JOINT
BUDGET
COMMITTEE

STAFF BUDGET BRIEFING
FY 2017-18

DEPARTMENT OF HUMAN SERVICES

(Office of Information Technology Services, County Administration, Office of Self Sufficiency, Adult Assistance Programs, Division of Youth Corrections)

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DEPARTMENT OF HUMAN SERVICES

DEPARTMENT OVERVIEW

This Joint Budget Committee staff budget briefing document includes the following offices and agencies within the Department of Human Services:

- The **Office of Information Technology Services (OITS)** is responsible for developing and maintaining the major centralized computer systems of the Department, including systems that link to all 64 counties in the state. The Office supports centralized databases, and provides support and training to users, including county staff and private social service providers. OITS' staff resources were transferred to the Governor's Office of Information Technology (OIT) in FY 2010-11 as part of the consolidation of State executive branch agency information technology personnel resources in OIT. Former members of the OITS staff (current OIT employees) continue to support the programs funded and administered by the Department of Human Services.

- The **County Administration** budgetary section provides the 64 county departments of human services with moneys to administer the Supplemental Nutrition Assistance Program (SNAP; formerly known as food stamps) and a variety of smaller programs, including child support services and the Low-income Energy Assistance Program. Additionally, this section funds the County Tax Base Relief initiative to assist counties with the highest costs and lowest property tax values in meeting the obligation of the local match required by the State for certain public assistance programs. Much of the moneys appropriated in this section support county staff that determines eligibility for programs using the Colorado Benefits Management System (CBMS).

- The **Office of Self-Sufficiency** provides income, nutritional, and support services to assist families and individuals in need. The programs administered by this unit include:

    - Colorado Works – the Colorado implementation of the federal Temporary Assistance for Needy Families (TANF) program, which includes financial aid, employment services, and support services for families;
    - Food and Nutrition – provides monthly benefits to low-income households through the federal Supplemental Nutrition Assistance Program (SNAP) to supplement the food purchases to maintain a nutritionally adequate diet;
    - Child Support Services – establishes paternity and enforces orders for child and medical support;
    - Low-Income Energy Assistance Program (LEAP) – provides financial assistance with heating bills;
    - Food Distribution – works to strengthen the nutrition safety net through commodity food distribution to eligible individuals and families, emergency feeding programs, and the elderly;
    - Refugee Services – provides support to refugees and the larger receiving community; and

- Disability Determination Services – determines medical disability for Colorado residents who apply for Social Security Disability Insurance (SSDI) or Supplemental Security Income (SSI) benefits.

- The **Adult Assistance Programs** budgetary section provides moneys for assistance and support for needy elderly and disabled adult populations in Colorado. This section funds several programs, including the Old Age Pension (OAP) program, which provides cash assistance to eligible individuals age 60 and older, and the Aid to the Needy Disabled and Home Care Allowance programs, which provide cash assistance for low-income disabled adults. This section also funds several other programs, including Adult Protective Services (APS) programs, which intervene on behalf of at-risk adults to address abuse, neglect, or exploitation and Older Americans Act services, such as Meals on Wheels that are offered to older Coloradans through the 16 regional Area Agencies on Aging (AAA) across the state.

- The **Division of Youth Corrections (DYC)** is responsible for the supervision, care, and treatment of juveniles held in secure detention pre- or post-adjudication (detention facilities are similar to county jails), juveniles committed or sentenced to the Department by courts, and juveniles receiving six month mandatory parole services following a commitment to the Division. In addition to treating incarcerated and paroled juveniles, DYC administers the S.B. 91-094 program that provides alternatives to detention and/or commitment in each judicial district. The Division maintains ten secure institutional centers and augments this capacity with contracts for community, staff secure, and detention placements.

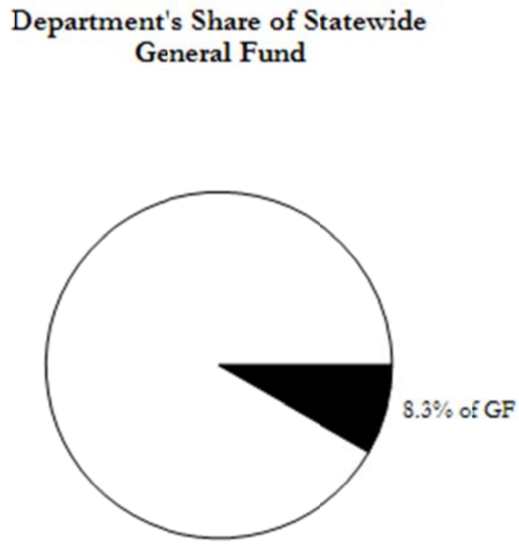
DEPARTMENT BUDGET: RECENT APPROPRIATIONS

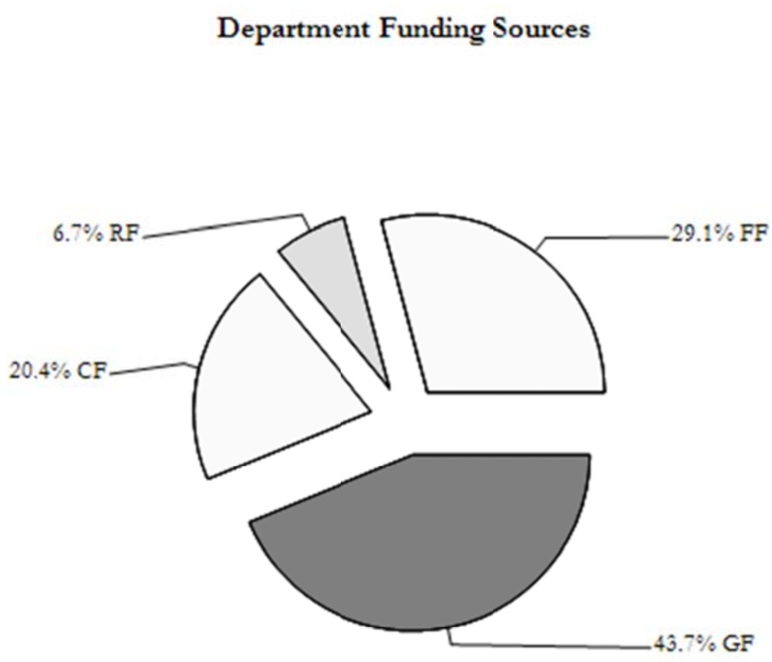
The following table shows recent appropriations for only the offices and agencies included in this Joint Budget Committee staff budget briefing document.

Funding Source	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18 *
General Fund	$223,371,282	$221,933,845	$239,610,070	$256,534,067
Cash Funds	154,629,617	157,083,681	177,856,057	181,480,000
Reappropriated Funds	4,394,126	4,456,663	4,283,403	5,560,045
Federal Funds	335,379,807	333,768,970	295,766,512	302,215,145
TOTAL FUNDS	**$717,774,832**	**$717,243,159**	**$717,516,042**	**$745,789,257**
Full Time Equiv. Staff	1,230.2	1,284.9	1,324.4	1,452.4

*Requested appropriation.

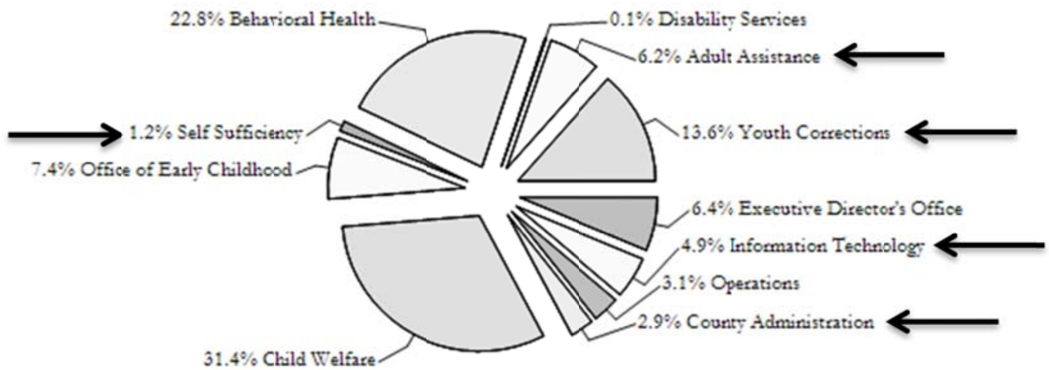
DEPARTMENT BUDGET: GRAPHIC OVERVIEW



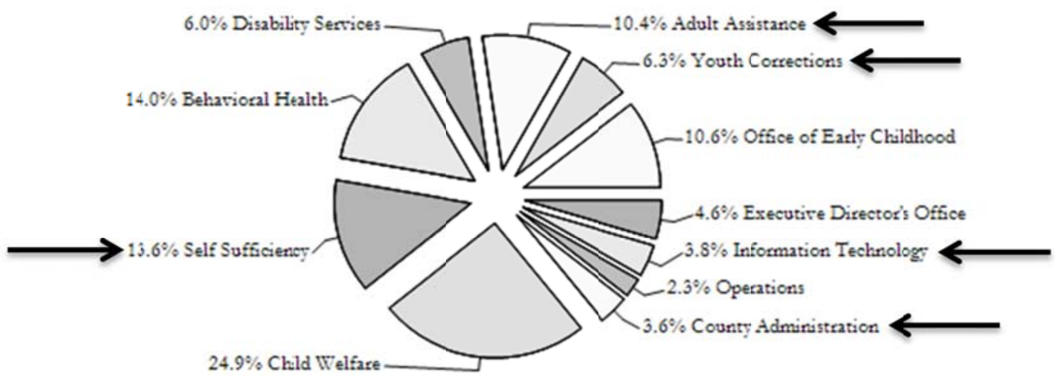


All charts are based on the FY 2016-17 appropriation.

Distribution of General Fund by Division



Distribution of Total Funds by Division



All charts are based on the FY 2016-17 appropriation.

GENERAL FACTORS DRIVING THE BUDGET

OFFICE OF INFORMATION TECHNOLOGY SERVICES (OITS)

Office of Information Technology Services Recent Appropriations				
FUNDING SOURCE	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18 *
General Fund	$40,727,389	$27,841,896	$40,959,156	$46,578,792
Cash Funds	1,616,490	1,175,674	1,667,556	1,634,361
Reappropriated Funds	1,072,793	1,071,589	1,036,482	1,313,124
Federal Funds	30,240,092	28,200,725	28,603,797	27,410,004
TOTAL FUNDS	**$73,656,764**	**$58,289,884**	**$72,266,991**	**$76,936,281**
Full Time Equiv. Staff	11.0	11.0	11.0	11.0

*Requested appropriation.

The budget for the Office of Information Technology Systems (OITS) is primarily driven by the personnel, contracting, and operating expenses of the Colorado Benefits Management System (CBMS). CBMS is the computer system used to determine a citizen's eligibility for public assistance programs like Medicaid, the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), and many others. CBMS is developed and maintained by the State for use by county social services departments and various medical assistance sites. The majority of employees assigned to CBMS reside in the Governor’s Office of Information Technology.

OITS' FY 2016-17 appropriation for CBMS-related expenditures totaled $31.5 million total funds, including $19.7 million General Fund, which equaled 43.6 percent of OITS' FY 2016-17 appropriation of $72.3 million. CBMS expenses are driven by standard operating costs, including contract services, personal services, postage, personal computers, hardware/software, network equipment, and printing supplies. OITS’ budget has also been driven by phases one and two of the CBMS modernization project, begun with the passage of H.B. 12-1339 (Colorado Benefits Management System Project). These phases provided appropriations totaling $71.1 million total funds to the Department from FY 2011-12 through FY 2014-15.

CBMS is not the only system administered with money appropriated to OITS. The following tools support a variety of programs:

- Colorado TRAILS – a statewide system, operational since 2002, that supports activities in the Division of Child Welfare and the Division of Youth Corrections. It provides case management, financial tools, and other resources to users of the program. TRAILS received an appropriation of $5.0 million total funds, including $2.7 million General Fund, for FY 2016-17 to support its operation. Note, TRAILS is in the beginning phases of a modernization project funded in the capital construction section of the budget. See staff’s budget briefing for the Office of the Governor dated November 17, 2016 for more information on this project.

- County Financial Management System (CFMS) – a system that tracks expenditures by program, by funding source, and by county track, allocates administrative costs by program, and tracks expenditures that are estimated to count toward federal maintenance of effort requirements. The system manages over $1.0 billion in payments annually. CFMS received an appropriation of $1.5

million total funds, including $0.8 million General Fund, for FY 2016-17 to support its operation.

- Child Care Automated Tracking System (CHATS) – a system for eligibility and payment for the Child Care Assistance Program. The program provides child care subsidies for low-income families, TANF families, and families transitioning from the Colorado Works program. CHATS received an appropriation of $3.0 million federal funds for FY 2016-17 to support its operation. Note, CHATS is in the final stages of a modernization project funded through the capital construction section of the budget.

COUNTY ADMINISTRATION

County Administration Recent Appropriations

Funding Source	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18 *
General Fund	$23,817,877	$23,546,625	$24,096,625	$28,546,625
Cash Funds	17,761,504	17,535,967	17,535,967	20,869,300
Reappropriated Funds	0	0	0	0
Federal Funds	26,841,168	26,280,468	26,280,468	34,613,801
TOTAL FUNDS	**$68,420,549**	**$67,363,060**	**$67,913,060**	**$84,029,726**
Full Time Equiv. Staff	0.0	0.0	0.0	0.0

*Requested appropriation.

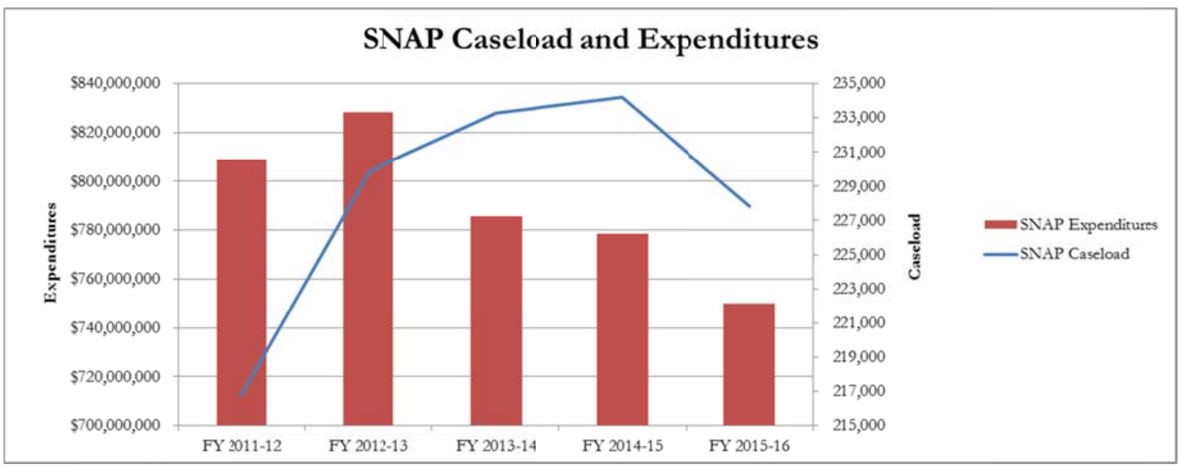
Colorado has a State-supervised and county-administered social services program, providing a large degree of autonomy to counties. As a result of this high degree of decentralization, most of the County Administration budget line items provide block transfers to the counties. If counties over-expend their allocations, they are responsible for covering the shortfall, although they are able to access federal matching funds for county-only expenditures for some programs.

Over time, funding for the administrative responsibilities for some programs has been moved out of the County Administration section. Administration for child care services, child welfare services, Temporary Assistance for Needy Families (TANF), adult services, and the Old Age Pension are incorporated into line items in other sections of the Department's budget. County administration of medical assistance programs (e.g. Medicaid) was moved to the Department of Health Care Policy and Financing (HCPF) in FY 2006-07. County activities to determine medical assistance eligibility are essentially the same as the activities to determine eligibility for other social service programs: both involve CBMS, and eligibility-determination costs are allocated between programs and the two departments.

Today, the County Administration section includes funding for eligibility determination for the Supplemental Nutrition Assistance Program (food stamps) and several other smaller programs (e.g. child support services and the Low-income Energy Assistance Program) and to assist counties experiencing severe financial gaps between service needs and property taxes used to maintain program operations. Funding provided by the State for county administration is capped at the level appropriated (as opposed to an entitlement), and county costs and caseload only affect appropriations to the extent the General Assembly chooses to make related adjustments. Many counties supplement State appropriations with county tax revenues. The appropriation of State funds for the County Administration section equals $23.5 million General Fund for FY 2016-17.

Additionally, for FY 2016-17, S.B. 16-190 establishes performance standards for administering the Supplemental Nutrition Assistance Program (SNAP), establishes a process for distributing monetary bonuses or sanctions associated with SNAP to county departments of social services, outlines the parameters of a data collection and analysis project to capture information regarding costs and performance associated with administering public assistance programs, and requires the Department and counties to design a continuous quality improvement program to improve the administration of public assistance programs. The bill includes an appropriation of $550,000 General Fund to the Colorado Department of Human Services for FY 2016-17 for data collection and analysis, as well as the design of a continuous quality improvement program to improve the administration of public assistance programs. The bill also includes a decrease of $550,000 General Fund and an increase of $550,000 federal funds from county TANF reserve funds for child welfare services.

The following chart summarizes SNAP caseload and expenditures for the last five years. Funding for the SNAP benefit is not included in the annual Long Bill, as it is directly paid from the federal government to recipients. Only appropriations supporting the administration of SNAP appear in the annual Long Bill.



OFFICE OF SELF SUFFICIENCY

Office of Self Sufficiency Recent Appropriations				
FUNDING SOURCE	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18 *
General Fund	$7,046,646	$9,254,130	$9,973,344	$10,921,934
Cash Funds	29,614,975	29,624,307	30,332,822	30,333,513
Reappropriated Funds	33,951	34,505	25,779	25,779
Federal Funds	255,769,662	256,834,361	218,979,309	218,288,402
TOTAL FUNDS	**$292,465,234**	**$295,747,303**	**$259,311,254**	**$259,569,628**
Full Time Equiv. Staff	245.7	245.7	248.7	248.7

*Requested appropriation.

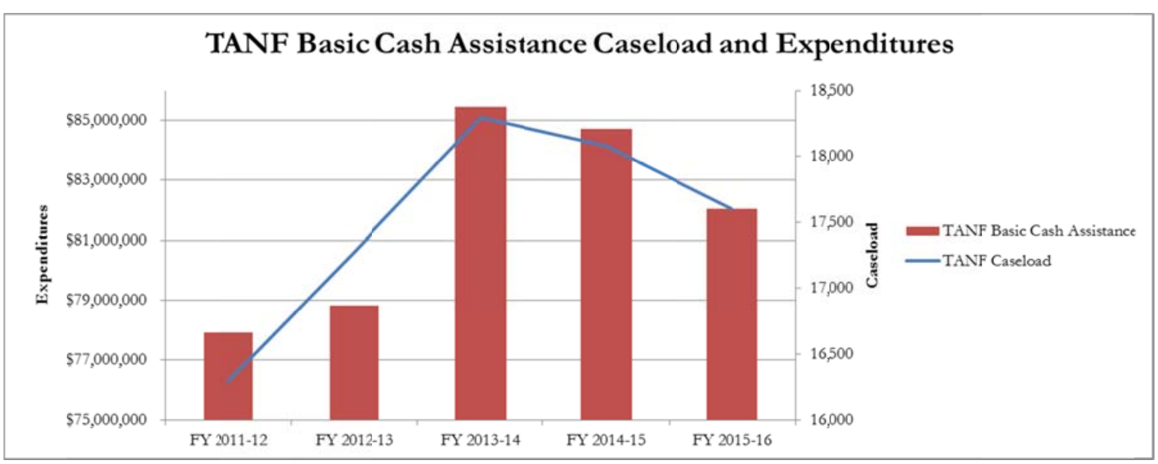
COLORADO WORKS AND TEMPORARY ASSISTANCE TO NEEDY FAMILIES

The Colorado Works Program implements the federal Temporary Assistance for Needy Families (TANF) block grant program created in the 1996 welfare reform law (P.L. 104-193). The program provides financial and other assistance to families to enable children to be cared for in their own homes and to assist needy parents in achieving self-sufficiency. Pursuant to federal law, the State receives a fixed amount of $136.1 million per year in TANF block grant funds. The majority of the TANF funds received each year are appropriated as block allocations to counties for the Colorado Works program. Federal TANF funds are also used by the State and counties to support related programs that assist needy families, including child welfare and child care subsidy programs.

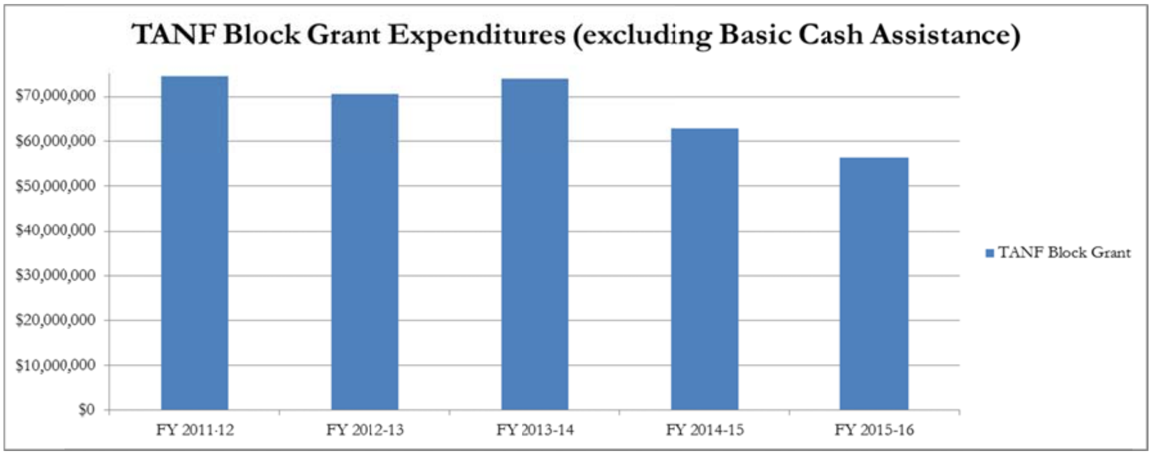
The yearly, fixed amount of TANF block grant funds are not the only TANF money received by the State over the past few fiscal years. Colorado was one of 17 states that received funding in addition to its fixed amount in the form of supplemental grants provided to states that met the criterion of high population growth and/or low historic grants per poor person. However, no federal funding was made available for supplemental grants in recent years, as the money was not reauthorized by Congress. As a result, Colorado's federal allocation in addition to the fixed amount of $136.1 million per year was cut by $13.6 million in FY 2012-13 and FY 2013-14. Additionally, pursuant to the American Recovery and Reinvestment Act of 2009 (ARRA), Colorado was able to access $68.0 million in supplemental TANF funds in FY 2008-09 and FY 2009-10 through a combination of the TANF Emergency Fund created through ARRA and the Contingency Fund created in 1996.

Although federal and State funding available for the Colorado Works program has been flat or declined, the demand for Colorado Works basic cash assistance climbed sharply starting in FY 2008-09 due to the effects of the recession. From FY 2008-09 through FY 2010-11, counties increased spending for the Colorado Works program in response to the increased demand, relying on county-controlled TANF reserves to support higher spending levels. In FY 2011-12, county expenditures fell in response to reduced federal funding. Finally, as State-controlled TANF reserves have been spent down, the General Assembly has refinanced TANF appropriations for child welfare services with General Fund. By FY 2012-13, only $3.0 million of the Child Welfare appropriation was comprised of TANF funds, and these remaining funds were replaced by General Fund starting in FY 2013-14.

The following chart summarizes TANF caseload and basic cash assistance expenditures for the last five years. Note, TANF is administered at the county level.

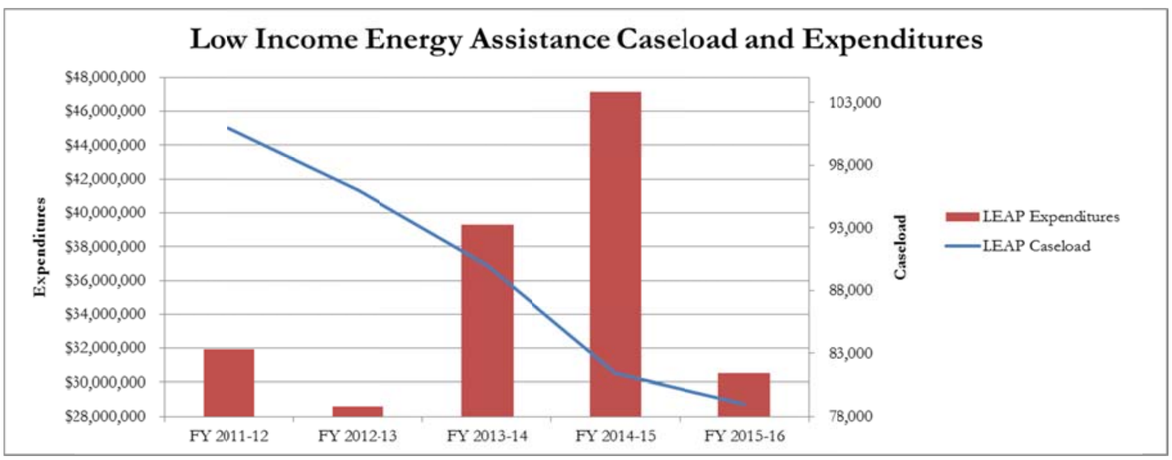


The following chart summarizes TANF expenditures to administer the program and to provide additional support to citizens in becoming self-sufficient. These expenses occur at the county level.



Low Income Energy Assistance Program

Many Changes to funding in this section of the budget are based on federal programs over which the General Assembly has little control. This includes adjustments for the Low Income Energy Assistance Program (LEAP), which is largely driven by federal funding levels. Funding for the LEAP program has been particularly volatile, as is shown in the following chart.



ADULT ASSISTANCE PROGRAMS

Adult Assistance Programs Recent Appropriations				
Funding Source	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18 *
General Fund	$43,756,192	$49,008,410	$51,448,742	$49,384,171
Cash Funds	103,545,117	106,656,202	126,231,727	126,554,841
Reappropriated Funds	1,800	1,800	1,800	1,001,800
Federal Funds	20,760,899	20,828,317	20,367,388	20,367,388
TOTAL FUNDS	**$168,064,008**	**$176,494,729**	**$198,049,657**	**$197,308,200**
Full Time Equiv. Staff	29.5	29.5	30.5	31.4

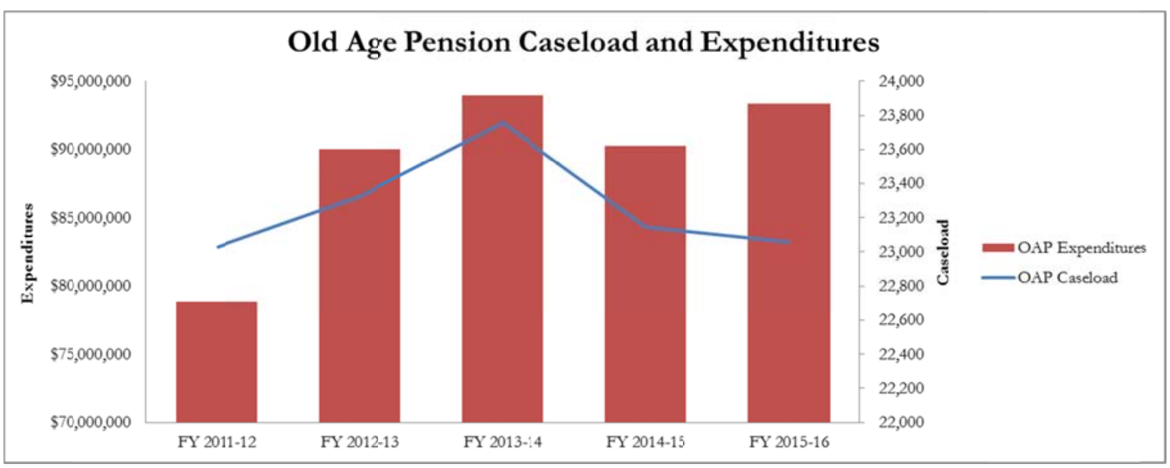
*Requested appropriation.

Old Age Pension Program

The Old Age Pension (OAP) Program, authorized by the State Constitution, provides cash assistance to low-income individuals ages 60 and over. It is funded through excise and State sales taxes which are deposited to the OAP cash fund in lieu of the General Fund. Costs for this program are driven by the size of the benefit and the number of qualified individuals. The General Assembly has limited control over OAP expenditures, as benefit levels are set by the State Board of Human Services, and the funds are continuously appropriated by the State Constitution. The Long Bill appropriation reflects anticipated expenditures and is shown for informational purposes.

Increases in expenditures through FY 2008-09 were driven primarily by cost-of-living (COLA) increases approved by the State Board of Human Services, while the caseload remained flat or declined. Between January 2009 and June 2012, no cost-of-living increases were approved. Additionally, expenditures were significantly reduced starting in FY 2010-11 by S.B. 10-1384, which imposed a five year waiting period for most new legal immigrants to become eligible for OAP benefits. Pursuant to H.B. 12-1326, the General Assembly encouraged the State Board of Human Services to provide a COLA increase of 3.7 percent. The Board approved this adjustment effective July 1, 2012, driving an increase of $6.7 million for FY 2012-13. In December 2012, the Board approved an additional 1.7 percent COLA for the program, effective January 1, 2013, driving an increase of $1.8 million for FY 2013-14. However, this increase was eclipsed by the impact of H.B. 10-1384, which drove a further reduction of $7.4 million in FY 2013-14.

For FY 2013-14 and FY 2014-15, the legislature provided funding for a 3.0 percent COLA increase ($1.3 million cash funds for FY 2013-14 and $2.7 million cash funds for FY 2014-15). For FY 2015-16, the legislature provided funding for a COLA increase of 1.7 percent ($1.3 million cash funds). No COLA increase was provided for FY 2016-17, however a request was submitted by the Department for FY 2017-18.



Community Services for the Elderly

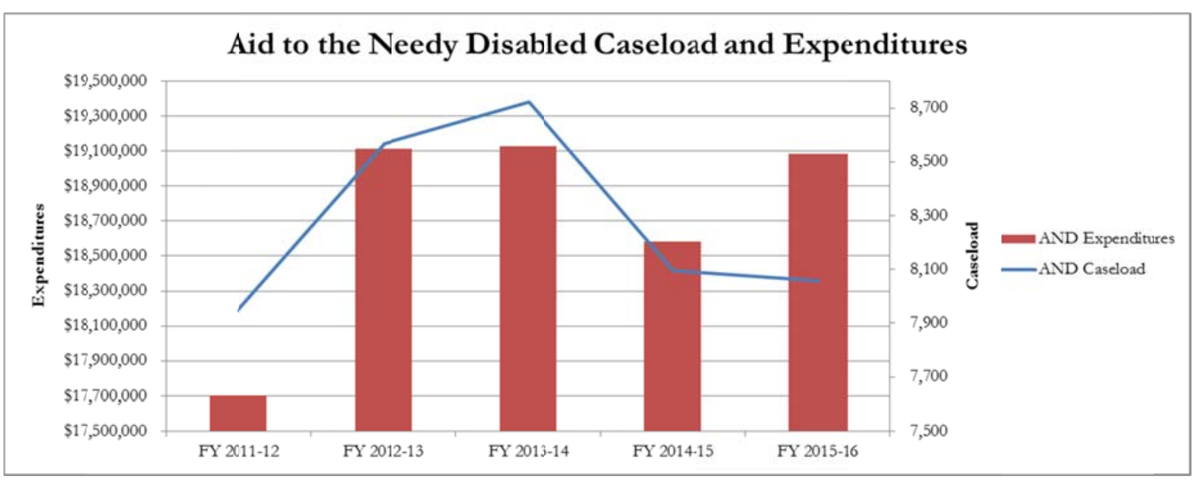
The State distributes State and federal funds to Area Agencies on Aging, which provide a variety of community services for the elderly such as transportation, congregate meals, meals on wheels, and in-home support services. Funding levels are adjusted based on available federal and state funding. Funding from state sources increased significantly through FY 2008-09 and again in FY 2013-14 based on statutory changes to increase funding from the Older Coloradans Cash Fund, which originates as state sales and excise taxes. Additionally, the General Assembly provided an increase of $4.5 million General Fund for FY 2014-15 to improve services for seniors and individuals who are blind or visually impaired. For FY 2015-16, the legislature provided an increase of $4.0 million total funds for senior services.

Per statute, 95.0 percent of the amount by which the value reflected in the Long Bill for the Senior Citizen and Disabled Veteran Property Tax Exemption line item in the Department of the Treasury exceeds the value local governments submit as claims for reimbursement is deposited in the Older Coloradans Cash Fund. An excess appropriation of $1,519,482 General Fund occurred in FY 2014-15 and a deposit of a like amount was made into the Older Coloradans Cash Fund, per this statutory provision. The Department of Human Services' mid-year adjustment legislation, H.B. 16-1242, added $1,519,482 cash funds from the Older Coloradans Cash Fund for community-based services to persons sixty years of age or older to assist such persons to live in their own homes and communities for as long as possible. For FY 2016-17, the amount available for appropriation totals $3.8 million cash funds. Staff assumes a supplemental budget request is forthcoming to increase the Department's cash funds spending authority from the Older Coloradans Cash Fund.

AID TO THE NEEDY DISABLED AND AID TO THE BLIND PROGRAMS

The Aid to the Needy Disabled (AND) program provides cash assistance for low income individuals with disabilities. For some beneficiaries, these funds supplement federal Supplemental Security Income (SSI) payments. Other beneficiaries either do not qualify for federal SSI or have pending applications for federal SSI. Funding for this program is comprised of General Fund, county matching funds, and federal reimbursements for payments to individuals who initially receive a State-only subsidy, but are ultimately deemed eligible for federal SSI.

In the last few years, the programs' appropriations have remained relatively flat, and benefits have been adjusted by the Department so that total expenditures remain within appropriated levels. However, some funding adjustments have been required to ensure that the State complies with a federal maintenance-of-effort (MOE) agreement with the Social Security Administration. The MOE applies to state spending for those individuals who receive federal SSI payments. Spending for the population that is not SSI-eligible has been reduced in the past (most notably in FY 2003-04) in response to State revenue shortfalls. The following chart summarizes caseload and expenditures for the last five years for AND.



ADULT PROTECTIVE SERVICES

Colorado's Adult Protective Services (APS) system, enacted in 1991, is designed to protect vulnerable or at-risk adults who, because of age or mental or physical ability, are unable to obtain services or otherwise protect their own health, safety, and welfare. Beginning on July 1, 2016, S.B. 15-190 (Mandatory Abuse Report For Adult With A Disability) expanded the mandatory reporting requirement for at-risk adults to cover known or suspected abuse of at-risk adults with an intellectual or developmental disability.

The following table summarizes the types of allegations for FY 2015-16.

APS Allegation Types as a Percent of All Reports and New Cases (FY 2015-16)		
Allegation Type	Percent of Reports Received (17,743)	Percent of New Cases Opened (8,583)
Caretaker neglect	24%	24%
Exploitation	23%	23%
Physical abuse	9%	9%
Sexual abuse	2%	2%
Self-neglect	42%	42%

The following table summarizes the number of reports and cases involving individuals with intellectual and developmental disabilities.

Number of APS Reports and Cases Per Month Involving an Individual with IDD (FY 2016-17)		
Month in FY 2016-17	Number of Reports (IDD)	Number of Cases (IDD)
July	249	89
August	270	111
September	229	86
October	221	87
Average Per Month	**242**	**93**

For FY 2015-16, the Department received an appropriation of $938,322 total funds, including $750,658 General Fund, for counties to begin hiring additional caseworkers and supervisors to respond to cases of abuse or exploitation of at-risk adults with intellectual and developmental disabilities. For FY 2016-17 and future years, this increase annualizes to $3,753,289 total funds, including $3,002,631 General Fund.

DIVISION OF YOUTH CORRECTIONS

Division of Youth Corrections Recent Appropriations				
FUNDING SOURCE	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18 *
General Fund	$108,023,178	$112,282,784	$113,132,203	$121,102,545
Cash Funds	2,091,531	2,091,531	2,087,985	2,087,985
Reappropriated Funds	3,285,582	3,348,769	3,219,342	3,219,342
Federal Funds	1,767,986	1,625,099	1,535,550	1,535,550
TOTAL FUNDS	**$115,168,277**	**$119,348,183**	**$119,975,080**	**$127,945,422**
Full Time Equiv. Staff	944.0	998.7	1,034.2	1,161.3

Division of Youth Corrections Recent Appropriations				
Funding Source	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18 *

*Requested appropriation.

The Division of Youth Corrections provides for the housing of juveniles who are detained while awaiting adjudication (similar to adult jail), or committed for a period of time as a result of a juvenile delinquent adjudication (similar to adult prison). The Division also supervises juveniles during a mandatory parole period following all commitment sentences. The following tables illustrate the types of crimes committed by youth who were admitted into detention facilities or committed to the custody of the Department through adjudication.

DYC Detention Admissions		
Crime Type	Number	Percent
Person	1,511	23.2%
Property	1,796	27.6%
Drug	307	4.7%
Weapon	251	3.9%
Traffic	67	1.0%
Other	703	10.8%
Unknown	1,875	28.8%
Total	**6,510**	

FY 2015-16 New DYC Commitments						
Crime Type	Felonies		Misdemeanors		Total Crimes	
	Number	Percent	Number	Percent	Total	Percent
Person	95	39.6%	67	45.6%	162	41.9%
Property	85	35.4%	37	25.2%	122	31.5%
Drug	20	8.3%	3	2.0%	23	5.9%
Weapon	9	3.8%	28	19.1%	37	9.6%
Other	31	12.9%	12	8.2%	43	11.1%
Total	**240**		**147**		**387**	

The vast majority of the appropriation to support the youth correctional population is from the General Fund. The size of the population of detained, committed, and paroled juveniles significantly affects funding requirements. For FY 2013-14, the General Assembly decreased funding to: (1) reflect a reduction in the number of youth placed in private contract commitment and detention beds due to lower caseloads, (2) close five pods (living units) at Division of Youth Corrections facilities, and (3) consolidate three Front Range juvenile assessment programs for newly committed youth into a single assessment program. All of these decreases were due to the reduced size of the population. However, funding increases and declines have not always aligned with population changes.

- From FY 2000-01 through FY 2003-04, appropriations declined, despite increases in the population of committed youth, in response to state revenue constraints. Parole services and funding for alternatives to secure detention were cut due to a statewide revenue shortfall. For detained (as opposed to committed) youth, S.B. 03-286 capped the youth detention population at 479, limiting any further funding increases associated with growth in the detention population.

- From FY 2006-07 through FY 2009-10, appropriations remained relatively flat, despite sharp declines in the population of committed youth, based on the redirection of funds within the Division's budget. During this period, savings derived from a reduction in the commitment population were in part used to increase services for youth transitioning to parole, and funding was provided for other program enhancements.

- Beginning in mid-FY 2010-11 and continuing in FY 2011-12, reductions were taken in response to the sharp declines in the population of committed and detained youth, as well as in response to statewide revenue constraints. Division funding was more closely aligned with the youth population, and cuts were taken in parole program services and in funding for alternatives to secure placements. In addition, pursuant to S.B. 11-217, the detention cap was lowered to 422, based on lower arrest rates and a reduction in the number of youth in secure detention.

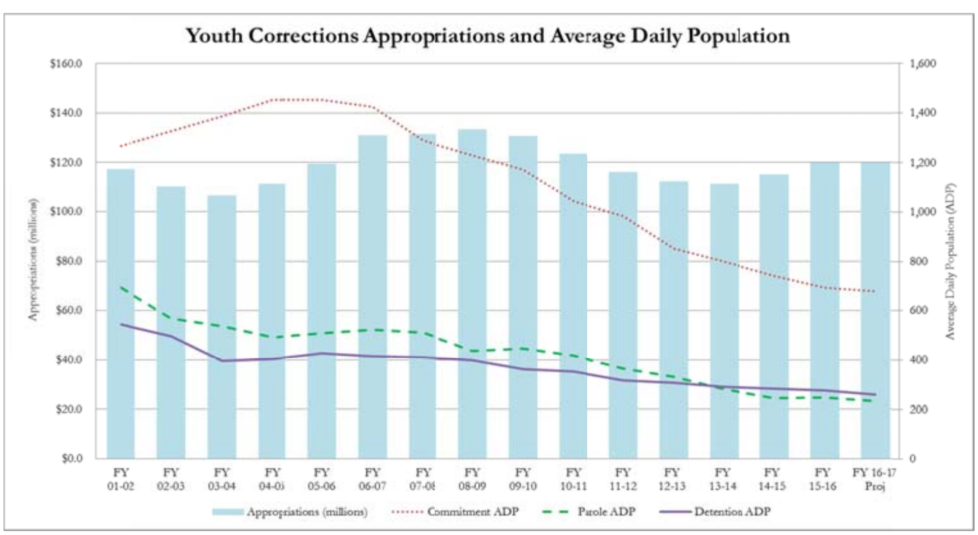
- For FY 2012-13, funding was increased to eliminate overcrowding in state facilities and to address some staffing coverage issues, although the population served continued to decline.

- Beginning in FY 2014-15, the General Assembly increased funding by $2.0 million from the Marijuana Tax Cash Fund for S.B. 91-94 programming, which provides alternatives to incarceration.

- For FY 2014-15 and FY 2015-16, the General Assembly increased funding by $3.5 million General Fund for a staffing increase of 75.0 FTE in the Division's ten State-owned and –operated facilities. A portion of this increase was offset by a decrease in funding for community placements due to a shrinking population of youth requiring services.

- For FY 2016-17, the General Assembly increased funding by $2.2 million General Fund for a staffing increase of 36.3 FTE in the Division's ten State-owned and –operated facilities. Once again, a portion of this increase was offset by a decrease in funding for community placements.

The following table summarizes appropriations for the Division and the average daily population of youth in commitment, parole, or detention.



SUMMARY: FY 2016-17 APPROPRIATION & FY 2017-18 REQUEST

DEPARTMENT OF HUMAN SERVICES	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2016-17 APPROPRIATION:						
HB 16-1405 (Long Bill)	$714,564,177	$237,008,442	$177,774,382	$4,283,403	$295,497,950	1,322.4
Other legislation	2,951,865	2,601,628	81,675	0	268,562	2.0
TOTAL	**$717,516,042**	**$239,610,070**	**$177,856,057**	**$4,283,403**	**$295,766,512**	**1,324.4**
FY 2017-18 REQUESTED APPROPRIATION:						
FY 2016-17 Appropriation	$717,516,042	$239,610,070	$177,856,057	$4,283,403	$295,766,512	1,324.4
R1 DYC facility staffing phase 3 of 3	4,026,487	4,026,487	0	0	0	80.6
R2 DYC 24 hour medical coverage	1,743,882	1,743,882	0	0	0	16.1
R3 DYC detention mental health	1,011,954	1,011,954	0	0	0	0.0
R4 County administration	16,666,666	5,000,000	3,333,333	0	8,333,333	0.0
R6 Department indirect costs	1	2,275,811	(40,435)	251,237	(2,486,612)	0.0
R9 State quality assurance for adult protective services	82,628	82,628	0	0	0	0.9
R11 Old Age Pension Program cost of living adjustment	321,697	0	321,697	0	0	0.0
R21 Aging and disabilities resources for Colorado - Medicaid	500,000	(500,000)	0	1,000,000	0	0.0
R23 DYC reduction of client managers	(126,580)	(126,580)	0	0	0	(2.0)
Non-prioritized request items	688,706	681,819	0	6,887	0	0.0
Centrally appropriated line items	3,668,921	1,976,637	7,222	124,785	1,560,277	0.0
Annualize prior year budget actions	1,149,929	1,247,718	2,126	(106,267)	6,352	32.4
Annualize prior year legislation	(1,461,076)	(496,359)	0	0	(964,717)	0.0
TOTAL	**$745,789,257**	**$256,534,067**	**$181,480,000**	**$5,560,045**	**$302,215,145**	**1,452.4**
INCREASE/(DECREASE)	$28,273,215	$16,923,997	$3,623,943	$1,276,642	$6,448,633	128.0
Percentage Change	3.9%	7.1%	2.0%	29.8%	2.2%	9.7%

R1 DYC FACILITY STAFFING PHASE 3 OF 3: The request seeks an increase of $5,010,631 General Fund and 80.6 FTE for FY 2017-18 (annualizes to 137.0 FTE in FY 2018-19 and beyond) to add staff to State-owned and operated youth corrections' facilities in an effort to improve safety and security of staff and youth. The following table summarizes the request.

R1 DYC FACILITY STAFFING PHASE 3 OF 3, TOTAL REQUESTED DEPARTMENT APPROPRIATIONS				
DIVISION	LINE ITEM	TOTAL FUNDS	GENERAL FUND	FTE
Executive Director's Office*	Health, Life, and Dental	$642,102	$642,102	0.0
Executive Director's Office*	Short-term Disability	6,378	6,378	0.0
Executive Director's Office*	S.B. 04-257 Amortization Equalization Disbursement	167,832	167,832	0.0
Executive Director's Office*	S.B. 06-235 Supplemental Amortization Equalization Disbursement	167,832	167,832	0.0
Division of Youth Corrections	Personal Services	3,746,030	3,746,030	80.6
Division of Youth Corrections	Operating Expenses	280,457	280,457	0.0
TOTAL		**$5,010,631**	**$5,010,631**	**80.6**

*The request amount listed here includes centrally appropriated line items, such as health, life, and dental insurance, which are not shown in the summary table because these line items appear in the Executive Director's Office which was covered in a separate staff budget briefing provided by Robin Smart on Thursday, December 8th.

For more information on this request, see staff's briefing issue in this document entitled "R1 DYC Facility Staffing, Phase 3 of 3."

R2 DYC 24 HOUR MEDICAL COVERAGE: The request includes an increase of $1,990,931 General Fund and 16.1 FTE for FY 2017-18 to add 38 nurse and mid-level provider staff to State-owned and -operated youth corrections' facilities to provide increased coverage for medical services. Additionally, the funding request includes money for the provision of contracted psychiatric services to detained juveniles beginning January 2018. The following table summarizes the request.

R2 DYC 24 HOUR MEDICAL COVERAGE, TOTAL REQUESTED DEPARTMENT APPROPRIATIONS				
DIVISION	LINE ITEM	TOTAL FUNDS	GENERAL FUND	FTE
Executive Director's Office*	Health, Life, and Dental	$142,689	$142,689	0.0
Executive Director's Office*	Short-term Disability	1,946	1,946	0.0
Executive Director's Office*	S.B. 04-257 Amortization Equalization Disbursement	51,207	51,207	0.0
Executive Director's Office*	S.B. 06-235 Supplemental Amortization Equalization Disbursement	51,207	51,207	0.0
Division of Youth Corrections	Medical Services	1,743,882	1,743,882	16.1
TOTAL		**$1,990,931**	**$1,990,931**	**16.1**

*The request amount listed here includes centrally appropriated line items, such as health, life, and dental insurance, which are not shown in the summary table because these line items appear in the Executive Director's Office which was covered in a separate staff budget briefing provided by Robin Smart on Thursday, December 8th.

R3 DYC DETENTION MENTAL HEALTH: The request seeks an increase of $1,011,954 General Fund for FY 2017-18 to increase the availability of contract mental health services to detained juveniles at the State's eight detention centers that serve all 22 of the state's judicial districts. Currently limited mental health services (stabilization and crisis intervention) are available to detained youth. This request aims to expand the level of mental health services by increasing the amount of time licensed mental health clinicians are available to provide treatment on-site.

R4 COUNTY ADMINISTRATION: The request includes an increase of $16,666,666 total funds, including $5,000,000 General Fund for FY 2017-18 to increase funding to counties to administer the Supplemental Nutrition Assistance Program (food stamps), the Aid to the Needy Disabled program, child support services, and the Low Income Energy Assistance Program. The request comes as 45 counties overspent the FY 2015-16 funding level by $6.0 million (after accounting for adjustments related to the county settlement and close-out process).

For more information on this request, see staff's briefing issue in this document entitled "R4 County Administration Funding."

R6 DEPARTMENT INDIRECT COSTS: The request seeks $3,075,586 total funds, including an increase of $3,514,960 General Fund for FY 2017-18 and beyond to address the budget shortfall related to the Department's indirect and administrative costs. As it relates to the offices and agencies covered in this staff budget briefing document, the proposals calls for taking the following actions to rebalance appropriations based on available fund sources. (Note, staff admits that in prior fiscal years it is feasible that staff recommended (and the Committee-approved) a fund-split for the following line item with a greater amount of cash funds and federal funds than are available to the Department for this purpose, which necessitates this Department request.)

- An increase of $2,275,811 General Fund in the Payments to OIT line item in the Office of Information Technology Services division;
- An increase of $251,237 reappropriated funds in the Payments to OIT line item in the Office of Information Technology Services division;
- A decrease of $2,486,612 federal funds in the Payments to OIT line item in the Office of Information Technology Services division; and
- A decrease of $40,435 cash funds in the Payments to OIT line item in the Office of Information Technology Services division.

The analysis of this request will be presented to the Joint Budget Committee on Monday, December 19th in separate staff briefing by Megan Davisson for the Office of Operations in the Department of Human Services.

R9 STATE QUALITY ASSURANCE FOR ADULT PROTECTIVE SERVICES: The request includes an increase of $428,410 General Fund and 4.6 FTE for FY 2017-18 to add three quality assurance reviewers, one quality assurance supervisor, and one adult protective services program specialist. The quality assurance staff would be located in the Department's Administrative Review Division and would conduct formal reviews of county adult protective services cases. The requested adult protective services program specialist would provide follow-up support and monitoring to counties not meeting compliance standards. This position would also identify trends and concerns across counties and develop and facilitate training statewide to address those trends.

The Department indicates that its current staffing level of 6.5 FTE is unable to adequately provide oversight and quality assurance to county cases due to an increasing caseload. The table below shows the caseload trends for the past five fiscal years.

Adult Protective Services Caseload		
Fiscal Year	Reports	Cases
FY 2011-12	11,000	6,483
FY 2012-13	11,539	6,738
FY 2013-14	11,818	6,760
FY 2014-15	16,696	8,932
FY 2015-16	17,743	8,583

In FY 2015-16, Department staff completed formal reviews on only four counties. While reviewing these cases, the Department found a variety of compliance issues related to intake, investigation, assessment, case planning, caseworker average scores, and supervisory reviews. The requested funding would allow the Department to examine the work of more counties and provide technical support to counties to achieve greater program compliance.

The following table summarizes the request.

R9 State Quality Assurance for Adult Protective Services, Total Requested Department Appropriations				
Division	Line Item	Total Funds	General Fund	FTE
Executive Director's Office*	Health, Life, and Dental	$39,636	$39,636	0.0
Executive Director's Office*	Short-term Disability	550	550	0.0
Executive Director's Office*	S.B. 04-257 Amortization Equalization Disbursement	14,492	14,492	0.0
Executive Director's Office*	S.B. 06-235 Supplemental Amortization Equalization Disbursement	14,492	14,492	0.0

R9 State Quality Assurance for Adult Protective Services, Total Requested Department Appropriations				
DIVISION	LINE ITEM	TOTAL FUNDS	GENERAL FUND	FTE
Executive Director's Office*	Administrative Review Unit	276,612	276,612	3.7
Adult Assistance Programs	Adult Protective Services - State Administration	82,628	82,628	0.9
TOTAL		**$428,410**	**$428,410**	**4.6**

*****The request amount listed here includes centrally appropriated line items, such as health, life, and dental insurance, which are not shown in the summary table because these line items appear in the Executive Director's Office which was covered in a separate staff budget briefing provided by Robin Smart on Thursday, December 8th.

R11 OLD AGE PENSION PROGRAM COST OF LIVING ADJUSTMENT: The request seeks an increase of $321,697 cash funds for FY 2017-18 from the Old Age Pension (OAP) Fund to implement a 0.3 percent cost-of-living (COLA) increase for OAP recipients. This would increase the monthly grant standard from $771 to $773. The State Board of Human Services has the constitutional authority to raise or not to raise the OAP grant standard in accordance with the federal Social Security Administration's (SSA) annual decision to award or not award a COLA to Supplemental Security Income (SSI) recipients. The SSA's COLA for calendar year 2017 includes a 0.3 percent increase.

R21 AGING AND DISABILITIES RESOURCES FOR COLORADO - MEDICAID: The request includes an increase of $500,000 total funds, including a decrease of $500,000 General Fund, for FY 2017-18 to continue the Aging and Disability Resources for Colorado (ADRC) program. 14 ADRC programs across the state facilitate seamless and comprehensive services to persons with disabilities and seniors. The programs work by integrating or coordinating existing aging and disabilities service systems, allowing consumers to access a full range of community services and receive objective information, advice, counseling and assistance to make decisions for themselves about their long-term care services. One source of federal funding for ADRC expired on September 30, 2015 and, with this request, the Department asks for spending authority to backfill this funding by claiming ADRC expenses under Medicaid. Mechanically, the Department seeks the following budget actions to enact this funding source change:

R21 Aging and Disabilities Resources for Colorado, Total Requested Department Appropriations				
Division	TOTAL FUNDS	GENERAL FUND	REAPPROPRIATED FUNDS	FEDERAL FUNDS
Human Services	$500,000	($500,000)	$1,000,000	0
Health Care Policy and Financing	1,000,000	500,000	0	500,000
TOTAL	**$1,500,000**	**$0**	**$1,000,000**	**500,000**

R23 DYC REDUCTION OF CLIENT MANAGERS: The request seeks a decrease of $153,818 General Fund and 2.0 FTE for FY 2017-18 to eliminate two client managers in the Division of Youth Corrections due to declines in both the committed and paroled youth caseloads.

R23 DYC Reduction of Client Managers, Total Requested Department Appropriations				
DIVISION	LINE ITEM	TOTAL FUNDS	GENERAL FUND	FTE
Executive Director's Office*	Health, Life, and Dental	($15,854)	($15,854)	0.0
Executive Director's Office*	Short-term Disability	(212)	(212)	0.0
Executive Director's Office*	S.B. 04-257 Amortization Equalization Disbursement	(5,586)	(5,586)	0.0
Executive Director's Office*	S.B. 06-235 Supplemental Amortization Equalization Disbursement	(5,586)	(5,586)	0.0
Division of Youth Corrections	Community Programs, Personal Services	(124,680)	(124,680)	(2.0)
Division of Youth Corrections	Community Programs, Operating Expenses	(1,900)	(1,900)	0.0
TOTAL		**($153,818)**	**($153,818)**	**(2.0)**

*The request amount listed here includes centrally appropriated line items, such as health, life, and dental insurance, which are not shown in the summary table because these line items appear in the Executive Director's Office which was covered in a separate staff budget briefing provided by Robin Smart on Thursday, December 8th.

NON-PRIORITIZED REQUEST ITEMS: Includes the Department's share of the Secure Colorado and deskside staffing decision items in the Office of Information Technology. *These requested changes were addressed in separate staff briefing presented by Kevin Neimond for the Governor's Office of Information Technology on Thursday, November 17th.* The table below itemizes each requested non-prioritized item for FY 2017-18.

NON-PRIORITIZED REQUEST ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
NP OIT Secure Colorado	$491,965	$487,045	$0	$4,920	$0	0.0
NP OIT Deskside staffing	196,741	194,774	0	1,967	0	0.0
TOTAL	**$688,706**	**681,819**	**$0**	**$6,887**	**$0**	**0.0**

CENTRALLY APPROPRIATED LINE ITEMS: The request includes adjustments to centrally appropriated line items for the following: Payments to OIT and CORE Operations. *These requested changes were addressed in separate staff briefings presented by Alfredo Kemm for the Department of Personnel on Wednesday, December 7th and Kevin Neimond for the Governor's Office of Information Technology on Thursday, November 17th.* The table below itemizes each requested centrally appropriated line item adjustment for FY 2017-18.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Payments to OIT adjustment	$3,927,056	$2,109,357	$59,417	$124,785	$1,633,497	0.0
CORE adjustment	(258,135)	(132,720)	(52,195)	0	(73,220)	0.0
TOTAL	**$3,668,921**	**1,976,637**	**$7,222**	**$124,785**	**$1,560,277**	**0.0**

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The request includes adjustments related to prior year budget actions, primarily decision items. The table below itemizes each requested annualization for FY 2017-18.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize DYC security staffing, phase 2	$1,466,964	$1,466,964	$0	$0	$0	32.4
Annualize Mental Health Institutes electronic health record system	578,443	684,710	0	(106,267)	0	0.0
Annualize prior year salary survey	239,332	223,799	2,126	0	13,407	0.0
Annualize Sunset of Home Care Allowance grant program	(750,000)	(750,000)	0	0	0	0.0
Annualize DYC trauma informed care	(245,700)	(245,700)	0	0	0	0.0
Annualize DYC special education needs assessment	(125,000)	(125,000)	0	0	0	0.0
Annualize SNAP administration increase	(14,110)	(7,055)	0	0	(7,055)	0.0
TOTAL	**$1,149,929**	**1,247,718**	**$2,126**	**($106,267)**	**$6,352**	**32.4**

ANNUALIZE PRIOR YEAR LEGISLATION: The request includes adjustments related to prior year legislation. The table below itemizes each requested annualization for FY 2017-18.

Annualize Prior Year Legislation						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Annualize HB 16-1290 (Extend Transitional Jobs Program)	$1,144,653	$1,144,653	$0	$0	$0	1.0
Annualize SB 15-012 (Colorado Works Pass-through Child Support Payment)	311,035	1,007,190	0	0	(696,155)	0.0
Annualize HB 14-1015 (Extend Transitional Jobs Program)	(1,198,202)	(1,198,202)	0	0	0	(1.0)
Annualize HB 16-1398 (Implement Respite Care Task Force Recommendations)	(900,000)	(900,000)	0	0	0	0.0
Annualize SB 16-190 Improve County Administration public assistance	(550,000)	(550,000)	0	0	0	0.0
Annualize HB 16-1227 (Exemptions Child Support Reqmnts Child Care Assist)	(268,562)	0	0	0	(268,562)	0.0
TOTAL	**($1,461,076)**	**(496,359)**	**$0**	**$0**	**($964,717)**	**0.0**

ISSUE: COUNTY ADMINISTRATION LEGISLATION UPDATE

Senate Bill 16-190, sponsored by the Joint Budget Committee, contained several provisions aimed at improving the performance of the State and counties in providing public assistance programs, including the Supplemental Nutrition Assistance Program (SNAP). This briefing issue provides an update on the deliverables required of the Colorado Department of Human Services by S.B. 16-190.

SUMMARY

- In response to data showing that Colorado experiences issues complying with federal standards in delivering SNAP benefits to citizens, the Joint Budget Committee sponsored legislation, S.B. 16-190 (Improve County Admin Public Assistance Programs), to address performance in the SNAP program, specifically, and across seven other public assistance programs, generally.

- Senate Bill 16-190 requires CDHS and county departments of social services to endeavor to exceed federal performance measures related to the administration of SNAP and indicates that federal SNAP performance-based monetary bonuses or sanctions shall be passed through to counties.

- Via S.B. 16-190, CDHS is also tasked with producing two deliverables in FY 2016-17: first, CDHS must contract with a vendor to collect and analyze data relating to county costs and performance associated with administering public assistance programs, including SNAP. Second, CDHS must design a continuous quality improvement program in consultation with county workers to improve the products, services, and processes associated with administering public assistance programs. This briefing issue provides an update on these deliverables.

DISCUSSION

Background

The majority of public assistance benefits available to Colorado citizens are delivered by the Departments of Health Care Policy and Financing (HCPF) and Human Services (CDHS) under a State-supervised, county-administered model. These programs include:

- SNAP (CDHS);
- Medicaid (HCPF);
- Children's Basic Health Plan (HCPF);
- Colorado Works Program (CDHS);
- Program for Aid to Needy Disabled (CDHS);
- Old-Age Pension Program (CDHS, HCPF); and
- Long-term Care Services (HCPF).

Several of these programs (SNAP, Medicaid, Children's Basic Health Plan, Colorado Works, and Long-term Care Services) are partnerships with the federal government whereby federal agencies provide funding and guidance to the State for the provision of benefits. In serving citizens and administering the program, Colorado (and all other states) is required by federal law and regulation to meet performance expectations.

In response to data showing that Colorado experiences issues complying with federal standards in delivering SNAP benefits to citizens, the Joint Budget Committee sponsored legislation to address performance in the SNAP program, specifically, and across the seven public assistance programs listed above, generally. This legislation, S.B. 16-190 (Improve County Admin Public Assistance Programs), contained three main provisions:

1 (SNAP) Directs CDHS and county departments of social services to endeavor to exceed federal performance measures related to the administration of SNAP. Additionally, it is indicated that federal SNAP performance-based monetary bonuses or sanctions shall be passed through to counties by CDHS using a mutually agreed upon, data-driven methodology.

2 (County Workload Study) Directs CDHS to contract with an external vendor to collect and analyze data relating to county departments social services' costs and performance associated with administering public assistance programs.

3 (Continuous Quality Improvement Program) Directs CDHS to design a continuous quality improvement program, in consultation with county workers, to improve the products, services, and processes associated with administering public assistance programs.

The bill included a one-time appropriation of $550,000 General Fund to CDHS for FY 2016-17 for data collection and analysis (County Workload Study), as well as the design of a continuous quality improvement program to improve the administration of public assistance programs. The bill also includes a decrease of $550,000 General Fund and an increase of $550,000 federal funds from county Temporary Assistance for Needy Families (TANF) reserve funds for child welfare services. The following table provides a summary of the appropriations.

S.B. 16-190 Appropriations – FY 2016-17			
Item	Total Funds	General Fund	Federal Funds
County Workload Study	$450,000	$450,000	$0
County Workload Study Scope Development	50,000	50,000	0
Continuous Quality Improvement Program Design	50,000	50,000	0
Child Welfare Services	0	(550,000)	550,000
Total	**$550,000**	**$0**	**$550,000**

Status Update – SNAP

A workgroup consisting of CDHS, counties, and non-profits have been meeting to discuss various methodology options for distributing federal performance-based monetary incentives and penalties to counties related to the administration of SNAP. Recommendations have been drafted by the workgroup and are working their way through the stakeholder process. The Department will provide the agreed upon methodology to the Joint Budget Committee (no action required) upon finalization.

Status Update – County Workload Study
To ensure the county workload study yields beneficial information to multiple parties, CDHS used a portion of its FY 2016-17 appropriation from S.B. 16-190 to contract with an external consultant to work with program administrators, fiscal agents, and program stakeholders to identify the scope of this data collection and analysis project. After this process, a request for proposals (RFP) was published on November 22, 2016 for the county workload study. The closing date for vendors to submit proposals is December 23, 2016. The proposal selection process will be held during the week of December 26th, with a goal of having a finalized contract in place by February 1, 2017. The final drafts of the deliverables are due to CDHS and HCPF by June 26, 2017.

For the seven public assistance programs administered by CDHS and HCPF (listed above), the selected vendor is expected to collect and analyze data and report on the following:

- Performance Measures – The status of each county in meeting performance measures for administering public assistance programs relative to application processing timeliness, redetermination timeliness, payment error rate, and case and procedural error rate.

- County Activities – An inventory of relevant county activities, including among others, application initiation, interactive interviews, and case review; and the purpose of the activities, which may include compliance with Federal or State law.

- Administrative Work/Delays – An assessment of administrative work not yet completed by each county and the cause of any delay in completing the work.

- Activity Times – The amount of time spent by each county staff on each activity inventoried in the "County Activities" component described above.

- County Costs per Activity – The cost incurred by each county, including staff and operating costs, relating to each activity and each client.

- Cost Variances – Any variance among counties with respect to the cost incurred, time associated with each activity, and return on investment, and the source of those variances.

- Program Cost and Performance Relationships – Perform an analysis of information and data to determine the relationship, if any, between the time and cost associated with each activity and the county performance with respect to the performance standards for the public assistance program.

- Total County Costs – The level of total county funding needed to meet the county's required workload in relation to the administration of public benefit assistance programs for which data is collected and analyzed. This includes the total county funding needed for current business processes and the total county funding needed if all counties implement best practices and business reengineering concepts adopted by peer counties found to operate in the most cost-effective manner while meeting performance measures.

- Business Process Improvements – Improvements that contribute to a county's decreased time or costs associated with each activity and to a county's ability to meet or exceed the performance standards for the public benefit assistance programs, including improvements associated with previous State and/or county funded business process reengineering initiatives.

- Funding Options – Evaluate funding options for cost-allocation models for the distribution of State funding to counties for administering public assistance programs.

As part of this work, the vendor is expected to perform an onsite review of the following counties (at a minimum). Note, for those counties not identified below, the vendor is required to develop and administer survey to collect relevant data.

Large Counties	Medium Counties	Small Counties
Arapahoe	Douglas	Alamosa
Denver	Eagle	Huerfano
El Paso		Sedgwick
Mesa		

Status Update – Continuous Quality Improvement Program
The solicitation for a documented quote (DQ) to design a continuous quality improvement program, in consultation with county workers, was published on November 17, 2016. The closing date for vendors to submit proposals was December 2, 2016. Subsequently, the Arrow Performance Group was selected as the vendor.

The Arrow Performance Group is tasked with helping to design a survey and other methodologies to analyze existing continuous quality improvement processes across counties regarding the administration of public assistance programs. The Group must compile and analyze survey results, catalog and analyze existing evaluative documents, and summarize common themes to support the CDHS' completion of a report to the Joint Budget Committee in February 2017.

Specifically, the Arrow Performance Group is expected to perform the following activities:

- County Staff Survey – Assist CDHS in refining/augmenting a survey targeted to county staff to elicit feedback from all counties regarding continuous quality improvement programs/processes. Upon completion of the survey, the contractor will compile and analyze the information provided by county staff.

- Data Synthesis and Analysis – Analyze final reports of completed business process improvement/re-engineering initiatives submitted by vendors contracted by CDHS and HCPF in order to identify continuous improvement and break-through quality improvements implemented by counties. This analysis may include reaching out to counties (including medium and small counties) that did not participate in prior State-sponsored process improvement initiatives to gather information.

- Synthesize Existing County Information – Identify and synthesize information regarding county practices that influence continuous quality improvement (e.g. meetings with CDHS and HCPF, management evaluations, etc.).

- Prepare Summary Report – Present the findings gathered through the county staff survey analysis, along with the information synthesized through the reports and data collected.

- Other Duties, As Necessary – Perform other functions to further the goals of the continuous quality improvement initiative, as mutually agreed-upon by CDHS, work group stakeholders, and the contractor.

ISSUE: R4 COUNTY ADMINISTRATION FUNDING

The Colorado Department of Human Services requests $5,000,000 General Fund for FY 2017-18 to increase the amount of State funds available to counties to administer the Supplemental Nutrition Assistance Program (SNAP) and other smaller programs. Counties have over-expended the current base allocation in recent fiscal years and have covered the shortfall with a mixture of county and federal funds.

SUMMARY

- Under a state-supervised and county-administered model, the State, counties, and federal government share the administrative costs of public assistance programs. The Colorado Department of Human Services (CDHS) County Administration line item represents a base allocation of State funds (34 percent), county funds (20 percent), and federal funds (46 percent) for counties to administer the Supplemental Nutrition Assistance Program (SNAP) and other smaller programs.

- For the last three fiscal years, counties have over-expended their allocation of funding from the CDHS County Administration line item by an annual net average of $14.0 million total funds. Of this amount, counties are responsible for approximately 55 percent of the overages and the federal government is responsible for approximately 45 percent of the overages. State money is not appropriated to cover these over-expenditures.

- CDHS' FY 2017-18 budget request includes an increase of $5,000,000 General Fund to raise the base allocation level in the CDHS County Administration line item. The requested increase would have the effect of refinancing a portion of the total amount of over-expenditures with a mix of money that includes State General Fund, as opposed to only county and federal funds, as occurs today.

RECOMMENDATION

As part of its decision making process for the request to increase funding in the CDHS County Administration line item for FY 2017-18 and future years, the Joint Budget Committee may wish to consider the appropriateness of the existing level of funding appropriated for county administration, how (or if) the requested funds would be used to improve the delivery of public assistance benefits to citizens, and the timing of the request for increased funding as it relates to the implementation of the Committee-sponsored S.B. 16-190 (Improve County Admin Public Assistance Programs).

DISCUSSION

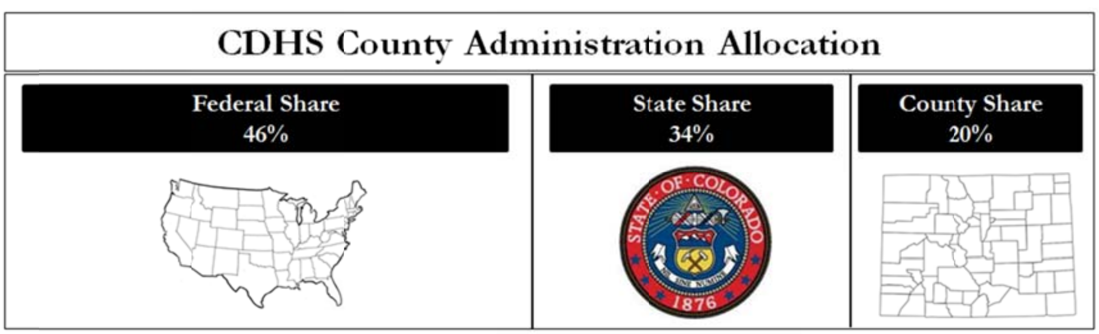
Background
Public assistance programs in Colorado operate under a state-supervised and county-administered model. Under this decentralized model, the federal government provides a portion (or all) of the funding for a program (including administrative costs) to the State, which in-turn provides block grant transfers to counties to administer the program in accordance with federal and state laws,

regulations, and rules. Ultimately, counties control how programs and services are delivered to citizens.

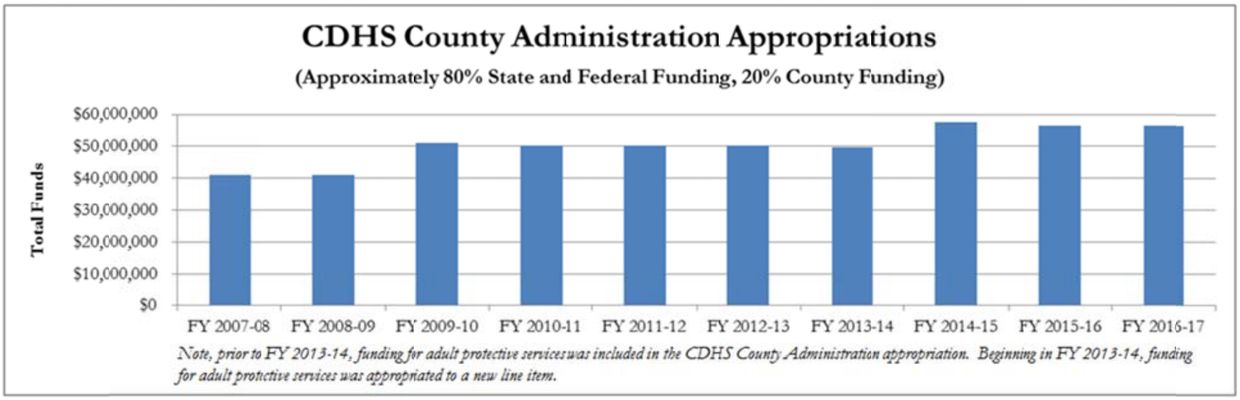
Funding for county administrative responsibilities in delivering public assistance programs is appropriated to two agencies based on State-level program responsibility: the Colorado Department of Human Services (CDHS) and the Department of Health Care Policy and Financing (HCPF). Funding is appropriated to CDHS for the county administration of the Supplemental Nutrition Assistance Program (SNAP), child care services, child welfare services, Temporary Assistance for Needy Families (TANF), adult protective services, and the Old Age Pension. Funding for county administration of medical assistance programs (e.g. Medicaid) is appropriated to HCPF. It is important to note that total county administration expenditures across several of these programs, including Medicaid, are managed together to maximize federal reimbursements.

This briefing issue focuses on funding appropriated to CDHS in its County Administration line item. This line item consists of funds provided to counties to administer the Supplemental Nutrition Assistance Program (SNAP), adult cash assistance programs (not including Old Age Pension), child support services, and the Low Income Energy Assistance Program. While funding in this line item does support multiple programs, it is primarily expended by counties to support SNAP.

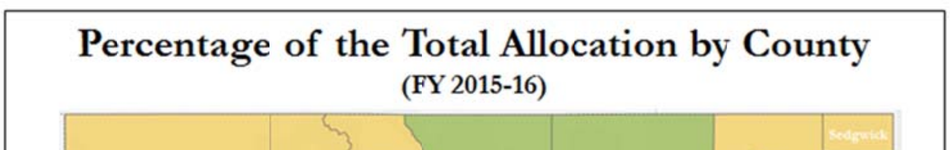
How is the CDHS County Administration Line Item Funded?
The CDHS County Administration line item receives a mixture of State General Fund, county local funds, and federal funds (roughly 90 percent from the federal Food and Nutrition Service) that are to be used by counties to administer SNAP (for sake of simplicity, staff will no longer refer to the additional smaller programs funded by this line item). The annual delineation, known as the allocation, indicates that counties are responsible for providing funds for 20 percent of the amount needed to support SNAP administrative costs, while the State and federal government are responsible for the remaining 80 percent. In recent fiscal years, the funding percentages for the allocation have roughly been as follows: (note, these figures are an estimated blending of the rates for SNAP, child support services, and adult financial services):



State General Fund appropriated for county administration of SNAP is appropriated at a discretionary level by the General Assembly. County costs and caseload only affect appropriations to the extent the General Assembly chooses to make related adjustments. The following chart summarizes the total funds appropriations for CDHS County Administration from FY 2007-08 through the current fiscal year.



How is the total allocation sub-allocated to individual counties?
The Colorado Workload Study, completed by Deloitte LLC in 2007, forms the basis of the methodology used by CDHS to sub-allocate money from the total allocation to individual counties. The Study calculated the number of minutes each administrative activity should take to complete. CDHS then multiplies the number of minutes each activity should take to complete by the total number of times that the activity occurred during a fiscal year in each county. Based on this calculation of a county's percentage of the total workload, the Department portions out the total allocation accordingly. Year-to-year decreases for each county's allocation are capped at 5 percent. However, there is no cap on the amount that a county can increase their allocation from year-to-year based on their proportional share of the total allocation. The following map illustrates county allocations for FY 2015-16.

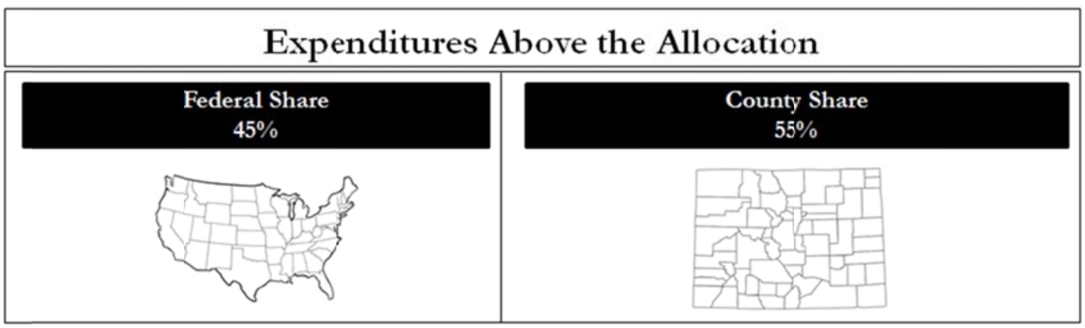


What if a county can't afford its local share of the allocation?

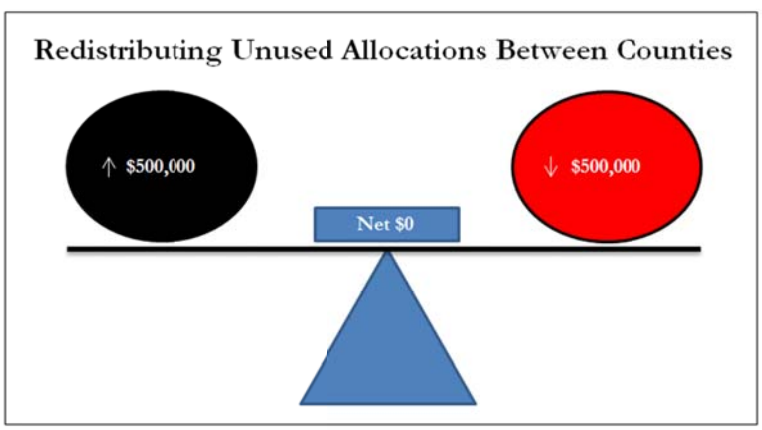
The General Assembly provides annual funding to assist those counties with the highest costs and lowest property tax values in meeting their obligations for the local match required by the State for certain public assistance programs, including SNAP. Statute indicates that this money shall be expended to supplement (not supplant) county expenditures for public assistance. Money is provided to counties in a three-tiered manner (tier one for counties with the greatest need with step downs in need over the final two tiers) whereby a county may qualify for a distribution of moneys from one or more tiers depending on the availability of funds. For FY 2016-17, the General Assembly appropriated $3.9 million General Fund to CDHS in the County Tax Base Relief line item for this purpose.

What if a county over-expends its allocation?

If a county over-expends its allocation in administering SNAP, they are responsible for covering the shortfall. When this occurs, counties are able to access federal matching funds for county-only expenditures at the following rate:



At the close of each fiscal year, CDHS and counties are able to re-allocate unused State General Fund and federal funds to counties that have over-expended their allocation. In an ideal scenario, these amounts would balance each other out and net to zero.

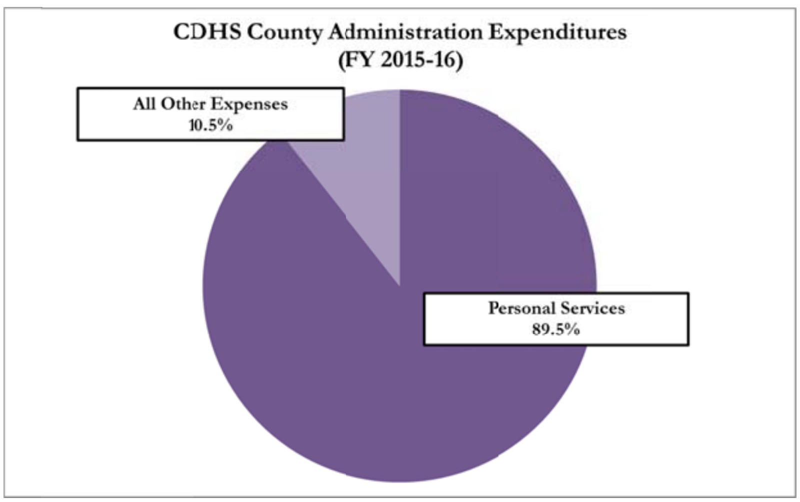


What is the money used for by counties?

Statute outlines that State money included in the allocation may be used for a variety of purposes involved in administering SNAP, including:

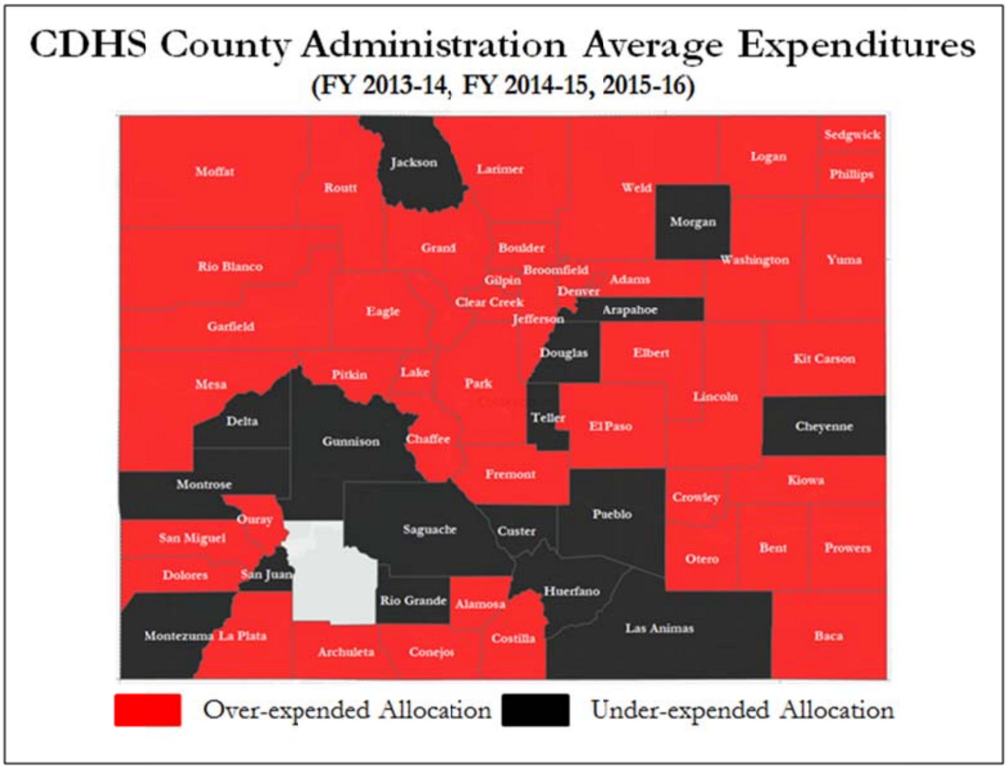
- Salaries of the county director and employees of the county department;
- County payments for retirement plans and for any health insurance plans for employees of the county department;
- Necessary travel expenses of the county board and the administrative staff of the county department in the performance of their duties;
- Telephone services;
- Equipment and supplies;
- Payments for postage and printing; and
- Office space, utilities, and fixtures only if federal matching funds are available.

County expenditure data is logged in CDHS' County Financial Management System (CFMS). The system tracks expenditures (by program, by funding source, and by county) and tracks and allocates administrative costs by program. For FY 2015-16, data in CFMS show that nearly 90 percent of the CDHS County Administration funds were expended on personal services, which includes salaries and benefits.

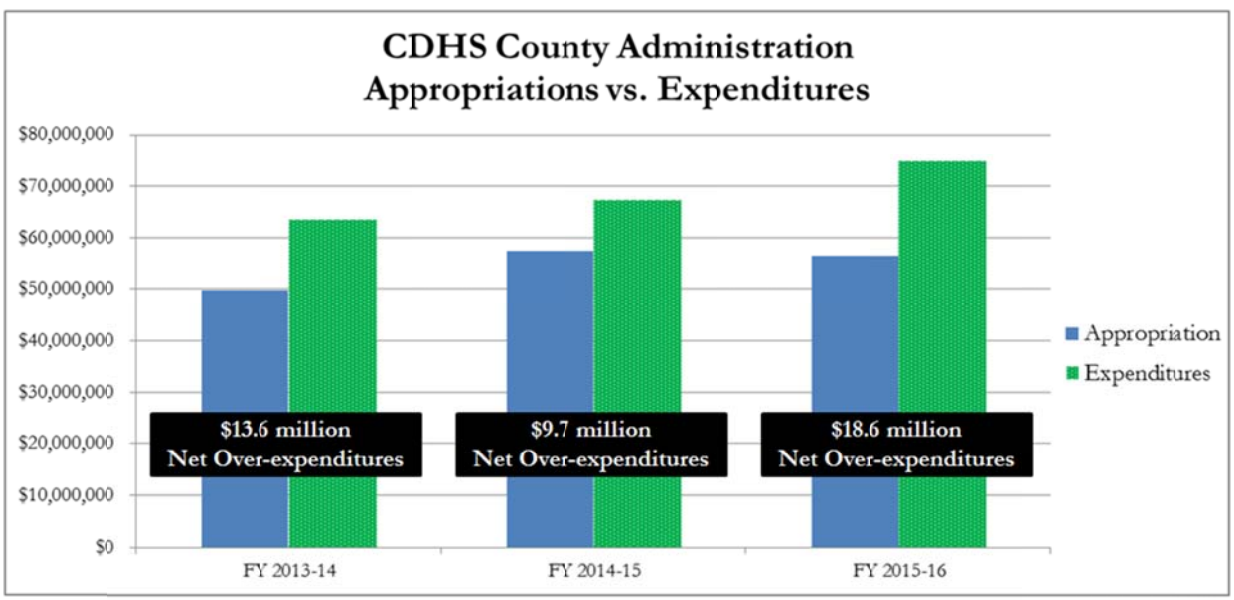


Issue

Counties are consistently spending beyond the total allocation of CDHS County Administration funding. Over the past three fiscal years, the following map shows that over-expenditures are occurring in the majority of counties (average of 45 per year) and across all populations and geographies.



As the following bar graph illustrates, county over-expenditures are much larger than what can be offset by counties that are under-expending their allocations. The statewide average annual over-expenditure in the last three fiscal years is $14.7 million total funds, while the statewide average annual under-expenditure only tallies $0.7 million total funds (difference of $14.0 million total funds).



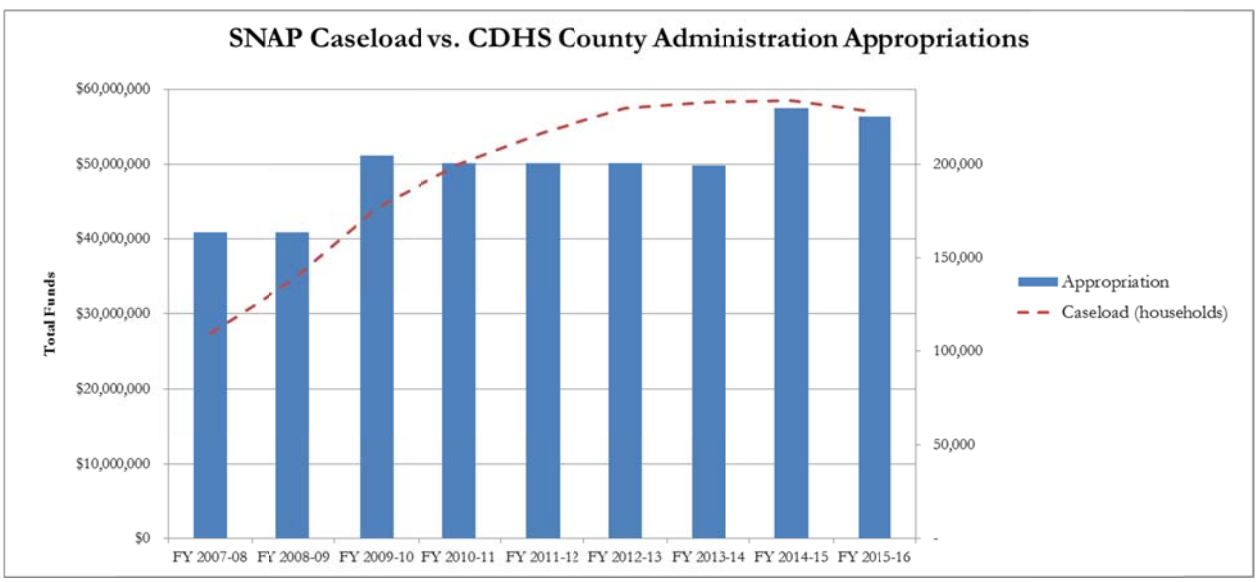
What is driving the costs up?

CDHS surveyed counties in September 2016 to determine the source of the escalating expenditures. The responding counties (35) indicate that personal services costs are increasing. This includes increasing salaries to provide competitive pay to attract and retain qualified staff, increasing salaries in areas of the state with high costs of living, and increasing overtime hours to meet increasing caseload demands.

Note, prior to 2001, salaries for county social services employees were set under a State-operated county merit system whereby CDHS determined county employee salary ranges and tiered the ranges based on regional cost-of-living assumptions (e.g. an employee in Boulder County may require a higher salary than an employee in Bent County). Senate Bill 97-6 (Restructuring of Human Services Delivery) abolished the State-operated county merit system for employees of county social services departments. Each county was tasked with establishing a successor merit system that conformed to federal standards by January 1, 2001. Today, salaries for county social services employees, while funded with State, county, and federal money, are set exclusively by counties according to county personnel systems. Statute (Section 206-1-120 (9) (b), C.R.S.) does require the State Board of Human Services to establish the "maximum state reimbursement levels for the salaries of county department employees and county directors," however, in practice, it is unclear how strictly the Board applies its statutory-authority.

Unfortunately, salary-driven costs are challenging to study, as information on employee salaries is collected in the County Employee Data Store (CEDS), which is not a payroll repository. As such, CDHS indicates that it is not able to provide an accurate picture of salary and benefits for the counties using CEDS. To obtain this data would require each county to be contacted individually. This county-by-county work has not been conducted.

In absence of comprehensive, statewide salary data, staff examined SNAP caseload data since FY 2007-08 to look into programmatic factors that may be driving over-expenditures. Staff found that SNAP caseload grew by 108.2 percent. During this same time period CDHS County Administration appropriations grew by 37.7 percent increase.



Performance
Data indicate that Colorado has issues complying with CDHS goals and federal standards for payment accuracy and case and procedural errors in the administration of SNAP. Colorado currently meets federal standards for application processing timeliness. Specifically:

- Timeliness – The percentage of cases that were processed within 30 days for new applications, 7 days for expedited applications, and various time-frames for redetermination (depending on when the application was received and if it must be expedited). The performance goal is to meet or exceed 95 percent. The most recent data provided by CDHS for FY 2015-16 show that the state has met the performance goal for all three processes for several months. The federal government levies financial penalties on states that fail to process less than 95 percent of applications in a timely manner and offers bonuses to states with the highest percentage of timely processed applications.

- Payment Error Rate (PER) – The sum of benefit money issued as overpayments and underpayments on active cases during a benefit month. The performance goal is to operate below 3 percent. The most recent data provided by CDHS for FY 2015-16 show that the state missed the performance goal with a 4.3 percent error rate. This is an improvement over the prior year by 0.1 percentage point. The federal government levies financial penalties on states with error rates of more than 6.0 percent and offers bonuses to states with the lowest error rates states and to states that make the greatest improvements in decreasing error rates.

- Case and Procedural Error Rate (CAPER) – An estimate of the proportion of improper action to deny, suspend, or terminate a case in a given month. The performance goal is to operate below 21 percent. The most recent data provided by CDHS for FY 2015-16 show that the state missed the performance goal with a 23.4 percent error rate. This is a substantial improvement over the prior year, which registered a CAPER of 43.7 percent. The federal government does not levy financial penalties on states that fail to meet standards, but does offer bonuses to states with the lowest error rates states and to states that make the greatest improvements in decreasing error rates.

Proposed Solution
CDHS seeks to increase the amount of State General Fund available to counties to administer the SNAP program. Specifically, CDHS requests $5,000,000 General Fund for FY 2017-18 and beyond to raise the base allocation of CDHS County Administration money for administering the program. Money would be allocated to counties using the same methodology as is described above in the "*How is the total allocation sub-allocated to individual counties?"* section of this briefing issue.

The Department put forth this request because it believes that:

> "Without increased funding, counties may continue to lose trained staff, not be able to meet timeliness and accuracy requirements, and client's applications may become backlogged further negatively affecting the timely administration of public assistance benefits."

CDHS' highest priority in administering public assistance programs is serving vulnerable Coloradans struggling to meet fundamental needs and overcome poverty. The agency indicates that any delays in providing these necessary supports may result in Coloradans going hungry, cold, or without other necessities to survive.

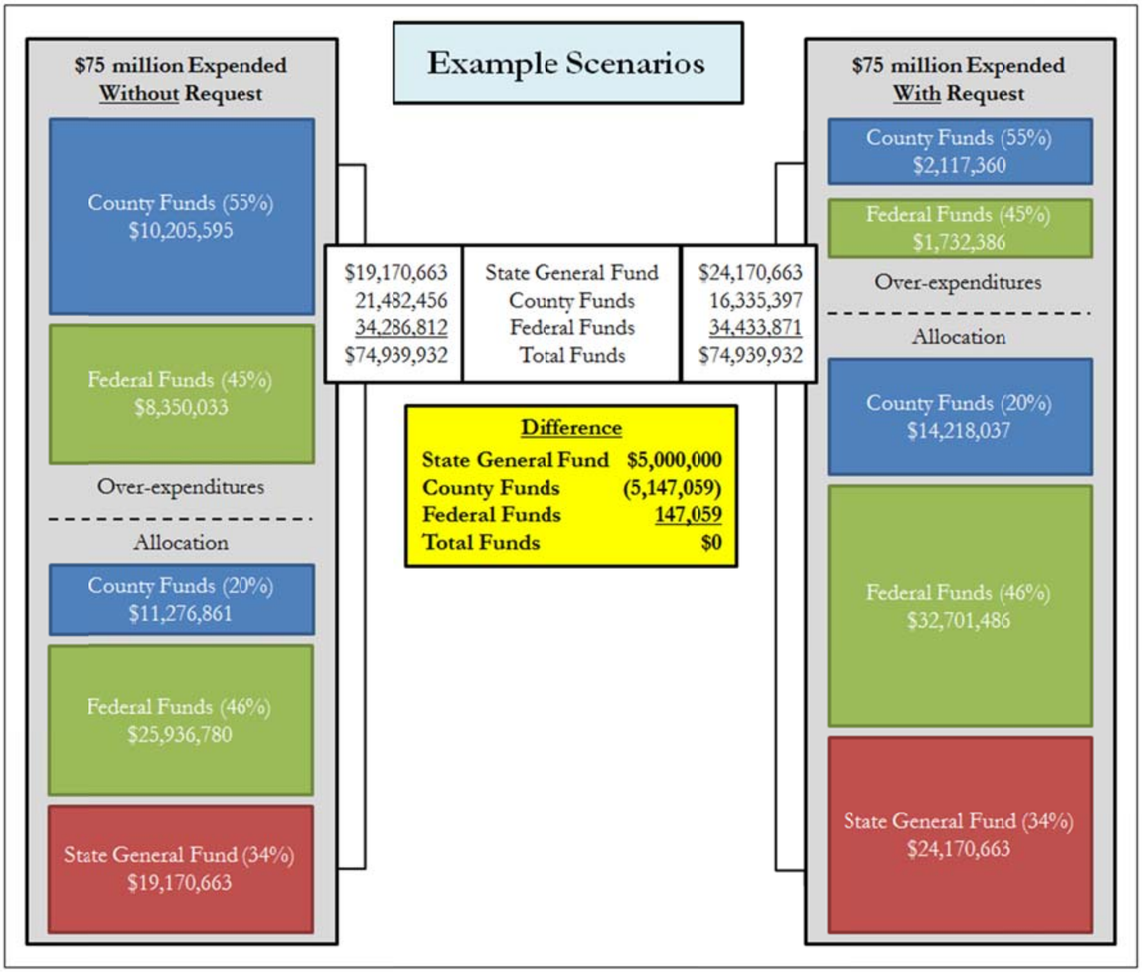
Mechanics of the Proposed Solution
Total expenditure data for FY 2016-17 and FY 2017-18 are not known because the fiscal years have not concluded (nor commenced, in the case of FY 2017-18). Thus, to illustrate how the CDHS proposed increase in State General Fund would work if approved, staff has created a hypothetical example using data that is representative of real-life data and loosely based off FY 2015-16 expenditures for CDHS County Administration.

In this example, expenditures for CDHS County Administration are $74,939,932 total funds. The graphic below shows how an expenditure of $74,939,932 would be split across State, federal, and county governments under two scenarios: one without the requested $5,000,000 State General Fund (present-status) and one with the requested $5,000,000 State General Fund (CDHS-desired status).

In the present-status scenario ("$75 million Expended Without Request"), 75 percent of the expenditures are made from the base allocation ($56.3 million total funds consisting of 46 percent federal funds, 34 percent State General Fund, and 20 percent county funds) and 25 percent are made with money considered over-expenditures ($18.6 million total funds consisting of 45 percent federal funds and 55 percent county funds).

By adding $5,000,000 State General Fund to the base allocation, as is shown in the CDHS-desired status scenario ("$75 million Expended With Request"), the amount of county funds and federal funds in the base allocation increases, as well, to match the State's investment. Thus, 95 percent of the expenditures are made from the base allocation ($71.1 million total funds consisting of the same fund split percentages as the present-status scenario, 46 percent federal funds, 34 percent State General Fund, and 20 percent county funds). The remaining over-expenditures, $3.8 million total funds, are covered by federal funds (45 percent) and county funds (55 percent).

The CDHS-desired status scenario is advantageous to counties because it refinances the total expenditures (base allocation and over-expenditures) for CDHS County Administration from 26 percent State General Fund to 32 percent and decreases county expenditures from 29 percent of total expenditures to 22 percent (federal funds remain constant at 46 percent in both scenarios). The proposed refinance saves counties $5.1 million of local funds, which could be used by a county for continued investment in social services or repurposed for a different need. The State does not control how any potential county savings is expended, hence staff is only able to speculate on how any potential savings would be appropriated by counties in future years.



Staff Recommendation

CDHS and counties have made efforts to improve business processes to save money and meet CDHS goals and federal standards. Beginning in FY 2012-13, CDHS contracted with the Change & Innovation Agency (CIA) to implement Business Process Reengineering (BPR) in the ten largest counties. These counties have all implemented some iteration of BPR concepts, whether the full package of tools or a hybrid of CIA recommendations and county-specific redesign strategies.

Even with these process improvements, the data are clear on two facts: first, the majority of counties are consistently spending above the base allocation of money in the CDHS County Administration line item to administer SNAP (73 percent over the last three fiscal years). Second, the state has issues complying with CDHS goals and federal standards in the areas of SNAP payment accuracy and case and procedural errors. CDHS and many counties indicate that these two facts are linked. These entities offer that performance will not continue to make marked improvements without the infusion of additional funding.

As it proceeds through the decision making process for appropriating additional State funding, the Joint Budget Committee may wish to start by determining if the current level of expenditures (base allocation and over-expenditures) is the cost of doing business to administer SNAP. If the Committee believes that current expenditures are the cost of doing business, it is logical that the

State would approve of CDHS' request to maintain a funding mix that calls for counties to share 20 percent of the costs across all expenditures rather than having counties assume a larger percentage for over-expenditures than for the base allocation. In contrast, if the Committee believes that the current base allocation is sufficient to administer SNAP and meet performance goals, it may be appropriate to discuss (and potentially fund) additional process improvements (beyond those already undertaken) that could be implemented to lower total administration costs such that counties no longer spend money beyond the base allocation.

The Committee may also wish to determine if an increased investment of State General Fund in county administrative activities will yield an increased investment in the administration of public assistance benefits and improve performance or only change the color of money used to pay for existing administrative activities. It is feasible, and outside of the General Assembly's control, for the additional State General Fund to be used to refinance current over-expenditures using State money, allowing counties to appropriate the savings county money for other purpose unrelated to the delivery of public assistance programs. It is important to make this determination because it answers the question of "what is the State buying with the requested money?" and sets performance expectations for the appropriation.

For example, two counties may react to an increase in State General Fund for county administration in different ways. In one scenario, County X may use its savings as a supplement to its current total spending levels. For example, it uses its newly available county funds to purchase an information technology tool that will lead to faster processing times for client applications. In a second scenario, County Y may supplant its current county funds so that the newly "freed-up" county money can be used to fill a need in another area of its county operations (e.g. public works). In this scenario, the additional funding will not have an impact on SNAP administration, but will assist the county in meeting its county-wide needs.

Finally, the Committee may also wish to consider the timing of the request in relation to the implementation of the Committee-sponsored S.B. 16-190 (Improve County Admin Public Assistance Programs). As was discussed in detail in staff's briefing issue in this document entitled "County Administration Legislation Update," the implementation of this legislation seeks to address performance in the SNAP program, specifically, and across seven other public assistance programs, generally. Signed into law on June 1, 2016, it requires CDHS and counties to endeavor to exceed federal performance measures related to the administration of SNAP. It also requires federal SNAP performance-based monetary bonuses or sanctions to be passed through to counties.

In terms of funding for county administration, S.B. 16-190 also tasked CDHS with producing two deliverables in FY 2016-17: first, CDHS must contract with a vendor to collect and analyze data relating to county costs and performance associated with administering public assistance programs, including SNAP. Second, CDHS must design a continuous quality improvement program in consultation with county workers to improve the products, services, and processes associated with administering public assistance programs. These two deliverables will not be available for review by the Committee until July 2017 and February 2017, respectively. Both of these deliverables have components aimed at gaining insight into the business processes, staffing patterns, and operating expenses that drive county costs. The reports may provide the Committee with information to assist in determining the base allocation of funding needed if all counties were to adopt staffing and business process models used by high-performing/non-over-expending counties. This CDHS request may be viewed as premature if the Committee desires to review the findings of these initiatives prior to addressing needed funding changes.

ISSUE: REPORT ON DYC FACILITY SECURITY AND STAFFING

Data reported by the Division of Youth Corrections, as requested by the Joint Budget Committee, indicate that the occurrence of assaults and fights has decreased by 10.2 percent from FY 2014-15 compared to FY 2015-16 across the ten State-owned and –operated commitment and detention facilities, while overall staffing patterns have improved in the majority of facilities.

SUMMARY

- The Division of Youth Corrections operates ten State-owned and -operated secure facilities for detention and commitment, which include diagnostic, education, and program services for juveniles involved in the justice system.

- As a result of data showing a steady increase in assault incidents, the General Assembly provided the Division with $7.5 million General Fund to hire 144 staff across FY 2014-15, FY 2015-16, and FY 2016-17.

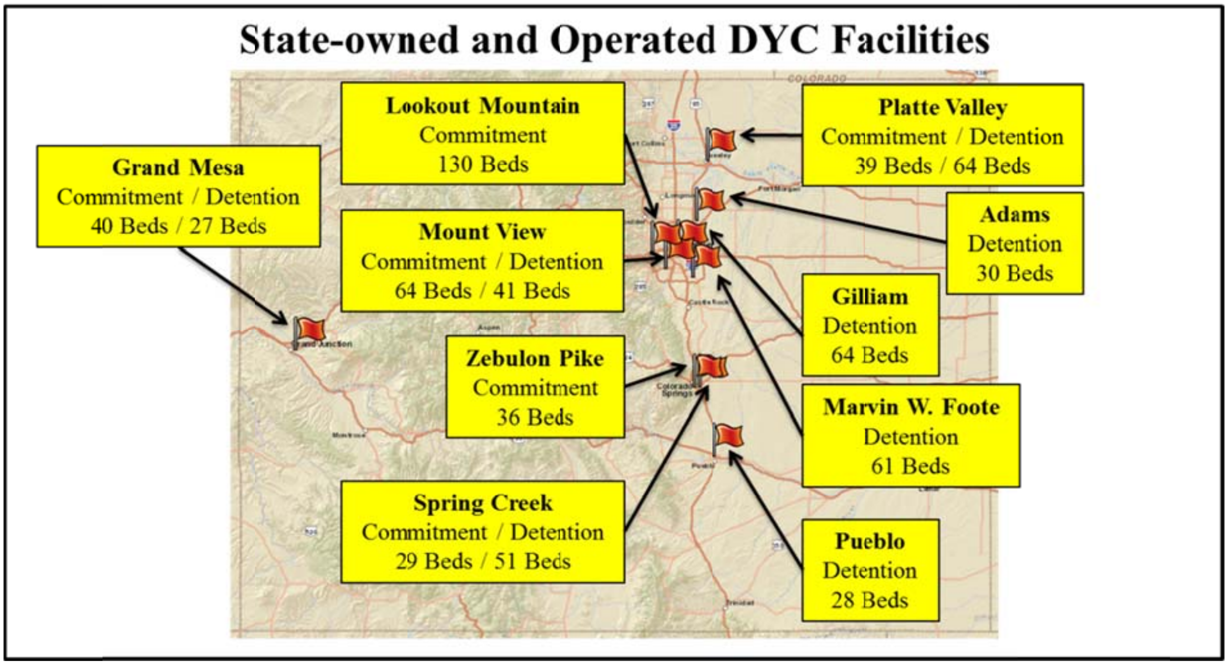
- In conjunction with funding for new staff, the Joint Budget Committee receives an annual report with monthly data for each State-owned and -operated facility for assault incidents and staffing levels. This report shows that, for FY 2014-15 and FY 2015-16, improvements have been made in reducing the number of assaults and fights across facilities, while the number of vacant positions and amount of staff overtime needed to maintain secure environments have experienced an increase in some facilities.

DISCUSSION

Background

The Division of Youth Corrections (DYC) provides a continuum of residential services that encompass juvenile detention, commitment, and parole. The Division is the agency statutorily mandated to provide for the care and supervision of youth committed by the court to the custody of the Department of Human Services. The Division operates ten State-owned and operated secure facilities for detention and commitment which include diagnostic, education, and program services for juveniles in the justice system.

There are 366 detention beds and 338 commitment beds in the Division's ten State-owned and operated facilities. Thus far for FY 2016-17, the detention beds have an average daily population of 252.4 (69.0 percent of capacity) and the commitment beds have an average daily population of 333.8 (98.8 percent of capacity). The following graphic provides the Committee with reference information regarding facility location and capacity for the forthcoming discussion.



Note, in an effort to improve safety for staff and youth at Spring Creek, the Division removed the commitment population from the facility in October 2016. Commitment youth were transferred to other facilities, including Lookout Mountain and Platte Valley. The Division indicates that no issues have arisen in regard to other facilities ability to absorb the transfers. The Division indicates that this change has made Spring Creek a smaller and easier to manage facility. The restructure allows for simplified programming due to a detained only population, eliminates younger youth (detention) comingled with older youth (commitment), and improves the ability for staff to engage with youth individually more frequently. Given the recent restructuring of Spring Creek, any changes in assaults and fights in October 2016 or November 2016 will not appear in the data presented in the coming sections of this staff briefing issue.

Staff and Youth Safety Concerns

For the last three fiscal years, the Division has indicated that staffing-level deficiencies at the ten State-owned and -operated facilities are resulting in inadequate resources to successfully supervise youth in a manner that maintained a safe and secure environment for all youth and staff. To monitor progress in addressing security issues, the Joint Budget Committee requested that the Division of Youth Corrections annually submit a report with monthly data for each State-owned and –operated facility for assault incidents and staffing levels. The reports provided to the Committee on November 1st of each year yield data that is translated into information on trends occurring in the facilities. This information is useful in understanding the context in which future staffing requests are based. Note, a future staffing request is discussed in this document in a staff briefing issue entitled “R1 DYC Security Staffing, Phase 3 of 3”.

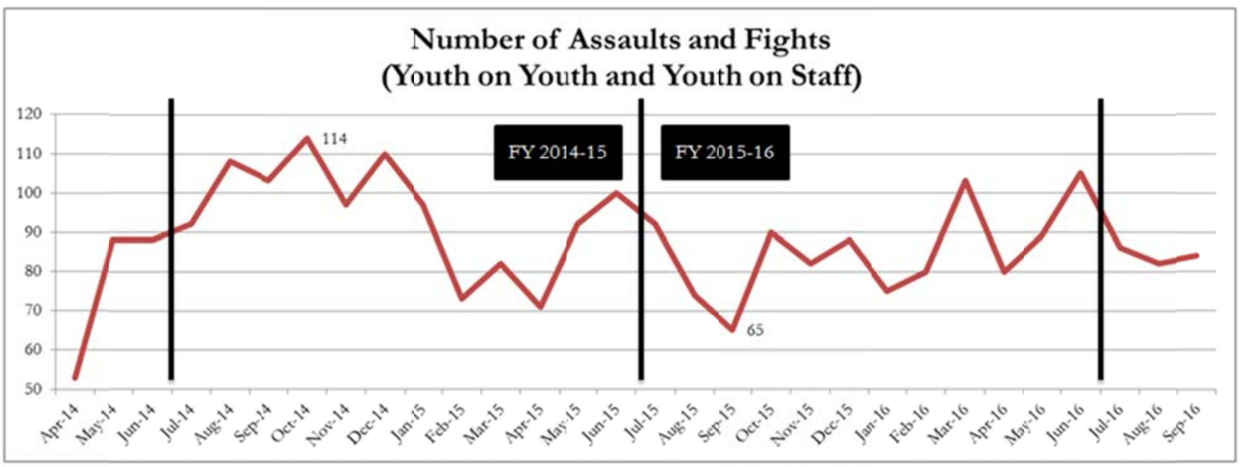
Assaults and Fights in Facilities

During FY 2014-15 and FY 2015-16, the Division reports that zero homicides or suicides occurred. There were, however, instances of assaults across the State-owned and –operated facilities. Assault incidents where a youth is the aggressor are categorized into three levels based on the severity of the assault, with level one being the most severe (e.g. intentional act of aggression requiring outside medical attention) and level three being the least severe (e.g. intentional act of aggression resulting in bruises and scrapes). Additionally, the Division captures data on the number of incidents that occur where both parties are aggressors. These incidents are classified as fights.

The total number of assault incidents (including fights) dropped by 10.2 percent from 1,139 in FY 2014-15 to 1,023 in FY 2015-16. To put this number in a monthly perspective, across the ten State-owned and –operated facilities, an average of 95 incidents occurred a month in FY 2014-15 compared to 85 a month in FY 2015-16. The chart below shows the monthly fluctuations across two fiscal years, as well as three months data before and after the two fiscal years to provide a fuller picture of trends. When examining this data, take note of two additional data points:

- In July 2014, DYC implemented new policies to end the usage of seclusion as a standard practice for special management program (placing a problematic youth in seclusion for an extended period of time). After July 2014, its use has been limited to when there is the presence of threat to self or others. The result of the policy changes increased the amount of time disruptive youth spent in the milieu with other youth and less time residing in seclusion.

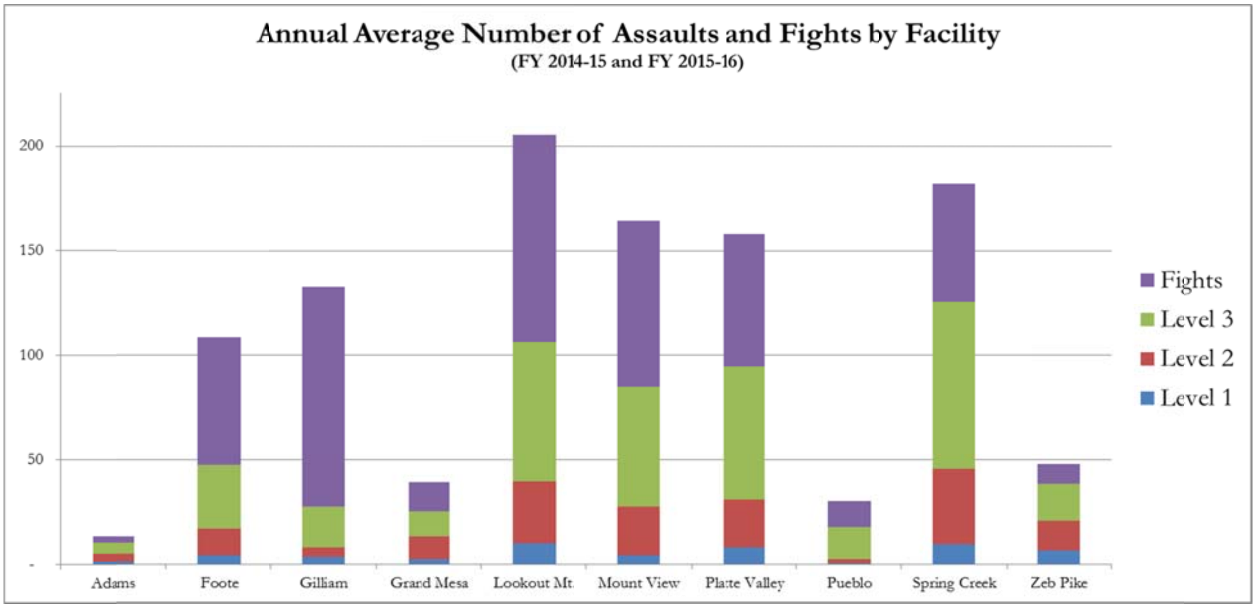
- The General Assembly authorized funding for FY 2014-15, FY 2015-16, and FY 2016-17 to address security issues (see the "*Staff-to-Youth Ratios*" section of this briefing issue for more detailed information on staffing increases at facilities). The added staff began completing training and assuming duties in the facilities in January and February 2015.



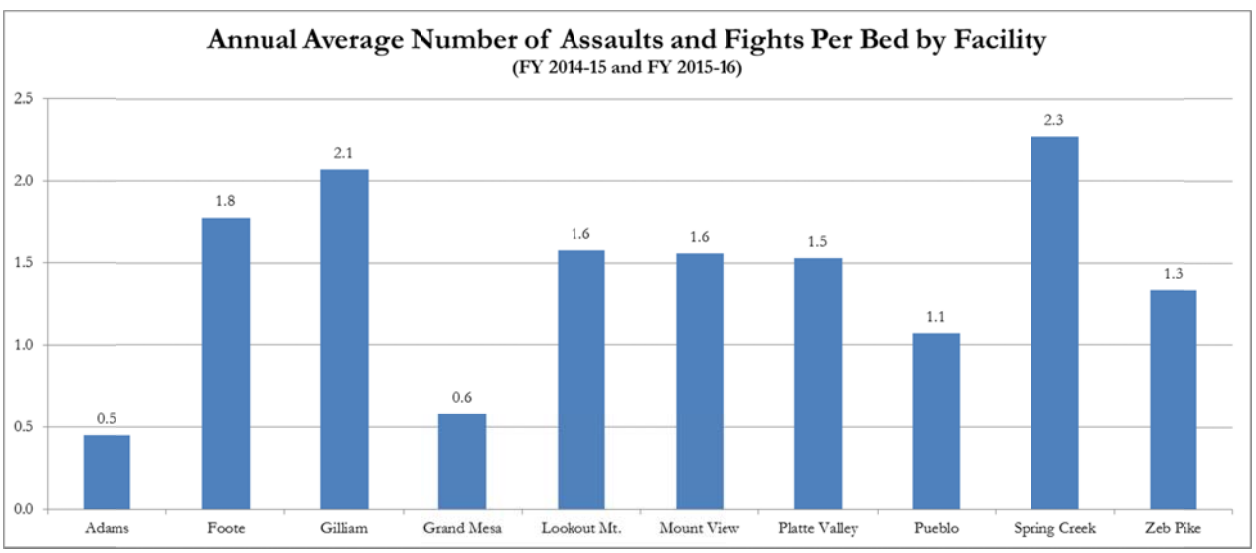
Examining the types of incidents that occurred in these two fiscal years shows that, with the exception of Level 3 incidents (least severe), all levels of assaults decreased in average monthly frequency when looking at the aggregate of all ten facilities.

Average Number of Incidents Per Month by Type			
Incident Type	FY 2014-15	FY 2015-16	Difference
Level 1	4.7	3.8	(0.8)
Level 2	15.8	10.8	(5.0)
Level 3	30.0	31.3	1.3
Fights	44.5	39.4	(5.1)
Total	**94.9**	**85.3**	**(9.7)**

Three of the ten facilities, Lookout Mountain, Mount View, and Spring Creek, accounted for over 50 percent of the total number incidents in FY 2014-15 and FY 2015-16. The Lookout Mountain facility experienced the most incidents with an average of 206 each year in the two fiscal years studied. The following bar graph highlights the total number of incidents and a breakdown of incidents by type.

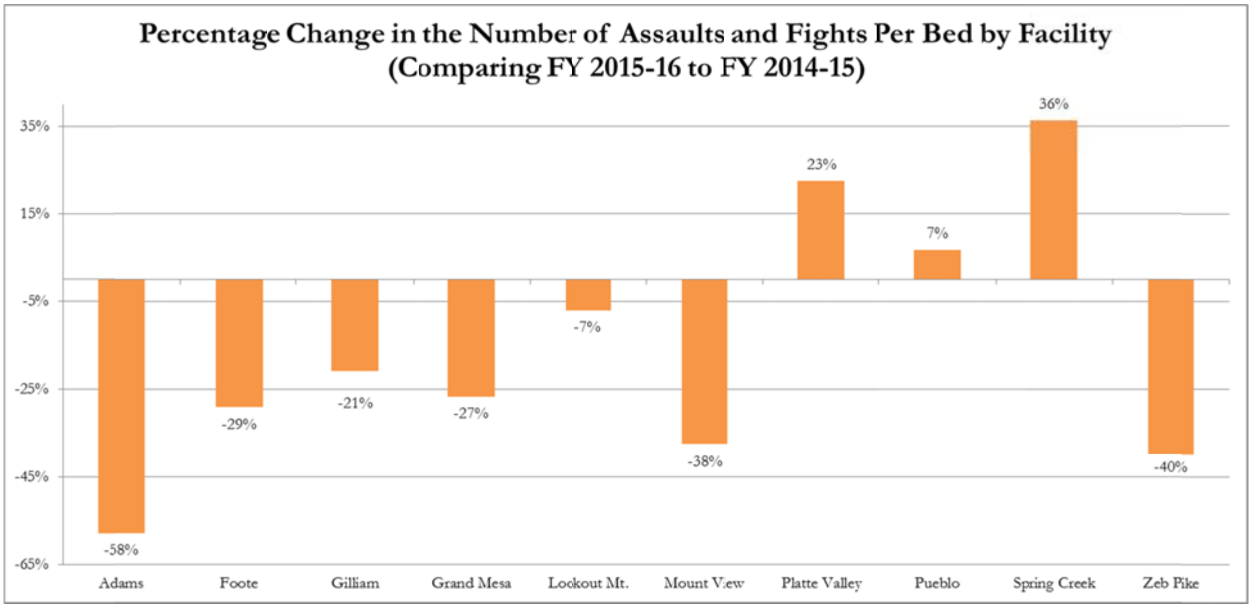


To more accurately make facility-by-facility comparisons, the next bar graph illustrates the average annual number of incidents by facility and includes a normalization factor of the number of beds. For example, the Spring Creek facility experienced an average of 2.3 incidents per year for each of its 80 beds.



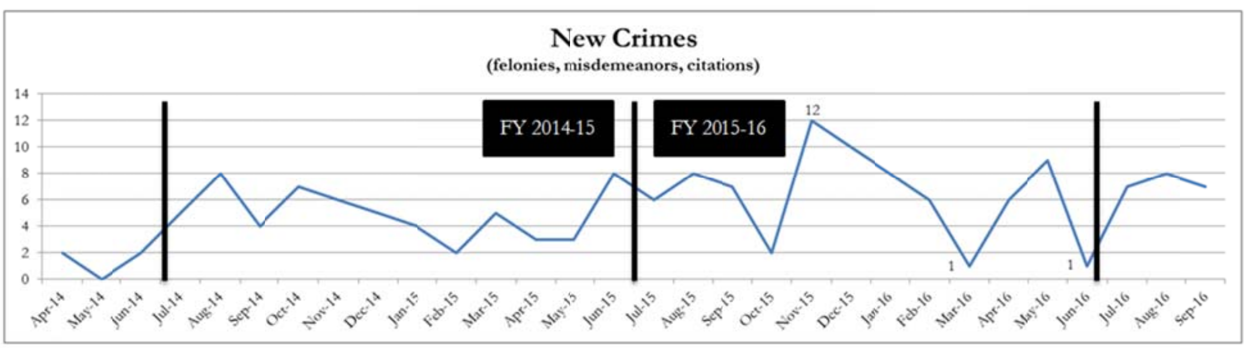
Reducing the Number of Incidents

Seven of the ten facilities experienced a decrease in the number of incidents per bed from FY 2014-15 to FY 2015-16, as is shown in the following bar graph. However, the three facilities that saw an increase in the number of incidents per bed (Platte Valley, Pueblo, and Spring Creek) witnessed an average growth in incidents of 21.9 percent.

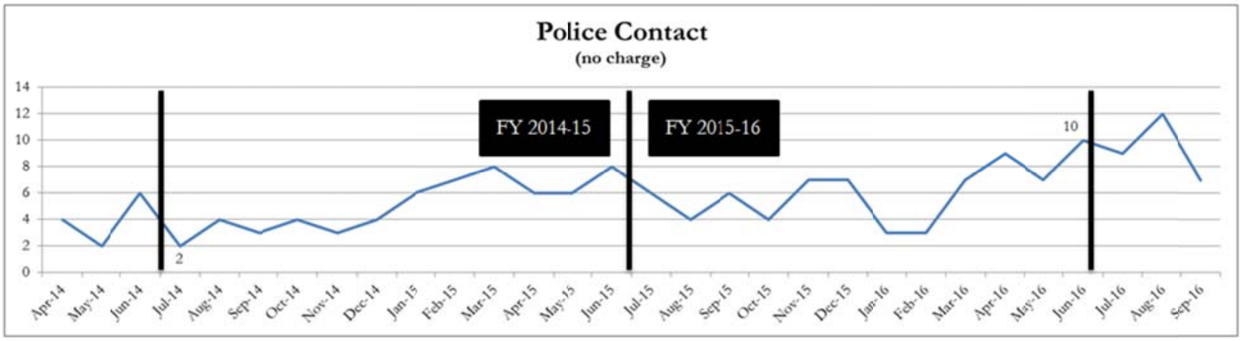


New Crimes and Contact with Police

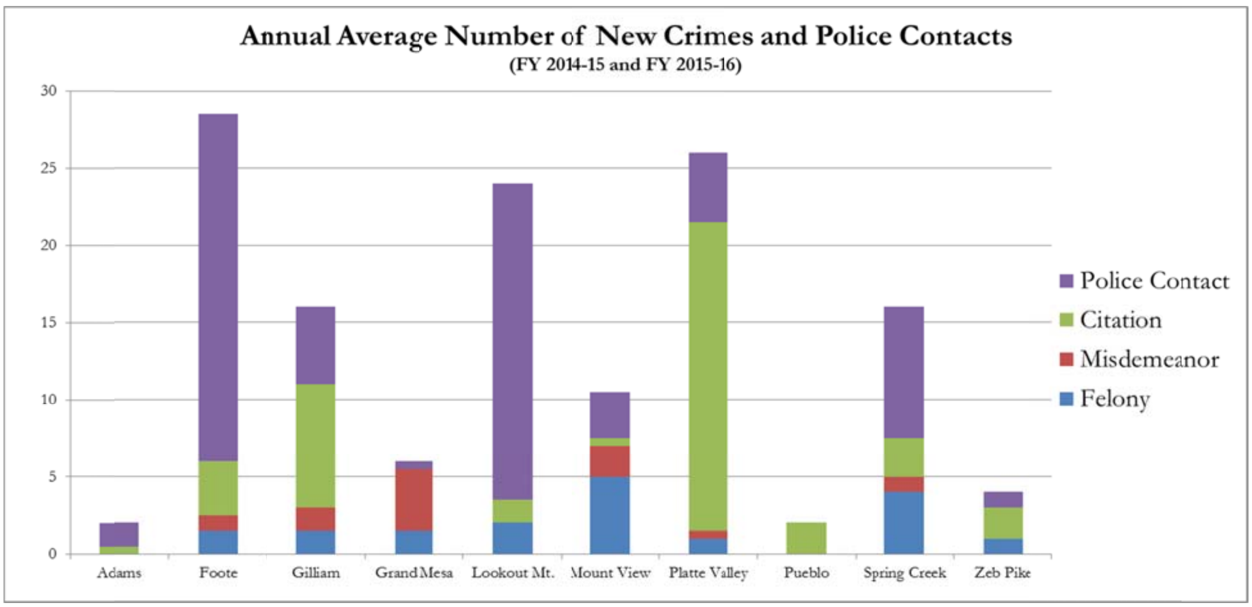
In FY 2014-15, 60 new crimes were reported to the police (felonies, misdemeanors, and citations). In FY 2015-16 this number rose to 76 new crimes. The following chart shows the monthly fluctuations across two fiscal years, as well as three months data before and after the two fiscal years to provide a fuller picture of trends.



Additionally, police were contacted 61 times in FY 2014-15 and 101 times in FY 2015-16 without a resulting charge. The next chart shows the monthly fluctuations across two fiscal years, as well as three months data before and after the two fiscal years to provide a fuller picture of trends.



Three facilities (Foote, Lookout Mountain, and Platte Valley) accounted for 58.1 percent of all new crimes and police contacts in FY 2015-16 and FY 2016-17.



Staff-to-Youth Ratios

As a result of data showing a steady increase in assault incidents, the legislature provided the Division with $7.5 million General Fund to hire 144 staff across FY 2014-15, FY 2015-16, and FY 2016-17. As a result of the initial phase of funding in FY 2014-15, eight out of ten facilities were able to improve their staff-to-youth ratios in the sleeping hours and the waking hours. This initial funding wave showed the most pronounced impact in the Lookout Mountain, Mount View, Spring Creek, and Zeb Pike facilities, which saw improvements of up to 27.0 percent in the ratio of staff-to-youth.

The second phase of funding, provided by the legislature in FY 2015-16, was targeted at the Lookout Mountain, Mount View, Platte Valley, and Spring Creek facilities where assault and fight incidents continued to occur at higher rates than at peer locations. The table below shows the average monthly staff-to-youth ratios for FY 2015-16 as compared to FY 2014-15. This table highlights the positive impact that FY 2015-16 funding had in the targeted facilities in decreasing the number of youth for each staff member.

Ratio of Direct Care Staff to Youth by Facility						
	FY 2014-15* Monthly Average		FY 2015-16 Monthly Average		Change Monthly Average	
	Sleeping	Waking	Sleeping	Waking	Sleeping	Waking
Adams	1:22.0	1:10.8	1:21.6	1:10.8	no change	
Foote	1:16.6	1:08.3	1:16.6	1:08.3	no change	
Gilliam	1:09.0	1:09.0	1:09.0	1:09.0	no change	
Grand Mesa	1:19.9	1.13.2	1:19.9	1:13.2	no change	
Lookout Mt.	1:16.1	1:10.7	1:15.5	1:10.3	(0.6)	(0.4)
Mount View	1:17.3	1:08.7	1:16.5	1:08.3	(0.8)	(0.4)
Platte Valley	1:21.5	1:10.7	1:19.8	1:10.0	(1.7)	(0.8)
Pueblo	1:16.8	1:08.4	1:16.8	1:08.4	no change	
Spring Creek	1:21.1	1:10.5	1:19.0	1:09.5	(2.1)	(1.0)
Zeb Pike	1:19.8	1:09.9	1:19.8	1:09.9	no change	

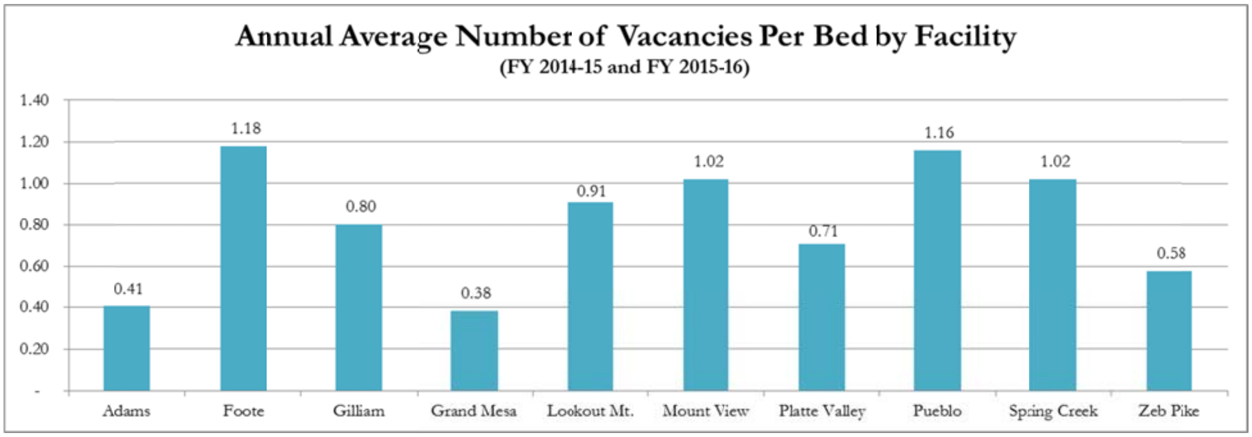
*Data available only for the second half of FY 2014-15.

Vacant Positions

Even with the staffing increases, the Division is experiencing an increase in the number of total vacancies for Correctional, Youth, Security Officer (CYSO) I, II, and III positions. The following chart illustrates trends in the number of vacancies over time. The FY 2015-16 vacancy rate across the facilities was 9.4 percent. This figure is a bit deceiving, however, as the Division assumes a continuous vacancy rate of 5.1 percent (which is included in the 9.4 percent vacancy rate) as normal attrition. The 5.1 percent are counted by the Division as 29 unfunded positions created to keep up with agency needs on a rolling basis.

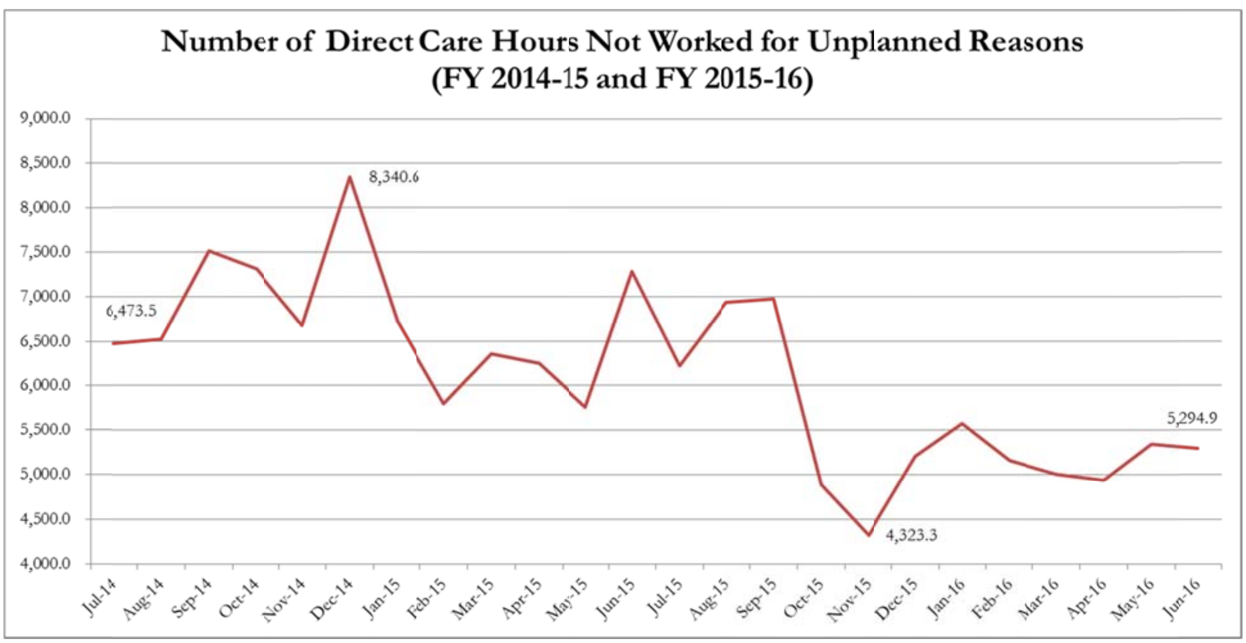
The Division indicates that 63.2 percent of vacancies are due to resignations, terminations, and demotions. 23.5 percent are due to promotions to other positions in the Division and 13.3 percent are due to transfers to another agency or facility. The Division states that it is continuing to aggressively recruit for open positions and is filling all existing vacancies within a facility before creating new positions that were approved with FY 2016-17 funding. It should be noted that the Division's vacancy rate is not unique to Colorado, as turnover among staff in juvenile correctional facilities is commonplace nationally. In fact, one study indicates that approximately 25 percent of newly hired staff resign within the first year of employment due to the challenges of the environment, including the unique blend of security and clinical skills required to be successful in the positions.

The next chart shows the number of vacancies per bed by facility. The analysis factors in the number of beds to normalize the data for accurate comparisons across facilities.

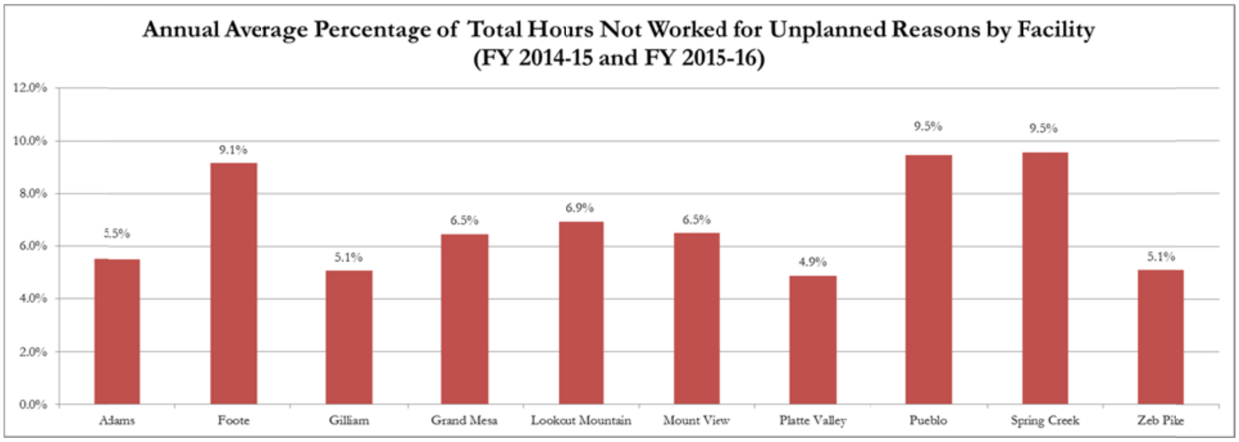


Work Missed for Unplanned Reasons

In addition to vacancies, the Division also manages its facilities with an understanding that direct care staff (CYSOs) will miss work for unplanned reasons (e.g. sick leave, unpaid leave, and workers compensation). The following chart illustrates the fluctuation in unplanned missed work. The percentage of hours not worked for unplanned reasons dropped from 7.2 percent of total hours worked in FY 2014-15 to 6.4 percent in FY 2015-16.

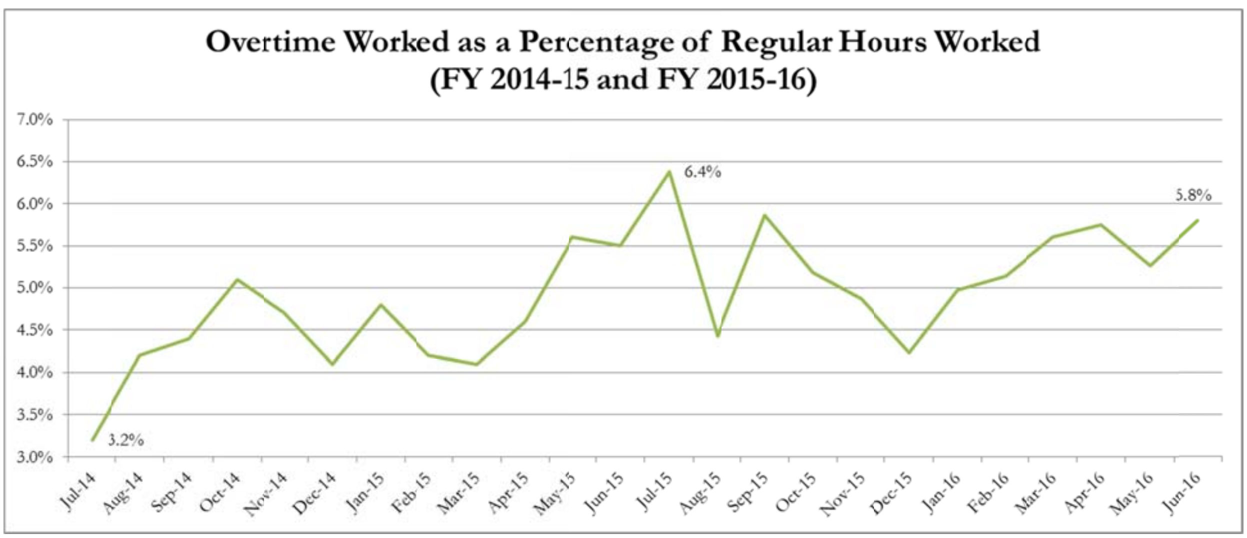


Not all facilities are equal when it comes to having to work around unplanned absences of direct care staff. The next chart highlights that the Foote, Pueblo, and Spring Creek facilities have a larger percentage of unplanned absences than peer facilities.

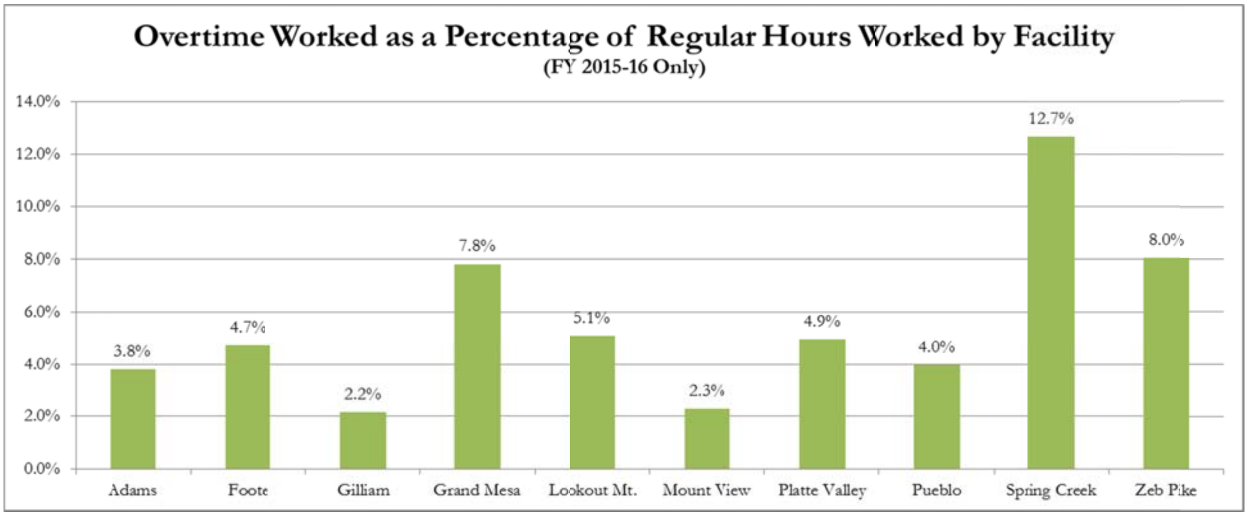


Covering Shifts with Overtime Work

Direct care staff work overtime to cover shifts due to vacancies, planned absences, and unplanned absences to maintain security in the facilities. The following chart illustrates that the amount of overtime worked by CYSO I and II employees increased from 4.5 percent of regular hours worked in FY 2014-15 to 5.3 percent in FY 2015-16. Note, when existing employees log overtime hours, they are paid 1.5 times their regular salary.

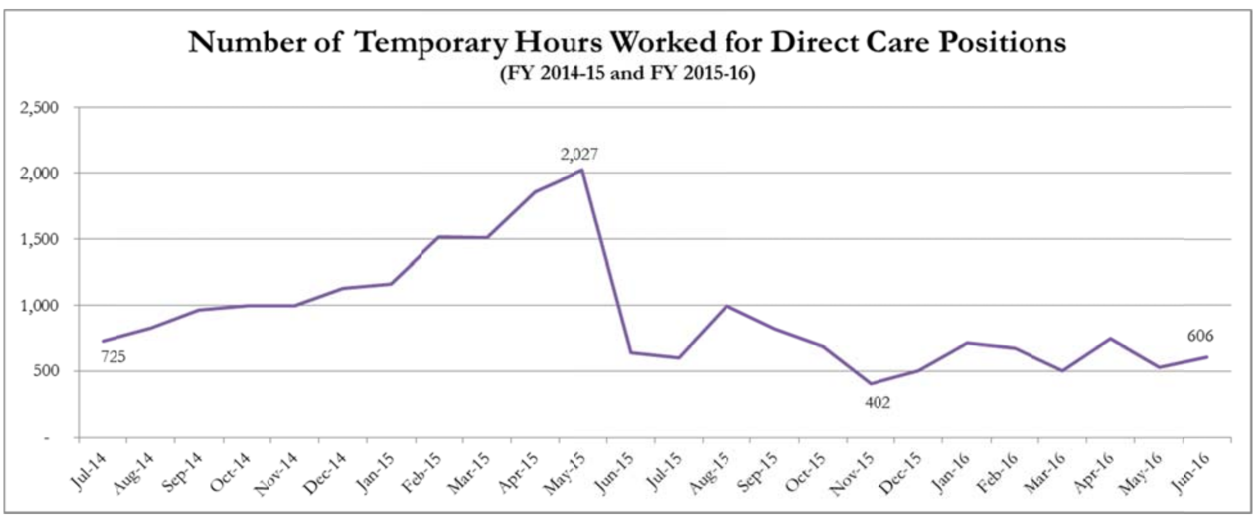


The average percentage of overtime worked in FY 2015-16 across all facilities was 5.6 percent of regular hours worked. As the following chart illustrates, the Grand Mesa, Spring Creek, and Zeb Pike facilities use a higher percentage of overtime work hours than do their peer facilities.

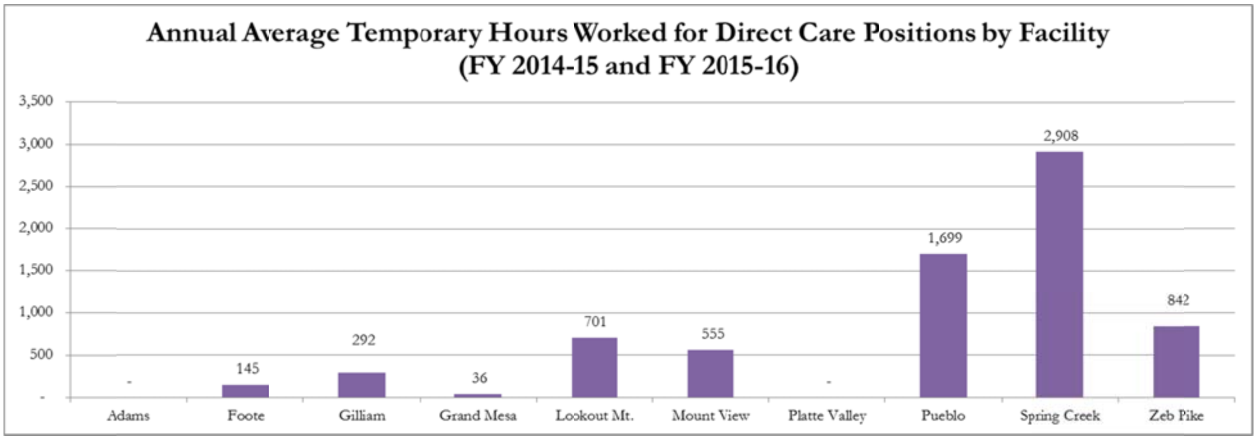


Covering Shifts with Temporary Work

In addition to existing direct care staff working overtime, the Division uses temporary employees to cover vacancies and absences. These individuals must go through training before working in a facility and often are hired into a permanent position. The next chart shows that the number of temporary help hours has decreased noticeably from an average of 1,196 hours per month in FY 2014-15 to an average of 648 hours per month in FY 2015-16.



For FY 2014-15 and FY 2015-16, the average number of hours worked by temporary staff was 718 per facility. The analysis below indicates that the Pueblo, Spring Creek, and Zeb Pike facilities use a larger number of temporary staff hours than their peers.



Making Sense of the Data
There are three high-level takeaways from the data analyzed and presented above:

1 The number of total incidents across the ten facilities decreased from FY 2014-15 to FY 2015-16, which is a positive finding for the safety of youth and staff at the facilities.

2 Three facilities, Spring Creek, Pueblo, and Platte Valley, have seen an increase in the number of incidents that occur within its walls. This runs counter to the trends seen in the other seven facilities.

3 Vacant positions continue to trend upward across the facilities and these staffing holes are increasingly being filled with overtime hours (trending up) and not temporary staff hours (trending down).

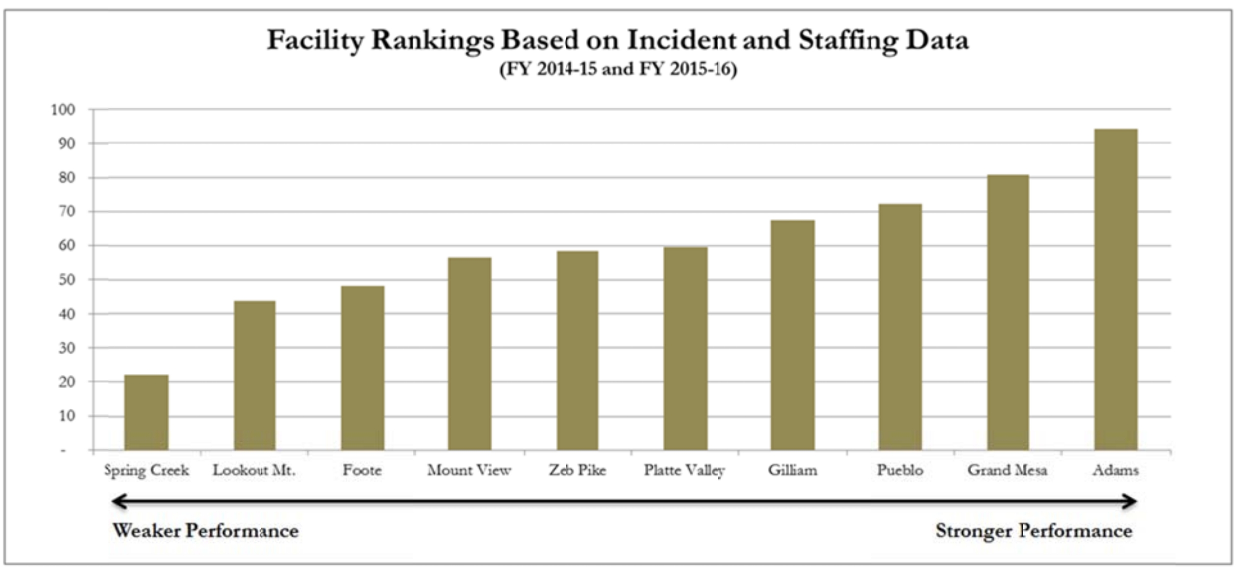
To highlight which facilities may require additional discussion concerning needed improvements to ensure youth and staff safety, staff created a ranking structure to compare the performance of the State's ten facilities. The ranking structure for each facility is based on its performance in comparison to its peers across nine measures using data from FY 2014-15 and FY 2015-16:

- Average Annual Number of Incidents (assaults and fights) per Bed;
- Average Annual Number of Level 1 Incidents (most severe);
- Average Annual Number of Crimes and Contacts with Police;
- Average Annual Number of Child Abuse Allegations Against Staff;
- Average Staffing Tenure for CYSO I, II, and III positions;
- Average Annual Number of CYSO I, II, and III Vacancies per Bed;
- Average Annual Amount of Unplanned Absences as Percentage of Regular Hours Worked;
- Average Annual Amount of Overtime Hours Worked as Percentage of Regular Hours Worked; and
- Average Annual Amount Temporary Staff Hours Worked as Percentage of Regular Hours Worked.

Each facility is ranked from one (low performing) to ten (high performing) on each of these nine measures. This ranking is then multiplied by the weighted-value of each measure based on a staffgenerated estimate of its importance. For example, Zebulon Pike ranked number seven in terms of "average annual number of incidents." This measure was given a weighted value of 1.25, thus Zebulon Pike received 8.75 points (7 multiplied by 1.25). The estimated weights for each measure are listed in the following table.

Ranking Measures and Weights	
Measure	Weight
Incidents	1.25
Level 1 Incidents	1.75
Crimes / Police	1.50
Child Abuse Allegations	0.75
Staffing Tenure	1.25
Staffing Vacancies	1.50
Unplanned Absences	1.25
Overtime Hours	1.25
Temporary Hours	0.75

After applying this methodology for all nine measures to all facilities, staff determined that the Adams facility is the highest performer and the Spring Creek facility is the lowest performer. Note, staff's ranking is meant only to drive conversation on ways to improve facility performance against these key safety and staffing measures and should not be construed as a judgement (positive or negative) of the personnel associated with these administration of the facilities.



ISSUE: R1 DYC FACILITY STAFFING, PHASE 3 OF 3

The Division of Youth Corrections' budget request includes an increase of $5.0 million General Fund and 80.6 FTE for FY 2017-18 to add staff to State-owned and operated youth corrections' facilities in an effort to improve safety and security of staff and youth. It seeks additional staff for FY 2017-18 to address the staffing deficiencies that preclude facilities from fully implementing a relationship-based approach between staff and youth that also ensures facility safety.

SUMMARY

- The Division of Youth Corrections (DYC) operates ten State-owned and operated secure facilities for detention and commitment which include diagnostic, education, and program services for juveniles in the justice system. The facilities operate under the premise that a safe and successful youth corrections system is rooted in a relationship approach between staff and youth.

- Despite increases in facility staffing levels and the implementation of various clinical tools, the Division indicates that the majority of its facilities are falling short of achieving needed reductions in the number of assaults and fights to meet its goals.

- The Division requests an increase of $5.0 million General Fund and 80.6 FTE for FY 2017-18 (annualizes to 137 staff in FY 2018-19) as part of a third (and final) staffing initiative to improve staff-to-youth ratios to the industry-standard level needed to address ongoing safety and security issues at its ten facilities.

RECOMMENDATION

Data show that in recent years Colorado has struggled to maintain a balance between providing a safe environment for staff and youth and providing clinical and educational opportunities to improve a youth's ability to successfully adapt when he/she returns to the community. DYC seeks additional staff for FY 2017-18 to address the staffing deficiencies that preclude facilities from fully implementing a relationship approach between staff and youth that also ensures facility safety. As it proceeds through the decision making process for funding additional facility staff, the Joint Budget Committee may wish to consider if the existing relationship-based model in Colorado is the desired approach from a fiscal, safety, and youth outcome perspective.

DISCUSSION

Background

The Division of Youth Corrections (DYC) provides a continuum of residential services that encompass juvenile detention, commitment, and parole. The Division is the agency statutorily mandated to provide for the care and supervision of youth committed by the court to the custody of the Department of Human Services. DYC operates ten State-owned and operated secure facilities for detention and commitment which include diagnostic, education, and program services for juveniles in the justice system.

As a result of data showing a steady increase in assault incidents, the legislature provided the Division with $7.5 million General Fund to hire 144 staff across FY 2014-15, FY 2015-16, and FY 2016-17. The added staff began the process of completing training and assuming duties in the facilities in January and February 2015.

Issue

The Division experienced a 10.2 percent decrease in assaults and fights across its ten facilities from FY 2014-15 to FY 2015-16 (see staff's briefing issue in this document entitled "Report on DYC Facility Security and Staffing" for more detailed statistics). Additionally, the most severe category of assaults, level one, dropped nearly a full occurrence per month between the two fiscal years. These decreases can be attributed to a combination of staffing increases and programmatic changes (e.g. implementation of trauma-informed care practices). Even with these improvements, the Division indicates that the majority of its facilities are falling short of achieving needed reductions in the number of assaults and fights to meet its goals.

In addition, the Division is concerned with complying with the federal Prison Rape Elimination Act of 2003 (PREA, P.L. 108-79) that was enacted by Congress to address the problem of sexual abuse of persons in the custody of correctional agencies, including juvenile justice facilities. The following table summarizes the number of charges filed and convictions/adjudications resulting from a sexual assault that occurred at a State-owned and -operated facility during the last three calendar years. As the data show, the Division has not experienced a significant number of sexual assaults in the past three years.

Sexual Assault Charges

	2014		2015		2016 (Jan – August)	
Facility	Charges Filed	Convictions/ Adjudications	Charges Filed	Convictions/ Adjudications	Charges Filed	Convictions/ Adjudications
Adams	0	0	0	0	0	0
Foote	0	0	0	0	0	0
Gilliam	0	0	0	0	0	0
Grand Mesa	0	0	*1	0	0	0
Lookout	0	0	0	0	0	0
Mt View	0	0	0	0	0	0
Platte	*1	0	*1	0	0	0
Pueblo	0	0	0	0	0	0
Spring Creek	0	0	0	0	*1	0
Zeb Pike	0	0	0	0	0	0
Total	**1**	**0**	**2**	**0**	**0**	**0**

*Case dismissed

**Pending disposition

PREA regulations state that each secure juvenile facility shall maintain staff-to-juvenile ratios of a minimum of 1:8 during resident waking hours and 1:16 during resident sleeping hours. This regulation sets forth a de facto industry standard for facility staffing levels. As applied to DYC, data show that Colorado does not meet the industry standards in all facilities.

Four facilities do not meet the Division's staffing goals for having an industry-standard ratio of one direct care staff person for every 16 youth during the sleeping hours. Seven facilities do not meet the Division's staffing goals for having an industry-standard ratio of one direct care staff person for every eight youth during the waking hours. Four of the facilities that experienced a staffing deficit in the sleeping hours, waking hours, or both in FY 2015-16 (Gilliam, Lookout Mountain, Platte Valley, and Spring Creek) are scheduled to receive new staff during FY 2016-17, as funded by the General Assembly. The influx of new staff should improve ratios in these facilities.

FY 2015-16 Ratio of Direct Care Staff to Youth by Facility					
	Sleeping Hours		Waking Hours		Improving Ratio with New Hires in FY 2016-17?
Facility	Ratio	Meeting Goal (1:16)?	Ratio	Meeting Goal (1:8)?	
Adams	1:21.6	No	1:10.8	No	No
Foote	1:16.6	Yes	1:8.3	Yes	No
Gilliam	1:9.0	Yes	1:9.0	No	Yes
Grand Mesa	1:19.9	No	1:13.2	No	No
Lookout Mt.	1:15.5	Yes	1:10.3	No	Yes
Mount View	1:16.5	Yes	1:8.3	Yes	No
Platte Valley	1:19.8	No	1:10.0	No	Yes
Pueblo	1:16.8	Yes	1:8.4	Yes	No
Spring Creek	1:19.0	No	1:9.5	No	Yes
Zeb Pike	1:19.8	No	1:9.9	No	No

Proposed Solution

The Division requests an increase of $5.0 million General Fund and 80.6 FTE for FY 2017-18 as part of a third (and final) staffing initiative to improve staff-to-youth ratios to the industry-standard level needed to address ongoing safety and security issues at its ten facilities. This request annualizes to $8.2 million General Fund and 137.0 FTE in FY 2018-19 and future fiscal years.

If the legislature funds this proposed staffing increase, the Division signals that the following benefits related to operating safe and secure facilities will occur:

- Necessary sight and sound supervision of youth to reduce/eliminate physical and sexual incidents;
- Safe environments for youth, staff, and school personnel;
- Full implementation of the Division's behavior management program, facility-wide "Positive Behavioral Interventions and Supports";
- Increased opportunities to use motivational interviewing techniques with youth in the moment of a potential incident;
- Decreased response time for incidents and crises; and
- Full engagement of families of youth in the detention and commitment systems.

As it relates to measures of safety, the Division believes that the following benefits will be achieved with the additional staff requested:

- Decreased number of assaults and fights;
- Reduced use of restraint and seclusion;
- Reduced number of injuries to youth from fights, assaults, and restraints; and
- Reduced number of injuries to staff from assaults or restraints, thereby reducing the number of and amount of workers' compensation claims.

The proposal indicates that staffing requested for FY 2017-18 would be hired in a staggered fashion beginning in July 2017 and concluding in March 2017. The following positions would be added in this timeframe:

- Correctional, Youth, Security Officer, I (CYSO I) – tasks include direct youth supervision, enforcement of program rules and behavior expectations, management of daily structured programming activities, documentation of observations and major incidents, conducting individual and group counseling, intervening in potentially volatile situations, managing youth movement, intake of youth, and control center operations. Monthly salary requested for each position is $3,374 plus benefits for 59.8 FTE, annualizing to 102.0 FTE for FY 2018-19 and future fiscal years.

- Correctional, Youth, Security Officer, II (CYSO II) – tasks include those associated with the CYSO I position, plus providing guidance as a lead worker to CYSO I staff, assisting supervision staff in facilitating team meetings, providing feedback to supervision staff for evaluation, conducting due process hearings for youth, and other specialized duties (e.g. restorative justice projects). Monthly salary requested for each position is $3,718 plus benefits for 19.0 FTE, annualizing to 33.0 FTE for FY 2017-18 and future fiscal years.

- Correctional, Youth, Security Officer, III (CYSO III) – tasks include managing and deploying CYSO I and CYSO II staff assigned to the shift, directing responses to crisis situations on shifts, performing searches and perimeter checks, ensuring that shifts are covered for various call offs, and coaching and mentoring staff during each shift. Monthly salary requested for this position is $4,099 plus benefits for 0.9 FTE, annualizing to 1.0 FTE for FY 2018-19 and future fiscal years.

- General Professional III – tasks include human resources and training functions. Monthly salary requested for this position is $4,028 plus benefits for 0.9 FTE, annualizing to 1.0 FTE for FY 2017-18 and future fiscal years.

Staff Recommendation
Administering a youth corrections facility requires a continuous balance between maintaining a safe environment (for youth and staff) and providing clinical and educational opportunities to improve a youth's ability to successfully adapt when he/she returns to the community. This ever-present challenge is not unique to youth corrections in Colorado. Studies have shown that if a facility relies too much on the use of seclusion, weapons (e.g. pepper spray), and mechanical restraints to maintain safety, it runs the risk of morphing from a rehabilitative environment to that resembling an adult prison. If a facility relies too much on the use of clinical tools (e.g. trauma informed care practices and relationship building) to manage its population, it runs the risk of decreasing youth and staff safety to a degree in which a rehabilitative environment is no longer possible.

The data show that Colorado has struggled with maintaining this balance in recent years, as the number of assaults and fights (including some high profile incidents) have jumped to levels not seen in earlier years. It is staff's opinion that a major factor impacting the balance came in the summer of 2014 with a key policy change. At that time, the Division made the decision to stop the use of lengthy seclusion as a method for dealing with a regularly disruptive youth. Thus, the amount of a time a disruptive youth spends in the milieu with other youth increases, as does the potential opportunities for assaults and fights. The Division made this decision based on the researchsupported belief that extended time in seclusion has destructive effects on a youth offender (especially one with an existing mental health disorder) and interferes with efforts to prepare that individual for return to his/her community. This policy change is congruent with the Division's goal of building a youth corrections system that is rooted in a relationship approach between staff and youth.

Staff does not debate the merits of halting the use of extended seclusion to isolate problematic youth from the general population of youth in a facility. Staff does, however, question whether the Division was adequately resourced to manage the safety implications of such a policy change. Specifically, staff questions if the Division had the proper number of staff in each facility to support a relationship approach between staff and youth and to simultaneously mitigate safety concerns. Additionally, staff questions if the Division's closure of Sol Vista (a State-owned and –operated commitment facility for youth with severe mental health issues) in 2011 left staff without a key resource to manage assault-prone youth.

The Division offers that the requested additional staffing it seeks for FY 2017-18 addresses the staffing deficiencies that preclude facilities from fully implementing a relationship approach between Division staff and youth that also ensures facility safety. Building on the prior two phases of staffing additions, this request is designed to increase Division staff's ability to interact with youth and develop supportive individual relationships to correct negative behaviors exhibited and focus on post-release issues.

Staff concurs that additional staff will yield reductions in the number of assaults and fights that occur in facilities. This opinion is based on data showing a decrease in assaults and fights after staffing levels were increased in facilities through phase one and phase two of the Division's staffing initiative. Staff also concurs that the Division's relationship-based approach between staff and youth would benefit from additional staff, which would ultimately improve a youth's ability to successfully adapt when he/she returns to the community.

As it proceeds through the decision making process for funding additional facility staff, the Joint Budget Committee may wish to consider if the existing relationship-based model in place in Colorado is the desired approach from a fiscal, safety, and youth outcome perspective. If it is the desired approach, the Committee may wish to support the Division's funding request because it addresses a current system deficiency (lack of adequate staffing levels).

If the "Colorado Model" is not the desired approach, the Committee may wish to consider the positive and negative impacts of alternative approaches. For example, the Missouri Approach is a highly-regarded, relationship-focused model that includes small facilities (limited to 36 beds), low staff-to-youth ratios (1:6), family engagement, individual treatment planning, and environments with the least restriction. While the Missouri Approach has been shown to achieve positive impacts on safety and youth outcomes, it does present obstacles in the form of high costs associated with building smaller facilities and staffing them at low staff-to-youth ratios.

In contrast, an approach that strives to maintain facility order with seclusion, taser guns, and mechanical restraints, such as the model implemented in Tennessee, is more akin to an adult corrections setting. This approach is less expensive than a relationship-based model because it does not require low staff-to-youth ratios, but it may not curb violence (research suggests that use of weapons exacerbates and escalates the level of violence in youth correctional facilities) and it does not emphasize rehabilitation to prepare a youth for re-entry into the community.

Appendix A: Number Pages

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation

DEPARTMENT OF HUMAN SERVICES
Reggie Bicha, Executive Director

(2) OFFICE OF INFORMATION TECHNOLOGY SERVICES

The Office of Information Technology Services (OITS) is responsible for developing and maintaining the major centralized computer systems of the Department, including systems that link to all 64 counties in the state. The Office supports centralized databases, and provides support and training to users, including county staff and private social service providers. OITS' staff resources were transferred to the Governor's Office of Information Technology (OIT) in FY 2010-11 as part of the consolidation of State executive branch agency information technology personnel resources in OIT. Former members of the OITS staff (current OIT employees) continue to support the programs funded and administered by the Department of Human Services.

(A) Information Technology

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
Operating Expenses	1,868,573	544,395	560,634	560,634	
General Fund	1,811,972	487,794	489,559	489,559	
Reappropriated Funds	0	0	14,474	14,474	
Federal Funds	56,601	56,601	56,601	56,601	
Microcomputer Lease Payments	539,324	539,344	539,344	539,344	
General Fund	301,812	301,832	301,832	301,832	
Cash Funds	15,466	15,466	15,466	15,466	
Reappropriated Funds	128,647	128,647	128,647	128,647	
Federal Funds	93,399	93,399	93,399	93,399	
County Financial Management System	1,494,324	1,494,325	1,494,325	1,494,325	
General Fund	770,739	770,740	770,740	770,740	
Federal Funds	723,585	723,585	723,585	723,585	

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
Client Index Project	17,200	17,000	17,698	17,698	
General Fund	10,100	9,456	10,154	10,154	
Federal Funds	7,100	7,544	7,544	7,544	
Colorado Trails	4,970,391	4,970,918	4,970,392	4,970,392	
General Fund	2,683,460	2,638,272	2,683,461	2,683,461	
Federal Funds	2,286,931	2,332,646	2,286,931	2,286,931	
National Aging Program Information System	71,804	93,114	55,821	55,821	
General Fund	23,278	23,278	12,089	12,089	
Federal Funds	48,526	69,836	43,732	43,732	
Child Care Automated Tracking System	2,977,533	2,343,877	2,978,495	2,709,933	
Federal Funds	2,977,533	2,343,877	2,978,495	2,709,933	
Health Information Management System	560,981	435,507	339,168	146,611	
General Fund	440,419	307,629	211,290	125,000	
Reappropriated Funds	120,562	127,878	127,878	21,611	
Adult Protective Services Data System	143,044	179,200	179,200	179,200	
General Fund	143,044	179,200	179,200	179,200	
Payments to OIT	26,183,756	25,051,330	24,090,080	28,705,843	*
General Fund	14,042,009	13,534,199	12,939,609	18,006,596	
Cash Funds	286,707	303,805	364,484	383,466	
Reappropriated Funds	747,402	731,655	765,483	1,148,392	
Federal Funds	11,107,638	10,481,671	10,020,504	9,167,389	

*Line item includes a decision item.

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
CORE Operations	2,189,920	1,667,387	1,304,572	1,046,437	
General Fund	1,312,192	877,524	670,744	538,024	
Cash Funds	391,483	268,114	263,787	211,592	
Federal Funds	486,245	521,749	370,041	296,821	
DYC Education Support	377,539	394,042	394,042	394,042	
General Fund	377,539	394,042	394,042	394,042	
IT Systems Interoperability	0	98,800	1,323,360	1,323,360	
General Fund	0	98,800	132,336	132,336	
Federal Funds	0	0	1,191,024	1,191,024	
Enterprise Content Management	0	627,204	731,400	731,400	
General Fund	0	627,204	731,400	731,400	
Electronic Health Record and Pharmacy System	0	0	1,757,802	2,528,802	
General Fund	0	0	1,757,802	2,528,802	
SUBTOTAL - (A) Information Technology	41,394,389	38,456,443	40,736,333	45,403,842	11.5%
FTE	0.0	0.0	0.0	0.0	0.0%
General Fund	21,916,564	20,249,970	21,284,258	26,903,235	26.4%
Cash Funds	693,656	587,385	643,737	610,524	(5.2%)
Reappropriated Funds	996,611	988,180	1,036,482	1,313,124	26.7%
Federal Funds	17,787,558	16,630,908	17,771,856	16,576,959	(6.7%)

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
(B) Colorado Benefits Management System					
(1) Ongoing Expenses					
Personal Services	2,484,228	2,566,963	2,810,459	2,810,459	
General Fund	1,020,956	1,043,703	1,151,666	1,151,666	
Cash Funds	62,196	83,459	91,260	91,260	
Reappropriated Funds	120,756	0	0	0	
Federal Funds	1,280,320	1,439,801	1,567,533	1,567,533	
Centrally Appropriated Items	331,642	311,004	310,637	310,637	
General Fund	130,606	127,292	127,292	127,292	
Cash Funds	8,164	10,454	10,087	10,087	
Federal Funds	192,872	173,258	173,258	173,258	
Operating and Contract Expenses	14,556,191	15,310,357	27,422,567	27,422,567	
General Fund	6,320,186	6,320,835	17,987,567	17,987,567	
Cash Funds	384,959	551,061	890,451	890,451	
Federal Funds	7,851,046	8,438,461	8,544,549	8,544,549	
CBMS SAS-70 Audit	44,478	0	0	0	
General Fund	18,214	0	0	0	
Cash Funds	1,349	0	0	0	
Federal Funds	24,915	0	0	0	
SUBTOTAL	17,416,539	18,188,324	30,543,663	30,543,663	0.0%
FTE	0.0	0.0	0.0	0.0	0.0%
General Fund	7,489,962	7,491,830	19,266,525	19,266,525	0.0%
Cash Funds	456,668	644,974	991,798	991,798	0.0%
Reappropriated Funds	120,756	0	0	0	0.0%
Federal Funds	9,349,153	10,051,520	10,285,340	10,285,340	0.0%

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
(2) Special Projects					
Health Care and Economic Security Staff Development Center	0	663,378	986,995	988,776	
FTE	0.0	10.2	11.0	11.0	
General Fund	0	250,487	408,373	409,032	
Cash Funds	0	20,882	32,021	32,039	
Federal Funds	0	392,009	546,601	547,705	
CBMS Modernization, DHS Personal Services	491,766	0	0	0	
FTE	10.4	0.0	0.0	0.0	
General Fund	193,571	0	0	0	
Cash Funds	12,330	0	0	0	
Reappropriated Funds	21,844	0	0	0	
Federal Funds	264,021	0	0	0	
CBMS Modernization, DHS Operating Expenses	7,209	0	0	0	
General Fund	3,265	0	0	0	
Cash Funds	203	0	0	0	
Federal Funds	3,741	0	0	0	
CBMS Modernization, HCPF Personal Services, Operating Expenses, and Centrally Appropriated Expenses	529,578	0	0	0	
General Fund	223,047	0	0	0	
Cash Funds	12,377	0	0	0	
Reappropriated Funds	26,157	0	0	0	
Federal Funds	267,997	0	0	0	

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
CBMS Modernization, Phase II	3,762,321	0	0	0	
General Fund	2,672,588	0	0	0	
Cash Funds	525,181	0	0	0	
Federal Funds	564,552	0	0	0	
SUBTOTAL	4,790,874	663,378	986,995	988,776	0.2%
FTE	10.4	10.2	11.0	11.0	0.0%
General Fund	3,092,471	250,487	408,373	409,032	0.2%
Cash Funds	550,091	20,882	32,021	32,039	0.1%
Reappropriated Funds	48,001	0	0	0	0.0%
Federal Funds	1,100,311	392,009	546,601	547,705	0.2%
SUBTOTAL - (B) Colorado Benefits Management System	22,207,413	18,851,702	31,530,658	31,532,439	0.0%
FTE	10.4	10.2	11.0	11.0	0.0%
General Fund	10,582,433	7,742,317	19,674,898	19,675,557	0.0%
Cash Funds	1,006,759	665,856	1,023,819	1,023,837	0.0%
Reappropriated Funds	168,757	0	0	0	0.0%
Federal Funds	10,449,464	10,443,529	10,831,941	10,833,045	0.0%
TOTAL - (2) Office of Information Technology Services	63,601,802	57,308,145	72,266,991	76,936,281	6.5%
FTE	10.4	10.2	11.0	11.0	0.0%
General Fund	32,498,997	27,992,287	40,959,156	46,578,792	13.7%
Cash Funds	1,700,415	1,253,241	1,667,556	1,634,361	(2.0%)
Reappropriated Funds	1,165,368	988,180	1,036,482	1,313,124	26.7%
Federal Funds	28,237,022	27,074,437	28,603,797	27,410,004	(4.2%)

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation

(4) COUNTY ADMINISTRATION

The County Administration budgetary section provides the 64 county departments of human services with moneys to administer the Supplemental Nutrition Assistance Program (SNAP; formerly known as food stamps) and funding through County Tax Base Relief to assist counties with the highest costs and lowest property tax values in meeting the obligation of the local match required by the state for certain public assistance programs. Much of these moneys support county staff who determine eligibility for programs using the Colorado Benefits Management System (CBMS).

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
County Administration	46,779,289	46,583,678	56,384,304	73,050,970 *	
General Fund	19,938,121	20,303,210	19,666,869	24,666,869	
Cash Funds	0	0	10,436,967	13,770,300	
Federal Funds	26,841,168	26,280,468	26,280,468	34,613,801	
County Tax Base Relief	3,879,756	3,879,756	3,879,756	3,879,756	
General Fund	3,879,756	3,879,756	3,879,756	3,879,756	
County Share of Offsetting Revenues	2,854,581	2,745,599	2,986,000	2,986,000	
Cash Funds	2,854,581	2,745,599	2,986,000	2,986,000	
County Incentive Payments	4,176,456	4,014,471	4,113,000	4,113,000	
Cash Funds	4,176,456	4,014,471	4,113,000	4,113,000	
SB 16-190 Implementation	0	0	550,000	0	
General Fund	0	0	550,000	0	
TOTAL - (4) County Administration	57,690,082	57,223,504	67,913,060	84,029,726	23.7%
FTE	0.0	0.0	0.0	0.0	0.0%
General Fund	23,817,877	24,182,966	24,096,625	28,546,625	18.5%
Cash Funds	7,031,037	6,760,070	17,535,967	20,869,300	19.0%
Federal Funds	26,841,168	26,280,468	26,280,468	34,613,801	31.7%

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
(7) OFFICE OF SELF SUFFICIENCY					
The Office of Self-Sufficiency provides income, nutritional, and support services to assist families and individuals in need. The programs administered by this unit include SNAP, Colorado Works, child support services, energy assistance, refugee services, and disability determination services.					
(A) Administration					
Personal Services	1,134,071	2,843,065	814,293	814,293	
FTE	19.9	16.7	15.0	15.0	
General Fund	434,427	1,895,524	324,085	324,085	
Federal Funds	699,644	947,541	490,208	490,208	
Operating Expenses	84,029	103,132	27,883	27,883	
General Fund	54,133	65,733	27,883	27,883	
Federal Funds	29,896	37,399	0	0	
SUBTOTAL - (A) Administration	1,218,100	2,946,197	842,176	842,176	0.0%
FTE	19.9	16.7	15.0	15.0	0.0%
General Fund	488,560	1,961,257	351,968	351,968	0.0%
Federal Funds	729,540	984,940	490,208	490,208	0.0%
(B) Colorado Works Program					
Administration	1,348,119	1,433,377	1,618,865	1,618,865	
FTE	17.2	17.4	18.0	18.0	
Federal Funds	1,348,119	1,433,377	1,618,865	1,618,865	
County Block Grants	124,596,958	119,365,058	152,548,087	152,548,087	
Cash Funds	93,497	72,774	22,349,730	22,349,730	
Federal Funds	124,503,461	119,292,284	130,198,357	130,198,357	

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
County Training	418,378	452,528	382,397	382,397	
FTE	2.2	1.8	2.0	2.0	
Federal Funds	418,378	452,528	382,397	382,397	
Domestic Abuse Program	1,819,098	1,717,936	1,848,993	1,848,993	
FTE	2.6	2.4	2.7	2.7	
Cash Funds	1,192,753	1,090,381	1,219,316	1,219,316	
Federal Funds	626,345	627,555	629,677	629,677	
Works Program Evaluation	123,831	492,366	495,440	495,440	
Federal Funds	123,831	492,366	495,440	495,440	
Workforce Development Council	79,033	83,073	76,211	76,211	
Federal Funds	79,033	83,073	76,211	76,211	
Transitional Jobs Programs	1,397,897	2,088,335	2,349,830	2,296,281	
FTE	2.1	2.3	2.0	2.0	
General Fund	1,397,897	2,088,335	2,349,830	2,296,281	
SUBTOTAL - (B) Colorado Works Program	129,783,314	125,632,673	159,319,823	159,266,274	(0.0%)
FTE	24.1	23.9	24.7	24.7	(0.0%)
General Fund	1,397,897	2,088,335	2,349,830	2,296,281	(2.3%)
Cash Funds	1,286,250	1,163,155	23,569,046	23,569,046	0.0%
Federal Funds	127,099,167	122,381,183	133,400,947	133,400,947	0.0%

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
(C) Special Purpose Welfare Programs					
Low Income Energy Assistance Program	59,602,321	43,990,756	48,141,574	48,141,574	
FTE	5.1	5.2	5.2	5.2	
Cash Funds	3,250,000	2,958,667	4,250,000	4,250,000	
Federal Funds	56,352,321	41,032,089	43,891,574	43,891,574	
Supplemental Nutrition Assistance Program Administration	0	0	1,392,473	1,378,363	
FTE	0.0	0.0	10.0	10.0	
General Fund	0	0	697,679	690,624	
Federal Funds	0	0	694,794	687,739	
Supplemental Nutrition Assistance Program State Staff Training	0	0	25,000	25,000	
General Fund	0	0	12,500	12,500	
Federal Funds	0	0	12,500	12,500	
Food Stamp Job Search Units - Program Costs	1,495,828	6,386,525	2,081,582	2,081,582	
FTE	4.3	4.4	6.2	6.2	
General Fund	123,974	154,557	188,194	188,194	
Cash Funds	0	0	410,182	410,182	
Federal Funds	1,371,854	6,231,968	1,483,206	1,483,206	
Food Stamp Job Search Units - Supportive Services	199,456	208,233	261,452	261,452	
General Fund	74,796	78,435	78,435	78,435	
Cash Funds	0	0	52,291	52,291	
Federal Funds	124,660	129,798	130,726	130,726	

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
Food Distribution Program	882,291	913,912	586,062	586,062	
FTE	3.6	3.2	6.5	6.5	
General Fund	11,352	42,102	47,137	47,137	
Cash Funds	215,218	102,426	252,169	252,169	
Federal Funds	655,721	769,384	286,756	286,756	
Income Tax Offset	3,084	4,128	4,128	4,128	
General Fund	1,542	2,064	2,064	2,064	
Federal Funds	1,542	2,064	2,064	2,064	
Electronic Benefits Transfer Service	2,204,779	2,200,376	3,723,956	3,725,268	
FTE	7.0	8.1	7.0	7.0	
General Fund	997,064	1,001,401	1,003,975	1,004,329	
Cash Funds	85,366	91,633	995,853	996,207	
Federal Funds	1,122,349	1,107,342	1,724,128	1,724,732	
Refugee Assistance	9,774,516	9,324,326	10,754,243	10,756,948	
FTE	3.7	4.3	10.0	10.0	
Federal Funds	9,774,516	9,324,326	10,754,243	10,756,948	
Systematic Alien Verification for Eligibility	32,777	41,410	41,785	41,785	
FTE	0.4	0.1	1.0	1.0	
General Fund	4,747	6,202	5,845	5,845	
Cash Funds	930	1,591	2,295	2,295	
Reappropriated Funds	20,717	25,888	25,779	25,779	
Federal Funds	6,383	7,729	7,866	7,866	

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
SUBTOTAL - (C) Special Purpose Welfare Programs	74,195,052	63,069,666	67,012,255	67,002,162	(0.0%)
FTE	24.1	25.3	45.9	45.9	0.0%
General Fund	1,213,475	1,284,761	2,035,829	2,029,128	(0.3%)
Cash Funds	3,551,514	3,154,317	5,962,790	5,963,144	0.0%
Reappropriated Funds	20,717	25,888	25,779	25,779	0.0%
Federal Funds	69,409,346	58,604,700	58,987,857	58,984,111	0.0%
(D) Child Support Enforcement					
Automated Child Support Enforcement System	8,098,066	8,355,549	9,084,664	9,088,092	
FTE	13.8	22.4	16.9	16.9	
General Fund	2,451,573	2,471,301	2,581,234	2,582,228	
Cash Funds	411,808	447,085	724,065	724,339	
Federal Funds	5,234,685	5,437,163	5,779,365	5,781,525	
Child Support Enforcement	1,903,844	1,944,204	5,025,629	5,338,780	
FTE	21.5	24.1	24.5	24.5	
General Fund	661,235	611,029	2,654,483	3,662,329	
Cash Funds	60,909	46,274	76,921	76,984	
Federal Funds	1,181,700	1,286,901	2,294,225	1,599,467	
SUBTOTAL - (D) Child Support Enforcement	10,001,910	10,299,753	14,110,293	14,426,872	2.2%
FTE	35.3	46.5	41.4	41.4	0.0%
General Fund	3,112,808	3,082,330	5,235,717	6,244,557	19.3%
Cash Funds	472,717	493,359	800,986	801,323	0.0%
Federal Funds	6,416,385	6,724,064	8,073,590	7,380,992	(8.6%)

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
(E) Disability Determination Services					
Program Costs	16,766,569	16,421,533	18,026,707	18,032,144	
FTE	119.6	117.9	121.7	121.7	
Federal Funds	16,766,569	16,421,533	18,026,707	18,032,144	
SUBTOTAL - (E) Disability Determination Services	16,766,569	16,421,533	18,026,707	18,032,144	0.0%
FTE	119.6	117.9	121.7	121.7	0.0%
Federal Funds	16,766,569	16,421,533	18,026,707	18,032,144	0.0%
TOTAL - (7) Office of Self Sufficiency	231,964,945	218,369,822	259,311,254	259,569,628	0.1%
FTE	223.0	230.3	248.7	248.7	0.0%
General Fund	6,212,740	8,416,683	9,973,344	10,921,934	9.5%
Cash Funds	5,310,481	4,810,831	30,332,822	30,333,513	0.0%
Reappropriated Funds	20,717	25,888	25,779	25,779	0.0%
Federal Funds	220,421,007	205,116,420	218,979,309	218,288,402	(0.3%)

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation

(10) ADULT ASSISTANCE PROGRAMS

The Adult Assistance Programs budgetary section provides moneys for assistance and support for needy elderly and disabled adult populations in Colorado. Within the Office of Economic Security, the unit supervises several programs, including the Old Age Pension (OAP) program, which provides cash assistance to eligible individuals age 60 and older and the Aid to the Needy Disabled and Home Care Allowance programs, which provide cash assistance for low-income disabled adults. Within the Office of Long Term Care, the unit supervises several programs, including the Adult Protective Services (APS) programs, which intervene on behalf of at-risk adults to address abuse, neglect, or exploitation; and Older Americans Act services, such as Meals on Wheels, to older Coloradans through the 16 Area Agencies on Aging (AAA).

(A) Administration

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
Administration	895,446	867,781	1,014,538	1,017,685	
FTE	9.0	9.4	11.0	11.0	
General Fund	852,037	769,411	902,614	905,415	
Cash Funds	43,409	98,370	111,924	112,270	
SUBTOTAL - (A) Administration	895,446	867,781	1,014,538	1,017,685	0.3%
FTE	9.0	9.4	11.0	11.0	0.0%
General Fund	852,037	769,411	902,614	905,415	0.3%
Cash Funds	43,409	98,370	111,924	112,270	0.3%

(B) Old Age Pension Program

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
Cash Assistance Programs	89,414,981	92,440,785	95,007,967	95,329,664 *	
Cash Funds	89,414,981	92,440,785	95,007,967	95,329,664	
Refunds	1,062,491	1,136,209	588,362	588,362	
Cash Funds	1,062,491	1,136,209	588,362	588,362	
Burial Reimbursements	918,364	1,322,281	918,364	918,364	
Cash Funds	918,364	1,322,281	918,364	918,364	

*Line item includes a decision item.

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
State Administration	275,753	215,445	392,548	393,619	
FTE	0.0	3.3	3.5	3.5	
Cash Funds	275,753	215,445	392,548	393,619	
County Administration	1,924,419	2,712,348	2,566,974	2,566,974	
Cash Funds	1,924,419	2,712,348	2,566,974	2,566,974	
SUBTOTAL - (B) Old Age Pension Program	93,596,008	97,827,068	99,474,215	99,796,983	0.3%
FTE	0.0	3.3	3.5	3.5	0.0%
Cash Funds	93,596,008	97,827,068	99,474,215	99,796,983	0.3%
(C) Other Grant Programs					
Administration - Home Care Allowance SEP Contract	1,045,084	1,063,259	1,063,259	1,063,259	
General Fund	1,045,084	1,063,259	1,063,259	1,063,259	
Aid to the Needy Disabled Programs	15,110,331	14,844,392	18,844,238	18,844,238	
General Fund	12,316,683	12,554,065	12,554,065	12,554,065	
Cash Funds	2,793,648	2,290,327	6,290,173	6,290,173	
Burial Reimbursements	402,985	402,985	508,000	508,000	
General Fund	402,985	402,985	402,985	402,985	
Cash Funds	0	0	105,015	105,015	
Home Care Allowance	7,289,267	7,526,726	9,415,544	9,415,544	
General Fund	7,289,267	7,526,726	8,913,580	8,913,580	
Cash Funds	0	0	501,964	501,964	
Home Care Allowance Grant Program	624,741	613,274	750,000	0	
General Fund	624,741	613,274	750,000	0	

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
SSI Stabilization Fund Programs	0	397,550	1,000,000	1,000,000	
Cash Funds	0	397,550	1,000,000	1,000,000	
Aid to the Needy Disabled Federal Supplemental Security Income Application Pilot Program	74,889	193,450	0	0	
General Fund	74,889	193,450	0	0	
Adult Foster Care	15,066	1,819	0	0	
General Fund	15,066	1,819	0	0	
Cash Funds	0	0	0	0	
SUBTOTAL - (C) Other Grant Programs	24,562,363	25,043,455	31,581,041	30,831,041	(2.4%)
FTE	0.0	0.0	0.0	0.0	0.0%
General Fund	21,768,715	22,355,578	23,683,889	22,933,889	(3.2%)
Cash Funds	2,793,648	2,687,877	7,897,152	7,897,152	0.0%

(D) Community Services for the Elderly

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
Administration	468,064	566,669	715,364	715,364	
FTE	5.0	6.4	7.0	7.0	
General Fund	115,681	140,458	178,842	178,842	
Federal Funds	352,383	426,211	536,522	536,522	
Colorado Commission on Aging	78,336	78,109	82,204	82,204	
FTE	1.0	0.9	1.0	1.0	
General Fund	19,545	19,485	20,552	20,552	
Federal Funds	58,791	58,624	61,652	61,652	

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
Senior Community Services Employment	862,593	865,258	857,161	857,161	
FTE	0.3	0.3	0.5	0.5	
Federal Funds	862,593	865,258	857,161	857,161	
Older Americans Act Programs	11,957,608	11,316,025	17,574,052	17,574,052	
General Fund	664,485	629,150	765,125	765,125	
Cash Funds	6,433	386	3,079,710	3,079,710	
Federal Funds	11,286,690	10,686,489	13,729,217	13,729,217	
National Family Caregiver Support Program	1,760,641	1,763,206	2,173,936	2,173,936	
General Fund	142,041	142,041	142,041	142,041	
Cash Funds	0	0	423,805	423,805	
Federal Funds	1,618,600	1,621,165	1,608,090	1,608,090	
State Ombudsman Program	317,031	317,031	428,706 1.0	428,706 1.0	
General Fund	186,898	186,898	186,898	186,898	
Cash Funds	0	0	81,675	81,675	
Reappropriated Funds	1,800	1,800	1,800	1,800	
Federal Funds	128,333	128,333	158,333	158,333	
State Funding for Senior Services	17,301,038	21,119,206	22,831,104	23,331,104 *	
General Fund	7,293,288	11,127,441	11,303,870	10,803,870	
Cash Funds	10,007,750	9,991,765	11,527,234	11,527,234	
Reappropriated Funds	0	0	0	1,000,000	
Area Agencies on Aging Administration	1,272,084	1,456,490	1,375,384	1,375,384	
Federal Funds	1,272,084	1,456,490	1,375,384	1,375,384	

*Line item includes a decision item.

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
Respite Services	256,090	483,233	1,278,370	378,370	
General Fund	250,000	471,233	1,250,000	350,000	
Cash Funds	6,090	12,000	28,370	28,370	
Senior Services Data Evaluation	0	125,000	0	0	
General Fund	0	125,000	0	0	
SUBTOTAL - (D) Community Services for the Elderly	34,273,485	38,090,227	47,316,281	46,916,281	(0.8%)
FTE	6.3	7.6	9.5	9.5	0.0%
General Fund	8,671,938	12,841,706	13,847,328	12,447,328	(10.1%)
Cash Funds	10,020,273	10,004,151	15,140,794	15,140,794	0.0%
Reappropriated Funds	1,800	1,800	1,800	1,001,800	55555.6%
Federal Funds	15,579,474	15,242,570	18,326,359	18,326,359	0.0%
(E) Adult Protective Services					
State Administration	540,791	549,318	744,577	827,205 *	
FTE	4.5	4.5	6.5	7.4	
General Fund	540,791	549,318	744,577	827,205	
Adult Protective Services	10,887,306	11,226,964	17,919,005	17,919,005	
General Fund	8,899,936	9,185,935	12,270,334	12,270,334	
Cash Funds	0	0	3,607,642	3,607,642	
Federal Funds	1,987,370	2,041,029	2,041,029	2,041,029	
SUBTOTAL - (E) Adult Protective Services	11,428,097	11,776,282	18,663,582	18,746,210	0.4%
FTE	4.5	4.5	6.5	7.4	13.8%
General Fund	9,440,727	9,735,253	13,014,911	13,097,539	0.6%
Cash Funds	0	0	3,607,642	3,607,642	0.0%
Federal Funds	1,987,370	2,041,029	2,041,029	2,041,029	0.0%

*Line item includes a decision item.

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
TOTAL - (10) Adult Assistance Programs	164,755,399	173,604,813	198,049,657	197,308,200	(0.4%)
FTE	19.8	24.8	30.5	31.4	3.0%
General Fund	40,733,417	45,701,948	51,448,742	49,384,171	(4.0%)
Cash Funds	106,453,338	110,617,466	126,231,727	126,554,841	0.3%
Reappropriated Funds	1,800	1,800	1,800	1,001,800	55555.6%
Federal Funds	17,566,844	17,283,599	20,367,388	20,367,388	0.0%

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation

(11) DIVISION OF YOUTH CORRECTIONS

The Division of Youth Corrections (DYC) is responsible for the supervision, care, and treatment of: (1) juveniles held in secure detention pre- or post-adjudication (detention facilities are similar to county jails); (2) juveniles committed or sentenced to the Department by courts; and (3) juveniles receiving six month mandatory parole services following a commitment to the Division. In addition to treating incarcerated and paroled juveniles, DYC administers the S.B. 91-094 program that provides alternatives to detention and/or commitment in each judicial district. The Division maintains 10 secure institutional centers and augments this capacity with contracts for community, staff secure, and detention placements.

(A) Administration

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
Personal Services	1,390,521	1,449,625	1,468,509	1,469,982	
FTE	14.8	14.8	14.8	14.8	
General Fund	1,390,521	1,449,625	1,468,509	1,469,982	
Operating Expenses	30,357	30,357	30,357	30,357	
General Fund	30,357	30,357	30,357	30,357	
Victim Assistance	29,115	29,203	29,203	29,203	
FTE	0.3	0.6	0.3	0.3	
Reappropriated Funds	29,115	29,203	29,203	29,203	
SUBTOTAL - (A) Administration	1,449,993	1,509,185	1,528,069	1,529,542	0.1%
FTE	15.1	15.4	15.1	15.1	0.0%
General Fund	1,420,878	1,479,982	1,498,866	1,500,339	0.1%
Reappropriated Funds	29,115	29,203	29,203	29,203	0.0%

(B) Institutional Programs

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
Personal Services	41,606,439	45,815,904	48,863,616	54,148,292 *	
FTE	756.1	790.3	845.6	958.6	
General Fund	41,606,439	45,815,904	48,863,616	54,148,292	

*Line item includes a decision item.

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
Operating Expenses	3,261,957	3,731,628	3,707,699	3,982,610 *	
General Fund	2,082,013	2,288,548	2,367,283	2,642,194	
Reappropriated Funds	0	0	1,340,200	1,340,200	
Federal Funds	1,179,944	1,443,080	216	216	
Medical Services	6,369,233	6,512,181	6,579,411	9,094,803 *	
FTE	34.5	33.1	36.0	52.1	
General Fund	6,369,233	6,512,181	6,579,411	9,094,803	
Educational Programs	6,307,327	6,390,135	6,289,840	6,293,717	
FTE	32.9	32.4	34.8	34.8	
General Fund	5,713,226	5,815,675	5,942,248	5,946,125	
Reappropriated Funds	0	0	347,592	347,592	
Federal Funds	594,101	574,460	0	0	
Prevention/Intervention Services	0	45,391	49,693	49,693	
FTE	0.0	0.0	1.0	1.0	
Reappropriated Funds	0	0	49,693	49,693	
Federal Funds	0	45,391	0	0	
SUBTOTAL - (B) Institutional Programs	57,544,956	62,495,239	65,490,259	73,569,115	12.3%
FTE	823.5	855.8	917.4	1,046.5	14.1%
General Fund	55,770,911	60,432,308	63,752,558	71,831,414	12.7%
Reappropriated Funds	0	0	1,737,485	1,737,485	0.0%
Federal Funds	1,774,045	2,062,931	216	216	0.0%

*Line item includes a decision item.

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
(C) Community Programs					
Personal Services	7,649,929	6,659,169	7,816,722	7,708,635 *	
FTE	94.1	102.3	101.7	99.7	
General Fund	6,622,171	6,659,169	6,799,347	6,691,260	
Cash Funds	50,833	0	50,833	50,833	
Reappropriated Funds	105,627	0	305,768	305,768	
Federal Funds	871,298	0	660,774	660,774	
Operating Expenses	455,666	531,333	544,372	542,472 *	
General Fund	455,666	520,027	530,618	528,718	
Cash Funds	0	0	2,448	2,448	
Reappropriated Funds	0	11,306	11,306	11,306	
Purchase of Contract Placements	25,888,159	23,451,242	23,418,063	23,418,063	
General Fund	25,324,198	22,486,055	21,443,175	21,443,175	
Reappropriated Funds	0	0	1,100,328	1,100,328	
Federal Funds	563,961	965,187	874,560	874,560	
Managed Care Project	1,393,689	1,419,196	1,454,624	1,454,624	
General Fund	1,393,689	1,419,196	1,419,372	1,419,372	
Reappropriated Funds	0	0	35,252	35,252	
S.B. 91-94 Programs	13,780,211	14,243,984	14,792,805	14,792,805	
General Fund	12,577,719	12,557,682	12,792,805	12,792,805	
Cash Funds	1,202,492	1,686,302	2,000,000	2,000,000	

*Line item includes a decision item.

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	Request vs. Appropriation
Parole Program Services	4,708,771	4,830,487	4,888,342	4,888,342	
General Fund	4,241,545	4,830,487	4,888,342	4,888,342	
Federal Funds	467,226	0	0	0	
Juvenile Sex Offender Staff Training	38,623	42,391	41,824	41,824	
General Fund	5,768	8,810	7,120	7,120	
Cash Funds	32,855	33,581	34,704	34,704	
SUBTOTAL - (C) Community Programs	53,915,048	51,177,802	52,956,752	52,846,765	(0.2%)
FTE	94.1	102.3	101.7	99.7	(2.0%)
General Fund	50,620,756	48,481,426	47,880,779	47,770,792	(0.2%)
Cash Funds	1,286,180	1,719,883	2,087,985	2,087,985	0.0%
Reappropriated Funds	105,627	11,306	1,452,654	1,452,654	0.0%
Federal Funds	1,902,485	965,187	1,535,334	1,535,334	0.0%
TOTAL - (11) Division of Youth Corrections	112,909,997	115,182,226	119,975,080	127,945,422	6.6%
FTE	932.7	973.5	1,034.2	1,161.3	12.3%
General Fund	107,812,545	110,393,716	113,132,203	121,102,545	7.0%
Cash Funds	1,286,180	1,719,883	2,087,985	2,087,985	0.0%
Reappropriated Funds	134,742	40,509	3,219,342	3,219,342	0.0%
Federal Funds	3,676,530	3,028,118	1,535,550	1,535,550	0.0%
TOTAL - Department of Human Services	630,922,225	621,688,510	717,516,042	745,789,257	3.9%
FTE	1,185.9	1,238.8	1,324.4	1,452.4	9.7%
General Fund	211,075,576	216,687,600	239,610,070	256,534,067	7.1%
Cash Funds	121,781,451	125,161,491	177,856,057	181,480,000	2.0%
Reappropriated Funds	1,322,627	1,056,377	4,283,403	5,560,045	29.8%
Federal Funds	296,742,571	278,783,042	295,766,512	302,215,145	2.2%

APPENDIX B RECENT LEGISLATION AFFECTING DEPARTMENT BUDGET

2015 SESSION BILLS

S.B. 15-012 (COLORADO WORKS PASS-THROUGH CHILD SUPPORT PAYMENT): Allows the State and counties to disregard child support income a Temporary Assistance for Needy Families (TANF) recipient may be eligible to receive and pass-through such income to the TANF recipient. Under the bill, any child support income a TANF recipient receives will not be considered income when calculating the basic cash assistance grant an individual may receive. Appropriates $868,895 total funds, including $315,509 General Fund to the Department of Human Services for FY 2015-16 for information technology enhancements, contract staff to oversee the project, and training for counties concerning changes under the bill.

S.B. 15-167 (MODIFY FY 2014-15 APPROPRIATIONS FROM MARIJUANA REVENUE): Aligns FY 2014-15 appropriations from the Marijuana Tax Cash Fund with actual marijuana tax revenue collected in FY 2013-14. With respect to the Department of Human Services, the bill reduces the cash funds appropriation for Jail-based Behavioral Health Services by $452,787 (from $2,000,000 to $1,547,213). In addition, the bill clarifies that a FY 2014-15 appropriation of $1,500,000 cash funds from the Marijuana Tax Cash Fund for the provision of substance use disorder treatment services for adolescents and pregnant women may be used for substance use disorder prevention services and intensive wrap around services, and the bill authorizes the Department to spend any funds that remain available in FY 2015-16.

S.B. 15-234 (LONG BILL): General appropriations act for FY 2015-16.

H.B. 15-1131 (RELEASE CRITICAL INCIDENT INFORMATION JUVENILE): The bill requires the Department of Human Services, the Division of Youth Corrections (DYC), and any other agency with relevant information to release, upon request, certain information about incidents occurring in DYC facilities. Requests may concern information about specific incidents or aggregate information about multiple events over a given period of time. Appropriates $14,404 General Fund and 0.3 FTE for FY 2015-16 to the Department for responding to requests for information.

2016 SESSION BILLS

S.B. 16-190 (IMPROVE COUNTY ADMIN PUBLIC ASSISTANCE PROGRAMS): Establishes performance standards for administering the Supplemental Nutrition Assistance Program (SNAP), establishes a process for distributing monetary bonuses or sanctions associated with SNAP to county departments of social services, outlines the parameters of a data collection and analysis project to capture information regarding costs and performance associated with administering public assistance programs, and requires the Colorado Department of Human Services and counties to design a continuous quality improvement program to improve the administration of public assistance programs. Appropriates $550,000 General Fund to the Department for FY 2016-17 for data collection and analysis, as well as the design of a continuous quality improvement program to improve the administration of public assistance programs. The bill also includes a decrease of $550,000 General Fund and an increase of $550,000 federal funds from county Temporary Assistance for Needy Families (TANF) reserve funds for child welfare services.

S.B. 16-199 (PROGRAM OF ALL-INCLUSIVE CARE FOR THE ELDERLY): Establishes a Program of All-Inclusive Care for the Elderly (PACE) ombudsman office in the long-term care ombudsman office to set forth statewide policies and procedures to identify, investigate, and seek resolution of referral of complaints made by or on behalf of a PACE participant. Appropriates $225,000 cash funds for FY 2016-17 to the Department of Health Care Policy and Financing for general professional services related to the rate-setting process for Medicaid participants in the PACE program. Additionally, appropriates $81,675 cash funds and 1.0 FTE for FY 2016-17 to the Department of Human Services for use by the state ombudsman program.

H.B. 16-1242 (SUPPLEMENTAL BILL): Supplemental appropriation to the Department of Human Services to modify appropriations for FY 2015-16.

H.B. 16-1290 (EXTEND TRANSITIONAL JOBS PROGRAM): Extends the Transitional Jobs Program (known as ReHire Colorado) through June 30, 2019, except that the Department shall offer no new transitional jobs after December 31, 2018. Appropriates $1,151,628 General Fund for FY 2016-17 and 1.0 FTE to the Department to continue the program.

H.B. 16-1328 (USE OF RESTRAINT AND SECLUSION ON INDIVIDUALS): Directs the Department on the use of seclusion in youth corrections facilities. Requires the Department to maintain prescribed documentation each time a youth is placed in seclusion as a result of an emergency. Appropriates $4,900 General Fund to the Department for FY 2016-17 for the purchase of legal services from the Department of Law.

H.B. 16-1398 (IMPLEMENT RESPITE CARE TASK FORCE RECOMMENDATIONS): Requires the Department to use a competitive request-for-proposal (RFP) process to select a contractor to implement the recommendations of the Respite Care Task Force. Appropriates $900,000 General Fund for FY 2016-17 to implement the Task Force recommendations. Any money from this appropriation that is not expended prior to July 1, 2017 is further appropriated to the Department for the same purpose.

H.B. 16-1405 (LONG BILL): General appropriations act for FY 2016-17. Includes provisions modifying appropriations to the Department of Human Services for FY 2014-15 and FY 2015-16.

APPENDIX C
FOOTNOTES AND INFORMATION REQUESTS

UPDATE ON LONG BILL FOOTNOTES

35 **Department of Human Services, Office of Information Technology Services, Colorado Benefits Management System** -- In addition to the transfer authority provided in Section 24-75-108, C.R.S., the Department is authorized to transfer up to 5.0 percent of the total appropriations in this subsection among line items in this subsection. The Department is also authorized to transfer up to 5.0 percent of the total appropriations in this subsection to the following line item appropriations within the Department of Health Care Policy and Financing: Executive Director's Office, Information Technology Contracts and Projects, Colorado Benefits Management Systems, Operating and Contract Expenses and Colorado Benefits Management System, Health Care and Economic Security Staff Development Center.

COMMENT: This footnote was added for FY 2016-17 to allow appropriations for the Colorado Benefits Management System to be transferred (up to 5.0 percent) between the Department of Human Services and the Department of Health Care Policy and Financing. This flexibility is intended to allow the agencies to expend money for projects rather than limiting expenditures to a single department.

36 **Department of Human Services, Office of Information Technology Services, Colorado Benefits Management System, Ongoing Expenses, Operating and Contract Expenses** -- Of this appropriation, $13,449,352 remains available through June 30, 2018.

COMMENT: This footnote was added for FY 2016-17 to allow appropriations for the Colorado Benefits Management System to be expended in FY 2017-18, as well. This flexibility is intended to allow the Department to undertake (and pay for) projects that extend beyond a 12 month timeframe.

37 **Department of Human Services, County Administration, County Administration; and Adult Assistance Programs, Adult Protective Services, Adult Protective Services** -- Any amount in the Adult Protective Services line item that is not required for the provision of adult protective services may be transferred to the County Administration line item and used to provide additional benefits under that program. Further, if county spending exceeds the total appropriations from the Adult Protective Services line item, any amount in the County Administration line item that is not required for the provision of services under that program may be transferred to the Adult Protective Services line item and used to provide adult protective services.

COMMENT: This footnote was included for FY 2016-17 to provide counties with flexibility to move money between two purposes, county administration and adult protective services, based on the need for such services. This footnote dates back to the first fiscal year in which the appropriation for the county administration of adult protective services was removed from the County Administration line item and isolated in an adult protective services-specific line item. This isolation was based on a forecast for county administration and adult protective services, thus the footnote was included in the event that the expenditures varied from the forecast.

38 **Department of Human Services, County Administration, County Share of Offsetting Revenues** -- It is the intent of the General Assembly that, pursuant to section 26-13-108, C.R.S., the Department utilize recoveries to offset the costs of providing public assistance. This appropriation represents an estimate of the county share of such recoveries, and, if the amount of the county share of such recoveries is greater than the amount reflected in this appropriation, the Department is authorized to disburse an amount in excess of this appropriation to reflect the actual county share of such recoveries.

COMMENT: This footnote was included for FY 2016-17 to authorize the distribution of the county share of offsetting revenues in excess of line item amounts.

39 **Department of Human Services, County Administration, County Incentive Payments; Office of Self Sufficiency, Colorado Works Program, County Block Grants; Child Support Enforcement, Child Support Enforcement** -- Pursuant to Sections 26-13-108 and 26-13-112.5 (2), C.R.S., the Department shall distribute child support incentive payments to counties. Further, all of the State share of recoveries of amounts of support for public assistance recipients, less annual appropriations from this fund source for state child support enforcement operations, shall be distributed to counties, as described in Section 26-13-108, C.R.S. If the total amount of the State share of recoveries is greater than the total annual appropriations from this fund source, the Department is authorized to distribute to counties, for county incentive payments, the actual State share of any additional recoveries.

COMMENT: This footnote was included for FY 2016-17 to express legislative intent with respect to the use of the State share of child support enforcement recoveries.

<u>43</u> **Department of Human Services, Office of Self Sufficiency, Administration, Personal Services and Operating Expenses; and Special Purpose Welfare Programs, Supplemental Nutrition Assistance Program Administration** -- The Department is authorized to transfer up to 5.0 percent of the total appropriations between these line items.

COMMENT: This footnote was added for FY 2016-17 as a result of the addition of a line item to the Department's Long Bill structure to capture all appropriations for the State's administrative functions associated with Supplemental Nutrition Assistance Program (SNAP). This new line item was carved out two existing line items that historically contained appropriations for administrative functions for a variety of programs, including SNAP. The appropriation splits between the existing line items and the new line item were based on a forecast of expenditures, thus the footnote was included in the event that the expenditures varied from the forecast.

44 **Department of Human Services, Office of Self Sufficiency, Colorado Works Program, County Block Grants** -- Pursuant to Sections 26-2-714 (7) and 26-2-714 (9), C.R.S., under certain conditions, a county may transfer federal Temporary Assistance for Needy Families (TANF) funds within its Colorado Works Program Block Grant to the federal child care development fund or to programs funded by Title XX of the federal Social Security Act.

One of the conditions specified is that the amount a county transfers must be specified by the Department of Human Services as being available for transfer within the limitation imposed by federal law. The Department may allow individual counties to transfer a greater percent of federal TANF funds than the state is allowed under federal law as long as: (a) Each county has had an opportunity to transfer an amount up to the federal maximum allowed; and, (b) the total amount transferred statewide does not exceed the federal maximum.

COMMENT: This footnote was included for FY 2016-17 to clarify that counties may transfer TANF funds to child welfare and child care programs in excess of 30 percent of the county's own TANF allocation, as long as the amount transferred statewide does not exceed federal caps.

45 **Department of Human Services, Office of Self Sufficiency, Colorado Works Program, County Block Grants** -- The appropriation of local funds for Colorado Works program county block grants may be decreased by a maximum of $100,000 to reduce one or more small counties' fiscal year 2016-17 targeted or actual spending level pursuant to Section 26-2-714 (8), C.R.S.

COMMENT: The Colorado Works Allocation Committee is authorized (Section 26-2-714 (8), C.R.S.) to mitigate (reduce) a small county's targeted and/or actual spending level, up to a maximum amount identified in the Long Bill. A small county is one with less than 0.38% of the total statewide Works caseload, as determined by the Department of Human Services. This footnote authorizes the Works Allocation Committee to approve a maximum of $100,000 in mitigation.

46 **Department of Human Services, Office of Self Sufficiency, Colorado Works Program, County Block Grants** -- It is the intent of the General Assembly that $2,000,000 of the federal funds appropriation to this line item be allocated to counties for employment-focused programs.

COMMENT: This footnote was included for FY 2016-17 to indicate that $2,000,000 federal funds included in the appropriation to the County Block Grants shall go toward programs aimed at increasing employment opportunities for TANF recipients. This footnote was added in FY 2014-15 when an increase of $2,000,000 federal funds was included in the Long Bill for this purpose.

47 **Department of Human Services, Office of Self Sufficiency, Colorado Works Program, County Block Grants** -- The Department may comply with the provisions of Section 26-2-714 (10), C.R.S., by reducing required county Temporary Assistance for Needy Families (TANF) maintenance of effort expenditures in the fiscal year after the State is notified that it has met federal work participation rates and qualifies for a percent reduction in the state's maintenance of effort. If the State is notified during state FY 2015-16 that it has met federal work participation rates for a prior year and therefore qualifies for a percent reduction in the state's maintenance of effort, local cash funds expenditure obligations that are established in this line item pursuant to Section 26-2-714 (6) (c) (I), C.R.S., shall be reduced by $5,524,726.

COMMENT: This footnote was included for FY 2016-17 to reimburse counties when the state is notified that its federally required TANF maintenance of effort has been reduced based on the state meeting specified work participation rates. Note, the Department did not meet work participation standards for 2012. The one-time penalty for not meeting the standards in 2012 is a $4.8 million reduction from the state's annual TANF block grant amount of $136.1 million. The Department is disputing this penalty and implementing strategies to ensure that work participation rate standards are met in future years.

53 **Department of Human Services, Adult Assistance Programs, Other Grant Programs, Home Care Allowance; and Home Care Allowance Grant Program** -- Pursuant to Section 26-2-122.4 (3), C.R.S, any amount in the Home Care Allowance Grant Program line item that is not required to operate the Grant Program may be transferred to the Home Care Allowance line item and used to provide additional benefits under that program. Further, any amount in the Home Care Allowance line item that is unused may be transferred to the Home Care Allowance Grant Program line item and used to provide additional benefits under that program.

COMMENT: This footnote was included for FY 2016-17 because the Department provides the same level of benefits to participants in both the regular Home Care Allowance program and the Grant Program, but the average cost for individuals on the Grant Program is greater based on the case mix of clients. Costs associated with the Grant Program have been higher than anticipated. The Committee approved a supplemental request to transfer $287,070 General Fund from the Home Care Allowance line item to the Home Care Allowance Grant Program line item for FY 2012-13. Additionally, the Committee approved the request to alter this footnote in FY 2013-14 and ongoing to allow transfers in both directions—providing additional flexibility for the Department. Note, for FY 2017-18, the Department did not request money for the Grant Program to exist past its sunset date on July 1, 2017.

54 **Department of Human Services, Adult Assistance Programs, Community Services for the Elderly, Older Americans Act Programs, and State Funding for Senior Services** -- Amounts in the Older Americans Act Programs line item are calculated based on a requirement for a non-federal match of at least 15 percent, including a 5.0 percent state match, pursuant to Title III of the federal Older Americans Act. The Department is authorized to transfer General Fund and cash funds from the State Funding for Senior Services line item to the Older Americans Act Programs line item to comply with the 5.0 percent state match requirement for the Older Americans Act Programs. This appropriation is based on the assumption that all federal Title III funds requiring a state match that are not for purposes of administration or included in the appropriations for other line items will be expended from the Older Americans Act Programs line item.

COMMENT: This footnote was included for FY 2016-17 to authorize the transfer of funds from the State Funding for Senior Services line item to the Older Americans Act program line item in the event that funding is needed to meet the State match to receive federal funds.

55 **Department of Human Services, Adult Assistance Programs, Community Services for the Elderly, State Funding for Senior Services** -- It is the intent of the General Assembly that $500,000 General Fund of this appropriation be used for the purpose of providing services for seniors who are blind or visually impaired and whose sight loss cannot be

corrected with prescription lenses in order to assist them in maintaining their independence in their home.

COMMENT: This footnote was included for FY 2016-17 to clarify that $500,000 General Fund appropriated to the State Funding for Senior Services line item is intended to provide vision services for seniors. This footnote was added in FY 2014-15 when an increase of $500,000 General Fund was included in the Long Bill for this purpose.

UPDATE ON REQUESTS FOR INFORMATION

3 **Department of Human Services, Division of Youth Corrections, Institutional Programs** -- The Department is requested to submit a report by November 1, 2016, that includes the following monthly data for each State-owned and operated facility for FY 2015-16:

- Number of assaults by type (e.g. juvenile on staff, staff on juvenile, juvenile on juvenile);
- Number of homicides;
- Number of suicides;
- Number of youth in a facility that have charges filed against them district court;
- Number of new crimes reported to local police;
- Ratio of direct care staff (CYSO I, II, and III) to youth;
- Direct care staffing vacancies by type (e.g. CYSO I);
- Average length of service for direct care staff (CYSO II, II, and II);
- Number of hours of missed work by all direct care facility staff and reason for absence (e.g. injury on the job, sick leave, planned absence, unplanned absence, vacation);
- Amount of overtime hours worked by direct care staff and purpose (e.g. covering a shift for an absent co-worker) at each facility; and
- Amount of temporary help hours used for direct care purposes.

COMMENT: The Department submitted its response November 1. The information is included in a briefing issue in this document titled "Report on DYC Facility Security and Staffing".

5 **Department of Human Services, Totals** -- The Department is requested to submit a report concerning the status of federal Temporary Assistance for Needy Families (TANF) funds. The requested report should include the following: (a) an analysis of the TANF Long Term Reserve, including estimated TANF funds available for appropriation, estimated TANF appropriations by Long Bill line item, and the estimated closing Long Term Reserve balance, for the most recent actual fiscal year, the current fiscal year, and the request fiscal year; (b) an analysis of the TANF maintenance of effort (MOE) payments, showing the actual and forecasted MOE expenditures, by program, for the most recent actual fiscal year, the current fiscal year, and the request fiscal year; and (c) an analysis of the counties' TANF reserve balances that includes, for each county, for the most recent actual fiscal year, the starting TANF Reserve Account balances for the Works Program, Title XX, and Child Care Development Fund accounts, the annual TANF allocation, the total expenditures, the net transfers to child care and child welfare, any amounts remitted to the state, and the closing reserve balance for all county TANF accounts. The report should be provided to the Joint Budget Committee annually on or before November 1. An update to this information reflecting data at the close of the federal fiscal year should be provided to the Joint Budget Committee annually on or before January 1.

COMMENT: The Department provided the following information:

Analysis of TANF Long-Term Reserve	FY 2015-16 Actuals	FY 2016-17 Appropriation	FY 2017-18 Request
TANF Funds Available to Appropriate			
Prior Grant Year Funds Available (as of June 30)	**$38,868,846**	**$38,868,846**	**$31,247,409**
State Family Assistance Grant	136,056,690	136,056,690	136,056,690
Contingency Fund awarded	13,361,970	0	0
TOTAL	**$188,287,506**	**$174,925,536**	**$167,304,099**
TANF Spending/Appropriations			
Indirects - EDO, OIT, Operations	$3,131,155	$3,131,155	$3,131,155
Colorado Benefits Management System	4,366,295	4,366,295	4,366,295
Colorado Works Program - Administration	1,751,873	1,587,089	1,587,089
County Block Grants	130,198,357	130,198,357	130,198,357
County Training	485,888	479,780	479,780
Domestic Abuse Program	629,677	629,677	629,677
Works Program Evaluation	492,366	495,440	495,440
Workforce Development Council	83,073	85,000	85,000
Refugee Assistance	2,705,101	2,705,334	2,705,334
Electronic Benefits Transfer Service	81,940	204,679	204,679
Systematic Alien Verification for Eligibility	2,321	2,321	2,321
Two Generations Reaching Opportunity (2GRO)	$0	$0	$309,373
TOTAL	**$143,928,046**	**$143,678,127**	**$143,987,500**
Proposed Target TANF Long-Term Reserve Balance			

TANF Maintenance of Effort Source of Funds	FFY 2016 Actuals	FFY 2017 Forecast	FFY 2018 Forecast
Child Welfare			
Child Welfare Services Line	$16,587,691	$16,587,691	$16,587,691
Family and Children's Programs (Core)	$29,237,318	$29,787,318	$29,787,318
Colorado Works			
County Share Of Block Grant	$16,279,272	$16,149,730	$16,149,730
Child Care			
Child Care MOE	$8,985,900	$8,985,900	$8,985,900
County Share Of Admin Costs In Colorado Child Care Assistance Program (CCCAP)	$872,767	$872,767	$872,767
State Administration			
General Fund Expenditures On MOE Grant	$2,016,668	$2,016,668	$2,016,668
General Fund Used to Match TANF Dollars	$194,867	$194,867	$194,867
CBMS Modernization	$65,342	$0	$0
Nurse Home Visitor Program			
General Fund Expenditures	$6,522,460	$6,522,460	$6,522,460
Department of Education			
GF Spent on Colorado Preschool Program (CPP) (185% of Federal Poverty Level (FPL) and below)	$28,198,965	$28,198,965	$28,198,965
GF Spent on (CPP) for households up to $75K (Direct Costs)	$34,716,363	$34,716,363	$34,716,363

TANF Maintenance of Effort			
SOURCE OF FUNDS	FFY 2016 ACTUALS	FFY 2017 FORECAST	FFY 2018 FORECAST
Low Income Energy Assistance Program			
Funding from Energy Outreach Colorado	$194,267	$1,000,000	$1,000,000
Add'l Funding from Severance Tax Fund	$3,250,000	$3,250,000	$3,250,000
Refugee Services			
General Fund Expenditures	$266,418	$266,418	$266,418
Tax Credits			
Child Care Tax Credit	$4,767,752	$4,767,752	$4,767,752
Earned Income Tax Credit	$71,649,320	$70,000,000	$70,000,000
Other Sources			
County DSS Program Exp's-TANF Elig Recip's	$2,000,000	$2,000,000	$2,000,000
Foundation Expenditures-TANF Elig Recip's	$15,225,716	$14,000,000	$14,000,000
ReHire	$277,671	$200,000	$200,000
TOTAL	**$241,308,757**	**$239,516,899**	**$239,516,899**
Base MOE Requirement	**$88,395,624**	**$88,395,624**	**$88,395,624**
Surplus/(Deficit)	**$152,913,133**	**$151,121,275**	**$151,121,275**

6 **Department of Human Services, Adult Assistance Programs, Community Services for the Elderly** -- The Department is requested to submit a report by November 1 of each year on Older Americans Act Funds received and anticipated to be received, and the match requirements for these funds. The report should also specify the amount of funds, if any, that were transferred between the State Funding for Senior Services line item and the Older Americans Act Programs line item in the prior actual fiscal year to comply with federal match requirements.

COMMENT: The Department reports that it received $17,170,691 federal Older Americans Act program funds for FY 2015-16. The money received was matched with $1,096,865 State funds and $2,549,403 local and in-kind funds. Note, the report shows that no funds were transferred between the State Funding for Senior Services line item and the Older Americans Act Programs line item in the prior actual fiscal year to comply with federal match requirements.

7 **Department of Human Services, Division of Youth Corrections, Administration** -- The Division is requested to continue its efforts to provide outcome data on the effectiveness of its programs. The Division is requested to provide to the Joint Budget Committee, by January 1 of each year, a report evaluating Division placements, community placements, and nonresidential placements. The evaluation should include, but not be limited to, the number of juveniles served, length of stay, and recidivism data per placement.

COMMENT: The Department submitted the requested report on January 1, 2016. The highlights of the report include the following:

Youth Corrections Recidivism Statistics				
Fiscal Year	Years Tracked	Discharged Youth	Recidivist Acts	Recidivism Rate
2011-12	3	655	340	51.9%
2012-13	2	666	291	43.7%
2013-14	1	556	156	28.1%

Youth Corrections Recidivism Statistics				
Fiscal Year	Years Tracked	Discharged Youth	Recidivist Acts	Recidivism Rate
Total		**1,877**	**787**	**41.9%**

- When comparing the one-year post-discharge recidivism rates among comparable states, Colorado's rate (28.1 percent for FY 2013-14) appears to reside in the middle of the performance range;
- At the time of commitment, 93.3 percent of youth were categorized as being at a high risk to recidivate; at time of discharge, 68.3 percent were in the high risk category;
- A higher percentage of recidivists had prior difficulties with substances than non-recidivists;
- The average length of time between discharge and recidivist act for males was 10 months, and for females was 12 months;
- For youth who did eventually recidivate, two thirds did so within the first year; and
- Almost all youth who eventually did recidivate (92 percent of all youth who recidivated) did so within two years.

8 **Department of Human Services, Division of Youth Corrections, Community Programs, S.B. 91-094 Programs** -- The Department is requested to submit to the Joint Budget Committee no later than November 1 of each year a report that includes the following information by judicial district and for the state as a whole: (1) comparisons of trends in detention and commitment incarceration rates; (2) profiles of youth served by S.B. 91-094; (3) progress in achieving the performance goals established by each judicial district; (4) the level of local funding for alternatives to detention; and (5) identification and discussion of potential policy issues with the types of youth incarcerated, length of stay, and available alternatives to incarceration.

COMMENT: The Department submitted the requested report on November 1, 2016. The report identifies the following policy issues:

- Statewide risk levels for youth entering detention have remained stable over time, however the percentage of high, medium, and low risk level youth varies by Judicial District. The report recommends that the Department investigate local S.B. 91-94 practices to determine why some Judicial Districts send more low risk level youth to secure detention facilities than other Judicial Districts; and
- For FY 2015-16, there were 287 days (78.4 percent) when at least one facility's population was at or about 90.0 percent of capacity. This represents an increase of 6.3 percent of the number of days in this condition during FY 2014-15. While overall detention use remains below the statewide cap (382 beds), some facilities are experiencing strain that can lead to negative outcomes. The report recommends that the Department examine the statutory limit on detention beds in specific Judicial Districts;

APPENDIX D
DEPARTMENT ANNUAL PERFORMANCE REPORT

Pursuant to Section 2-7-205 (1) (a) (I), C.R.S., the Office of State Planning and Budgeting is required to publish an Annual Performance Report for the Department of Human Services by November 1 of each year. This report is to include a summary of the Department's performance plan and most recent performance evaluation. For consideration by the Joint Budget Committee in prioritizing the Department's budget request, the FY 2015-16 report dated October 2016 can be found at the following link:

https://goo.gl/yQ5lMb

Pursuant to Section 2-7-204 (3) (a) (I), C.R.S., the Department of Human Services is required to develop a performance plan and submit that plan to the Joint Budget Committee and appropriate Joint Committee of Reference by July 1 of each year. For consideration by the Joint Budget Committee in prioritizing the Department's budget request, the FY 2016-17 plan dated June 25, 2016 can be found at the following link:

https://goo.gl/lY3RVM

JBC Staff FY 2017-18 Budget Briefing
Department of Human Services

(Office of Information Technology Services, County Administration, Office of Self Sufficiency, Adult Assistance Programs, and Division of Youth Corrections)

Presented by:

Kevin Neimond, JBC Staff

December 15, 2016

Agencies Included in Staff Budget Briefing

Office of Information Technology Services

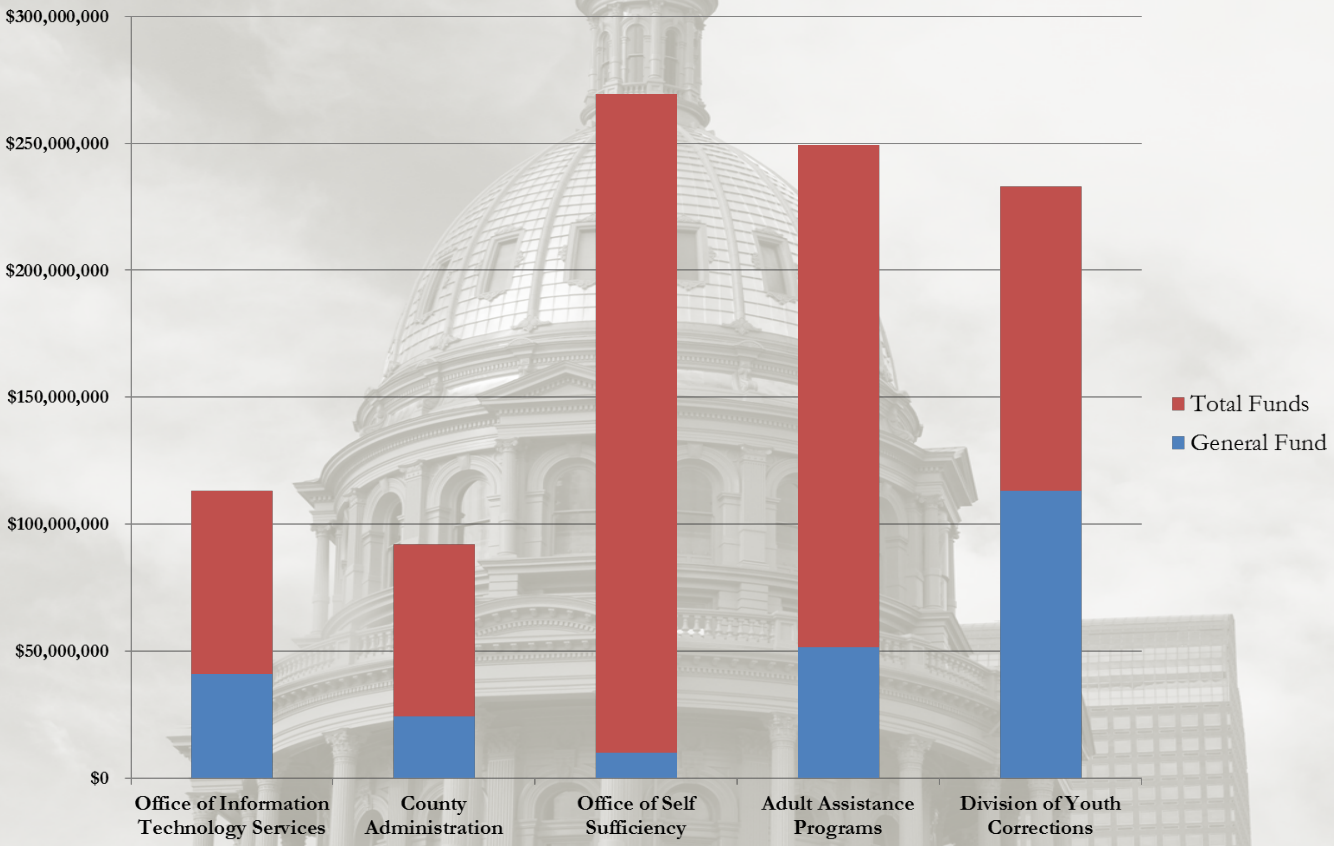
County Administration

Office of Self Sufficiency

Adult Assistance Programs

Division of Youth Corrections

FY 2016-17 Appropriations



FY 2017-18 Requested Decision Items

Covered in Briefing Issues

Division of Youth Corrections
R1 Security Staffing, Phase 3 of 3
↑$5.0 million General Fund and 80.6 FTE

County Administration
R4 County Administration
↑$5.0 million General Fund

Not Covered in Briefing Issues

Division of Youth Corrections
R2 24 Hour Medical Coverage
↑$2.0 million General Fund and 16.1 FTE

Adult Assistance Programs
R11 OAP Cost of Living Adjustment
↑$0.3 million cash funds

Division of Youth Corrections
R3 Detention Mental Health
↑$1.0 million General Fund

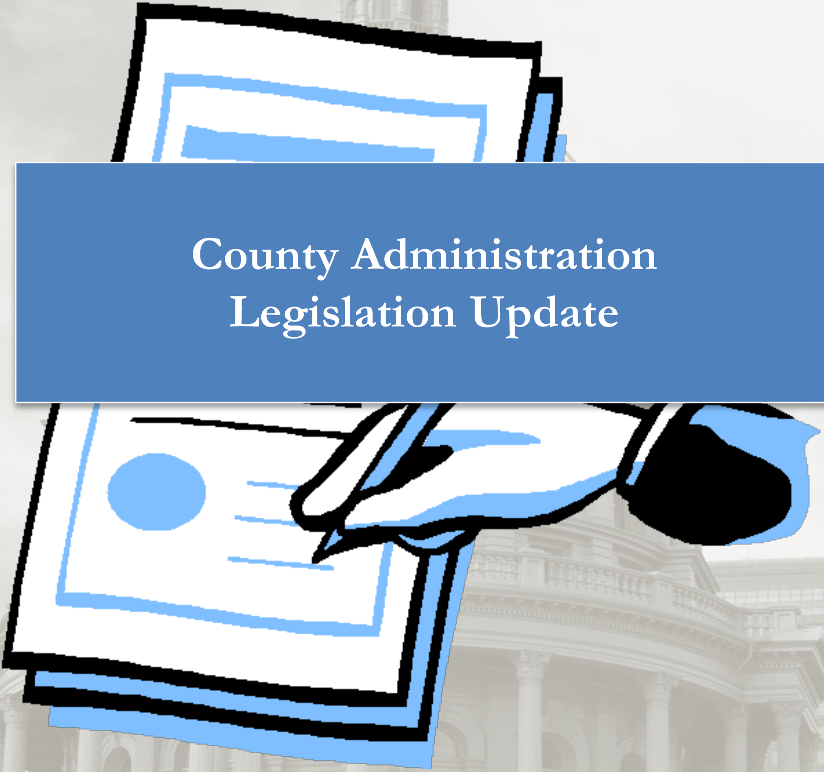
Division of Youth Corrections
R23 Reduction of Client Managers
↓$0.1 million General Fund and 2.0 FTE

Office of Information Technology
R6 Department Indirect Costs
↔ Total Funds Budget Neutral

Adult Assistance Programs
R21 Aging and Disabilities Resources
↑$0.5 million total funds

Adult Assistance Programs
R9 State QA for Protective Services
↑$0.4 million General Fund and 4.6 FTE

FY 2017-18 Briefing Issue



County Administration Legislation Update

County Administration Legislation Update

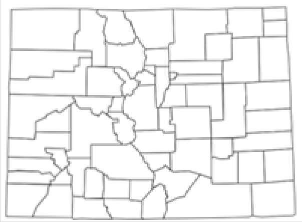
Standards, Incentives, and Sanctions	County Workload Study	Continuous Quality Improvement Program Design
Recommendations have been drafted by the workgroup and are working their way through the stakeholder process.	Request for proposals was published on November 22nd with a closing date of December 23rd. The final drafts of the deliverables are due to CDHS and HCPF by June 26th.	Request for a documented quote was published on November 17th with a closing December 2nd. Subsequently, the Arrow Performance Group was selected as the vendor. Work has started. Report is due to the Joint Budget Committee in February 2017.

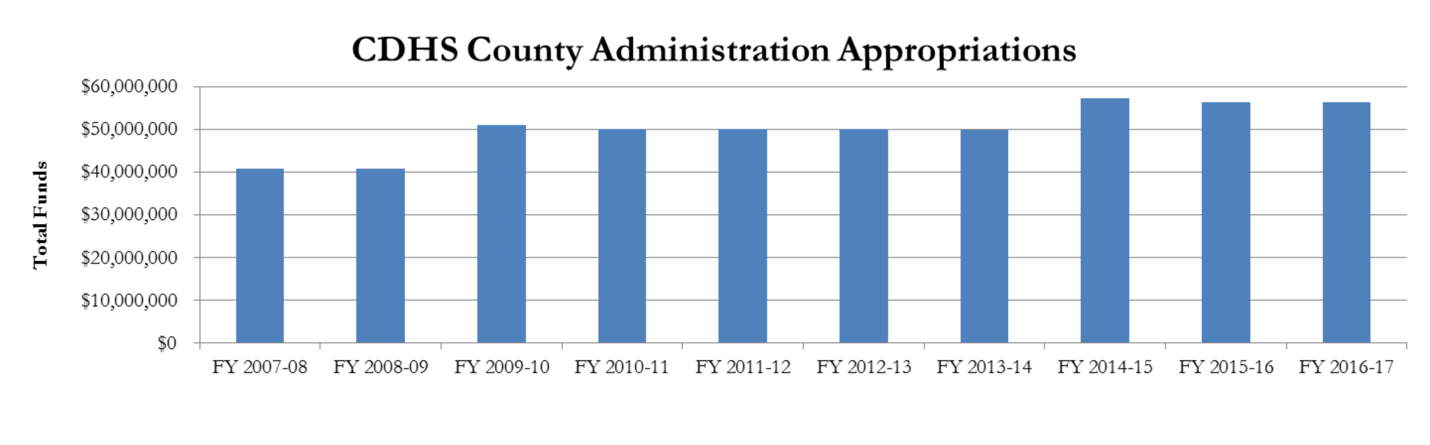
FY 2017-18 Briefing Issue

R4 County Administration Funding

CDHS County Administration Allocation

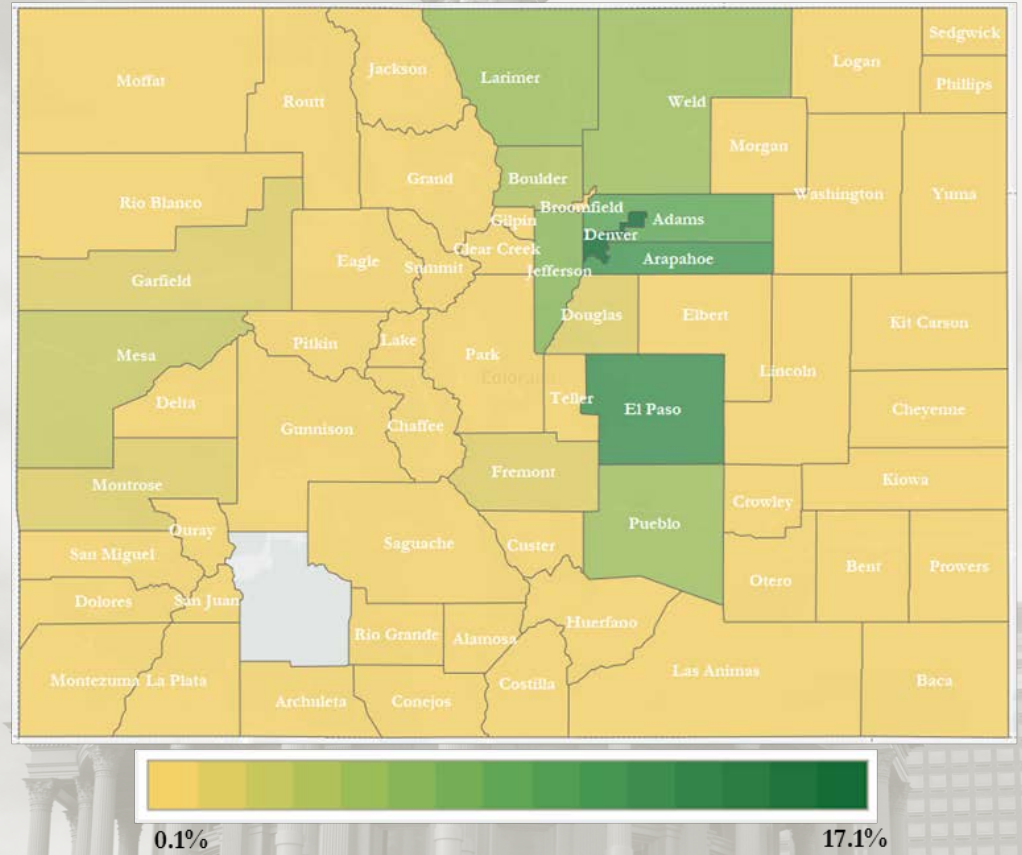
Federal Share	State Share	County Share
46%	34%	20%



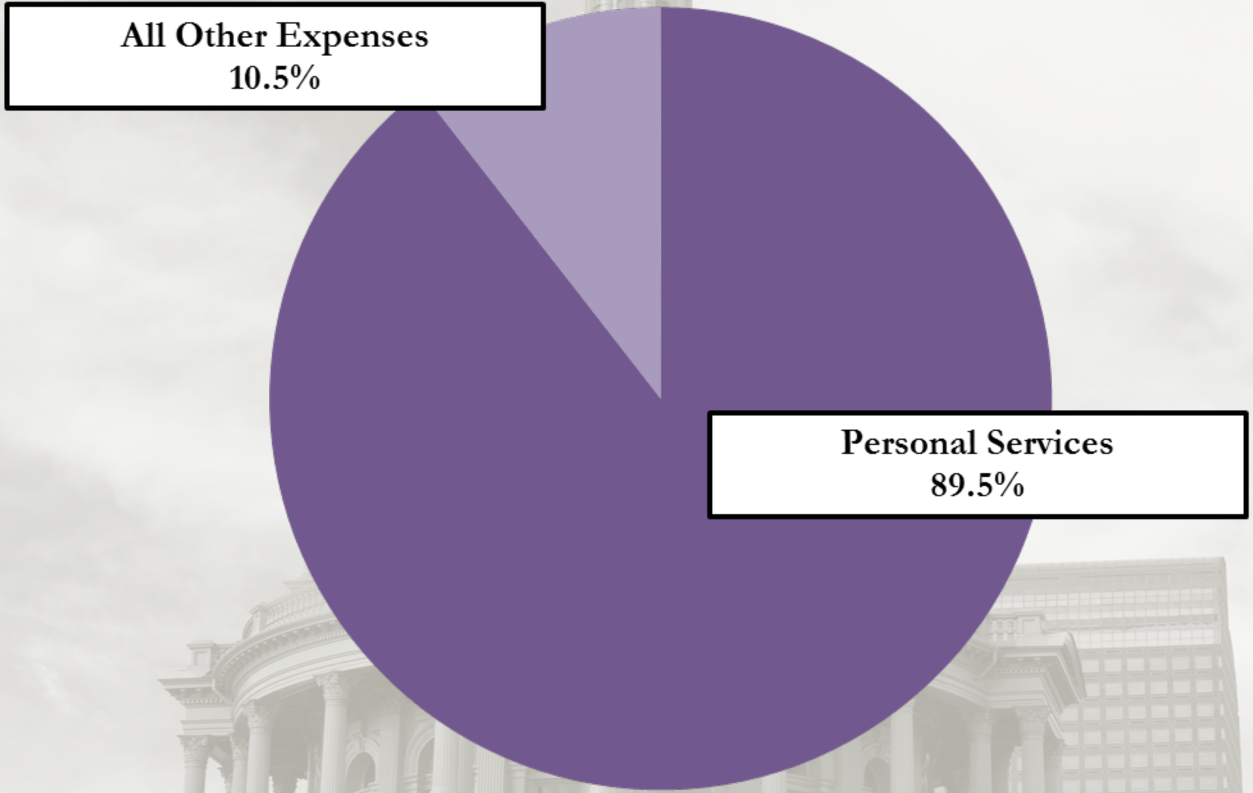


Percentage of the Total Allocation by County

(FY 2015-16)

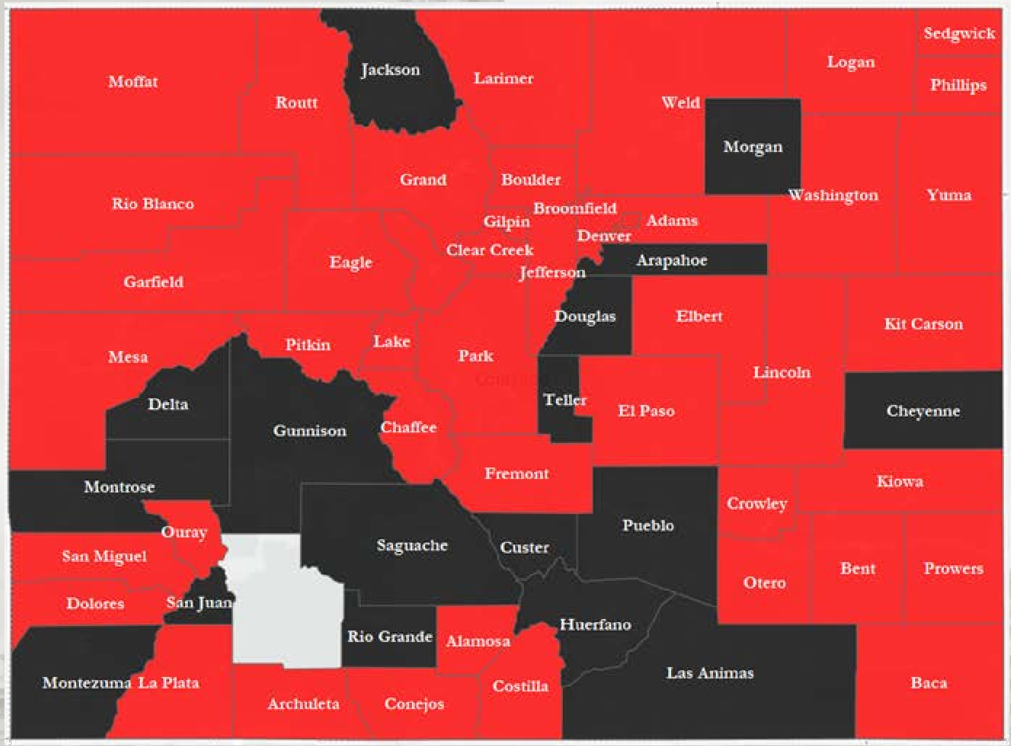


CDHS County Administration Expenditures (FY 2015-16)



CDHS County Administration Average Expenditures

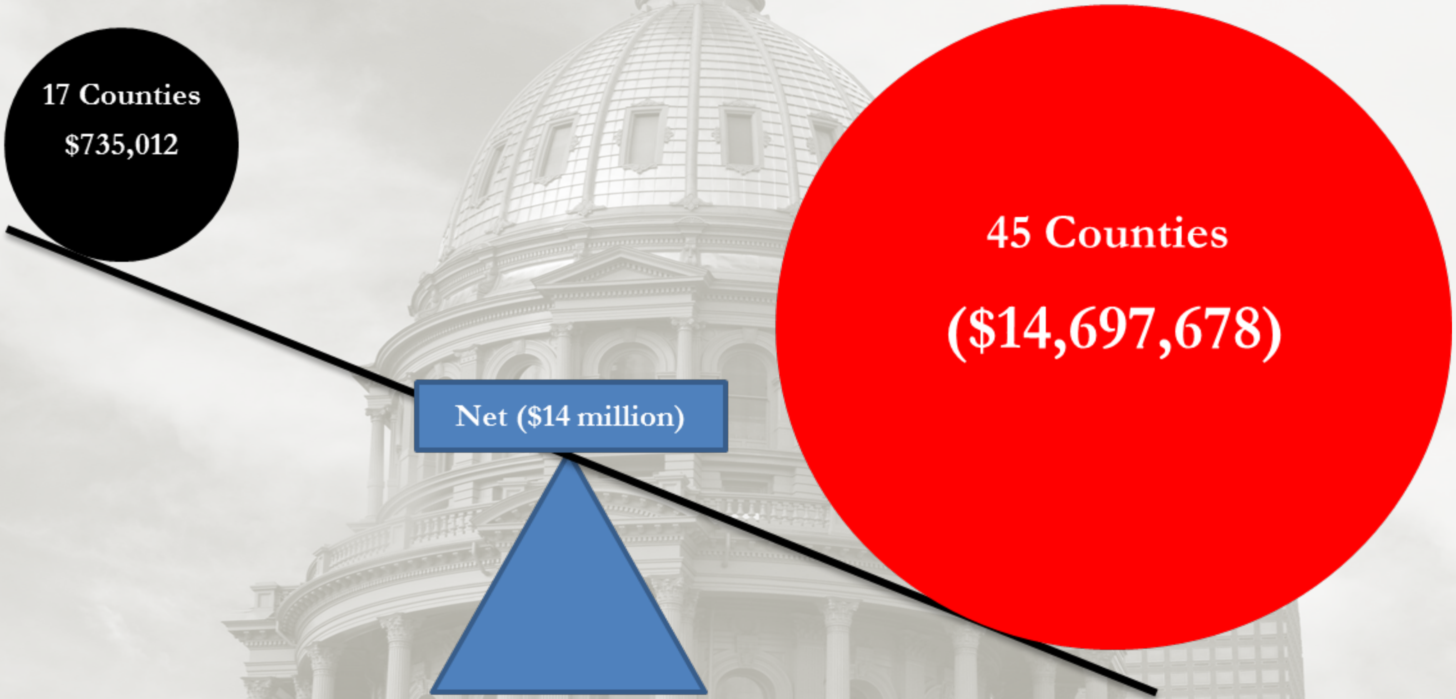
(FY 2013-14, FY 2014-15, 2015-16)



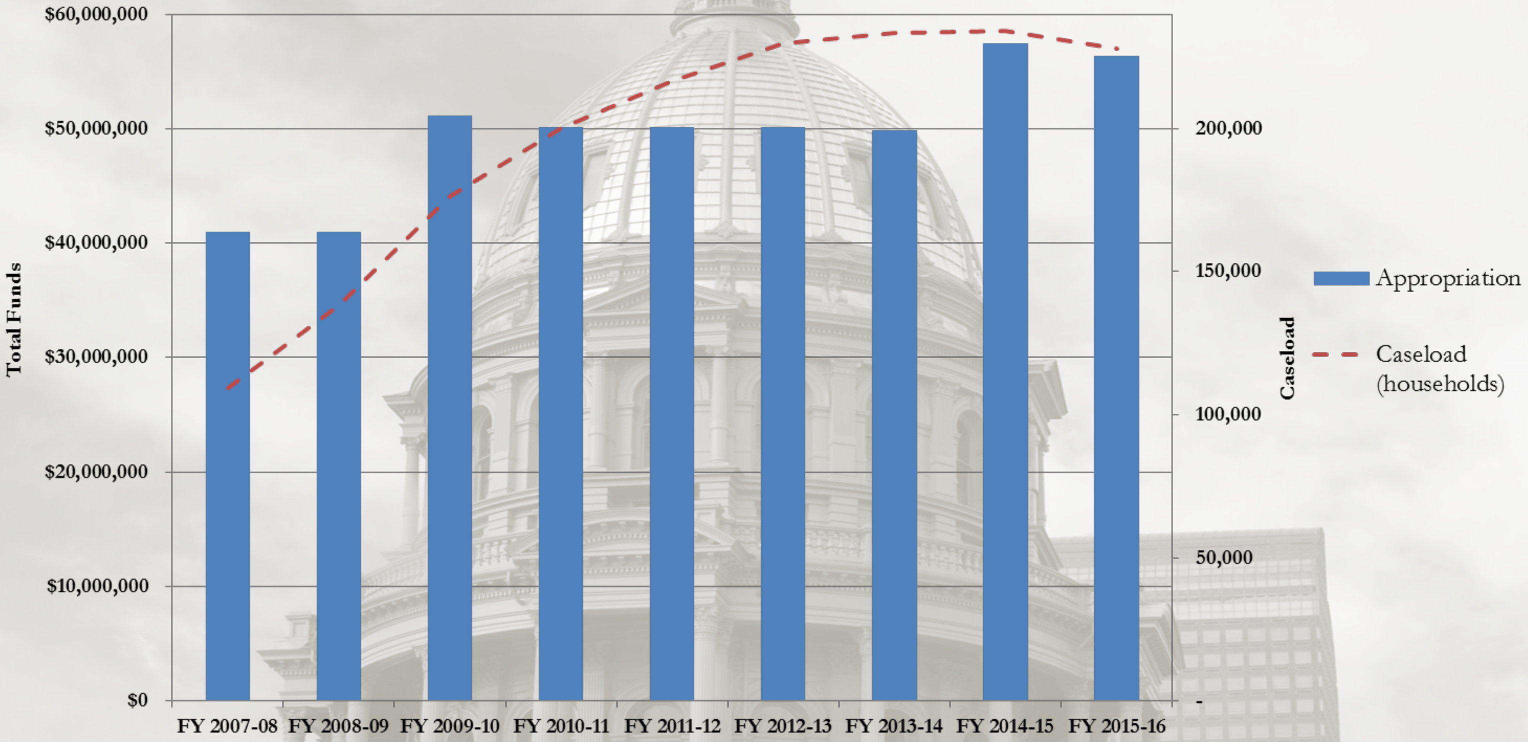
Over-expended Allocation   Under-expended Allocation

Redistributing Unused Allocations Between Counties

(FY 2013-14, 2014-15, FY 2015-16)



SNAP Caseload vs. CDHS County Administration Appropriations



Example Scenarios

$75 million Expended <u>Without</u> Request

County Funds (55%)
$10,205,595

Federal Funds (45%)
$8,350,033

Over-expenditures

Allocation

County Funds (20%)
$11,276,861

Federal Funds (46%)
$25,936,780

State General Fund (34%)
$19,170,663

Without Request		With Request
$19,170,663	**State General Fund**	$24,170,663
21,482,456	**County Funds**	16,335,397
<u>34,286,812</u>	**Federal Funds**	<u>34,433,871</u>
$74,939,932	**Total Funds**	$74,939,932

<u>Difference</u>

State General Fund	**$5,000,000**
County Funds	**(5,147,059)**
Federal Funds	**<u>147,059</u>**
Total Funds	**$0**

$75 million Expended <u>With</u> Request

County Funds (55%)
$2,117,360

Federal Funds (45%)
$1,732,386

Over-expenditures

Allocation

County Funds (20%)
$14,218,037

Federal Funds (46%)
$32,701,486

State General Fund (34%)
$24,170,663

Staff Recommended Points to Consider

#1

Are the current expenditures the cost of doing business?

#2

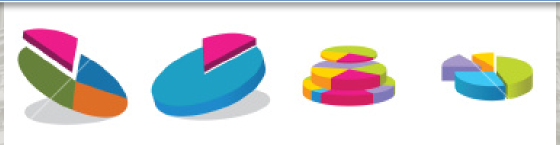
What is the State "buying" with an increase in State General Fund?

#3

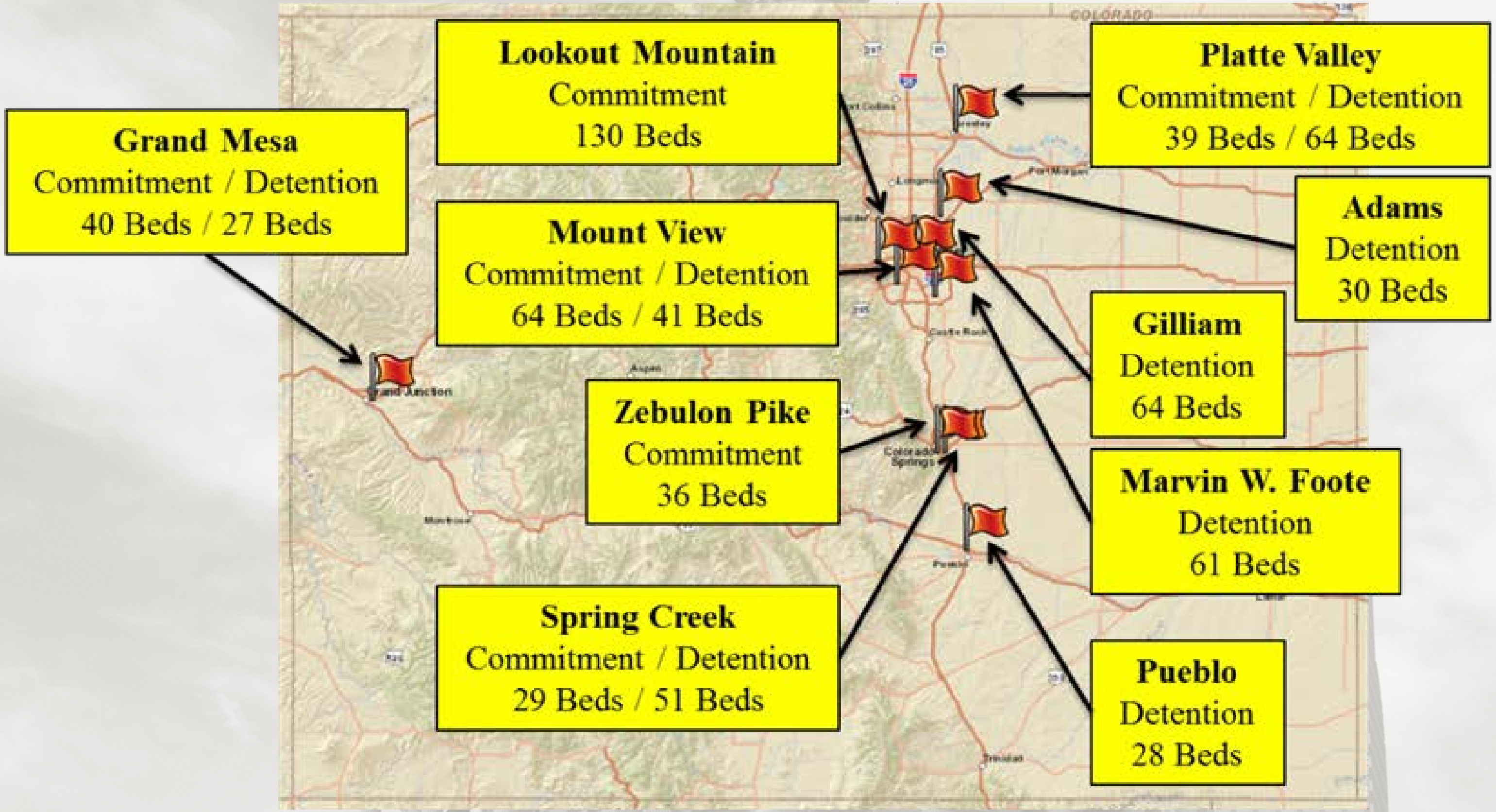
Is this the right time to increase the base?

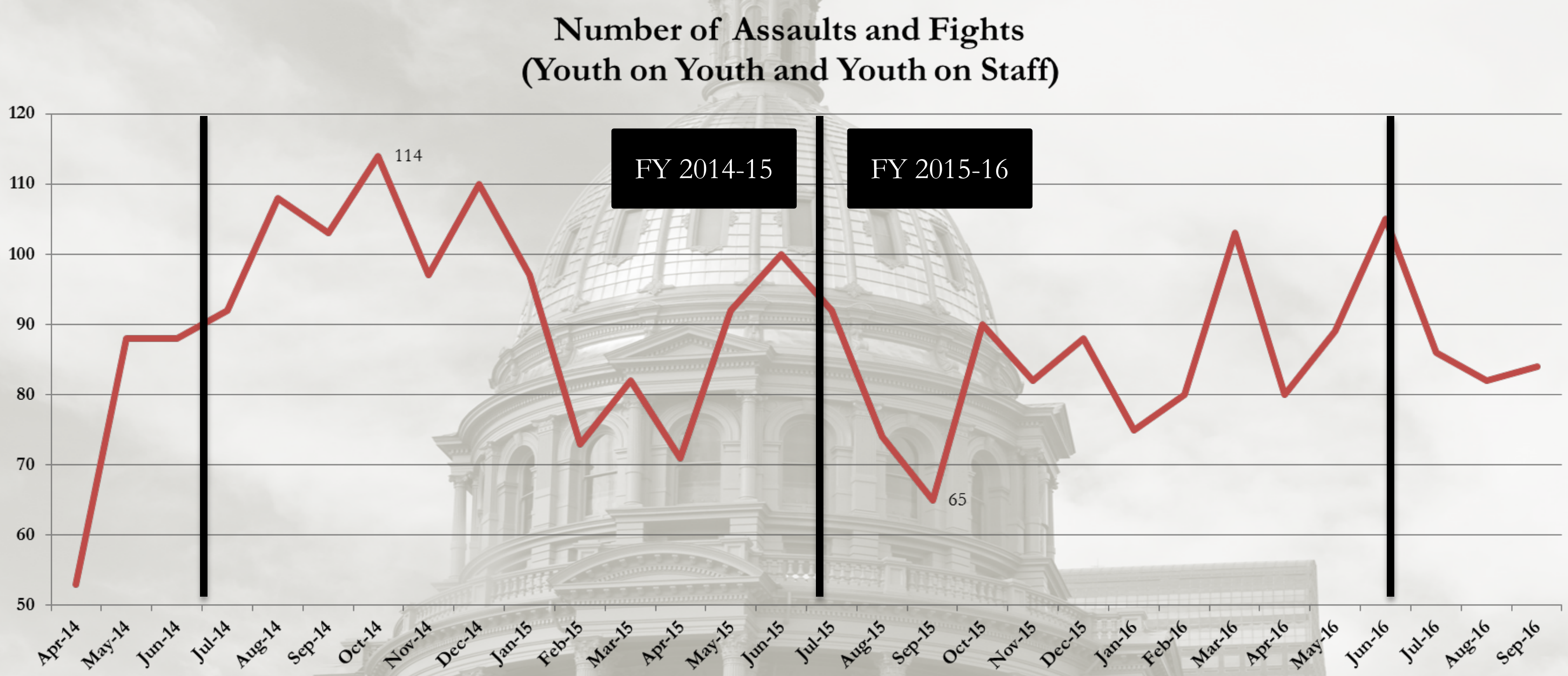
FY 2017-18 Briefing Issue

Report on DYC Facility Security and Staffing



State-owned and Operated DYC Facilities




Number of Assaults and Fights
(Youth on Youth and Youth on Staff)
FY 2014-15
FY 2015-16
114
65
120
110
100
90
80
70
60
50
Apr-14
May-14
Jun-14
Jul-14
Aug-14
Sep-14
Oct-14
Nov-14
Dec-14
Jan-15
Feb-15
Mar-15
Apr-15
May-15
Jun-15
Jul-15
Aug-15
Sep-15
Oct-15
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Jan-16
Feb-16
Mar-16
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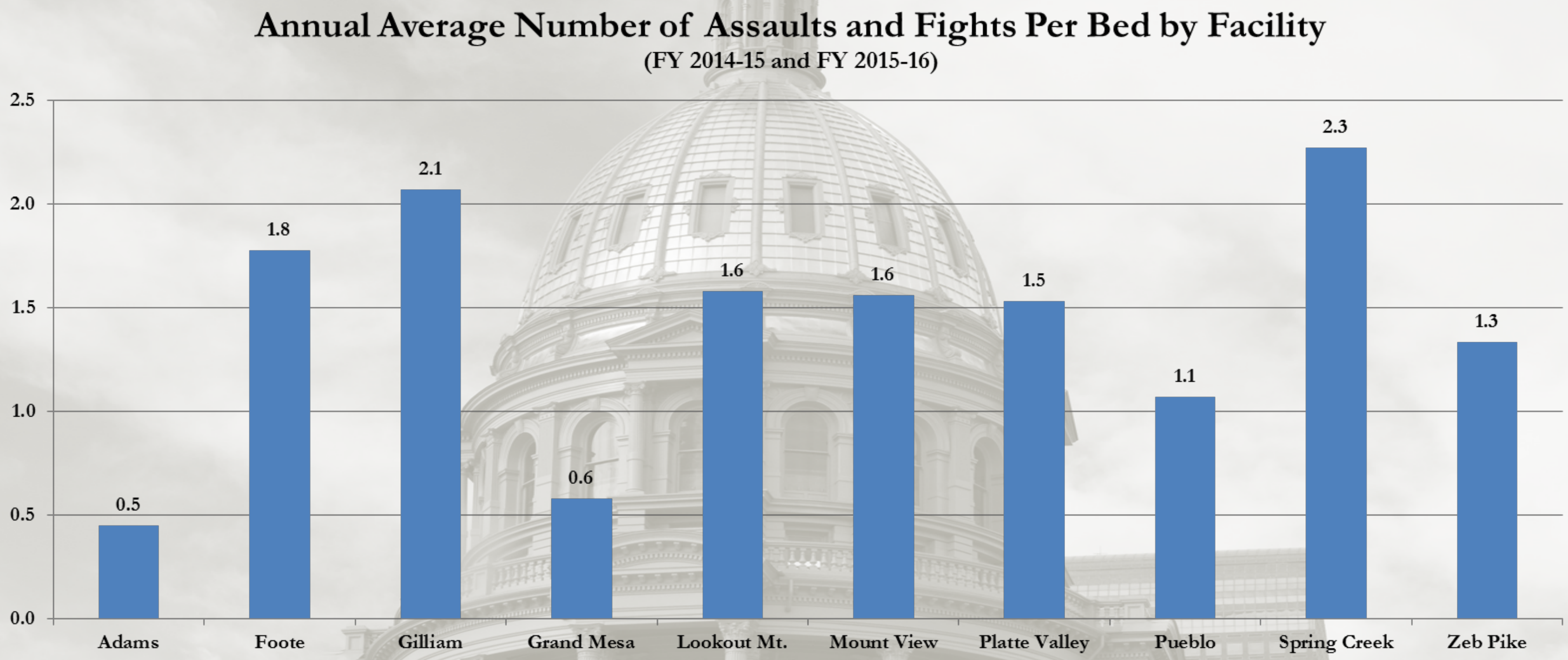
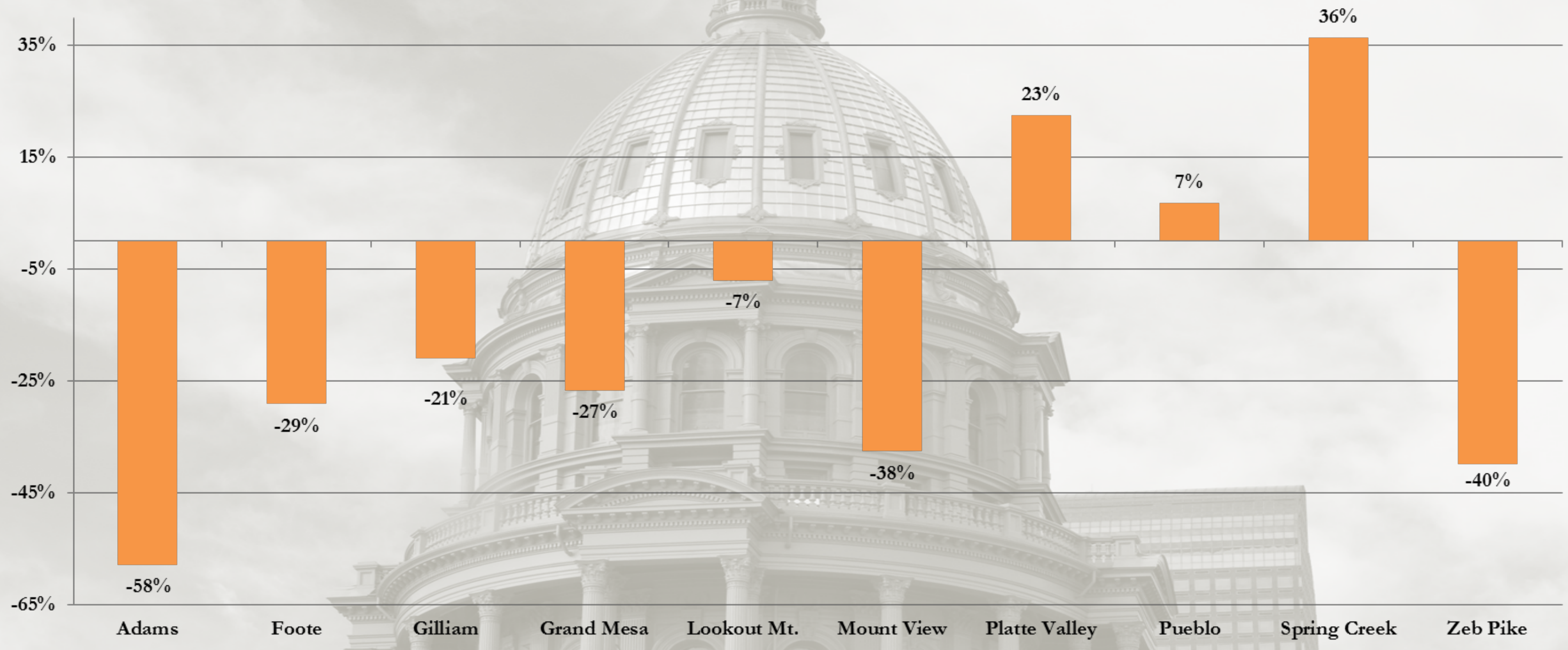
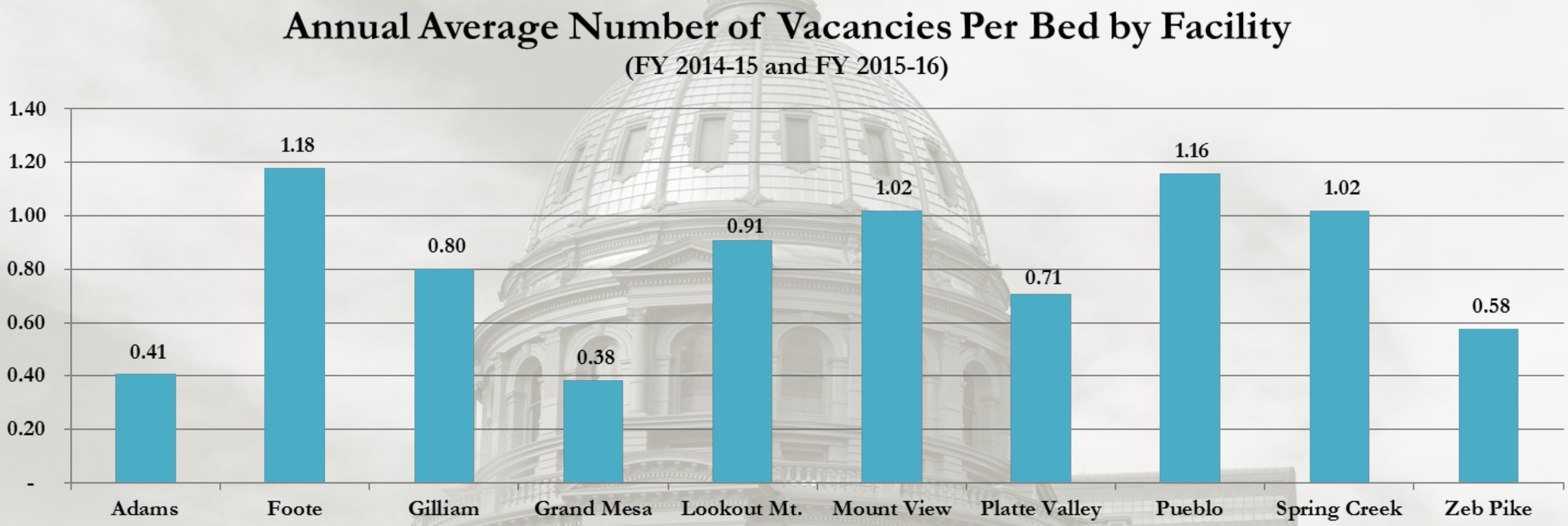
Jul-16
Aug-16
Sep-16

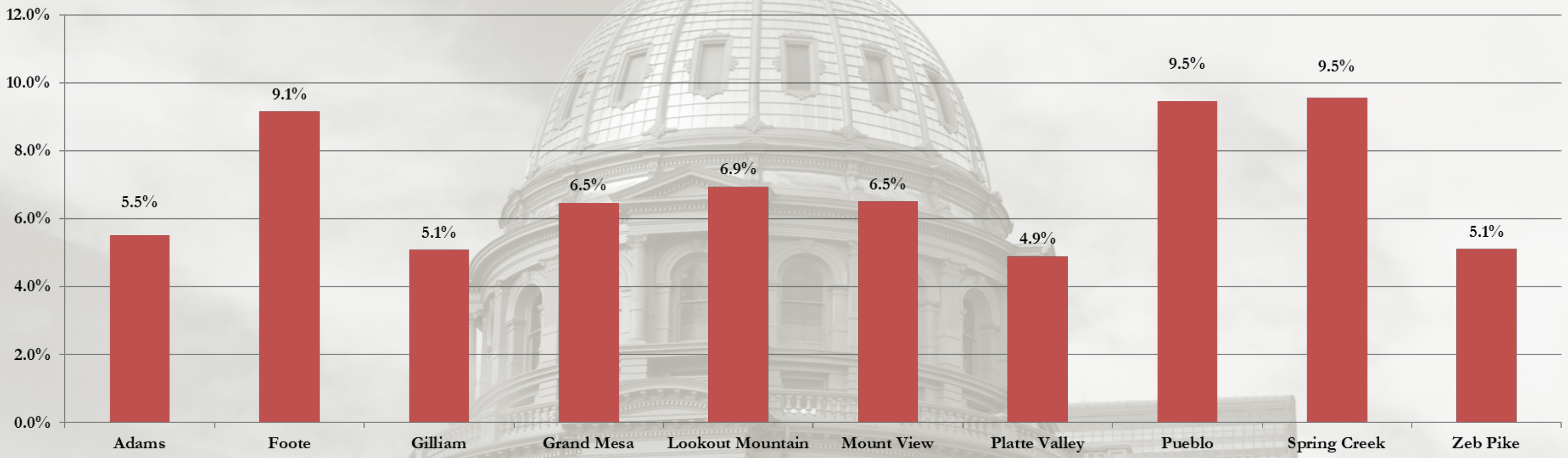

Annual Average Number of Assaults and Fights Per Bed by Facility
(FY 2014-15 and FY 2015-16)
2.5
2.0
1.5
1.0
0.5
0.0
0.5
1.8
2.1
0.6
1.6
1.6
1.5
1.1
2.3
1.3
Adams
Foote
Gilliam
Grand Mesa
Lookout Mt.
Mount View
Platte Valley
Pueblo
Spring Creek
Zeb Pike

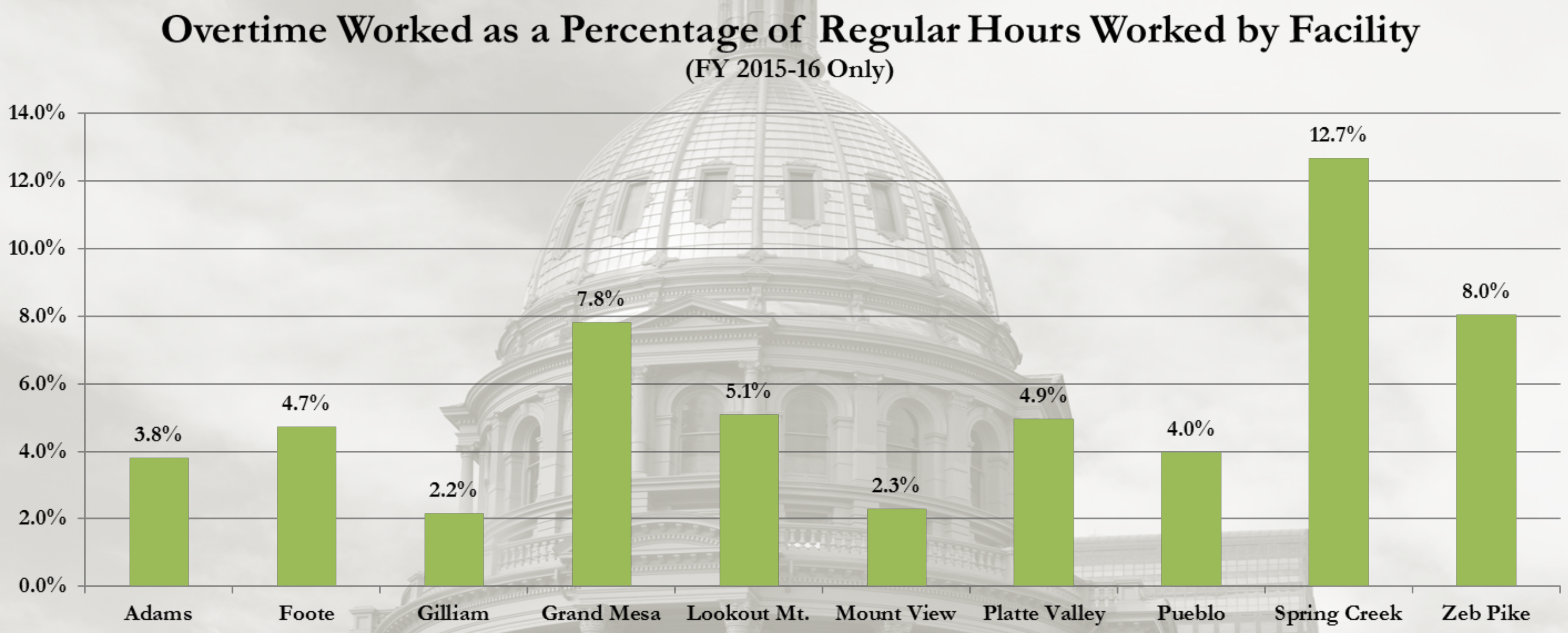
Percentage Change in the Number of Assaults and Fights Per Bed by Facility (Comparing FY 2015-16 to FY 2014-15)

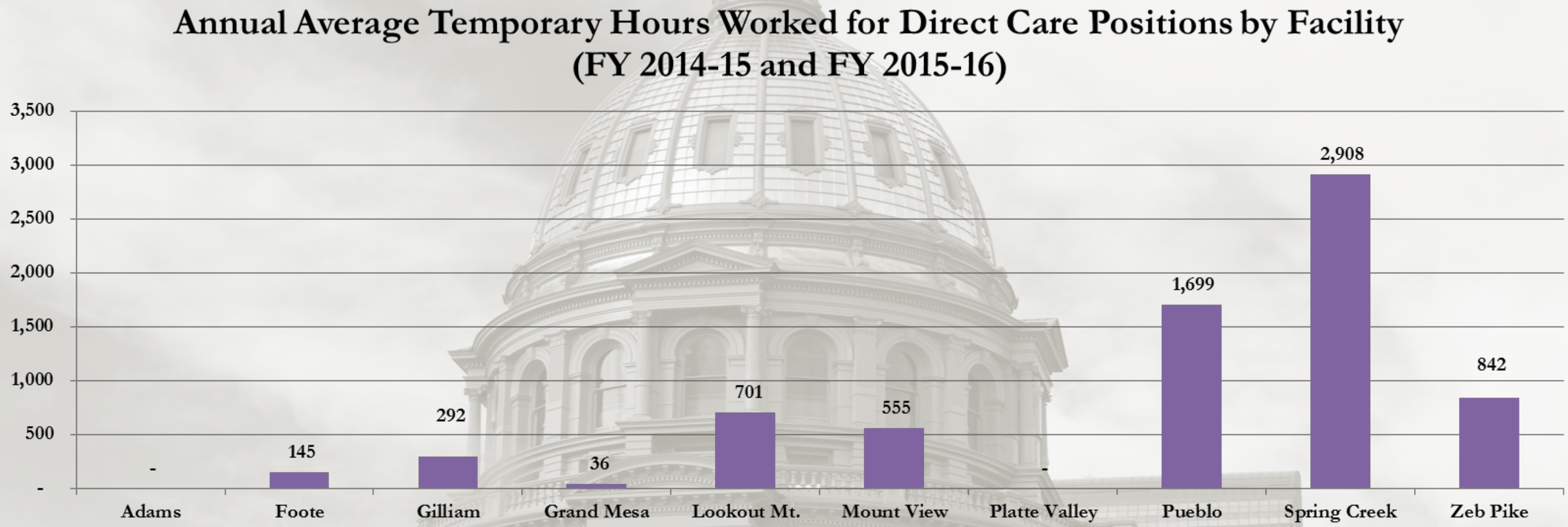


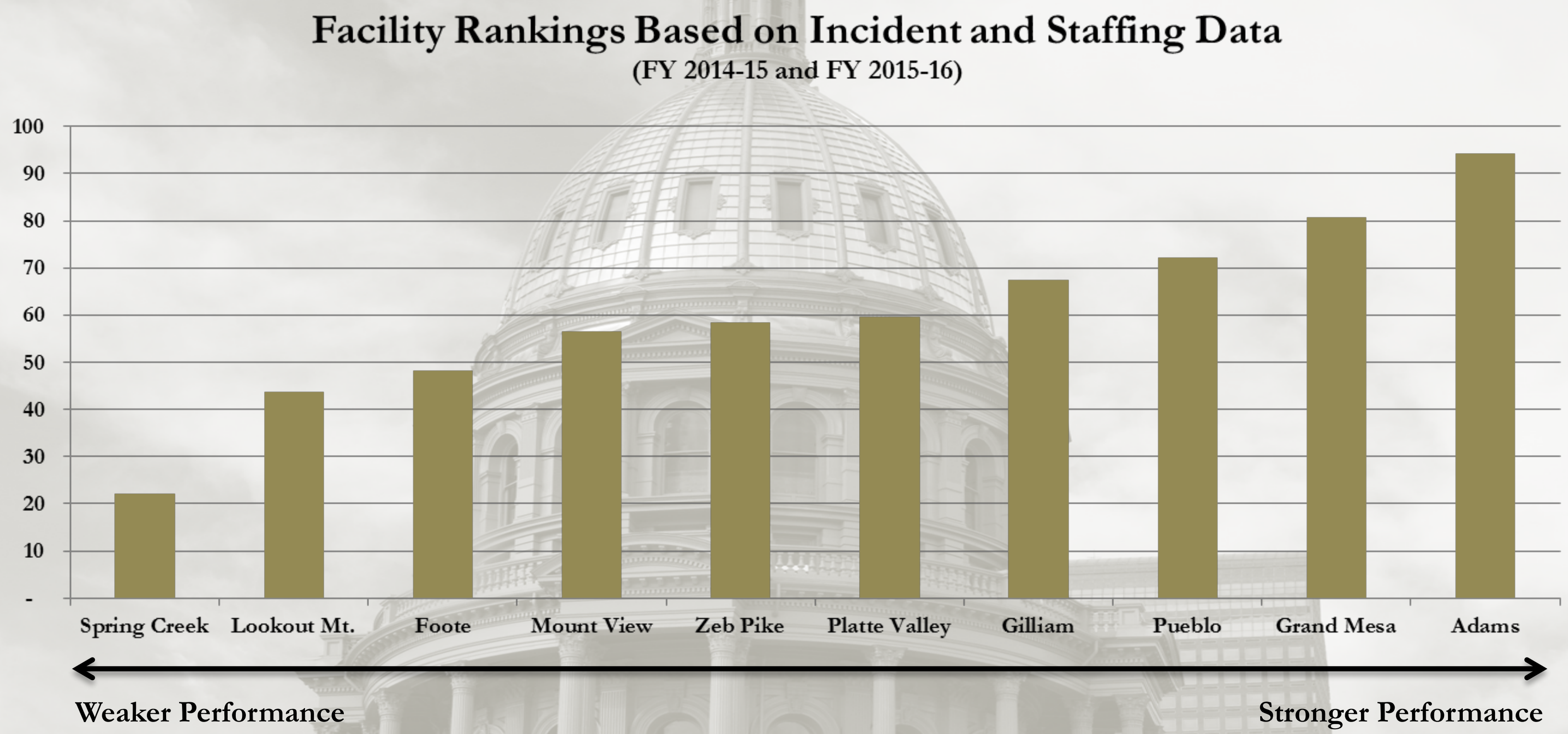

Annual Average Number of Vacancies Per Bed by Facility
(FY 2014-15 and FY 2015-16)
1.40
1.20
1.00
0.80
0.60
0.40
0.20
-
0.41
1.18
0.80
0.38
0.91
1.02
0.71
1.16
1.02
0.58
Adams
Foote
Gilliam
Grand Mesa
Lookout Mt.
Mount View
Platte Valley
Pueblo
Spring Creek
Zeb Pike

Annual Average Percentage of Total Hours Not Worked for Unplanned Reasons by Facility (FY 2014-15 and FY 2015-16)




Overtime Worked as a Percentage of Regular Hours Worked by Facility
(FY 2015-16 Only)
14.0%
12.0%
10.0%
8.0%
6.0%
4.0%
2.0%
0.0%
3.8%
4.7%
2.2%
7.8%
5.1%
2.3%
4.9%
4.0%
12.7%
8.0%
Adams
Foote
Gilliam
Grand Mesa
Lookout Mt.
Mount View
Platte Valley
Pueblo
Spring Creek
Zeb Pike


Annual Average Temporary Hours Worked for Direct Care Positions by Facility
(FY 2014-15 and FY 2015-16)
3,500
3,000
2,500
2,000
1,500
1,000
500
-
-
145
292
36
701
555
-
1,699
2,908
842
Adams
Foote
Gilliam
Grand Mesa
Lookout Mt.
Mount View
Platte Valley
Pueblo
Spring Creek
Zeb Pike


Facility Rankings Based on Incident and Staffing Data
(FY 2014-15 and FY 2015-16)
100
90
80
70
60
50
40
30
20
10
-
Spring Creek
Lookout Mt.
Foote
Mount View
Zeb Pike
Platte Valley
Gilliam
Pueblo
Grand Mesa
Adams
Weaker Performance
Stronger Performance

FY 2017-18 Briefing Issue

R1 DYC Facility Staffing, Phase 3 of 3

FY 2015-16 Ratio of Direct Care Staff to Youth by Facility					
	Sleeping Hours		Waking Hours		Improving Ratio with New Hires in FY 2016-17?
Facility	Ratio	Meeting Goal (1:16)?	Ratio	Meeting Goal (1:8)?	
Adams	1:21.6	No	1:10.8	No	No
Foote	1:16.6	Yes	1:8.3	Yes	No
Gilliam	1:9.0	Yes	1:9.0	No	Yes
Grand Mesa	1:19.9	No	1:13.2	No	No
Lookout Mt.	1:15.5	Yes	1:10.3	No	Yes
Mount View	1:16.5	Yes	1:8.3	Yes	No
Platte Valley	1:19.8	No	1:10.0	No	Yes
Pueblo	1:16.8	Yes	1:8.4	Yes	No
Spring Creek	1:19.0	No	1:9.5	No	Yes
Zeb Pike	1:19.8	No	1:9.9	No	No

CYSO I

102 New Hires

CYSO II

33 New Hires

CYSO III

1 New Hire

GP III

1 New Hire

Staff Recommended Point to Consider

JBC Staff FY 2017-18 Budget Briefing
Department of Human Services

(Office of Information Technology Services, County Administration, Office of Self Sufficiency, Adult Assistance Programs, and Division of Youth Corrections)

Presented by:

Kevin Neimond, JBC Staff

December 15, 2016