

**STATE and LOCAL
FISCAL IMPACT**

Drafting Number: LLS 14-0738	Date: January 17, 2014
Prime Sponsor(s): Sen. Carroll; Cadman Rep. Ferrandino; DelGrosso	Bill Status: Senate Education Fiscal Analyst: Bill Zepernick (303-866-4777)

SHORT TITLE: SAFE2TELL PROGRAM IN DEPARTMENT OF LAW

Fiscal Impact Summary*	FY 2014-2015	FY 2015-2016
State Revenue	<u>\$15,000</u>	<u>\$15,000</u>
Cash Funds	15,000	15,000
State Expenditures	<u>\$277,286</u>	<u>\$292,922</u>
General Fund	241,768	250,963
Cash Funds	15,000	15,000
Centrally Appropriated Costs**	20,518	26,959
FTE Position Change	2.5 FTE	3.0 FTE
Appropriation Required: \$256,768 - Department of Law (FY 2014-15)		

* This summary shows changes from current law under the bill for each fiscal year.

** These costs are not included in the bill's appropriation. See the State Expenditures section for more information.

Summary of Legislation

Safe2Tell, a program created in statute to allow the anonymous reporting of dangerous and criminal activities in schools, is currently administered by a nonprofit organization (Safe2Tell, Inc.). This bill repeals the existing program and recreates it in the Department of Law (DOL). The terms of the transfer are specified, including the transfer of property and assets and the licensing of the intellectual property belonging to the nonprofit. While the bill keeps the existing duties, mission, and requirements of the Safe2Tell program generally the same as before, it also specifies additional duties concerning training and dissemination of educational material for school districts and law enforcement.

State Revenue

Beginning in FY 2014-15, the bill increases cash fund revenue to the DOL by about \$15,000 per year. The revenue, received in the Safe2Tell Cash Fund created in the bill, is from payments from school districts and other entities requesting educational materials from the Safe2Tell program. The DOL is also authorized to accept gift, grants, and donations to this cash fund, though no source of such funding has been identified at this time.

State Expenditures

The bill increases costs in the DOL by \$277,286 and 2.5 FTE in FY 2014-15 and \$292,922 and 3.0 FTE in future fiscal years. These costs are primarily paid from the General Fund, with the exception of \$15,000 from the Safe2Tell Cash Fund. Table 1 and the discussion below provide more information on these costs.

Table 1. Expenditures Under SB 14-002		
Cost Components	FY 2014-15	FY 2015-16
Personal Services	\$144,231	\$172,315
FTE	2.5 FTE	3.0 FTE
Operating Expenses and Capital Outlay Costs	26,187	5,720
Information Technology Costs	15,000	15,000
Travel	16,240	17,580
State Fleet Vehicle	2,618	2,856
Printing and Postage	29,000	29,000
Dispatch Services	23,492	23,492
Centrally Appropriated Costs*	20,518	26,959
TOTAL	\$277,286	\$292,922

* Centrally appropriated costs are not included in the bill's appropriation.

Assumptions. The costs of the bill are calculated using the following assumptions:

- current base resources to the program in the DOL for the costs of the nonprofit director (\$100,686 General Fund and 1.0 FTE) are already appropriated to the DOL and do not need to be appropriated in this bill;
- no costs will be incurred for intellectual property licensing;
- assets and property transferred from the nonprofit will be minimal and not reach the threshold for recording depreciable assets in the state accounting system; and
- the program will be housed in existing DOL office space.

Personal services. In addition to the existing director position, the DOL requires 3.0 FTE to operate the Safe2Tell program, including a community partnership coordinator, an operations manager (both General Professional IV), and a data analyst (Technician III). Costs for these staff are estimated at \$144,231 in the first year and \$172,315 in the second year. First-year costs and FTE are prorated to reflect the August effective date of the bill and the General Fund pay date shift.

Operating expenses and capital outlay costs. The DOL will have operating and capital costs for the three new staff positions, as well as the current director position. Capital expenses in the first year will be \$20,912, for computers, software, and office furniture. Operating costs are estimated at \$5,720 per year, including standard costs for supplies and telephone (\$3,800) and \$80 per month for cell phones for two staff members (\$1,920). First-year operating costs are prorated to \$5,275 to reflect 11 months of operations.

Information technology costs. The DOL will have \$15,000 in various information technology-related costs, including \$10,000 per year for crime tip management software subscription and \$5,000 for the program's website.

Travel. Travel costs are estimated to be \$17,580 per year, prorated to \$16,240 in the first year for the August start date. Full-year costs are based on eight travel dates per month with a cost of \$66 per diem and \$75 lodging (\$13,536) and 12,000 vehicle miles travel at a fleet vehicle rate of \$0.212 per mile (\$2,544).

State fleet vehicle. Program staff require one vehicle for travel to schools and other events to promote and operate the program. Vehicle lease costs, incurred in the Department of Personnel and Administration, are estimated at \$238 per month (\$2,856 per year), paid with reappropriated funds from the DOL. Prorated costs in the first year are \$2,618.

Dispatch services. The Colorado State Patrol in the Department of Public Safety will provide dispatch services for the Safe2Tell program. These costs are estimated at \$23,492 per year, paid with reappropriated funds from the DOL.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. The centrally appropriated costs subject to this policy are estimated in the fiscal note for informational purposes and summarized in Table 2.

Cost Components	FY 2014-15	FY 2015-16
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$11,337	\$13,603
Supplemental Employee Retirement Payments	9,181	13,356
TOTAL	\$20,518	\$26,959

*More information is available at: <http://colorado.gov/fiscalnotes>

School District Impact

By recreating the program in the DOL, school districts participating in the Safe2Tell program may have costs to pay for educational and promotional materials. Participation and costs are at the discretion of local school districts and schools.

Effective Date

The bill takes effect August 6, 2014, if the General Assembly adjourns on May 7, 2014, as scheduled, and no referendum petition is filed.

State Appropriations

The bill requires appropriations to the Department of Law requires totaling \$256,768 in FY 2014-15 and an allocation of 2.5 FTE. The appropriations are as follows:

- \$241,768 from the General Fund to the DOL, of which \$23,492 is reappropriated to the Department of Public Safety for CPS dispatch services and \$2,618 is reappropriated to the Department of Personnel and Administration for state fleet management; and
- \$15,000 from the Safe2Tell Cash Fund to the DOL.

State and Local Government Contacts

Law Judicial Treasurer Personnel and Administration