

State Expenditures

This bill is expected to increase state expenditures by \$1,009,000 in FY 2012-13, and by \$9,000 in FY 2014-15. It requires DPA to engage a vendor to perform a large-scale study of businesses and state agency contracts, which will include conducting surveys, data collection and analysis, and report drafting. Based on similar studies of this size and technical nature, the cost could range from \$600,000 to \$1,300,000. This fiscal note assumes a one-time cost of \$1 million for this vendor, however actual costs will be determined through a competitive bidding process, and could vary from this amount. These costs are shown as occurring entirely in FY 2013-14, although some payments to the contractor may occur in FY 2014-15. The study must be complete by February 1, 2015. Although the Supplier Database Cash Fund is an appropriate source of funding for this study, the fund has an insufficient balance to cover this cost. Therefore, this cost is shown as a General Fund expenditure.

While the majority of the cost of this bill is related to conducting the study, this bill requires DPA to administer a request for proposals to select a qualified vendor, as well as perform project management throughout the course of the study. These costs are expected to be absorbed within existing resources. However, DPA must engage an IT contractor to pull data from three unique databases, including from the Colorado BIDS system. The BIDS system has recently been updated, however this contractor must draw data from the older version of the system, which requires specific expertise. The IT contractor is expected to cost \$9,000 per year in FY 2013-14 and FY 2014-15. These costs would be paid from the Supplier Database Cash Fund.

State Appropriations

For FY 2013-14, the Department of Personnel and Administration requires the following appropriations:

- \$1,000,000 from the General Fund; and
- \$9,000 from the Supplier Database Cash Fund.

Departments Contacted

Corrections	Education	Governor's Office
Health Care Policy and Financing	Human Services	Labor
Personnel	Regulatory Agencies	Treasury