

FY 2026-27 Budget Briefing Summary

Statewide Operating Common Policies

Operating common policies refer to several statewide services provided by the Department of Personnel (DPA). Departments' requests reflect the estimated funding required to pay DPA for services through several common line items, often located in a department's administrative section (e.g. Executive Director's Office) of the Long Bill. DPA receives reappropriated funds spending authority to expend the revenue from billing other agencies for services. The requested amounts for operating common policies are calculated by the Department of Personnel, based on the total estimated program need for the upcoming fiscal year. The Joint Budget Committee reviews and establishes the appropriations for these statewide services.

Summary of Request

Statewide Operating Common Policies

Item	Total Funds	General Fund	Cash Funds	Reappropri. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 (Long Bill)	\$177,701,662	\$76,206,937	\$74,047,528	\$23,683,910	\$3,763,287	212.2
Total	\$177,701,662	\$76,206,937	\$74,047,528	\$23,683,910	\$3,763,287	212.2
FY 2026-27 Requested Appropriation						
FY 2025-26 Appropriation	\$177,701,662	\$76,206,937	\$74,047,528	\$23,683,910	\$3,763,287	212.2
R1 State payroll system common policy	1,122,250	652,014	253,768	165,545	50,924	9.0
R2 OAC staff for Medicaid [1]	722,970	0	0	722,970	0	6.2
R3 State accounting system resources	836,049	353,539	232,284	212,028	38,199	3.9
R5 Printing services true-up [1]	3,707,974	0	1,051,773	2,656,201	0	0.0
R8 Annual fleet vehicle replacements	305,110	724,244	-342,729	-55,155	-21,250	0.0
R9 General Fund reductions and transfers [2]	0	0	0	0	0	0.0
Total	\$184,396,015	\$77,936,733	\$75,242,623	\$27,385,499	\$3,831,160	231.3
Increase/-Decrease	\$6,694,353	\$1,729,796	\$1,195,095	\$3,701,589	\$67,873	19.1
Percentage Change	3.8%	2.3%	1.6%	15.6%	1.8%	9.0%

[1] These decision items are related to operating common policies but do not directly affect cost allocations.

[2] The portion of this request affecting operating common policies is a cash fund transfer to the General Fund..

R1 State payroll system common policy [legislation]: The Department requests funding for the establishment of a common policy for the new state payroll system.

Year 1: The total cost of the common policy is \$1.1 million. This includes an estimated \$652,014 General Fund received from other state agencies and 9.0 FTE for the administration of the policy.

Year 2: The total cost of the common policy is \$1.2 million. This includes an estimated \$712,577 General Fund received from other state agencies and 10.0 FTE. The Department assumes a reduction of \$1.3 million total funds for payments to the Office of Information Technology when the legacy payroll system is discontinued.

R2 Office of Administrative Courts (OAC) staff for Medicaid: The Department requests funding for additional term-limited staff to address Medicaid eligibility appeals.

Year 1: The total cost is \$0.7 million. The reappropriated funds in the Department of Personnel represent a transfer from the Department of Health Care Policy and Financing (HCPF), of which \$234,966 is General Fund. The request includes 6.9 term-limited FTE. The request is for FY 2026-27 only.

R3 State accounting system software support: The Department requests funding for additional staffing and software resources for the state accounting system (CORE).

Year 1: The total cost is \$836,149. This includes an estimated \$353,539 General Fund received from other state agencies and 3.9 FTE.

Year 2: The total cost is \$851,205. This includes an estimated \$359,948 General Fund received from other state agencies and 4.0 FTE.

R5 Printing services true-up: The Department requests funding to address a mismatch between revenue and authorized spending authority for printing and document management services provided by the Department.

Current Year: The total cost is \$1.7 million. This includes \$357,255 cash funds to address an overexpenditure restriction and \$1.3 million reappropriated funds to access anticipated revenue received for printing services requested by other state agencies.

Year 1: The total cost is \$3.7 million. This includes \$1.1 million cash funds and \$2.7 million reappropriated funds.

Year 2: The total cost is \$4.2 million. This includes \$1.1 million cash funds and \$3.1 million reappropriated funds.

R8 Annual fleet vehicle replacements: The Department requests funding to replace 545 vehicles in the state fleet, of which 326 are designated as potential alternative fuel vehicles.

Year 1 and ongoing (statewide): The total cost is \$0.3 million. This includes an increase of \$0.7 million General Fund and a decrease of \$0.4 million cash, reappropriated, and federal funds across all affected state agencies.

Year 1 and ongoing (DPA): The total cost is \$3.9 million. This is reappropriated funds for the Department of Personnel to manage vehicle lease payments for the state fleet.

Issues Presented

This is a summary of the briefing issues presented to the Joint Budget Committee by their dedicated non-partisan staff.

R1 State Payroll System Common Policy: The Department requests the creation of a new operating common policy for the management of the new state payroll system (CORE Payroll). The new payroll system replaces the current 38+ year old system known as the Colorado Personnel Payroll System (CPPS) and interfaces with the current state accounting system, Colorado Operations Resource Engine (CORE).

Budget Reduction Options: The Executive Budget request does not include any General Fund reduction for statewide operating common policies, though they do propose a revenue enhancement measure. This issue brief reviews this proposal and additional options identified by staff.

For More Information

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To read the entire briefing: Go to <https://content.leg.colorado.gov/content/budget#budget-documents-section> to use the budget document search tool. Select this department's name under Department/Topic, "Briefing" under Type, and select a Start date and End date to show documents released in November and December of 2025.