



COLORADO

Executive Director's Office

Department of Personnel
& Administration

1525 Sherman St.
Denver, CO 80203

STATEMENT OF BASIS, PURPOSE
AND SPECIFIC STATUTORY AUTHORITY FOR
Implementation of:
STATE FISCAL RULES
(Effective November 1, 2018)

PROPOSED STATEMENT OF BASIS AND PURPOSE

The Colorado State Fiscal Rules (“Rules”) are found at 1 CCR 101-1. A rulemaking hearing of the State Controller was held on July 30, 2018, at 1525 Sherman Street, Room 104, First Floor, Denver, Colorado 80203 at 2:00 p.m. The Colorado State Controller is charged with promulgating rules to address State government’s financial administration. The basis of these rules is to set forth policies for state agencies and institutions of higher education concerning internal controls, accounting policies, and financial reporting for the State of Colorado as required by law. The rulemaking hearing was held by a Hearing Officer in order to establish updated procedures by which the State accounts for fiscal matters relating to State government. The State Controller is exercising his rulemaking authority as granted under section 24-30-202(13), C.R.S.

The Notice of Rulemaking was issued June 26, 2018, for publication by the Secretary of State on July 10, 2018. The proposed rules and the proposed statement of basis and purpose have been available for review at the Department of Personnel & Administration Executive Director’s office and on the Executive Director’s website, along with the State Controller’s office and State Controller’s website since June 26, 2018. The Hearing Officer took testimony at the public rulemaking hearing on July 30, 2018. The Hearing Officer completed deliberations on the proposed rules on or before August 11, 2018. The rules were accepted through formal public hearing and approved by the Attorney General.

Comments and testimony taken in terminated docket, Secretary of State tracking number 2018-00117, were included in this docket for consideration.

The general purpose of the State Controller in conducting the rulemaking was to provide, with regards to the Colorado State Fiscal Rules, for the following:



- a) To update the practices and language in the rules pursuant to the deployment of the Colorado Operating Resource System (CORE);
- b) To update practices and language to comport with compliance requirements with federal rules, regulations, and guidance;
- c) To update the rules to comport with contemporary practices;
- d) To align fiscal rules with the State's new Procurement Modernization Act;
- e) To correct typographic and formatting errors.

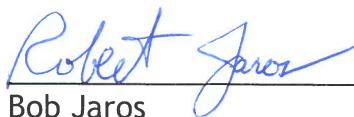
The State Controller adopted on a permanent basis, new rules contained within 1 CCR-101-1.

The Hearing Officer finds, as required by section 24-4-103(4)(b), C.R.S. that the record of the rulemaking proceeding demonstrates the need for the rules; the proper constitutional and statutory authority exists for the rules; to the extent practicable, the rules are clearly and simply stated so that their meaning will be understood by any required to comply with the rules; the rules do not conflict with other provisions of the law; and any duplication or overlapping of the rules, if any, has been explained.

The specific authority of the State Controller to promulgate these rules is found at section 24-30-202(13), C.R.S.

The permanent rules adopted shall become effective November 1, 2018.

Dated this 29th day of August, 2018



Bob Jaros
State Controller
Department of Personnel & Administration

