,900	3,900	4,183	-	5,760	690	-	5,070
1,013,918	1,025,063	1,031,545	1,321	120,139	170,205	-	-
13,325,768	14,639,320	13,273,471	666,115	5,600,247	2,190,122	4,293,231	945,529
45,199	48,629	33,263	8,955	118,006	5,488	-	112,518
350,325	352,405	371,935	539	90,719	61,369	-	29,350
6,750	6,750	2,049	-	5,930	338	-	5,592
588	991,032	670,449	1,215,229	721	110,624	-	-
4,407	4,674	166	1,474	24,322	27	-	24,295
362,070	1,354,861	1,044,599	1,217,242	121,692	172,358	-	59,237
157,784	15,856,503	11,681,566	5,170,019	51,963	1,927,458	-	-
314,996	2,156,746	2,156,352	42,980	7,351	355,798	-	-
56,088,825	56,132,621	56,297,182	869	1,112,679	9,289,035	-	-
547,680	552,083	148,927	4,611	573,552	24,573	-	548,979
57,109,285	74,697,953	70,284,027	5,218,479	1,745,545	11,596,864	-	548,979
1,067,417	1,073,025	1,054,133	146	27,875	173,932	-	-
58	430,827	21,417	548,659	74	3,534	-	-
3,000	4,367,051	991,589	2,673,222	1,838	163,612	-	-
1,070,475	5,870,903	2,067,139	3,222,027	29,787	341,078	-	-
2,028,012	2,035,532	2,087,849	862	232,368	344,495	-	-
56,720	57,418	953	1,048	85,160	157	-	85,003
144,809	842,093	771,557	447,067	92,845	127,307	-	-
180,546	198,731	198,627	16,538	164,199	32,773	-	131,426
2,410,087	3,133,774	3,058,986	465,515	574,572	504,732	-	216,429
28,550,463	32,006,560	26,852,863	494,109	4,081,784	4,430,722	-	-
401,130	6,106,238	6,893,760	2,660,883	187,088	1,137,470	-	-
13,300	13,300	-	-	58,799	-	-	58,799
799	307,292	375,864	168,449	439	62,018	-	-
28,965,692	38,433,390	34,122,487	3,323,441	4,328,110	5,630,210	-	58,799
1,441,809	1,479,116	1,478,145	9,994	386,244	243,894	1,299,734	-
643,736	686,570	941,415	69,230	1,040,435	155,333	1,500,000	-
152,000	152,000	143,843	-	187,949	23,734	-	164,215
285,326	355,631	334,853	26,672	108,248	55,251	-	52,997
351,250	354,043	367,856	1,469	184,689	60,696	-	123,993
16,081	45,099,205	37,229,723	54,231,443	19,344	6,142,904	-	-
98,720	98,720	160,613	-	137,667	26,501	-	111,166
2,988,922	48,225,285	40,656,448	54,338,808	2,064,576	6,708,313	2,799,734	452,371
862,300	869,379	809,971	486	59,243	133,645	-	-
2,494,796	2,515,478	1,834,384	4,991	602,009	302,673	-	299,336
596,483	602,260	451,158	2,698	278,537	74,441	-	204,096
2,360,165	2,382,010	2,497,320	626	67,582	412,058	-	-
3,880,254	50,064,023	53,573,127	10,418	875	8,839,566	-	-
190,496	5,416,806	5,330,692	1,432,505	52,214	879,564	-	-
10,384,494	61,849,956	64,496,652	1,451,724	1,060,460	10,641,947	-	503,432
4,012	4,861,216	3,775,846	17,545,161	14,492	623,015	-	-
10,079	10,079	9,642	-	33,383	1,591	-	31,792
14,091	4,871,295	3,785,488	17,545,161	47,875	624,606	-	31,792
1,089,462	1,153,718	1,077,876	27,897	473,000	177,850	-	295,150
149,927	149,927	142,347	-	210,126	23,487	-	186,639
5,691	88,242,498	10,806,704	115,925,965	7,477	1,783,106	-	-
1,350	1,731,603	1,678,699	284,006	222	276,985	-	-
203	394,112	165,430	386,799	199	27,296	-	-
1,130,886	1,170,344	903,943	46,879	1,343,581	149,151	-	1,194,430
2,377,519	92,842,202	14,774,999	116,671,546	2,034,605	2,437,875	-	1,676,219
75	280,857	251,796	94,596	25	41,546	-	-

State of Colorado
Cash Funds Uncommitted Reserves Report
Report of All Funds with Uncommitted Reserves and Fee Revenue Greater than \$0
Fiscal Year 2022 as of June 30, 2022

Fund	Fund Balance (Note 4) ¹	Exempt Assets (Note 5)	Capital Reserve (Note 6)	Previously Appropriated Fund Balance (Note 7)
Department of Natural Resources				
Land and Water Management Fund	75,000	-	-	-
Satellite Monitoring System Cash Fund	39,987	-	-	-
Office of Active and Inactive Mines Operation Fund	43,857	-	-	-
Water Resources Cash Fund	1,300,648	-	-	-
Colorado Avalanche Information Center	412,821	3,181	-	-
Colorado Natural Resources Foundation Fund	917,929	428	-	-
Subtotal	2,790,242	3,609	-	-
Department of Personnel and Administration				
Professional Development Cash Fund	118,509	-	-	-
State Archives and Public Records Cash Fund	97,734	-	-	-
Disability Support Fund	447,507	100,000	-	-
Supplier Database Cash Fund	5,895,806	-	-	-
Administrative Hearings Fund	1,501,315	453,252	168,098	-
Subtotal	8,060,871	553,252	168,098	-
Department of Public Health and Environment				
Hazardous Substances Response Fund	4,004,129	-	-	-
Lead Hazard Reduction Fund	60,292	-	-	-
Vital Records Fund	1,535,588	-	-	-
Sludge Management Fund	176,710	-	-	-
Trauma System Cash Fund	117,880	-	-	-
Fixed and Rotary-Wing Ambulances Cash Fund	185,879	-	-	-
Medical Marijuana Cash Fund	365,876	-	-	-
Marijuana Tax Cash Fund	212,712	-	-	-
Community Integrated Health Care Service Agencies	36,755	-	-	-
Medication Administration Fund	87,164	-	-	-
Visa Waiver Program Fund	20,122	-	-	-
Health Facilities General Licensure Cash Fund	123,584	-	-	-
Laboratory Cash Fund	132,771	-	-	-
Ozone Protection Fund	36,254	-	-	-
Artificial Tanning Device Fund	34,077	-	-	-
Hazardous Waste Commission Fund	196,440	-	-	-
Waste Tire Administration, Enforcement and Cleanup Fund	3,552,787	-	-	-
Paint Stewardship Cash Fund	194,809	-	-	-
Emergency Medical Services Peer Assistance Fund	46,803	-	-	-
Water and Wastewater Facility Operators Fund	39,020	-	-	-
Subtotal	11,159,652	-	-	-
Department of Public Safety				
Fire Service Education and Training Fund	116,009	-	-	-
Fire Suppression Cash Fund	51,131	-	-	-
Fireworks Licensing Cash Fund	21,988	-	-	-
Sex Offender Registry Fund	20,986	-	-	-
Sex Offender Treatment Provider Fund	19,406	-	-	-
Firefighter, First and Haz Mat Responder Certification Fund	159,149	-	-	-
Criminal Justice Training Fund	197,087	-	-	-
Cigarette Ignition Standards & Firefighter Protection Act	84,408	-	-	-
Colorado Bureau of Investigation Identification Unit Fund	2,894,064	7,427	-	-
Public School Construction and Inspection Fund	343,611	-	-	-
State Patrol Special Events Fund	107,767	-	-	-
Health Facility Construction and Inspection Fund	393,329	-	-	-
Vehicle Identification Number Fund	30,000	-	-	-
Motorcycle Operator Safety Training Fund	1,888,046	-	-	-
Subtotal	6,326,981	7,427	-	-
Department of Regulatory Agencies				
Insurance Fraud Cash Fund	3,563	-	-	-
Public Utilities Commission Fixed Utility Fund	5,346,876	60,142	-	-
Public Utilities Commission Motor Carrier Fund	292,851	8,512	-	-
Division of Professions and Occupations Cash Fund	8,929,615	140,476	-	-
Prescription Drug Monitoring Fund	221,023	2,638	-	-
Viatical Settlements Cash Fund	137,021	-	-	-
Disabled Telephone Users Fund	630,029	1,257	-	-
Telecommunications Utility Fund	251,071	5,592	-	-
Real Estate Cash Fund	1,281,835	39,073	-	-
Division of Securities Cash Fund	1,035,163	9,428	-	-
Colorado High Cost Administration Fund	96,422	889	-	-
Consumer Outreach and Education Fund	14,457	-	-	-
Public Deposit Administration Fund	666,457	29,967	-	-
Moving Outreach Fund	3,122	-	-	-
State 911 Fund	6,562	-	-	-
Subtotal	18,916,067	297,974	-	-

¹Note numbers in column headings refer to the Notes to the Cash Funds Uncommitted Reserves Report beginning on page 46, prepared by the Office of the State Controller.

Source: Office of the State Controller.

Fee Revenue (Note 8)	Total Revenue	Total Expense	Non-Fee Fund Balance (Note 9)	Uncommitted Reserve (Note 10)	Maximum Reserve (Note 11)	Alternative Maximum Reserve (Note 12)	Excess Uncommitted Reserve (Note 13)
94,800	95,847	85,005	819	74,181	14,026	-	60,155
356,747	359,067	349,832	258	39,729	57,722	-	-
4,350	234,029	228,838	43,042	815	37,758	-	-
6,500	593,024	155,574	1,286,392	14,256	25,670	-	-
4,814	997,327	1,333,580	407,663	1,977	220,041	-	-
10,000	313,252	201,641	888,211	29,290	33,271	-	-
477,211	2,592,546	2,354,470	2,626,385	160,248	388,488	-	60,155
555	9,397	-	111,510	6,999	-	-	6,999
57,812	66,590	10,742	12,883	84,851	1,772	-	83,079
120,791	151,276	62,479	70,029	277,478	10,309	-	267,169
1,932,515	4,553,187	4,098,456	3,393,441	2,502,365	676,245	-	1,826,120
36,555	5,971,681	6,000,705	874,578	5,387	990,116	-	-
2,148,228	10,752,131	10,172,382	4,462,441	2,877,080	1,678,442	-	2,183,367
1,982,769	2,234,661	5,425,401	451,347	3,552,782	895,191	-	2,657,591
51,734	52,433	54,625	804	59,488	9,013	-	50,475
3,820,007	3,828,181	3,444,912	3,279	1,532,309	568,410	-	963,899
188,944	190,107	170,406	1,081	175,629	28,117	-	147,512
473,700	479,824	751,397	1,505	116,375	123,981	-	-
115,775	117,429	28,986	2,618	183,261	4,783	-	178,478
2,074,064	2,078,694	2,147,536	815	365,061	354,343	-	10,718
1,930	21,636,851	21,766,368	212,693	19	3,591,451	-	-
18,450	18,450	7,290	-	36,755	1,203	-	35,552
93,358	93,358	71,885	-	87,164	11,861	-	75,303
8,250	8,437	1,238	446	19,676	204	-	19,472
2,285,979	2,285,979	2,439,398	-	123,584	402,501	-	-
904,855	906,054	1,001,356	176	132,595	165,224	-	-
186,071	186,071	205,410	-	36,254	33,893	-	2,361
1,560	22,585	18,119	31,723	2,354	2,990	-	-
55,700	55,700	10,854	-	196,440	1,791	-	194,649
2,250	2,670,566	2,054,424	3,549,794	2,993	338,980	-	-
240,000	240,000	55,920	-	194,809	9,227	-	185,582
16,868	17,342	2,845	1,279	45,524	469	-	45,055
21,455	21,730	3,265	494	38,526	539	-	37,987
12,543,719	37,144,452	39,661,635	4,258,054	6,901,598	6,544,171	-	4,604,634
74,794	76,113	47,514	2,010	113,999	7,840	-	106,159
185,959	186,502	215,322	149	50,982	35,528	-	15,454
36,830	36,901	27,919	42	21,946	4,607	-	17,339
920	1,147	116	4,153	16,833	19	-	16,814
9,460	15,252	502	7,369	12,037	83	-	11,954
265,948	268,133	256,796	1,297	157,852	42,371	-	115,481
139,744	148,355	24,167	11,440	185,647	3,988	-	181,659
14,000	14,000	27,406	-	84,408	4,522	-	79,886
9,909,343	11,123,539	12,302,320	315,092	2,571,545	2,029,883	-	541,662
2,443,874	2,445,065	2,227,114	167	343,444	367,474	890,846	-
1,094,601	2,643,933	2,718,558	63,151	44,616	448,562	-	-
1,976,438	2,300,773	1,929,749	55,447	337,882	318,409	578,925	-
1,900	721,505	721,505	29,921	79	119,048	-	-
958	1,018,739	853,030	1,886,271	1,775	140,750	-	-
16,154,769	20,999,957	21,352,018	2,376,509	3,943,045	3,523,084	1,469,771	1,086,408
120	120	-	-	3,563	0	-	3,563
18,561,813	20,275,286	15,988,282	446,784	4,839,950	2,638,067	-	2,201,883
2,102,593	2,344,128	2,396,135	29,298	255,041	395,362	-	-
31,517,851	32,529,995	28,080,267	273,467	8,515,672	4,633,244	-	3,882,428
188,358	584,904	846,571	148,058	70,327	139,684	-	-
8,780	8,780	1,835	-	137,021	303	-	136,718
4,163,544	4,168,775	3,805,979	789	627,983	627,987	-	-
1,738,280	1,841,652	2,112,580	13,779	231,700	348,576	-	-
5,271,297	5,597,863	7,642,469	72,500	1,170,262	1,261,007	-	-
5,021,708	5,021,709	4,952,239	-	1,025,735	817,119	-	208,616
215,000	216,416	226,953	625	94,908	37,447	-	57,461
127,572	128,813	161,617	139	14,318	26,667	-	-
6,413,937	6,434,698	6,030,694	2,054	634,436	995,065	-	-
3,094	3,127	8	33	3,089	1	-	3,088
130,610	130,610	162,604	-	6,562	26,830	-	-
75,464,557	79,286,876	72,408,233	987,526	17,630,567	11,947,359	-	6,493,757

State of Colorado

Cash Funds Uncommitted Reserves Report

Report of All Funds with Uncommitted Reserves and Fee Revenue Greater than \$0
Fiscal Year 2022 as of June 30, 2022

	Fund Balance (Note 4) ¹	Exempt Assets (Note 5)	Capital Reserve (Note 6)	Previously Appropriated Fund Balance (Note 7)
Department of Revenue				
Racing Cash Fund	223,286	1,979	-	-
Auto Dealers License Fund	1,298,007	7,815	-	-
Private Letter Ruling Fund	26,481	-	-	-
Tax Lien Certification Fund	67,026	-	-	-
Prepaid Wireless Trust Cash Fund	52,153	-	-	-
Gambling Payment Intercept Fund	115,038	-	-	-
Limited Gaming Fund	2,445,701	32,371	-	-
Sports Betting Fund	12,253,994	17,477	-	-
Subtotal	16,481,686	59,642	-	-
Department of State				
Department of State Cash Fund	4,970,637	827,404	-	-
Department of Treasury				
AIR Account	5,252,476	0	-	-
Unclaimed Property Fund	402,915,203	-	-	-
Subtotal	408,167,679	-	-	-
Grand Total	\$728,739,885	\$22,148,481	\$9,685,886	\$0

¹Note numbers in column headings refer to the Notes to the Cash Funds Uncommitted Reserves Report beginning on page 46, prepared by the Office of the State Controller.

Source: Office of the State Controller.

Fee Revenue (Note 8)	Total Revenue	Total Expense	Non-Fee Fund Balance (Note 9)	Uncommitted Reserve (Note 10)	Maximum Reserve (Note 11)	Alternative Maximum Reserve (Note 12)	Excess Uncommitted Reserve (Note 13)
1,302,522	1,539,817	1,776,424	34,105	187,202	293,110	-	-
3,581,333	4,417,417	4,925,777	244,194	1,045,998	812,753	-	233,245
5,500	5,500	5,500	-	26,481	908	-	25,573
7,106	7,106	-	-	67,026	-	-	67,026
13,520	13,520	-	-	52,153	-	-	52,153
18,593	18,593	7,380	-	115,038	1,218	-	113,820
803,565	165,265,369	165,087,541	2,401,596	11,734	27,239,444	-	-
2,343,907	15,390,974	11,707,779	10,373,005	1,863,512	1,931,784	-	-
8,076,046	186,658,296	183,510,401	13,052,900	3,369,144	30,279,217	-	491,817
26,770,090	40,330,488	41,079,862	1,393,087	2,750,146	6,778,177	6,836,766	-
4,810	9,823,091	9,682,113	5,249,904	2,572	1,597,549	-	-
7,925	139,374,464	49,291,755	402,892,293	22,910	8,133,140	-	-
12,735	149,197,555	58,973,868	408,142,197	25,482	9,730,689	-	-
\$260,701,032	\$873,210,726	\$677,362,224	\$641,522,708	\$55,382,810	\$111,764,766	\$15,399,502	\$19,525,443





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