

JOINT BUDGET COMMITTEE



STAFF BUDGET BRIEFING FY 2019-20

DEPARTMENT OF HUMAN SERVICES

(County Administration, Office of Early Childhood,
Office of Self Sufficiency, and Adult Assistance Programs)

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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 **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 social services needs and lowest property tax values, meet the obligation of the local match required by the state for certain public assistance programs.
- The **Office of Early Childhood** includes the Division of Early Care and Learning and the Division of Community and Family Support. The Division of Early Care and Learning includes funding associated with the State-supervised, county-administered Colorado Child Care Assistance Program (CCCAP). Through CCCAP, counties provide childcare subsidies to low income families and families transitioning from the Colorado Works Program. In addition, this division is responsible for licensing and monitoring childcare facilities and for administering programs that are designed to improve the quality and availability of childcare in the State. The Division of Community and Family Support includes funding for various early childhood, family support programs such as Early Intervention Services, Early Childhood Mental Health Specialists, and the Nurse Home Visitor Program.
- The **Office of Self-Sufficiency** budgetary section 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, the federal Supplemental Nutrition Assistance Program (SNAP), child support services and enforcement, Low Income Energy Assistance Program (LEAP), which provides heating-bill assistance to needy families and individuals during the winter months, services for refugees, and disability determination services.
- The **Adult Assistance Programs** budgetary section provides funding 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 the State Ombudsman Program, 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 home-delivered meals and transportation to medical appointments that are offered to older Coloradans across the state through the 16 regional Area Agencies on Aging (AAA).

DEPARTMENT BUDGET: RECENT APPROPRIATIONS

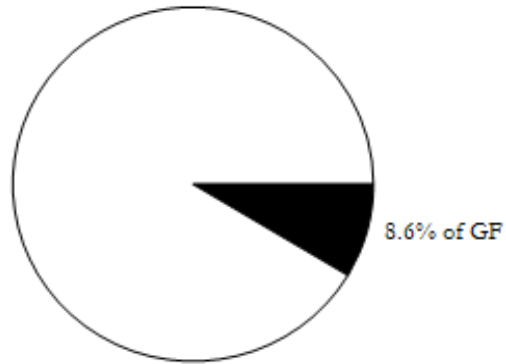
The following table shows recent appropriations for only the offices and agencies included in this Joint Budget Committee staff budget briefing document.

FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20 *
General Fund	\$147,912,296	\$167,369,034	\$184,963,460	\$185,007,249
Cash Funds	224,066,793	229,143,501	227,895,563	231,972,270
Reappropriated Funds	6,590,932	10,401,874	11,325,442	11,698,369
Federal Funds	350,661,445	386,826,562	402,918,491	411,134,167
TOTAL FUNDS	\$729,231,466	\$793,740,971	\$827,102,956	\$839,812,055
Full Time Equivalent (FTE) Staff	357.5	369.0	377.2	380.9

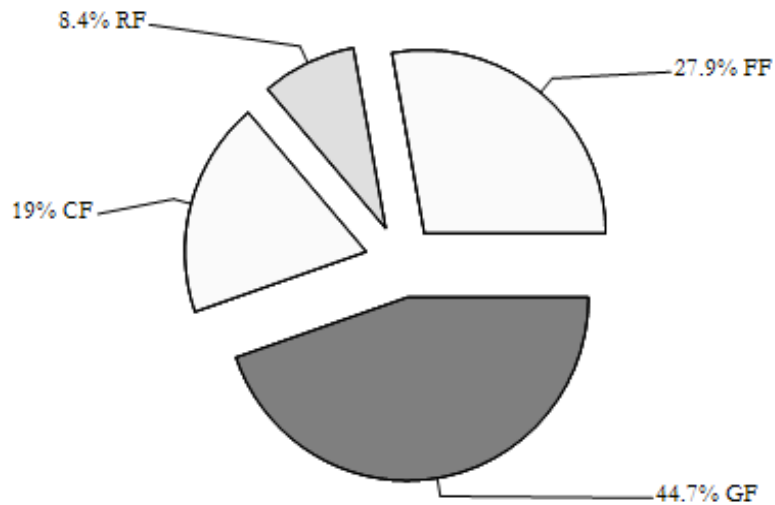
*Requested appropriation.

DEPARTMENT BUDGET: GRAPHIC OVERVIEW

**Department's Share of Statewide
General Fund**

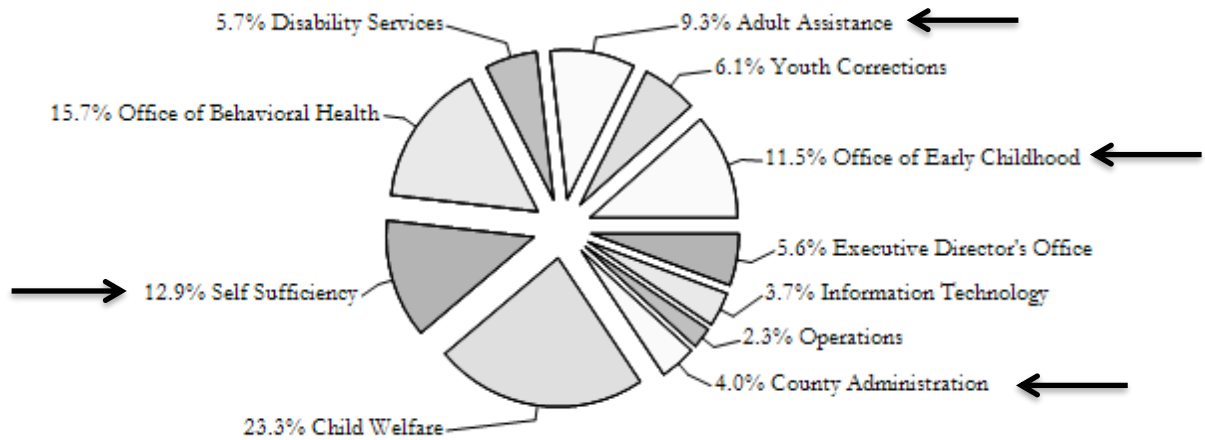


Department Funding Sources

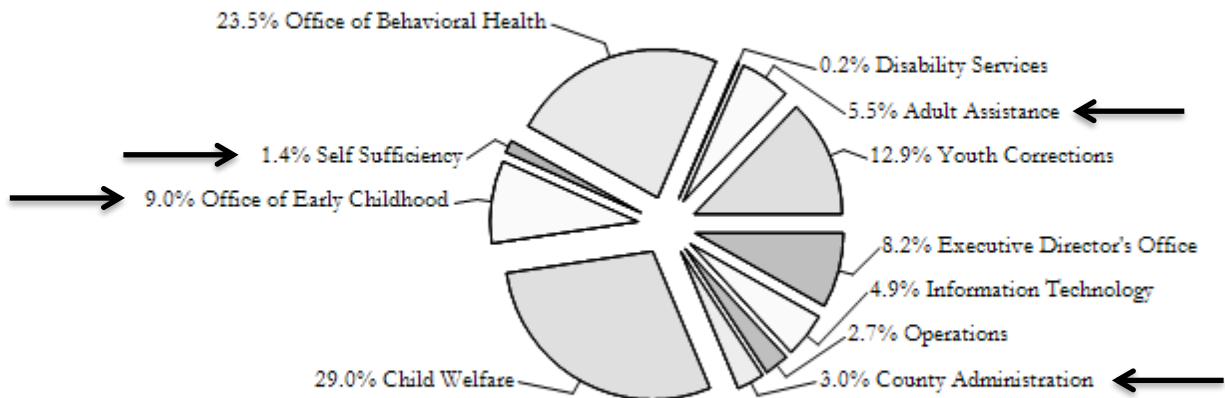


All charts are based on the FY 2018-19 appropriation

Distribution of Total Funds by Division



Distribution of General Fund by Division



All charts are based on the FY 2018-19 appropriation

GENERAL FACTORS DRIVING THE BUDGET

COUNTY ADMINISTRATION

FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20*
General Fund	\$24,096,625	\$28,892,409	\$29,142,536	\$29,395,164
Cash Funds	17,535,967	22,126,918	22,277,197	22,428,979
Federal Funds	26,280,468	35,099,022	35,450,012	35,804,512
TOTAL FUNDS	\$67,913,060	\$86,118,349	\$86,869,745	\$87,628,655
Full Time Equiv. Staff	0.0	0.0	0.0	0.0

*Requested appropriation.

Public assistance programs in Colorado operate under a state-supervised, 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. Funding for county administrative duties in delivering public assistance programs is appropriated to two agencies based on state-level program responsibility: the Colorado Department of Human Services and the Department of Health Care Policy and Financing.

The budgetary section discussed here contains appropriations primarily for the county administration of the federal Supplemental Nutrition Assistance Program (SNAP – formerly known as food stamps). Appropriations for this purpose reflect a shared responsibility of approximately 20 percent county/local funds, 30 percent state funds, and 50 percent federal funds. In FY 2018-19, the SNAP total funds appropriated in the long bill total \$75.9 million.

Additionally, this budgetary section includes General Fund support for County Tax Base Relief (CTBR), which assists counties experiencing financial gaps between local social service needs and property tax revenues used to maintain program administration. Funding for CTBR is allocated based on a formula specified in statute (Section 26-1-126, C.R.S.). For FY 2018-19, the Department of Human Services received an appropriation of \$3.9 million General Fund for County Tax Base Relief.

OFFICE OF EARLY CHILDHOOD

FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20 *
General Fund	\$62,393,585	\$76,399,851	\$88,495,817	\$87,833,024
Cash Funds	49,722,480	50,138,991	47,134,162	47,517,703
Reappropriated Funds	6,563,353	7,173,403	7,968,022	7,968,022
Federal Funds	85,034,280	97,653,163	109,687,247	111,109,708
TOTAL FUNDS	\$203,713,698	\$231,365,408	\$253,285,248	\$254,428,457
Full Time Equivalent (FTE) Staff	78.3	89.8	89.9	89.9

*Requested appropriation.

The Department's request for the Office of Early Childhood in FY 2019-20 totals \$254,428,457 in total funds. The request consists of \$87,833,024 General Fund, \$45,517,703 cash funds, \$7,968,022 reappropriated funds, and \$111,109,708 federal funds. Some of the major factors driving the Early Childhood budget are discussed in the following section.

LICENSING AND QUALITY RATING OF CHILD CARE FACILITIES

The DHS Division of Early Care and Learning is responsible for administering various early childhood grant programs and for licensing and monitoring child care facilities throughout the State, including child care homes and centers; preschool and school-age child care programs; homeless youth shelters; summer camps; and 24-hour facilities (such as residential treatment facilities, residential child care facilities, and child placement agencies). In some counties, the Division contracts with local entities (e.g., county departments of social services, county health departments, child placement agencies) to perform licensing functions for certain types of facilities. The Division licenses or certifies nearly 9,000 child care facilities in Colorado, including 4,300 family child care homes; 2,000 child care centers and preschools; 883 school-age facilities; camps, child placement agencies, and residential facilities. The Division reports that approximately 220,000 children are served in these facilities. The Department has incorporated its quality rating system, Colorado Shines, into the state childcare licensing process. Funding for activities associated with the licensing and quality rating of childcare facilities is primarily General Fund and federal Child Care Development Funds. The Child Care Licensing and administration appropriation in FY 2018-19 is \$9.1 million in total funds.

CHILD CARE ASSISTANCE PROGRAM

The Colorado Child Care Assistance Program (CCCAP) provides subsidized childcare for low-income families and those transitioning from the Colorado Works program, subject to available appropriations. The majority of appropriations are comprised of federal Child Care Development block grant funds, which are subject to appropriation by the General Assembly under federal law. Funding for CCCAP is allocated to counties, which are responsible for administering the program. In addition to appropriated amounts, counties may transfer a portion of their TANF block grant funding to support childcare programs. Such transfers are not reflected in the appropriation, but are a driver of overall program expenditures. House Bill 18-1335 bill makes several changes to CCCAP. First, it requires that the DHS contract for a market rate survey of provider rates each year, rather than every two years as under current law, and provide the report to the Joint Budget Committee by January 2, 2019, and each January 2 thereafter. Based on the market rate survey, the bill specifies block grant funding be allocated to counties based on a new formula using the provider rate multiplied by the estimated total number of children eligible to participate in CCCAP in that county. The bill stipulates that the Department shall set the provider rates and the program eligibility. DHS may adjust the county allocations based on various factors specified in the bill and adopted in the administrative rules. The CCCAP appropriation increased from \$92.1 million total funds in FY 2017-18 to \$112.6 million total funds in FY 2018-19. The funding increase was targeted primarily toward reducing waitlists. The Department's January 2, 2019, report will likely include information related to the cost of implementing the new market rates.

EARLY INTERVENTION SERVICES

As a condition of receiving federal funds, the State is required to provide Early Intervention (EI) services to all eligible infants and toddlers whose families seek services. The Department of Human Services is designated as Colorado's lead agency under Part C of the Federal Individuals with Disabilities Education Act (IDEA). The DHS Division of Community and Family Support's Office of Early Childhood administers the Early Intervention Program, which provides services to infants and toddlers from birth through two years of age with one of the following three conditions:

- A developmental delay or disability diagnosis;
- A physical or mental condition with a high probability of resulting in a significant delay in development; or
- A parent or caretaker who has a developmental disability.

Intervention services are provided to eligible children and their families to enhance child development in 15 allowable areas of service that include cognition, speech, communication, physical development, motor development, vision, hearing, social and emotional development, and self-help skills. The Department contracts with 20 Community Centered Boards (CCBs), to deliver these in-home services across the state. The Early Intervention Services appropriation in FY 2018-19 is \$62.2 million in total funds.

OFFICE OF SELF SUFFICIENCY

FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20 *
General Fund	\$9,973,344	\$12,356,448	\$13,314,989	\$13,588,895
Cash Funds	30,332,822	30,439,324	30,542,138	30,730,651
Reappropriated Funds	25,779	2,226,671	2,355,620	2,728,547
Federal Funds	218,979,309	233,544,521	237,211,469	243,593,819
TOTAL FUNDS	\$259,311,254	\$278,566,964	\$283,424,216	\$290,641,912
Full Time Equivalent (FTE) Staff	248.7	248.7	256.8	258.7

*Requested appropriation.

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) AND COLORADO WORKS

The Colorado Works Program implements the federal Temporary Assistance for Needy Families (TANF) block grant program created in the 1996 welfare reform law. 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 federal TANF block grant funds. The majority of the TANF funds received are allocated as block grants to counties for the provision of basic cash assistance payments and to support related programs (other services) that assist families, including employment and training opportunities and child care assistance. In FY 2018-19, TANF appropriations total \$150.5 million and include \$128.2 million in federal funds for County Block Grants plus \$22.1 million county maintenance of effort. As seen in the following table, TANF caseload decreased from 17,301 families in FY 2016-17 to 16,940 families in FY 2017-18. Basic cash assistance and other services expenditures also declined in FY 2017-18 to \$80.9 million and \$60.9 million, respectively.

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF)				
Fiscal Year	TANF Caseload	Basic Cash Assistance Expenditures	Other Services Expenditures	Total
FY 2011-12	16,289	\$77,931,677	\$74,491,626	\$152,423,303
FY 2012-13	17,275	78,823,637	70,654,749	149,478,386
FY 2013-14	18,293	85,464,667	73,893,939	159,358,606
FY 2014-15	18,081	84,715,404	62,928,776	147,644,180
FY 2015-16	17,603	82,030,008	56,380,157	138,410,165
FY 2016-17	17,301	81,002,860	65,981,269	146,984,129
FY 2017-18	16,940	\$80,890,326	\$60,952,512	\$141,842,838

Federal law allows states to retain any unexpended TANF funds for future use in the event of an economic downturn or caseload growth. Colorado State statute (Section 26-2-721, C.R.S.) allows the Department of Human Services to maintain a Long-Term Works Reserve (LTR) fund. The FY 2018-19 beginning balance in the State's LTR totaled \$85.7 million. State statute also allows county departments of human/social services to maintain a reserve fund, up to 40 percent of its annual TANF block grant, or \$100,000 whichever is greater. At the end of FY 2017-18, county TANF reserves totaled \$54.8 million. The first issue brief provides more discussion of this topic.

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP)

The federal Supplemental Nutrition Assistance Program (SNAP), formerly referred to as food stamps, provides money to low-income households on an electronic benefit transfer (EBT) card that can be used to purchase food at authorized retailers. As seen in the following table, SNAP caseload has declined for the past several years and totaled 220,106 households in FY 2017-18. SNAP benefit expenditures have declined from a high of \$828.3 million in FY 2012-13 to \$684.0 million in FY 2017-18. Federal SNAP benefits provided via the EBT card are not presented in the Long Bill; items in the Long Bill are for the administration of the SNAP program.

Supplemental Nutrition Assistance Program (SNAP)		
Fiscal Year	SNAP Caseload	Benefit Expenditures
FY 2011-12	216,772	\$808,950,912
FY 2012-13	229,861	828,329,076
FY 2013-14	233,280	785,826,372
FY 2014-15	234,182	778,600,908
FY 2015-16	227,814	749,999,676
FY 2016-17	222,928	715,999,079
FY 2017-18	220,016	\$684,008,945

LOW INCOME ENERGY ASSISTANCE PROGRAM

The Low-Income Energy Assistance Program (LEAP) is a federally-funded initiative that helps eligible families, seniors, and individuals pay a portion of their winter home heating costs (November 1st to April 30th). LEAP is not intended to pay the entire cost of home heating, but rather to help alleviate some of the burden associated with the colder months. In most cases, payments are made directly to the primary heating fuel vendor and a notice is sent to the household informing them of the benefit amount. The energy assistance benefit varies depending on a variety of factors, including the primary heating costs of one's home, the amount of the available LEAP funding and applications received. The Program pays the highest benefits to those with the highest primary heating fuel costs. Other benefits provided by LEAP include repair or replacement of a home's primary heating system, such as a furnace or wood-burning stove. Note, while LEAP does not accept applications for assistance between May 1st and October 31st, families, seniors, and individuals may apply for assistance from Energy Outreach Colorado, a non-profit that provides energy bill payment help to households in danger of having their energy turned off.

LOW-INCOME ENERGY ASSISTANCE PROGRAM (LEAP)		
Fiscal Year	LEAP Caseload	LEAP Expenditures
FY 2011-12	100,975	\$31,956,683
FY 2012-13	96,009	28,613,522
FY 2013-14	90,004	39,284,036
FY 2014-15	81,446	47,151,330
FY 2015-16	79,027	30,530,109
FY 2016-17	75,875	35,517,598
FY 2017-18	91,392	\$41,019,107

The majority of funds for LEAP come from the federal government through the Low Income Home Energy Assistance Program (LIHEAP). Secondly, LEAP receives a statutory transfer (Section 39-29-109.3, C.R.S.) of severance tax money up to \$3,250,000 into the Department of Human Services Low-income Energy Assistance Fund. This transfer, which is part of the Tier 2 distribution of money from the Severance Tax Operational Fund, varies from year to year based on severance tax collections. As shown in the following table, the money Colorado receives has fluctuated from year-to-year based on annual appropriations made by Congress.

LEAP FEDERAL FUNDS	
Fiscal Year	Federal LEAP Block Grant
FY 2011-12	\$47,308,286
FY 2012-13	44,269,819
FY 2013-14	46,377,830
FY 2014-15	48,889,437
FY 2015-16	49,002,284
FY 2016-17	51,040,984
FY 2017-18	\$53,183,080

ADULT ASSISTANCE PROGRAMS

FUNDING SOURCE	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20 *
General Fund	\$51,448,742	\$49,720,326	\$54,010,118	\$54,190,166
Cash Funds	126,475,524	126,438,268	127,942,066	131,294,937
Reappropriated Funds	1,800	1,001,800	1,001,800	1,001,800
Federal Funds	20,367,388	20,529,856	20,569,763	20,626,128
TOTAL FUNDS	\$198,293,454	\$197,690,250	\$203,523,747	\$207,113,031
Full Time Equivalent (FTE) Staff	30.5	30.5	30.5	32.3

*Requested appropriation.

OLD AGE PENSION PROGRAM

The Old Age Pension (OAP) Program, authorized by the State Constitution (Section 1 of Article XXIV of 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 into the OAP cash fund in lieu of the General Fund. Costs for this program are driven by the size of the benefit, or grant standard, and the number of qualified individuals. The General Assembly has limited control over OAP expenditures, as the state constitution guarantees the benefit, and grant amounts are set by the State Board of Human Services. The Long Bill appropriation, \$97.8 million in FY 2018-19, reflects anticipated expenditures and is shown for informational purposes only. Expenditures for the OAP Program are driven by cost-of-living (COLA) increases approved by the State Board of Human Services, caseload, and the grant standard.

As seen in the following table, OAP total caseload decreased to 21,577 in FY 2017-18, the lowest level in the past ten years. Actual expenditures also declined in FY 2017-18 to \$81,210,109. In FY 2018-19, the State Board of Human Services approved a 2.0 percent COLA, which increased the grant standard from \$773 to \$788. The Department is projecting OAP expenditures to increase to \$84,483,457 in FY 2018-19. The Department's FY 2019-20 budget request includes \$3.2 million in Old Age Pension cash funds to support a 2.8 percent COLA, raising the monthly grant standard from \$788 to \$810.

OLD AGE PENSION CASELOAD AND EXPENDITURES					
Fiscal Year	OAP A Caseload Age 65+	OAP B Caseload Age 60-64	OAP C Caseload* Age 60+	OAP Total Caseload	OAP Expenditures
FY 2011-12	17,289	5,729	11	23,029	\$78,839,092
FY 2012-13	17,281	6,030	13	23,324	90,031,863
FY 2013-14	17,117	6,630	9	23,756	93,979,149
FY 2014-15	16,299	6,840	8	23,147	90,269,548
FY 2015-16	16,176	6,880	2	23,058	93,355,642
FY 2016-17	15,844	6,614	4	22,462	81,865,290
FY 2017-18	15,310	6,241	6	21,557	\$81,210,109

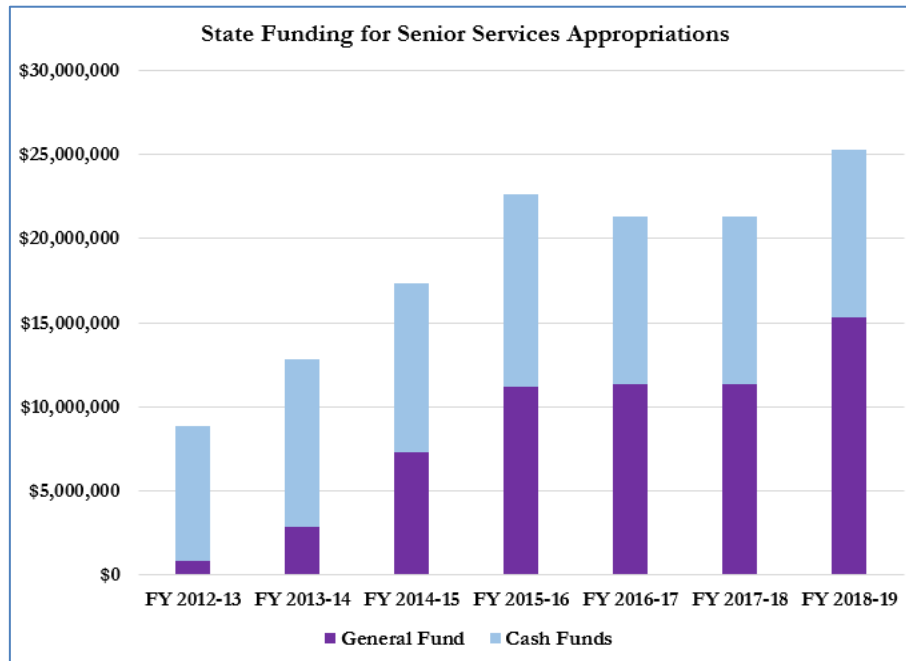
*Client age sixty (60) or older who has been committed to the Colorado Mental Health Institute or Regional Center by court order.

COMMUNITY SERVICES FOR THE ELDERLY

State and federal funds are distributed to Area Agencies on Aging (AAAs) for the provision of a variety of community services for the elderly such as transportation, congregate meals, in-home meals (Meals on Wheels), and in-home support services. These services are geared toward providing seniors with the opportunity to remain in their homes and communities as long as possible.

In terms of state funds, most of the Department's appropriations for these types of services are allocated to the State Funding for Senior Services line item. This line item receives funding through three mechanisms. First, statute (Section 39-26-123 (3), C.R.S.) annually credits \$10.0 million from state excise and sales taxes to the Older Coloradans Cash Fund. This money would otherwise be deposited in the General Fund. This amount has grown from \$3.0 million as originally set forth in H.B. 00-1072 (Older Coloradans' Act), to \$5.0 million via H.B. 07-1100 (Increase Funds For Older CO Cash Fund), to \$8.0 million via H.B. 08-1108 (Increase Funds For Older CO Cash Fund), and finally to its current level of \$10.0 million via S.B. 13-127 (Sales Tax Revenue To Older Coloradans Cash Fund).

Second, in recent years the General Assembly has discretionarily appropriated General Fund to support senior services. General Fund appropriations for this purpose have grown from \$0.5 million for FY 2011-12 to \$15.3 million for FY 2018-19, a year when the General Assembly approved the Department's request for a \$4.0 million increase in funding for R14 Increase for Area Agencies on Aging (AAAs).



Third, 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.

Outside of state funding for senior services, the Department also receives federal funds that it distributes to AAAs to support community-based and in-house services for older adults. The funding derives from the Older Americans Act, which Congress passed in 1965 to spur the development of community social services for older persons. Each state receives Older Americans Act funds according to a formula based on the state's share of the U.S. population age 60 and older. Total federal funds available have remained relatively flat in recent years. Colorado's share of Older Americans Act funds totals \$17.3 million in FY 2018-19.

AID TO THE NEEDY DISABLED AND AID TO THE BLIND PROGRAMS

Aid to the Needy Disabled (AND) provides cash assistance to low-income Coloradans with a disability lasting six months or longer that prevents them from working, as documented by a licensed physician. 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.

The Aid to the Blind program provides cash assistance to low-income Colorado residents, age 18 and over, who have at least a six-month total disability that precludes them from working, and who meet the Social Security definition of blindness.

In recent fiscal years, appropriations for these initiatives have remained relatively flat, and benefits have been adjusted by the Department so that total expenditures remain within appropriated levels.

As seen in the table below, the General Assembly has provided discretionary General Fund support to the Department totaling \$12.6 million during the past 4 fiscal years. The Department's request for FY 2019-20 seeks a level General Fund appropriation of \$12.6 million.

AID TO THE NEEDY DISABLED AND AID TO THE BLIND GENERAL FUND APPROPRIATIONS						
FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20*
\$11,421,471	\$12,409,057	\$12,554,065	\$12,554,065	\$12,554,065	\$12,554,065	\$12,554,065

*Request

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. Adult protective services are delivered under a state-supervised and county-administered model. Senate Bill 15-109 (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 disabilities.

Statute (Section 26-3.1-103, C.R.S.) mandates that counties receiving reports of mistreatment or self-neglect must immediately make an evaluation of the reported level of risk. The evaluation must include a determination of a response time frame and whether an investigation of the allegations is required. If a county determines that an investigation is required, it is responsible for ensuring an investigation is conducted and arranging for the subsequent provision of protective services to be conducted by persons trained to conduct such investigations and provide protective services.

The following table provides the number of allegations by allegation type received by counties for FY 2017-18. Note, because a single allegation or report may include more than one allegation type, the total number of allegations

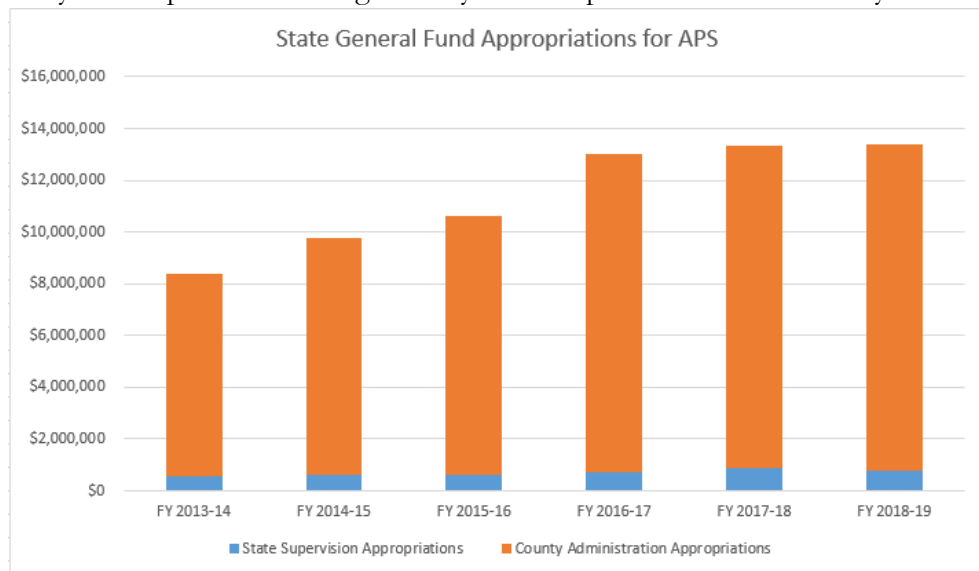
FY 2017-18 APS ALLEGATIONS		
ALLEGATION TYPE	# ALLEGATIONS RECEIVED (AS PART OF A REPORT TO APS)	# ALLEGATIONS INVESTIGATED (AS PART OF AN APS CASE)
Caretaker neglect	4,407	2,156
Exploitation	5,400	2,040
Physical abuse	3,637	916
Sexual abuse	553	180
Self-neglect	6,536	2,914
None (does not meet any definitions above)	3,685	N/A
Total*	24,218	8,206

*Duplicated totals. A single report/investigation may include several allegation types.

Allegations regarding caretaker neglect, self-neglect and exploitation result in the greatest number of investigations and are investigated at higher rates, 48 percent, 44 percent and 37 percent, than allegations of sexual abuse and physical abuse, 32 percent and 25 percent of reports, respectively.

The General Fund is the primary source of funding for the state-supervision portion of APS. The General Fund provides funding for 6.5 FTE and the provision of training to county-level adult protective services caseworkers and supervisors. Funding is provided to achieve consistency in the performance of statutorily-obligated duties, as outlined in Section 26-3.1-103, C.R.S. Appropriations for the services offered by the Department have grown by over 40 percent in the last five years due to an increased focus on training county workers and reporting entities outlined by law.

Funding for the county-administration of APS totals \$18.3 million in FY 2018-19 and includes \$12.6 million General Fund, \$3.7 million county funds, and \$2.1 million from the



federal Title XX Social Services Block Grant. General Fund appropriations for counties increased by 61 percent in the last five years, driven by the implementation of S.B. 13-111 (Require Reports Of Elder Abuse And Exploitation) and S.B. 15-109. Both bills required counties to hire additional staff to meet the increased workload, and the General Assembly provided funds for this purpose.

SUMMARY: FY 2018-19 APPROPRIATION & FY 2019-20 REQUEST

COUNTY ADMINISTRATION, OFFICE OF EARLY CHILDHOOD, OFFICE OF SELF SUFFICIENCY, AND ADULT ASSISTANCE PROGRAMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322 (Long Bill)	\$825,527,835	\$183,511,335	\$227,772,567	\$11,325,442	\$402,918,491	376.2
Other legislation	1,575,121	1,452,125	122,996	0	0	1.0
TOTAL	\$827,102,956	\$184,963,460	\$227,895,563	\$11,325,442	\$402,918,491	377.2
FY 2019-20 REQUESTED APPROPRIATION:						
FY 2018-19 Appropriation	\$827,102,956	\$184,963,460	\$227,895,563	\$11,325,442	\$402,918,491	377.2
R4 Reducing child neglect via employment	1,681,984	0	0	0	1,681,984	2.0
R5 Improving nutrition in rural and underserved communities	1,030,000	465,000	0	0	565,000	0.0
R6 Child support employment	952,669	0	0	0	952,669	1.0
R9 Colorado Works basic cash assistance COLA	1,171,848	0	173,135	0	998,713	0.0
R10 Adult protective services support	0	0	0	0	0	1.8
R15 Community provider rate increase	2,604,049	1,135,327	307,894	0	1,160,828	0.0
R16 Old Age Pension Program cost of living adjustment	3,219,665	0	3,219,665	0	0	0.0
R19 Covering child support unfunded disbursements	150,896	150,896	0	0	0	0.0
R22 SNAP quality assurance line item	(111,549)	(55,775)	0	0	(55,774)	(2.0)
Indirect cost assessment	2,377,619	0	26,482	371,502	1,979,635	0.0
Annualize prior year legislation	269,538	199,046	(18,099)	114	88,477	0.0
Technical correction	36,630	36,630	0	0	0	0.0
Annualize prior year budget actions	(674,250)	(1,887,335)	367,630	1,311	844,144	0.9
TOTAL	\$839,812,055	\$185,007,249	\$231,972,270	\$11,698,369	\$411,134,167	380.9
INCREASE/(DECREASE)	\$12,709,099	\$43,789	\$4,076,707	\$372,927	\$8,215,676	3.7
Percentage Change	1.5%	0.0%	1.8%	3.3%	2.0%	1.0%

Note: The tables and written summaries in this briefing document do not include centrally appropriated line items that appear in the Executive Director's Office request. Requests for items such as health, life, and dental insurance for the proposed FTE were presented to the Committee during the Executive Director's Office briefing on 11/27/18.

R4 REDUCING CHILD NEGLECT VIA EMPLOYMENT: The Department's evidence-based request includes \$1,681,984 in federal funds from the Temporary Assistance for Needy Families (TANF) reserve fund and 2.0 FTE to create a three-year pilot program. The request aims to connect child welfare cases to employment strategies. This request is discussed in more detail in the second briefing issue.

R5 IMPROVING NUTRITION IN RURAL AND UNDERSERVED COMMUNITIES: The Department's evidence-based request includes \$1,030,000 total funds, including \$465,000 General Fund, and \$565,000 in federal Supplemental Nutrition Assistance program (SNAP) funds for FY 2019-20 through FY 2021-22. The request aims to improve food security, access, and nutrition in underserved rural/frontier communities. The goal of the proposed program is to increase Supplemental Nutrition Assistance Program (SNAP) enrollment through outreach. The request focuses on tracking outputs,

such as the number of people enrolled and/or the rate of SNAP benefit uptake, versus specific outcomes, such as improved health and food security. Since SNAP benefits have been linked to improved health and food security in national research, the Department presumes that these outcomes will be achieved via enrollment; however, the Department does not propose that these outcomes be tracked specifically in the request. The proposed evaluation aims to develop and document outreach processes and monitor SNAP participation. At post-evaluation, the “Step” along the evidence continuum will be at two, or identify outputs – which are the number of enrollees.

The Department (Office of Self Sufficiency) will use \$900,000 of the request for programmatic activities aimed at increasing SNAP enrollment in rural areas and \$130,000 to support one contractual position to administer current and develop future SNAP outreach contracts, monitor contractor performance, and process payments for eligible activities aimed at increasing SNAP enrollment. The Department is awaiting a pending legal opinion from the Attorney General’s office regarding the allowance of General fund dollars for SNAP outreach. If that AG opinion suggests that only private and federal funds can be used for SNAP outreach in Colorado, the Department will see statute change to expand fund sources. The Department notes there is no federal restriction on the use of State funds for SNAP outreach.

SNAP currently provides \$57 million in monthly (\$684 million annually) federal food benefits to nearly 465,000 Coloradans. However, an estimated 211,000 Colorado households who appear to qualify for SNAP benefits are not enrolled in the program. As a result, Colorado ranks 44th in the nation in program access. Low levels of SNAP enrollment and associated food insecurity impacts individual’s health conditions, school performance, and ability to overcome the cycle of poverty. From a state and regional perspective, food insecurity negatively affects economic development, educational achievement, and health care costs. The Department’s request intends to continue, and improve, current SNAP outreach activities currently performed, in part, through the support of a grant that expires September 30, 2019.

R6 CHILD SUPPORT EMPLOYMENT: The Department’s evidence-based request includes \$952,669 in federal funds from the Temporary Assistance for Needy Families (TANF) fund and 1.0 FTE for the Office of Self Sufficiency to provide employment services to low-income, non-custodial parents (NCPs). The proposed program aims to build upon a similar program, Arapahoe County’s Parents to Work Program, however, the program proposed in this request could have implementation differences due to local needs and preferences. This request is discussed in more detail in the second briefing issue.

R9 COLORADO WORKS BASIC CASH ASSISTANCE COLA: The Department’s request includes \$1,171,848 total funds, including \$173,135 cash funds and \$998,713 federal funds from the State’s Temporary Assistance for Needy Families (TANF) Long-term reserve fund to implement a 1.5 percent cost-of-living-adjustment (COLA) in the Colorado Works Basic Cash Assistance benefit. The Colorado Works – TANF program provides cash assistance and employment services to approximately 17,000 of Colorado’s neediest families. The requested COLA would increase the current monthly benefit received by a single-parent family with two children from \$508 to \$516. This issue is discussed in more detail in the first briefing issue.

R10 ADULT PROTECTIVE SERVICES SUPPORT: The Department’s request includes \$0 total funds, but includes a transfer of \$185,472 General Fund from the Adult Protective Services line item to the Adult

Assistance State Administration line item. The request also includes 1.8 FTE in FY 2019-20. In FY 2020-21, the amount would annualizes to a \$191,349 General Fund transfer, net \$0 total, and 2.0 FTE.

R15 PROVIDER RATE INCREASE: The request includes \$2,604,049 total funds, including \$1,135,327 General Fund, \$307,894 cash funds, and \$1,160,828 federal funds for FY 2019-20 for an across-the-board increase of 1.0 percent for community providers. The following table itemizes each requested provider rate increase by division and by line item.

R15 PROVIDER RATE INCREASE BY DIVISION						
DIVISION	LINE ITEM	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
County Administration	County Administration	\$758,910	\$252,628	\$151,782	\$0	\$354,500
Office of Self Sufficiency	Refugee Assistance	18,439	0	0	0	18,439
Office of Early Childhood	Multiple Lines	1,642,617	756,382	119,306		766,929
Adult Assistance Programs	Adult Protective Services	184,083	126,317	36,806	0	20,960
TOTAL		\$2,604,049	\$1,135,327	\$307,894	\$0	\$1,160,828

R16 OLD AGE PENSION PROGRAM COLA: The Department's request includes \$3,219,665 in Old Age Pension (OAP) cash funds in FY 2019-20 to fund a 2.8 percent cost-of-living-adjustment (COLA) to OAP program recipients. This will increase the monthly grant standard \$22 from \$788 to \$810. The State Board of Human Services (SBHS) has the constitutional authority 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 2019 includes a 2.8 percent increase, equal to the amount proposed with this request. Pending SBHS approval, the new \$810 grant standard equates to 81 percent of the 2017 federal poverty level. In FY 2020-21, the request amount would annualizes to \$3,353,539. This request falls within the division of Adult Assistance and does not affect FTE.

R19 COVERING CHILD SUPPORT UNFUNDED DISBURSEMENTS: The Department's request for the Office of Self Sufficiency includes \$150,896 General Fund to cover shortfalls in the Family Support Registry (FSR) Fund. The request does not affect FTE and there is no annualized cost.

R22 SNAP QUALITY ASSURANCE LINE ITEM: The Department's request seeks a technical adjustment representing a \$111,549 decrease in total funds, including a \$55,775 decrease in General Fund and a \$55,774 decrease in federal SNAP funds. This funding, along with funding from a line item in the EDO's budget will be combined to create a new appropriation line for the Supplemental Nutrition Assistance Program Quality Assurance (SNAPQA) Unit in the EDO. Department-wide, the net change is \$0.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The Department's request includes a decrease of \$674,250 total funds, including a \$1,887,335 General Fund decrease, a \$367,630 cash fund increase, a \$844,144 federal funds increase, and 0.9 FTE increase for FY 2019-20 for adjustments related to prior year budget actions. The following table itemizes the annualized requests for FY 2019-20.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Salary survey	\$978,426	\$190,976	\$94,414	\$1,311	\$691,725	0.0
FY 2018-19 R17 Incredible years	242,322	48,464	193,858	0	0	0.0
FY 2018-19 BA15 CHATS transfer	150,500	0	0	0	150,500	0.0
FY 2018-19 OAP pension COLA	79,358	0	79,358	0	0	0.0
FY 2018-19 R8 SNAP security	2,373	1,187	0	0	1,186	0.7
FY 2018-19 R15 Enhancing CO Works	733	0	0	0	733	0.2
FY 2018-19 Early childhood councils	(1,000,000)	(1,000,000)	0	0	0	0.0
FY 2018-19 Funding for food pantries	(500,000)	(500,000)	0	0	0	0.0
FY 2018-19 Education advancement	(500,000)	(500,000)	0	0	0	0.0
FY 2018-19 BA5 community response	(120,000)	(120,000)	0	0	0	0.0
FY 2018-19 R11 Respite care task force	(7,962)	(7,962)	0	0	0	0.0
TOTAL	(\$674,250)	(\$1,887,335)	\$367,630	\$1,311	\$844,144	0.9

ANNUALIZE PRIOR YEAR LEGISLATION: The Department's request includes \$269,538 total funds, including \$199,046 General Fund, (\$18,099) Cash Funds, \$114 Reappropriated Funds, and \$88,477 Federal Funds. The following table itemizes the annualized requests for FY 2019-20.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 18-1334 Extend Transitional Jobs	\$1,278,751	\$1,278,751	\$0	\$0	\$0	1.0
SB 18-200 (PERA)	129,866	23,205	18,070	114	88,477	0.0
HB 18-1064 Training program prevent child sex abuse	95,051	95,051	0	0	0	0.0
HB 16-1290 Extend Transitional Jobs	(1,151,628)	(1,151,628)	0	0	0	(1.0)
HB 18-1363 Recommendations of Child Support	(36,169)	0	(36,169)	0	0	0.0
HB 18-1339 Background Checks Employee Tax	(31,333)	(31,333)	0	0	0	0.0
HB 18-1333 Child find	(15,000)	(15,000)	0	0	0	0.0
TOTAL	\$269,538	\$199,046	(\$18,099)	\$114	\$88,477	0.0

INDIRECT COST ASSESSMENT: The request includes \$1,522,384 in total funds for indirect cost assessments, including \$1,145,399 cash funds, \$138,180 reappropriated funds, and \$238,805 in federal funds. These adjustments reflect the reallocation of funds for the costs of central services provided by the Executive Director's Office.

TECHNICAL CHANGES: The request includes minor technical adjustments that result in a \$36,630 General Fund increase.

ISSUE: R9 COLORADO WORKS COLA AND THE STATE TANF RESERVE

The Department's R9 Decision Item requests funding to implement a 1.5 percent cost-of-living-adjustment (COLA) in the Colorado Works Basic Cash Assistance benefit in FY 2019-20. The request includes \$1,171,848 total funds, including \$173,135 cash funds and \$998,713 federal funds from the State's Temporary Assistance for Needy Families (TANF) Long-Term Works Reserve (LTR) fund.

SUMMARY

- The Colorado Works Program implements the federal Temporary Assistance for Needy Families (TANF) block grant program created in the 1996 welfare reform law. TANF is a means-tested public assistance program that provides temporary assistance in the form of basic cash financial support and employment services to approximately 17,000 of Colorado's neediest families.
- Since the inception of the TANF program, the State of Colorado has annually received a fixed, primary grant award of \$136.1 million in federal block grant funding. TANF Basic Cash Assistance (BCA) benefits have not been routinely adjusted for inflation, and as a result, the purchasing power of Colorado's Basic cash Assistance (BCA) grant has declined since the Colorado Works program was established in 1997.
- In an attempt to address this decline in purchasing power, the State Board of Human Services (SBHS) approved a 10 percent increase in Colorado Works Basic Cash Assistance (BCA) payments in June 2018, increasing the payment for a single-parent family with two children from \$462 to \$508 in FY 2018-19. Prior to that, benefit rates had not been adjusted in nearly a decade.
- Despite the recent action to increase the TANF BCA payments, the \$508 benefit for a family of three represents 29.3 percent of the Federal Poverty Guideline. The Department's request for a 1.5 percent COLA would increase the current monthly benefit received by a single-parent family with two children from \$508 to \$516. The request seeks funding from the State's Colorado Works TANF Long-Term Works Reserve fund to support the request.
- As a continuation, to maintain the purchasing power of the TANF Basic Cash Assistance benefit, the Department intends to increase the Colorado Works grant standard by 1.5 percent on an annual basis, pending funding support provided by the General Assembly and action taken by the State Board of Human Services. As described in the request, the COLA would reflect either a 1.5 percent COLA or the Social Security Administration's (SSA) announced COLA, whichever is less. Future COLA increases would also be funded using the State's TANF LTR.
- While there are no federal, or state, restrictions or guidelines regarding the optimum or adequate level of reserves a state should maintain, the Department has determined that to maintain program stability the Colorado Works TANF LTR should maintain a minimum balance of approximately \$34 million. This equates to 1/4 or 25 percent of the \$136 million federal TANF block grant. The current balance in the State's TANF LTR is \$85.7 million.

- State statute (Section 26-2-714, C.R.S.) allows county departments of human/social services to maintain a reserve fund and sets the maximum level at 40 percent of a county's annual TANF block grant, or \$100,000 whichever is greater. Funds accumulated beyond that level revert to the State's LTR only when every county achieves the maximum level.
- In addition to the Department's R9 Decision Item, which requests funding from the State's LTR, the Department's FY 2019-20 request also includes two additional decision items, R4: A three-year pilot program Reducing Child Neglect via Employment, and R6: a multi-year Child Support Employment program that propose new spending from State's TANF Long-Term Works Reserve fund. These two programs are discussed in the next briefing issue.

RECOMMENDATION

The Colorado Works Basic Cash Assistance grant has not kept pace with inflation and falls well below Federal Poverty Guidelines. When the State's TANF LTR has sufficient funds, a COLA for the Basic Cash Assistance grant deserves strong consideration. The request indicates that the Department will not seek funding for a COLA in years when the LTR is projected to fall below the LTR minimum reserve level. At this time, staff recommends that the Committee discuss the minimum reserve definition and calculation with the Department and develop a joint understanding of the appropriate metric to use to measure that minimum, as well as the strategic use of State reserves. The goal is to strike a balance between maintaining adequate reserves as a safety net and stock piling excess reserves to the detriment of families who need help now. Staff recommends adding a question to the Department's hearing agenda regarding the level of the State's TANF reserve and caseload increase during the last economic downturn, the Great Recession.

DISCUSSION

BACKGROUND

In 1996, a major welfare reform package - the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 (Public Law 104-193) - replaced the Aid to Families with Dependent Children (AFDC) program with the Temporary Assistance for Needy Families (TANF) block grant program. TANF is a federally-funded, means-tested public assistance program that provides temporary assistance to eligible families in the form of basic cash financial support, 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. Specifically, expenditures must meet one of the four TANF purposes:

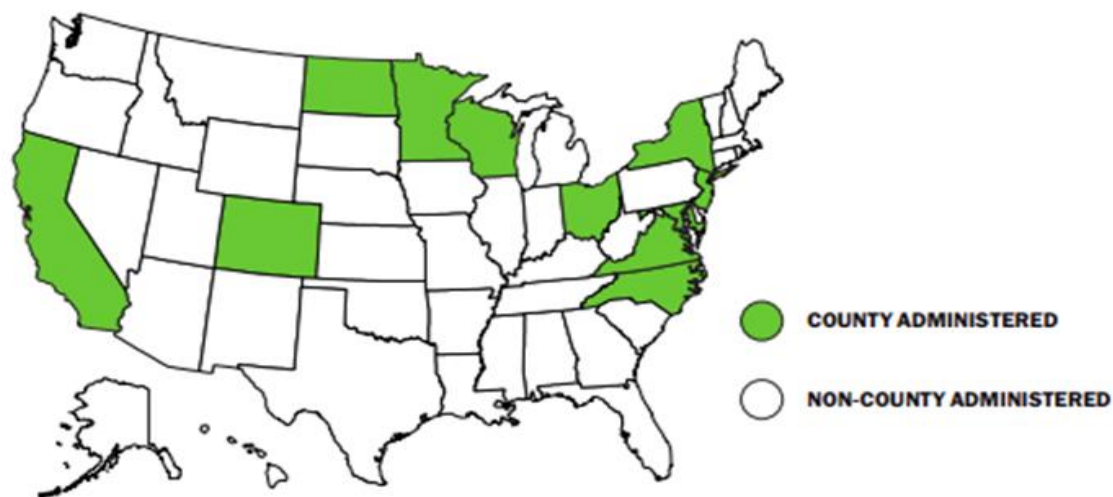
- 1 Provide assistance to needy families so that children can be cared for in their own homes;
- 2 Reduce the dependency of needy parents by promoting job preparation, work, and marriage;
- 3 Prevent and reduce the incidence of out-of-wedlock pregnancies; and
- 4 Encourage the formation and maintenance of two-parent families.

The 1996 Act imposed a 5-year limit on basic TANF aid paid with federal funds and broadened the goals of welfare to include promoting two-parent families. Overall, the federal TANF program has been funded at \$16.5 billion since its inception. TANF programs operate in all 50 states, the District of Columbia, Puerto Rico, Guam, and the Virgin Islands.

The Colorado Works Program implements the federal Temporary Assistance for Needy Families (TANF) block grant program created by the 1996 welfare reform law. In Colorado, TANF is a state-supervised, county-administered program whereby federal block grant funding appropriated to the State Department of Human Services is allocated to the State's county human/social services departments. The primary state grant award made by the federal government to states to operate the TANF program is the State Family Assistance Grant (SFAG). The State of Colorado annually receives a fixed-amount, primary grant of \$136.1 million in federal TANF block grant funding. The majority of this federal block grant is allocated to 64 Colorado county offices of human/social services. In FY 2018-19, the appropriation for block grants to counties that provide TANF assistance to families including basic cash assistance, employment and training opportunities, and child care assistance totals \$128.2 million.

As seen below, Colorado is one of ten states that utilizes a state-supervised, county-administered program model.

TANF IS COUNTY-ADMINISTERED IN 10 STATES



- California, Colorado, Minnesota, New Jersey, New York, North Carolina, North Dakota, Ohio, Virginia, and Wisconsin.

In these states, counties are responsible for program administration and contributing local funds to the costs of operating the program. However, these states utilize a variety of approaches to program administration, and thus “county-administered” can mean many different things. States make different choices about the level of county fiscal and policy authority and the specific roles of county and state staff. In 2013, Wisconsin actually moved from a county-based service delivery structure to one in which private entities contract with the state to administer TANF across the state. Other states have somewhat hybrid approaches to administration, although their state TANF plans may or may not describe their programs as county administered. Officials in states with county-administered TANF programs feel strongly that local control creates ownership, provides flexibility, and improves services provided to needy families.

In addition to the primary SFAG award made by the federal government to states to operate the TANF program, the U.S. Department of Health and Human Services also allocates Contingency Funds to “needy” states through an application process. Over the past few years, Colorado has met the eligibility criteria for Contingency Funds and most recently received \$15.1 million in FY 2017-18. The annual award changes based on federal funding available and the number of eligible states applying. In FY 2018-19, the Department estimates that Colorado will receive \$12.0 million in Contingency Funds of the \$598 million total federal funds awarded to qualifying states.

FY 2019-20 REQUEST

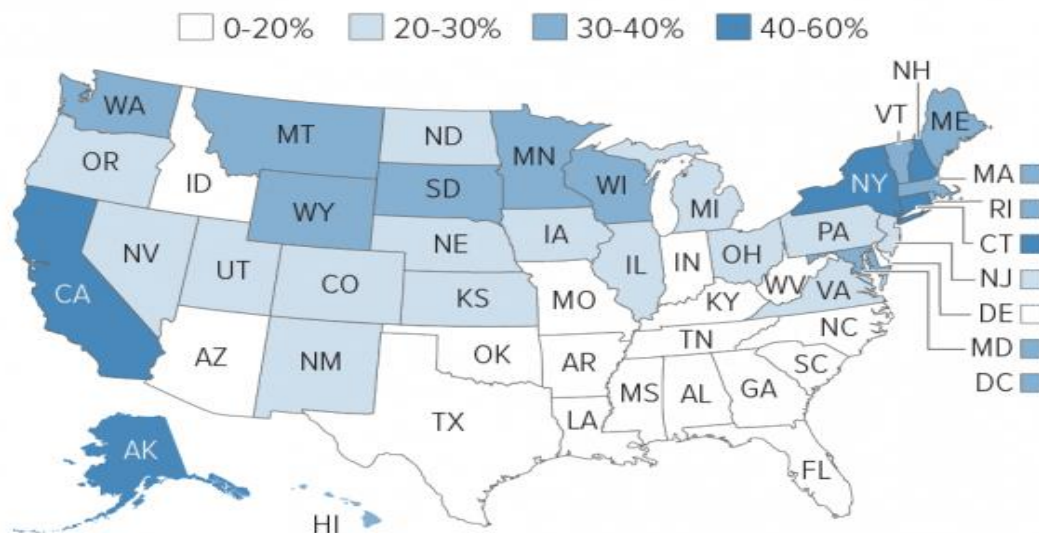
The Department’s R9 Decision Item requests \$1,171,848 total funds, including \$173,135 cash funds and \$998,713 federal funds from federal Temporary Assistance for Needy Families (TANF) Long-term Reserve (LTR) funds to implement a 1.5 percent cost-of-living-adjustment (COLA) in the Colorado Works Basic Cash Assistance benefit. The request would increase the current monthly benefit received by a single-parent family with two children from \$508 to \$516. The request would increase funding in the Colorado Works Program - County Block Grant line item from \$128,198,357 to \$129,197,070. The request does not affect FTE.

Since 1997, the year the Colorado Works program was established, the purchasing power of the Basic Cash Assistance (BCA) grant has decreased considerably. TANF basic cash benefits have not been adjusted for inflation in nearly ten years. To address this issue, the State Board of Human Services (SBHS) approved a 10 percent across-the-board increase in the BCA payments in June 2018. This action increased the payment for a single-parent family with two children from \$462 to \$508. Even with this increase, the benefit represents 29.3 percent of the Federal Poverty Guideline. In FY 2017-18, ten states and the District of Columbia raised TANF benefit levels, although the median state benefit only increased from \$432 to \$450.

The following figure shows that Colorado TANF benefits, as well as benefit levels in many surrounding states, fall short of the poverty line.

Maximum TANF Benefits Leave Families Well Below Federal Poverty Line

Maximum TANF benefit as percent of poverty line (for a family of three)



TANF = Temporary Assistance for Needy Families

Note: The federal poverty level for a family of three in 2018 is \$1,739 per month in the 48 contiguous states and Washington, D.C.; Alaska and Hawaii have higher poverty levels.

Source: 2018 Health and Human Services Poverty Guidelines. TANF benefit levels for a single-parent family of three were compiled by CBPP from various sources and are current as of July 31, 2018.

The Department's request notes that in future years, a 1.5 percent COLA, or the Social Security Administration's (SSA) announced COLA, whichever is lower will be implemented on an annual basis, pending funding support provided by the General Assembly and action taken by the State Board of Human Services. Future COLA increases would also be funded using the State's TANF LTR. In addition, the Department's request notes that any year when the State's TANF Long-Term Works Reserve year-end balance is projected to dip below the Department's determined minimum reserve of \$33.9 million, the COLA would not be implemented.

TANF RESERVES

Federal law permits the establishment of a State TANF reserve, but does not quantify a minimum or limit the maximum reserve amount. Reserves are considered to be a safeguard in future years in the event of economic downturns or caseload increases. In addition, State statute (Section 26-2-721, C.R.S.) also allows the Department of Human Services to maintain a TANF reserve (Long-term Works Reserve), but does not address or define adequate reserve levels. The FY 2018-19 beginning balance of the State's LTR totaled \$85.7 million.

State statute (Section 26-2-714, C.R.S.) allows county departments of human/social services to also maintain a reserve fund, up to a maximum amount of 40 percent of its annual TANF block grant, or \$100,000 whichever is greater. These funds are often used to cover child welfare deficits, for child care quality activities, and to cover child care assistance deficits, as is allowed by federal and state law. At the beginning of FY 2018-19, county TANF reserves totaled \$54.8 million. No county TANF reserve

funds would revert to the State LTR until all counties have accumulated the maximum allowable amount of reserves.

In 2018, legislation was passed (H.B. 18-1079) that requires the Works Allocation Committee (eight members appointed by Colorado Counties, Inc. and three appointed by the Department of Human Services) to submit an annual plan to the Joint Budget Committee regarding the planned uses for the Long-Term Works Reserve. Specifically, State statute (Section 26-2-721 (4), C.R.S.) stipulates that no later than August 31, 2018, and no later than June 30 each year after, the Works Allocation Committee (WAC) shall submit to the Executive Director, the Governor, and the Joint Budget Committee recommendations for the use of the reserve for the upcoming year. The recommendations shall consider the expected reserve levels, and the Colorado Works Program (TANF) needs over the next three years. This year's letter from the WAC dated August 31, 2018, provides a number of general principles related to the use of the State's TANF reserve fund. Most notably, the WAC recommended that: the reserve should not be used to fund programs on a routine basis; a base reserve should be established – recommend 40 percent of Basic Cash Assistance; the Legislature should budget the State reserve at \$35 million plus the county reserve cap; and other programs - Refugee Assistance and Domestic Abuse - should be funded with General Fund not TANF reserves.

SOURCES AND USES: STATE LONG-TERM RESERVE FUNDS

The State's Colorado Works Long-Term Works Reserve (LTR) consists of all the awarded and unspent funds for implementing the Temporary Assistance for Needy Families (TANF) program, including SFAG funds and contingency awards. These unspent funds are carried forward and are available for appropriation in subsequent years. Federal law does not define or recommend the limits of the reserve funds. The Department must request spending authority for any TANF expenditures, including state program/administrative costs. If the Department spends less than the appropriation, those State funds are reverted to the LTR and available in subsequent years.

STATE LONG-TERM RESERVE SOURCES:

- Unappropriated/unspent TANF block grant money (SFAG and Contingency);
- State General Fund moneys appropriated thereto by the General Assembly; and
- Moneys transferred pursuant to sections: 26-2-714 (5)(a) county funds in excess of the 40% county cap, 26-2-716 (4)(b) financial sanction funds available due to county non-compliance, as long as state is not also out of compliance, 26-2-720.5 (1) appropriated, unexpended moneys remaining in the county block grant support fund, and unexpended funds from program maintenance fund.*

*Section 26-2-721.3 (1), C.R.S., unexpended funds remaining in the maintenance fund at the end of the fiscal year shall revert to the Colorado TANF LTR.

STATE LONG-TERM RESERVE USES:

- Block Grants to Counties
- Implementing the Colorado Works program;
- Funding the Colorado Works Maintenance Fund;
- Transfers allowed by federal law to Title XX of the Social Security Act; and
- Transfers to the Child Care Development Fund.

SOURCES AND USES: COUNTY TANF RESERVES

State statute (Section 26-2-714, C.R.S.) allows for counties to maintain a TANF reserve account. Each county may retain up to 40 percent of its annual TANF block grant, or \$100,000 whichever is higher. These funds are often used to cover child welfare deficits, for child care quality activities, and to cover child care assistance deficits, as is allowed by federal and state law. At the beginning of FY 2018-19, county TANF reserves totaled \$54.8 million.

COUNTY TANF RESERVE SOURCES:

- Unexpended TANF Funds

COUNTY TANF RESERVE USES:

- Basic Cash Assistance
- Employment and Training;
- Child Care; and
- Additional support services

ADEQUACY OF RESERVES

Reserve funds are typically established as a safeguard against economic downturns, seasonal business cycles, and other types of unforeseen, short-term circumstances. Once the financial situation is rectified, i.e. business returns to normal, funding or revenues increase, or expenses are reduced, the aim is to re-build the reserve to provide security for the next financial emergency.

Prior to the Great Recession, counties were allowed to retain unlimited reserves of unspent TANF funds. By the end of FY 2006-07, reserves under county control exceeded \$160 million. Senate Bill 08-177 increased the Basic Cash Assistance Grant, limited county TANF reserves over a four-year period, and required a future review of reserve levels. Due to the new county reserve caps, as well as the recession-induced caseload demand, counties spent down their reserves rapidly in FY 2008-09 and reverted \$12.2 million to the State's Long Term Reserve. During that same time, Colorado was able to access \$68.0 million in supplemental TANF emergency funds in FY 2008-09 and FY 2009-10 through American Recovery and Reinvestment Act (ARRA) funds and federal Contingency Funds. By June 30, 2011, county and State TANF reserves had stabilized and totaled \$36.1 million and \$35.7 million respectively.

The Department provides the JBC with annual reports on the status of TANF reserves in response to a longstanding Request for Information. On April 30, 2018, the Department notified the JBC that the Department had identified methodology inconsistencies between state and federal reports dating back to FY 2001-02 that had resulted in discrepancies in reported reserve levels. As a result, the State's LTR, initially reported at \$53 million, had been understated by \$54 million. The revised LTR total was actually \$107 million.

As seen in the following table, the State's LTR beginning balance in FY 2018-19 totaled \$85.7 million. By the end of FY 2019-20, the LTR is projected to total \$71.6 million. Assumptions driving this figure include Contingency Fund Award assumptions and decision items affecting the reserve. The State of Colorado received \$15.1 million in Federal TANF Contingency funds in FY 2017-18. The Department's LTR projections, based on recent year averages, utilize \$12 million for the current year estimate and for future year projections. If that funding is not forthcoming - due to changes in federal policy or for any other reason - the 4-year impact is a \$48 million negative adjustment. The table also

includes Year 1 cost estimates for FY 2019-20 budget request items R4, R6, R9, R13, and NP1. The county reserves in the table total \$54.8 million. The next briefing issue reviews the multiple year impact of the decision items on the reserve fund.

COLORADO TANF LONG-TERM RESERVE 3-YEAR ANALYSIS			
	FY 2017-18 Actual	FY 2018-19 Long Bill	FY 2019-20 Projected
Beginning Balance	\$133,972,109	\$85,680,957	\$79,667,688
State Family Assistance Grant	135,607,703	136,056,690	136,056,690
Contingency Fund Award	15,093,712	12,000,000	12,000,000
Subtotal	\$284,673,524	\$233,737,647	\$227,724,378
County Reserves*	(51,047,416)	(3,734,645)	-
Available for Appropriations	\$233,626,108	\$230,003,002	\$227,724,378
Spending/Appropriations			
County Block Grants	119,707,021	128,198,357	128,198,357
Employment with Wages (SB 17-292)	1,306,246	4,000,000	4,000,000
Refugee Assistance	2,722,119	2,714,485	2,705,334
Domestic Abuse Program	629,677	629,677	629,677
Other Spending/Transfers**	23,580,088	17,399,128	18,290,816
Total TANF Spending/Appropriations	\$147,945,151	\$152,941,647	\$153,824,184
R4 Reducing Child Neglect via Employment	-	-	1,709,355
R6 Child Support Employment	-	-	966,977
R9 Colorado Works COLA	-	-	998,713
R13 TRAILS Operations & Maintenance	-	-	318,880
NP-01 CBMS/PEAK	-	(2,606,333)	(1,714,645)
Ending Balance (Actual/Projected)	\$85,680,957	\$79,667,688	\$71,620,914

*Balance as of 6/30/18 \$54,782,061

** Includes transfers to the Child Care Development Fund and Title XX SSBG.

Source: Department of Human Services

Data regarding the level of reserves maintained by the 10 states with county-administered TANF models indicate that two of the largest states maintain no reserves. California and New York, at \$3.7 billion and \$2.4 billion, respectively, account for more than 1/3 of the total federal TANF block grant.

TANF BLOCK GRANTS AND RESERVES AT 10 STATES WITH COUNTY-ADMINISTERED MODELS			
(\$ in millions)			
States	State Family Assistance Grant+	Unspent Balance/Reserve*	% Reserve
California	\$3,721.5	\$0.0	0.0%
Colorado	136.0	38.9	28.6%
Minnesota	268.0	0.0	0.0%
New Jersey	404.0	14.6	3.6%
New York	2,434.9	0.0	0.0%
North Carolina	302.0	0.0	0.0%
North Dakota	26.3	11.0	41.8%
Ohio	728.0	124.8	17.1%
Virginia	158.0	78.1	49.4%
Wisconsin	318.0	88.1	27.7%
Total	\$8,496.7	\$355.5	4.2%

+Source: Center on Budget and Policy Priorities

*Unobligated/Unspent funds at the end of FFY 2015.

*Source: Congressional Research Service, House Ways and Means 2016 Green Book..

Differences in state accounting methodologies and uses of TANF dollars make comparisons by state difficult to make. There are, however, schools of thought on the issue of reserves. In a survey of states, the Government Accounting Office (GAO) notes the various advantages of creating and maintaining a reserve include:

- Reserves provide states with access to federal funds for more than 1 fiscal year, which gives them more flexibility to better manage their programs;
- reserves provide states with a tool to manage the downside fiscal risks of the TANF program; and
- reserves can lead to a reduction in wasteful spending by eliminating the pressure on states to spend all available funds before the end of any given fiscal year.

On the other hand, the disadvantages of maintaining a reserve can include:

- despite the flexibility reserves provide, some states fear that leaving large TANF balances might signal that funds are not needed and/or might expose the fund to federal fund sweeps; and
- some states simply prefer to use the funds to help needy citizens now, rather than later.

The Colorado Works program has been operating for more than twenty years, yet no federal or state guidelines exist regarding state TANF reserve levels or targets. Is now the appropriate time to discuss/determine a minimum or maximum reserve level in the State's LTR? A number of decision items included in the Department's request propose the use of the State's LTR as a funding source, which suggests the answer to that question is yes. State and County TANF reserves are established to protect programs and vulnerable families and individuals in the event of an economic downturn. When reserves are spent, there is no specific, ongoing funding source to replenish them. The Department has determined that a \$33.9 million reserve is sufficient, based on the formula 25 percent of the federal block grant. In the event of an economic downturn, that minimum may be too low.

ISSUE: TANF PILOT PROGRAMS

The Department's FY 2019-20 request includes funding from the State's TANF Long-Term Works Reserve fund to support two new, work-related TANF pilot programs. Reducing Child Neglect via Employment (R4) and Child Support Employment Program (R6) have been identified by the Research and Evidence-Based Policy (REP) team in the Governor's Office of State Planning and Budgeting as evidence-based requests with policymaking elements.

SUMMARY

- The Department's evidence-based request (R4 Reducing Child Neglect via Employment) includes \$1,681,984 in federal funds from the State's TANF Long-Term Works Reserve fund and 2.0 FTE to create a three-year pilot program. The request annualizes to \$3,216,847 in federal TANF funds and 2.0 FTE in FY2020-21 through FY 2021-22.
- The R4 request aims to connect child welfare cases to employment strategies. It proposes a new program with a developing theory of change. The program will move toward the theory-informed category, with the potential to move to the evidence-informed category, based on the evaluation proposed. The Department and the evaluator will select an evaluation design plan after the program is funded. As a first step, the program's activities will be documented and analyzed. To measure program outcomes, the Department proposes a correlation study. The confidence of effectiveness produced by the evaluation proposed in this request is moderate-low. The "Step" in evidence continuum program will be at post evaluation is between 2 (identify outputs) and 3 (assess outcomes).
- The outcomes to be measured and tracked include:
 - Unemployment;
 - Poverty level/family income;
 - Use of public assistance;
 - Rates of entry into child welfare system;
 - For those with an open child welfare case, time-to-case closure; and
 - For those with prior open child welfare cases, rates of repeat maltreatment or neglect.
- In addition, the Department's evidence-based request (R6 Child Support Employment) includes \$952,669 in federal funds from the State's TANF Long-Term Works Reserve fund and 1.0 FTE to create a multi-year pilot program to provide employment services to low-income, non-custodial parents (NCPs). The request annualizes to \$1,819,966 and 1.0 FTE for years FY 2020-21 through FY 2022-23.
- The program proposed in the R6 request aims to build upon a similar program, Arapahoe County's Parents to Work Program; however, the program proposed in this request could have implementation differences due to local needs and preferences. Through the proposed evaluation, the program will move toward the evidence-informed category. The outcomes to be measured include payment of child support, employment (attainment and retention), and earnings.

RECOMMENDATION

The Department's evidence-based requests for programs seek funding from the State's TAN Long-Term Reserve Fund. When combined with the R9 request, which also relies on the LTR, these projects represent a significant financial commitment. Any decisions about these two request items should carefully consider what the minimum, responsible LTR fund should be, and whether or not federal contingency funds are expected to continue to be allocated to Colorado.

DISCUSSION

The Department's evidence-based request (R4 Reducing Child Neglect via Employment) notes that child welfare workers are primarily responsible for focusing on safety, tasked with discerning when it is safe for children to be home and promoting safe reunification of families. Generally, child welfare caseworkers have neither the specialized backgrounds nor training in employment-focused services or assistance. The Department proposes to use the requested funding to procure vendors through a competitive application process to provide targeted employment services for TANF-eligible low-income families with open child welfare cases and with poverty as an identified issue. The R4 pilot program will promote employment services among nearly 800 TANF-eligible families in four to six counties. The program is expected to serve 280 individuals in the first year, expanding to 560 individuals in the second and third years.

The Department's evidence-based request (R6 Child Support Employment) notes that the Child Support Services (CSS) program, currently administered by county human and social services offices throughout Colorado, focuses on ensuring that children receive financial and medical support from both parents. Services include paternity establishment, location of non-custodial parent, establishment of a child support order, and enforcement of an order. Every month, nearly 30,000 families on Colorado's Title IV-D child support caseload receive \$0 of the \$11.9 million in child support they are owed. Families lacking this income source are more likely to live in poverty and apply for public assistance, typically through the Temporary Assistance for Needy Families (TANF) program. Children living in households facing economic hardship, without two parents engaged in their lives are more likely to struggle in school, become involved in the juvenile justice system, and raise their own children in poverty.

The Department's R6 request will provide funds to serve up to 2,600 parents (in year 1) at an average cost of \$300 per participant. In future years, 5,200 families will be served annually. Recipients will receive a wide array of services in the areas of employment, supportive services related to employment, and workshops tailored to strengthening family stability and relationships. The Department projects that more than 70 percent of participants (3,640 NCPs) previously out of compliance with child support orders will become gainfully employed in the first six months and begin paying child support. These payments are expected to generate an additional \$15 million in child support to families annually. The Department's request cites the success of Arapahoe County's Parents to Work program, which has resulted in increased employment rates, increased earnings, and most importantly an increase in child support payments. The Department's request seeks to implement a pilot program - with a rigorous evaluation - that could mirror Arapahoe County's program.

IMPACT ON STATE TANF RESERVE

When viewed independently, each of the decision items discussed in this brief, R4 and R6, deserve consideration based on their own merits. Collectively, however, these requests, along with R9 TANF COLA discussed earlier in this document, rely on the State's TANF LTR as the funding source. Over the next several years, the costs of these programs accumulate quickly. As seen in the following table, while the budget year cost of these three decision items totals \$3.6 million, the cumulative cost of the two requested pilots and the R9 TANF COLA totals \$18.7 million. As mentioned previously, during this 4-year period, LTR projections include a built-in assumption that Colorado will receive \$12 million in federal Contingency Funds each year.

CUMULATIVE IMPACT OF MULTI-YEAR PROGRAMS ON THE TANF RESERVE				
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
R4 Reducing Child Neglect	\$1,709,355	\$3,244,218	\$3,244,218	-
R6 Child Support Employment	966,977	1,834,274	1,834,274	1,834,274
R9 Colorado Works COLA	998,713	1,013,694	1,028,899	1,044,333
Annual Total	\$3,675,045	\$6,092,186	\$6,107,391	\$2,878,607
Cumulative Total	\$3,675,045	\$9,767,231	\$15,874,622	\$18,753,229

EMPLOYMENT OPPORTUNITIES WITH WAGES PROGRAM

The Department's request does not indicate that the R4 and R6 pilot programs require legislation, however, two years ago SB 17-292 created a TANF Employment Opportunities with Wages pilot program at DHS that is currently funded at \$4.0 million from the TANF reserve fund. This pilot ceases operation on June 30, 2020 and a final evaluation report is due October 1, 2020. Staff recommends adding a question to the Department's hearing agenda asking for a status report on the current pilot program and for the Department's thoughts on legislation needed for the two new requested pilot programs.

ISSUE: EARLY INTERVENTION SERVICES AND CHILD FIND UPDATE

This briefing issue provides a status update on Early Intervention Services and the progress being made by the Colorado Department of Human Services (CDHS) and the Colorado Department of Education (CDE) in implementing HB 18-1333, Part C Child Find responsibilities.

SUMMARY

- The CDHS, Office of Early Childhood (OEC) is responsible for providing Early Intervention (EI) services to infants and toddlers from birth through two years of age who: have a developmental delay or disability; have been diagnosed with a physical or mental condition that has a high probability of resulting in a significant delay in development; or are living with a parent who has a developmental disability.
- EI services are provided by 20 Community Centered Boards (CCBs) located throughout the state. CCBs contract with CDHS to provide EI services to children either through direct service or indirectly via subcontracted services provided by medical professionals, therapists, and specialists.
- Child Find (CF) refers to the process, within the Department of Education (CDE), that is used to evaluate and identify individuals for EI services. Child Find evaluations are performed by multidisciplinary teams within local schools districts.
- Last session, House Bill 18-1333 required the Colorado Department of Human Services (CDHS) and the Colorado Department of Education (CDE) to enter into an interagency agreement to study the administration of Early Intervention (EI) evaluations by October 1, 2018.
- The legislation specified that the interagency agreement should include a process for studying eleven aspects related to conducting EI evaluations, such as establishing clear lines of responsibility and accountability, how funding should be allocated between the two departments, and evaluation timelines and tools. Ultimately, the goal of the interagency agreement is for the Departments' study of the identified aspects to produce recommendations to the Legislature by June 30, 2019 regarding the administration of EI evaluations.
- In addition, a Request for Information (RFI) requested the Department of Human Services and the Department of Education to submit on or before November 1, 2018 a report to the Joint Budget Committee concerning the agreement between the two Departments on the Part C Child Find program. As detailed in Appendix C of this briefing document, the CDHS submitted the requested information concerning the status/completion of interagency cooperation on Part C Child Find with the CDE on October 1, 2018.
- In response to a continuing Request for Information, the Department annually submits a report to the Joint Budget Committee on or before January 1 concerning caseload growth for Early Intervention services. A concern has been raised by the Community Centered Boards (CCBs) regarding their current contracts with the Department. In past years, CCB's entered into a

contract, which specified the level of funding that would be provided in return for providing EI services. This year, to enhance resource management, the Department has restructured the contracts with CCBs to provide a lump sum for CCB-provided services and a \$15 million General Accounting Encumbrance (GAE) pool for the reimbursement for subcontracted services.

- CCB's reported to JBC staff that they are experiencing a significant increase in demand or caseload in the current year and are concerned that the GAE pool might be insufficient to meet the costs of their independent contractor costs and that reimbursements might not be available.
- The Department's FY 2019-20 budget request did not include funding for an EI caseload increase. However, in early January, as in past years, the Department will submit a mid-year report that reflects current year caseload growth. At this time it is unknown if this data will present the need, or prompt a request, for supplemental request and/or a budget amendment for FY 2019-20.

RECOMMENDATION

This issue deserves careful examination; in early January, the Department's RFI submission should provide the EI caseload information needed to make an informed decision on how to move forward. At this time it is unknown if this data will prompt the Department to seek supplemental funding for this year and/or a budget amendment for FY 2019-20. Staff will make a recommendation for the Department on this request during figure setting.

DISCUSSION

BACKGROUND

The Division of Community and Family Support in the Office of Early Childhood administers the Early Intervention Program, which provides services to infants and toddlers from birth through two years of age. These services are provided to infants and toddlers who have a developmental delay or disability, been diagnosed with a physical or mental condition that has a high probability of resulting in a significant delay in development, or who are living with a parent who has a developmental disability. The Early Intervention Services appropriation in FY 2018-19 is \$62.2 million in total funds.

The Department of Human Services is designated as Colorado's lead agency under Part C of the Federal Individuals with Disabilities Education Act (IDEA). Intervention services are provided to eligible children and their families to enhance child development in 15 allowable areas of service that include cognition, speech, communication, physical development, motor development, vision, hearing, social and emotional development, and self-help skills. The Department contracts with 20 Community Centered Boards (CCBs) to deliver these services statewide. CCBs are private corporations that can be either for-profit or not-for-profit entities.

Child Find is the process that is used to identify individuals for EI services and is contained within the Department of Education (CDE). Child Find evaluations are performed by multidisciplinary teams within local school districts.

Statutory guidance provides specific guidance on these roles. Pursuant to Section 25.5-10-202 (4), C.R.S., when acting as a service agency, the CCBs provide case management services to persons with intellectual and developmental disabilities; and are authorized to determine eligibility of those persons

within a specified geographical area; serve as a single point of entry for persons to receive services and supports; and provide authorized services and supports either directly or by purchasing services and supports from service agencies. In cases of children, birth through two years of age, multi-disciplinary evaluations are performed by Child Find teams under the supervision of Colorado Department of Education. Those meeting the evaluation threshold are referred to the appropriate CCB. Each CCB serves a specific geographic region covering from one to ten counties and is responsible for: intake; eligibility determination; providing service coordination; service plan development; and arrangement, delivery, and monitoring of services.

LEGISLATION

Last year, staff recommended that the Joint Budget Committee sponsor legislation to move responsibilities for Part C Child Find, and the corresponding funding, from the Department of Education (CDE) to the Department of Human Services (CDHS), Office of Early Childhood. The intent was to realize a net savings in state General Fund, improve compliance with federal and state regulations, and achieve better outcomes for families. House Bill 18-1333 required CDHS and CDE to enter into an interagency agreement to study the administration of Early Intervention (EI) evaluations under the Child Find program. The bill required the departments to enter into the agreement by October 1, 2018, and report to the Joint Budget Committee on the agreement by November 1, 2018. The legislation specified that the interagency agreement should include a process for studying eleven aspects related to conducting EI evaluations, such as establishing clear lines of responsibility and accountability, how funding should be allocated between the two departments, and evaluation timelines and tools. As detailed in Appendix C of this briefing document, the CDHS submitted the requested information concerning the status/completion of interagency cooperation on Part C Child Find with the CDE on October 1, 2018. Ultimately, the goal of the interagency agreement is for the Departments to provide recommendations to the Legislature by June 30, 2019, regarding the administration of EI evaluations.

EMERGING EI ISSUE

In response to a continuing Request for Information, the Department annually submits a report to the Joint Budget Committee on or before January 1 concerning caseload growth for early intervention services. The report includes information regarding: the total number of early intervention services performed compared to the projected amount; the amount of funds expended in the fiscal year from July 1 through the time period when the report is created compared to projected spending; and, the amount of any expected gaps between the appropriation in the long bill and actual expenditures. At this time, it is unknown if this data will present the need, or prompt a request, for a supplemental request for the current year or a budget amendment for FY 2019-20. In advance of the Department's submission, staff has received informational reports from Community Centered Boards (CCBs) regarding the current year funding levels and projected shortfalls. In addition, concerns have been raised about the new structure of the contracts that CCBs, as state vendors, must sign to receive State payment for services provided.

In past years, CCBs entered into contracts with the Department of Human Services, Office of early Childhood that included a total dollar amount of funding per fiscal year. The funding supported CCBs' internal costs related to case management, service coordination, intake, program planning, and direct services as well as costs paid for external, independent contractors (therapists, specialists, and counselors) that provide direct services. This year, each CCB contract includes a dollar amount for internal costs and a \$15 million common pool of funds for the cost of external services from which all CCBs can request reimbursement. The pool of funding - the Early Intervention Direct Services

General Accounting Encumbrance (GAE) - includes \$15 million in FY 2018-19. At this time, CCBs are concerned that the GAE is insufficient to meet the level of costs they are experiencing and that reimbursements might not be available. As presented in the table below, CCB contracts totaled \$38.4 million in FY 2017-18. In FY 2018-19, CCB contracts for EI services total \$41,222,552, including \$26,222,552 for CCB internal costs and \$15,000,000 in a common GAE pool for external, direct service providers or independent contractors. At this time, CCBs are projecting \$44,702,728 in total costs for the current year, resulting in a \$3.5 million shortfall.

Colorado CCBs Early Intervention Services					
	FY 2016-17 Contract	FY 2017-18 Contract	FY 2018-19 Contract	FY 2018-19 CCB projection	Projected Shortfall*
Community Centered Boards (20)	\$33,948,082	\$38,469,732	\$26,222,522	\$26,222,552	-
General Accounting Encumbrance (GAE)	-	-	15,000,000	18,480,176	(3,480,176)
Total	\$33,948,082	\$38,469,732	\$41,222,552	\$44,702,728	\$(3,480,176)

*Source: CCB survey data.

The Department will submit a report to the Joint Budget Committee on or before January 1 concerning caseload growth and has noted that it closely monitors funding needs for Early Intervention services and if additional funding is required to support the program, the Department will consider the funding options that are available.

Appendix A: Number Pages

	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Appropriation	FY 2019-20 Request	Request vs. Appropriation
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DEPARTMENT OF HUMAN SERVICES

Reggie Bicha, Executive Director

(4) COUNTY ADMINISTRATION

The County Administration budgetary section provides the 64 county departments of human services with money 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.

County Administration	<u>57,504,284</u>	<u>59,796,507</u>	<u>75,890,989</u>	<u>76,649,899</u> *
General Fund	20,786,849	24,697,592	25,262,780	25,515,408
Cash Funds	10,436,967	0	15,178,197	15,329,979
Reappropriated Funds	0	0	0	0
Federal Funds	26,280,468	35,098,915	35,450,012	35,804,512
County Tax Base Relief	<u>3,879,756</u>	<u>3,879,756</u>	<u>3,879,756</u>	<u>3,879,756</u>
General Fund	3,879,756	3,879,756	3,879,756	3,879,756
Cash Funds	0	0	0	0
Reappropriated Funds	0	0	0	0
Federal Funds	0	0	0	0
County Share of Offsetting Revenues	<u>2,288,815</u>	<u>1,676,644</u>	<u>2,986,000</u>	<u>2,986,000</u>
General Fund	0	0	0	0
Cash Funds	2,288,815	1,676,644	2,986,000	2,986,000
County Incentive Payments	<u>3,725,408</u>	<u>3,989,477</u>	<u>4,113,000</u>	<u>4,113,000</u>
General Fund	0	0	0	0
Cash Funds	3,725,408	3,989,477	4,113,000	4,113,000

*Line item contains a decision item.

Appendix A: Number Pages

	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Appropriation	FY 2019-20 Request	Request vs. Appropriation
SB 16-190 Implementation	<u>510,461</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	510,461	0	0	0	
TOTAL - (4) County Administration	67,908,724	69,342,384	86,869,745	87,628,655	0.9%
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0%</u>
General Fund	25,177,066	28,577,348	29,142,536	29,395,164	0.9%
Cash Funds	16,451,190	5,666,121	22,277,197	22,428,979	0.7%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	26,280,468	35,098,915	35,450,012	35,804,512	1.0%

Appendix A: Number Pages

	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Appropriation	FY 2019-20 Request	Request vs. Appropriation
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(6) OFFICE OF EARLY CHILDHOOD

This office provides funding and state staff associated with the state supervision and the county administration of the Colorado Child Care Assistance Program (CCCAP); for the administration of various child care grant programs; and for licensing and monitoring of child care facilities. In addition, this office provides funding to organizations that provide early childhood mental health services and early intervention services and case management. Cash funds appropriations reflect expenditures by counties, fees and fines associated with the licensing of child care facilities, and funds from the Early Intervention Services Trust Fund. Federal funds reflect moneys from Child Care Development Funds, which the General Assembly has authority to appropriate pursuant to federal law; and funds received from Part C of the federal Individuals with Disabilities Education Improvement Act. Reappropriated funds are Medicaid funds transferred from the Department of Health Care Policy and Financing.

(A) Division of Early Care and Learning

Early Childhood Councils	<u>0</u>	<u>2,021,353</u>	<u>2,984,169</u>	<u>1,984,169</u>
FTE	0.0	1.4	1.0	1.0
General Fund	0	0	1,000,000	0
Cash Funds	0	0	0	0
Federal Funds	0	2,021,353	1,984,169	1,984,169
Child Care Licensing and Administration	<u>6,927,737</u>	<u>8,275,256</u>	<u>9,104,027</u>	<u>9,345,862</u> *
FTE	52.8	51.1	54.0	54.0
General Fund	2,231,187	2,478,376	2,529,873	2,606,329
Cash Funds	522,011	637,909	876,778	903,681
Federal Funds	4,174,539	5,158,971	5,697,376	5,835,852
Fine Assessed Against Licenses	<u>84</u>	<u>19,900</u>	<u>10,000</u>	<u>10,000</u>
General Fund	0	0	0	0
Cash Funds	84	19,900	10,000	10,000

*Line item contains a decision item.

Appendix A: Number Pages

	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Appropriation	FY 2019-20 Request	Request vs. Appropriation
Child Care Assistance Program	<u>91,187,197</u>	<u>86,498,625</u>	<u>112,569,426</u>	<u>113,698,161</u>	*
FTE	0.0	0.0	0.0	0.0	
General Fund	24,456,347	24,791,827	29,039,745	29,330,927	
Cash Funds	9,762,470	0	11,498,315	11,613,609	
Federal Funds	56,968,380	61,706,798	72,031,366	72,753,625	
Intrastate CCCAP Redistribution	<u>0</u>	<u>0</u>	<u>2,000,000</u>	<u>2,000,000</u>	
General Fund	0	0	0	0	
Cash Funds	0	0	0	0	
Federal Funds	0	0	2,000,000	2,000,000	
Colorado Child Care Assistance Cliff Effect Pilot Program	<u>690,860</u>	<u>298,325</u>	<u>0</u>	<u>0</u>	
FTE	1.0	1.0	0.0	0.0	
General Fund	53,609	64,825	0	0	
Cash Funds	637,251	233,500	0	0	
Colorado Child Care Assistance Program Market Rate Study	<u>55,000</u>	<u>45,517</u>	<u>75,000</u>	<u>75,000</u>	
General Fund	55,000	45,517	55,000	55,000	
Cash Funds	0	0	0	0	
Federal Funds	0	0	20,000	20,000	
Child Care Grants for Quality and Availability and Federal Targeted Funds Requirements	<u>8,022,404</u>	<u>7,246,146</u>	<u>8,235,999</u>	<u>8,241,981</u>	
FTE	1.0	2.9	1.0	1.0	
General Fund	4,738,288	4,487,565	4,760,424	4,763,638	
Cash Funds	0	0	0	385	
Federal Funds	3,284,116	2,758,581	3,475,575	3,477,958	

*Line item contains a decision item.

Appendix A: Number Pages

	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Appropriation	FY 2019-20 Request	Request vs. Appropriation
School-readiness Quality Improvement Program	<u>2,198,393</u>	<u>1,720,122</u>	<u>2,230,952</u>	<u>2,234,001</u>	
FTE	1.0	1.0	1.0	1.0	
General Fund	0	0	0	0	
Federal Funds	2,198,393	1,720,122	2,230,952	2,234,001	
Early Literacy Book Distribution Partnership	<u>99,982</u>	<u>0</u>	<u>100,000</u>	<u>100,000</u>	
General Fund	99,982	0	100,000	100,000	
Cash Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Continuation of Child Care Quality Initiatives	<u>816,462</u>	<u>1,708,274</u>	<u>2,862,512</u>	<u>2,862,512</u>	
FTE	7.3	11.1	14.6	14.6	
General Fund	0	0	0	0	
Federal Funds	816,462	1,708,274	2,862,512	2,862,512	
Child Care Assistance Program Support	<u>0</u>	<u>1,146,599</u>	<u>1,049,500</u>	<u>1,200,000</u>	
General Fund	0	0	0	0	
Federal Funds	0	1,146,599	1,049,500	1,200,000	
Early Childhood Workforce Supports	<u>0</u>	<u>0</u>	<u>500,000</u>	<u>0</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	0	0	500,000	0	
Micro Grants to Increase Access to Child Care	<u>149,018</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	0	0	0	0	
Cash Funds	0	0	0	0	
Federal Funds	149,018	0	0	0	

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	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Appropriation	FY 2019-20 Request	Request vs. Appropriation
Promoting Safe and Stable Families Program	<u>3,716,460</u>	<u>0</u>	<u>0</u>	<u>0</u>	
FTE	2.0	0.0	0.0	0.0	
General Fund	54,216	0	0	0	
Cash Funds	1,064,934	0	0	0	
Federal Funds	2,597,310	0	0	0	
Early Childhood Workforce Supports	<u>0</u>	<u>100,000</u>	<u>0</u>	<u>0</u>	
General Fund	0	100,000	0	0	

SUBTOTAL - (A) Division of Early Care and Learning	113,863,597	109,080,117	141,721,585	141,751,686	0.0%
<i>FTE</i>	<u>65.1</u>	<u>68.5</u>	<u>71.6</u>	<u>71.6</u>	0.0%
General Fund	31,688,629	31,968,110	37,985,042	36,855,894	(3.0%)
Cash Funds	11,986,750	891,309	12,385,093	12,527,675	1.2%
Federal Funds	70,188,218	76,220,698	91,351,450	92,368,117	1.1%

(B) Division of Community and Family Support

Promoting Safe and Stable Families	<u>0</u>	<u>3,874,843</u>	<u>4,606,005</u>	<u>4,626,992</u>	
FTE	0.0	2.2	2.0	2.0	
General Fund	0	54,882	55,134	55,519	
Cash Funds	0	0	1,068,080	1,074,400	
Federal Funds	0	3,819,961	3,482,791	3,497,073	

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	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Appropriation	FY 2019-20 Request	Request vs. Appropriation
Early Childhood Mental Health Services	<u>2,203,628</u>	<u>2,540,186</u>	<u>3,024,749</u>	<u>3,065,404</u>	*
FTE	0.7	1.9	0.7	0.7	
General Fund	1,207,015	1,260,317	1,275,961	1,293,562	
Federal Funds	996,613	1,279,869	1,748,788	1,771,842	
Early Intervention Services	<u>43,825,823</u>	<u>45,339,006</u>	<u>62,244,583</u>	<u>62,611,672</u>	*
FTE	6.5	15.0	7.5	7.5	
General Fund	23,304,162	27,156,322	36,496,578	36,837,704	
Cash Funds	12,518,502	11,271,463	10,500,000	10,500,000	
Reappropriated Funds	0	0	7,968,022	7,968,022	
Federal Funds	8,003,159	6,911,221	7,279,983	7,305,946	
Early Intervention Evaluations	<u>0</u>	<u>0</u>	<u>2,715,000</u>	<u>2,700,000</u>	
General Fund	0	0	2,515,000	2,500,000	
Cash Funds	0	0	0	0	
Federal Funds	0	0	200,000	200,000	
Colorado Children's Trust Fund	<u>494,225</u>	<u>687,039</u>	<u>1,313,374</u>	<u>1,417,701</u>	
FTE	1.5	1.3	1.5	1.5	
General Fund	0	0	158,374	253,425	
Cash Funds	141,329	148,263	350,000	359,276	
Federal Funds	352,896	538,776	805,000	805,000	
Nurse Home Visitor Program	<u>23,550,952</u>	<u>23,031,826</u>	<u>23,986,737</u>	<u>23,999,455</u>	
FTE	3.0	2.5	3.0	3.0	
General Fund	0	0	0	0	
Cash Funds	23,346,352	18,369,959	22,223,400	22,236,118	
Federal Funds	204,600	4,661,867	1,763,337	1,763,337	

*Line item contains a decision item.

*Line item contains a decision item.

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	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Appropriation	FY 2019-20 Request	Request vs. Appropriation
Family Support Services	<u>972,386</u>	<u>718,772</u>	<u>752,704</u>	<u>763,061</u>	*
FTE	0.5	0.7	0.5	0.5	
General Fund	709,293	718,772	752,704	763,061	
Cash Funds	0	0	0	0	
Federal Funds	263,093	0	0	0	
Community Child Abuse Prevention Services	<u>0</u>	<u>8,384,604</u>	<u>8,564,769</u>	<u>8,526,419</u>	*
FTE	0.0	2.9	2.0	2.0	
General Fund	0	8,384,604	8,564,769	8,526,419	
Healthy Steps for Young Children	<u>0</u>	<u>380,162</u>	<u>571,946</u>	<u>577,665</u>	*
General Fund	0	380,162	571,946	577,665	
Incredible Years Program	<u>0</u>	<u>0</u>	<u>601,545</u>	<u>848,881</u>	*
FTE	0.0	0.0	1.1	1.1	
General Fund	0	0	120,309	169,775	
Cash Funds	0	0	481,236	679,106	
Federal Funds	0	0	0	0	
Early Intervention Services Case Management	<u>7,960,959</u>	<u>6,059,041</u>	<u>0</u>	<u>0</u>	
General Fund	4,421,631	6,059,041	0	0	
Reappropriated Funds	3,539,328	0	0	0	
Early Childhood Councils	<u>1,964,079</u>	<u>0</u>	<u>0</u>	<u>0</u>	
FTE	1.0	0.6	0.0	0.0	
General Fund	0	0	0	0	
Cash Funds	0	0	0	0	
Federal Funds	1,964,079	0	0	0	

*Line item contains a decision item.

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	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Appropriation	FY 2019-20 Request	Request vs. Appropriation
SUBTOTAL - (B) Division of Community and Family					
Support	80,972,052	91,015,479	108,381,412	109,137,250	0.7%
<i>FTE</i>	<u>13.2</u>	<u>27.1</u>	<u>18.3</u>	<u>18.3</u>	<u>0.0%</u>
General Fund	29,642,101	44,014,100	50,510,775	50,977,130	0.9%
Cash Funds	36,006,183	29,789,685	34,622,716	34,848,900	0.7%
Reappropriated Funds	3,539,328	0	7,968,022	7,968,022	0.0%
Federal Funds	11,784,440	17,211,694	15,279,899	15,343,198	0.4%
(C) Indirect Cost Assessment					
Indirect Cost Assessment	<u>0</u>	<u>3,573,087</u>	<u>3,182,251</u>	<u>3,539,521</u>	
General Fund	0	0	0	0	
Cash Funds	0	625,954	126,353	141,128	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	2,947,133	3,055,898	3,398,393	
SUBTOTAL - (C) Indirect Cost Assessment	0	3,573,087	3,182,251	3,539,521	11.2%
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0%</u>
General Fund	0	0	0	0	0.0%
Cash Funds	0	625,954	126,353	141,128	11.7%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	0	2,947,133	3,055,898	3,398,393	11.2%
TOTAL - (6) Office of Early Childhood					
TOTAL	194,835,649	203,668,683	253,285,248	254,428,457	0.5%
<i>FTE</i>	<u>78.3</u>	<u>95.6</u>	<u>89.9</u>	<u>89.9</u>	<u>(0.0%)</u>
General Fund	61,330,730	75,982,210	88,495,817	87,833,024	(0.7%)
Cash Funds	47,992,933	31,306,948	47,134,162	47,517,703	0.8%
Reappropriated Funds	3,539,328	0	7,968,022	7,968,022	0.0%
Federal Funds	81,972,658	96,379,525	109,687,247	111,109,708	1.3%

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	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Appropriation	FY 2019-20 Request	Request vs. Appropriation
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(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	<u>388,402</u>	<u>587,665</u>	<u>857,088</u>	<u>929,337</u>	
FTE	6.0	4.6	15.0	15.0	
General Fund	324,085	272,085	341,203	369,783	
Federal Funds	64,317	315,580	515,885	559,554	
Operating Expenses	<u>46,883</u>	<u>39,883</u>	<u>27,883</u>	<u>27,883</u>	
General Fund	46,883	39,883	27,883	27,883	
Federal Funds	0	0	0	0	
SUBTOTAL - (A) Administration	435,285	627,548	884,971	957,220	8.2%
FTE	<u>6.0</u>	<u>4.6</u>	<u>15.0</u>	<u>15.0</u>	0.0%
General Fund	370,968	311,968	369,086	397,666	7.7%
Federal Funds	64,317	315,580	515,885	559,554	8.5%

(B) Colorado Works Program

Administration	<u>1,570,627</u>	<u>1,602,556</u>	<u>3,966,223</u>	<u>4,021,291</u>	
FTE	16.2	17.7	19.8	20.0	
General Fund	0	0	0	0	
Federal Funds	1,570,627	1,602,556	3,966,223	4,021,291	

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	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Appropriation	FY 2019-20 Request	Request vs. Appropriation
County Block Grants	<u>142,139,094</u>	<u>119,799,888</u>	<u>150,548,087</u>	<u>151,719,935</u>	*
General Fund	0	0	0	0	
Cash Funds	22,239,621	92,867	22,349,730	22,522,865	
Federal Funds	119,899,473	119,707,021	128,198,357	129,197,070	
County Training	<u>348,956</u>	<u>361,385</u>	<u>383,922</u>	<u>386,859</u>	
FTE	1.6	1.5	2.0	2.0	
General Fund	0	0	0	0	
Federal Funds	348,956	361,385	383,922	386,859	
Domestic Abuse Program	<u>1,654,757</u>	<u>1,691,407</u>	<u>1,856,381</u>	<u>1,870,788</u>	
FTE	3.0	3.0	2.7	2.7	
General Fund	0	0	0	0	
Cash Funds	1,025,080	1,061,730	1,226,704	1,241,111	
Federal Funds	629,677	629,677	629,677	629,677	
Works Program Evaluation	<u>490,516</u>	<u>466,760</u>	<u>495,440</u>	<u>495,440</u>	
General Fund	0	0	0	0	
Federal Funds	490,516	466,760	495,440	495,440	
Workforce Development Council	<u>76,211</u>	<u>76,211</u>	<u>76,211</u>	<u>76,211</u>	
General Fund	0	0	0	0	
Federal Funds	76,211	76,211	76,211	76,211	
Transitional Jobs Programs	<u>2,345,002</u>	<u>2,274,138</u>	<u>2,433,290</u>	<u>2,564,526</u>	
FTE	2.2	2.4	2.0	2.0	
General Fund	2,345,002	2,274,138	2,433,290	2,564,526	

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	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Appropriation	FY 2019-20 Request	Request vs. Appropriation
Employment Opportunities With Wages Program	<u>0</u>	<u>1,306,246</u>	<u>4,000,000</u>	<u>4,000,000</u>	
General Fund	0	0	0	0	
Federal Funds	0	1,306,246	4,000,000	4,000,000	
Child Welfare Employment	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,681,984</u> *	
FTE	0.0	0.0	0.0	2.0	
Federal Funds	0	0	0	1,681,984	
Child Support Services Program	<u>0</u>	<u>0</u>	<u>0</u>	<u>952,669</u> *	
FTE	0.0	0.0	0.0	1.0	
Federal Funds	0	0	0	952,669	
SUBTOTAL - (B) Colorado Works Program	148,625,163	127,578,591	163,759,554	167,769,703	2.4%
FTE	<u>23.0</u>	<u>24.6</u>	<u>26.5</u>	<u>29.7</u>	<u>12.1%</u>
General Fund	2,345,002	2,274,138	2,433,290	2,564,526	5.4%
Cash Funds	23,264,701	1,154,597	23,576,434	23,763,976	0.8%
Federal Funds	123,015,460	124,149,856	137,749,830	141,441,201	2.7%

(C) Special Purpose Welfare Programs

Low Income Energy Assistance Program	<u>51,493,690</u>	<u>55,728,663</u>	<u>48,150,238</u>	<u>48,165,451</u>	
FTE	5.9	6.2	5.2	5.2	
Cash Funds	0	473,127	4,250,000	4,250,000	
Federal Funds	51,493,690	55,255,536	43,900,238	43,915,451	

*Line item contains a decision item.

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	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Appropriation	FY 2019-20 Request	Request vs. Appropriation
Supplemental Nutrition Assistance Program					
Administration	<u>1,564,542</u>	<u>1,410,621</u>	<u>1,787,420</u>	<u>2,713,756</u>	*
FTE	14.4	18.0	16.3	15.0	
General Fund	712,686	704,564	895,153	1,308,296	
Federal Funds	851,856	706,057	892,267	1,405,460	
Supplemental Nutrition Assistance Program State Staff					
Training	<u>24,920</u>	<u>24,960</u>	<u>25,000</u>	<u>25,000</u>	
General Fund	12,460	12,480	12,500	12,500	
Federal Funds	12,460	12,480	12,500	12,500	
Food Stamp Job Search Units - Program Costs	<u>5,249,519</u>	<u>4,859,327</u>	<u>2,086,335</u>	<u>2,095,757</u>	
FTE	3.1	1.9	6.2	6.2	
General Fund	188,194	186,889	188,622	189,409	
Cash Funds	209,382	0	411,132	413,436	
Federal Funds	4,851,943	4,672,438	1,486,581	1,492,912	
Food Stamp Job Search Units - Supportive Services	<u>261,448</u>	<u>209,160</u>	<u>261,452</u>	<u>261,452</u>	
General Fund	78,435	78,435	78,435	78,435	
Cash Funds	52,291	0	52,291	52,291	
Federal Funds	130,722	130,725	130,726	130,726	
Food Distribution Program	<u>1,104,430</u>	<u>1,091,688</u>	<u>1,094,949</u>	<u>611,012</u>	
FTE	6.5	4.1	6.5	6.5	
General Fund	43,429	39,833	547,848	48,970	
Cash Funds	101,243	202,645	255,990	263,930	
Federal Funds	959,758	849,210	291,111	298,112	

*Line item contains a decision item.

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	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Appropriation	FY 2019-20 Request	Request vs. Appropriation
Income Tax Offset	<u>3,075</u>	<u>3,883</u>	<u>4,128</u>	<u>4,128</u>	
General Fund	2,040	2,062	2,064	2,064	
Federal Funds	1,035	1,821	2,064	2,064	
Electronic Benefits Transfer Service	<u>2,610,434</u>	<u>1,728,452</u>	<u>3,738,587</u>	<u>3,760,925</u>	
FTE	6.6	6.6	7.0	7.0	
General Fund	990,219	1,004,329	1,007,925	1,013,437	
Cash Funds	802,136	23,902	999,803	1,007,061	
Federal Funds	818,079	700,221	1,730,859	1,740,427	
Refugee Assistance	<u>7,301,442</u>	<u>8,803,631</u>	<u>10,793,334</u>	<u>10,840,870</u>	*
FTE	4.6	4.5	10.0	10.0	
General Fund	0	0	0	0	
Federal Funds	7,301,442	8,803,631	10,793,334	10,840,870	
Systematic Alien Verification for Eligibility	<u>30,489</u>	<u>27,040</u>	<u>43,564</u>	<u>45,938</u>	
FTE	0.1	0.0	1.0	1.0	
General Fund	5,214	3,508	6,094	6,426	
Cash Funds	756	678	2,384	2,541	
Reappropriated Funds	20,311	17,225	26,882	28,307	
Federal Funds	4,208	5,629	8,204	8,664	
SUBTOTAL - (C) Special Purpose Welfare Programs	69,643,989	73,887,425	67,985,007	68,524,289	0.8%
FTE	<u>41.2</u>	<u>41.3</u>	<u>52.2</u>	<u>50.9</u>	(2.5%)
General Fund	2,032,677	2,032,100	2,738,641	2,659,537	(2.9%)
Cash Funds	1,165,808	700,352	5,971,600	5,989,259	0.3%
Reappropriated Funds	20,311	17,225	26,882	28,307	5.3%
Federal Funds	66,425,193	71,137,748	59,247,884	59,847,186	1.0%

*Line item contains a decision item.

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	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Appropriation	FY 2019-20 Request	Request vs. Appropriation
(D) Child Support Enforcement					
Automated Child Support Enforcement System	<u>7,973,064</u>	<u>7,919,093</u>	<u>9,129,791</u>	<u>9,350,646</u> *	
FTE	18.8	23.3	16.9	16.9	
General Fund	2,570,949	2,408,603	2,593,487	2,762,643	
Cash Funds	433,603	480,724	727,258	733,491	
Federal Funds	4,968,512	5,029,766	5,809,046	5,854,512	
Child Support Enforcement	<u>3,678,712</u>	<u>6,593,615</u>	<u>7,004,171</u>	<u>7,032,958</u>	
FTE	17.5	21.0	24.5	24.5	
General Fund	1,947,889	4,939,676	5,180,485	5,204,523	
Cash Funds	76,921	76,984	200,693	166,067	
Federal Funds	1,653,902	1,576,955	1,622,993	1,662,368	
SUBTOTAL - (D) Child Support Enforcement	11,651,776	14,512,708	16,133,962	16,383,604	1.5%
FTE	<u>36.3</u>	<u>44.3</u>	<u>41.4</u>	<u>41.4</u>	0.0%
General Fund	4,518,838	7,348,279	7,773,972	7,967,166	2.5%
Cash Funds	510,524	557,708	927,951	899,558	(3.1%)
Federal Funds	6,622,414	6,606,721	7,432,039	7,516,880	1.1%
(E) Disability Determination Services					
Program Costs	<u>20,158,612</u>	<u>21,826,811</u>	<u>18,239,686</u>	<u>18,581,301</u>	
FTE	124.2	109.3	121.7	121.7	
General Fund	0	0	0	0	
Federal Funds	20,158,612	21,826,811	18,239,686	18,581,301	
SUBTOTAL - (E) Disability Determination Services	20,158,612	21,826,811	18,239,686	18,581,301	1.9%
FTE	<u>124.2</u>	<u>109.3</u>	<u>121.7</u>	<u>121.7</u>	0.0%
General Fund	0	0	0	0	0.0%
Federal Funds	20,158,612	21,826,811	18,239,686	18,581,301	1.9%

*Line item contains a decision item.

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	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Appropriation	FY 2019-20 Request	Request vs. Appropriation
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(F) Indirect Cost Assessment

Indirect Cost Assessment	<u>0</u>	<u>16,408,807</u>	<u>16,421,036</u>	<u>18,425,795</u>	
General Fund	0	0	0	0	
Cash Funds	0	96,901	66,153	77,858	
Reappropriated Funds	0	2,358,668	2,328,738	2,700,240	
Federal Funds	0	13,953,238	14,026,145	15,647,697	

SUBTOTAL - (F) Indirect Cost Assessment	0	16,408,807	16,421,036	18,425,795	12.2%
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0%</u>
General Fund	0	0	0	0	0.0%
Cash Funds	0	96,901	66,153	77,858	17.7%
Reappropriated Funds	0	2,358,668	2,328,738	2,700,240	16.0%
Federal Funds	0	13,953,238	14,026,145	15,647,697	11.6%

TOTAL - (7) Office of Self Sufficiency	250,514,825	254,841,890	283,424,216	290,641,912	2.5%
<i>FTE</i>	<u>230.7</u>	<u>224.1</u>	<u>256.8</u>	<u>258.7</u>	<u>0.7%</u>
General Fund	9,267,485	11,966,485	13,314,989	13,588,895	2.1%
Cash Funds	24,941,033	2,509,558	30,542,138	30,730,651	0.6%
Reappropriated Funds	20,311	2,375,893	2,355,620	2,728,547	15.8%
Federal Funds	216,285,996	237,989,954	237,211,469	243,593,819	2.7%

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	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Appropriation	FY 2019-20 Request	Request vs. Appropriation
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(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

Administration	<u>947,920</u>	<u>976,501</u>	<u>1,046,226</u>	<u>1,095,714</u>	
FTE	9.3	9.0	11.0	11.0	
General Fund	849,966	864,231	930,817	973,381	
Cash Funds	97,954	112,270	115,409	122,333	
SUBTOTAL - (A) Administration	947,920	976,501	1,046,226	1,095,714	4.7%
FTE	<u>9.3</u>	<u>9.0</u>	<u>11.0</u>	<u>11.0</u>	0.0%
General Fund	849,966	864,231	930,817	973,381	4.6%
Cash Funds	97,954	112,270	115,409	122,333	6.0%

(B) Old Age Pension Program

Cash Assistance Programs	<u>80,897,480</u>	<u>74,794,610</u>	<u>97,874,518</u>	<u>101,173,541</u> *
General Fund	0	0	0	0
Cash Funds	80,897,480	74,794,610	97,874,518	101,173,541
Refunds	<u>790,132</u>	<u>588,362</u>	<u>588,362</u>	<u>588,362</u>
General Fund	0	0	0	0
Cash Funds	790,132	588,362	588,362	588,362

*Line item contains a decision item.

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	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Appropriation	FY 2019-20 Request	Request vs. Appropriation
Burial Reimbursements	<u>918,364</u>	<u>918,364</u>	<u>918,364</u>	<u>918,364</u>	
General Fund	0	0	0	0	
Cash Funds	918,364	918,364	918,364	918,364	
State Administration	<u>329,336</u>	<u>358,879</u>	<u>398,299</u>	<u>408,415</u>	
FTE	3.1	4.3	3.5	3.5	
General Fund	0	0	0	0	
Cash Funds	329,336	358,879	398,299	408,415	
County Administration	<u>3,176,795</u>	<u>3,744,568</u>	<u>2,566,974</u>	<u>2,566,974</u>	
General Fund	0	0	0	0	
Cash Funds	3,176,795	3,744,568	2,566,974	2,566,974	
SUBTOTAL - (B) Old Age Pension Program	86,112,107	80,404,783	102,346,517	105,655,656	3.2%
FTE	<u>3.1</u>	<u>4.3</u>	<u>3.5</u>	<u>3.5</u>	0.0%
General Fund	0	0	0	0	0.0%
Cash Funds	86,112,107	80,404,783	102,346,517	105,655,656	3.2%

(C) Other Grant Programs

Administration - Home Care Allowance SEP Contract	<u>1,063,259</u>	<u>1,062,666</u>	<u>1,063,259</u>	<u>1,063,259</u>	
General Fund	1,063,259	1,062,666	1,063,259	1,063,259	
Aid to the Needy Disabled Programs	<u>18,510,548</u>	<u>12,014,641</u>	<u>18,844,238</u>	<u>18,844,238</u>	
General Fund	12,554,065	11,677,645	12,554,065	12,554,065	
Cash Funds	5,956,483	336,996	6,290,173	6,290,173	

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	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Appropriation	FY 2019-20 Request	Request vs. Appropriation
Burial Reimbursements	<u>508,000</u>	<u>402,985</u>	<u>508,000</u>	<u>508,000</u>	
General Fund	402,985	402,985	402,985	402,985	
Cash Funds	105,015	0	105,015	105,015	
Home Care Allowance	<u>8,035,613</u>	<u>7,471,845</u>	<u>8,720,437</u>	<u>8,720,437</u>	
General Fund	7,533,649	7,471,845	8,218,473	8,218,473	
Cash Funds	501,964	0	501,964	501,964	
Home Care Allowance Grant Program	<u>687,583</u>	<u>513,047</u>	<u>695,107</u>	<u>695,107</u>	
General Fund	687,583	513,047	695,107	695,107	
SSI Stabilization Fund Programs	<u>58</u>	<u>42</u>	<u>1,000,000</u>	<u>1,000,000</u>	
General Fund	0	0	0	0	
Cash Funds	58	42	1,000,000	1,000,000	
Aid to the Needy Disabled Federal Supplemental Security					
Income Application Pilot Program	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	0	0	0	0	
Adult Foster Care	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	0	0	0	0	
SUBTOTAL - (C) Other Grant Programs	28,805,061	21,465,226	30,831,041	30,831,041	0.0%
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	0.0%
General Fund	22,241,541	21,128,188	22,933,889	22,933,889	0.0%
Cash Funds	6,563,520	337,038	7,897,152	7,897,152	0.0%

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	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Appropriation	FY 2019-20 Request	Request vs. Appropriation
(D) Community Services for the Elderly					
Administration	<u>616,397</u>	<u>509,941</u>	<u>728,413</u>	<u>750,716</u>	
FTE	5.1	4.9	7.0	7.0	
General Fund	165,308	129,197	182,104	187,603	
Federal Funds	451,089	380,744	546,309	563,113	
Colorado Commission on Aging	<u>80,538</u>	<u>82,204</u>	<u>83,644</u>	<u>85,874</u>	
FTE	0.8	1.0	1.0	1.0	
General Fund	19,980	20,552	20,912	21,463	
Federal Funds	60,558	61,652	62,732	64,411	
Senior Community Services Employment	<u>854,072</u>	<u>784,706</u>	<u>857,730</u>	<u>859,064</u>	
FTE	0.5	0.3	0.5	0.5	
Federal Funds	854,072	784,706	857,730	859,064	
Older Americans Act Programs	<u>16,022,585</u>	<u>13,292,689</u>	<u>17,574,052</u>	<u>17,574,052</u>	
General Fund	723,189	744,648	765,125	765,125	
Cash Funds	3,040,079	40,000	3,079,710	3,079,710	
Federal Funds	12,259,317	12,508,041	13,729,217	13,729,217	
National Family Caregiver Support Program	<u>2,307,472</u>	<u>1,717,057</u>	<u>2,173,936</u>	<u>2,173,936</u>	
General Fund	142,041	142,041	142,041	142,041	
Cash Funds	423,805	0	423,805	423,805	
Federal Funds	1,741,626	1,575,016	1,608,090	1,608,090	

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	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Appropriation	FY 2019-20 Request	Request vs. Appropriation
State Ombudsman Program	<u>406,765 1.0</u>	<u>525,544</u>	<u>760,320 1.0</u>	<u>760,320 1.0</u>	
General Fund	186,898	261,532	426,898	426,898	
Cash Funds	59,734	140,180	173,289	173,289	
Reappropriated Funds	1,800	1,800	1,800	1,800	
Federal Funds	158,333	122,032	158,333	158,333	
State Funding for Senior Services	<u>22,716,518</u>	<u>21,311,272</u>	<u>25,811,622</u>	<u>25,811,622</u>	
General Fund	11,303,870	11,303,870	14,803,870	14,803,870	
Cash Funds	11,412,648	10,007,402	10,007,752	10,007,752	
Reappropriated Funds	0	0	1,000,000	1,000,000	
Area Agencies on Aging Administration	<u>1,610,447</u>	<u>1,274,843</u>	<u>1,375,384</u>	<u>1,375,384</u>	
General Fund	0	0	0	0	
Federal Funds	1,610,447	1,274,843	1,375,384	1,375,384	
Respite Services	<u>422,410</u>	<u>372,000</u>	<u>461,047</u>	<u>453,085</u>	
General Fund	403,410	350,000	412,677	404,715	
Cash Funds	19,000	22,000	48,370	48,370	
Senior Services Data Evaluation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	0	0	0	0	
SUBTOTAL - (D) Community Services for the Elderly	45,037,204	39,870,256	49,826,148	49,844,053	0.0%
<i>FTE</i>	7.4	6.2	9.5	9.5	0.0%
General Fund	12,944,696	12,951,840	16,753,627	16,751,715	(0.0%)
Cash Funds	14,955,266	10,209,582	13,732,926	13,732,926	0.0%
Reappropriated Funds	1,800	1,800	1,001,800	1,001,800	0.0%
Federal Funds	17,135,442	16,707,034	18,337,795	18,357,612	0.1%

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	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Appropriation	FY 2019-20 Request	Request vs. Appropriation
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(E) Adult Protective Services

State Administration	<u>672,437</u>	<u>857,980</u>	<u>823,637</u>	<u>1,022,188</u> *	
FTE	5.9	5.9	6.5	8.3	
General Fund	672,437	857,980	794,137	992,688	
Cash Funds	0	0	29,500	29,500	
Adult Protective Services	<u>16,584,977</u>	<u>13,654,173</u>	<u>18,358,658</u>	<u>18,357,269</u> *	
General Fund	10,936,306	11,584,533	12,597,648	12,538,493	
Cash Funds	3,607,642	0	3,670,674	3,707,480	
Federal Funds	2,041,029	2,069,640	2,090,336	2,111,296	

SUBTOTAL - (E) Adult Protective Services	17,257,414	14,512,153	19,182,295	19,379,457	1.0%
FTE	<u>5.9</u>	<u>5.9</u>	<u>6.5</u>	<u>8.3</u>	<u>27.7%</u>
General Fund	11,608,743	12,442,513	13,391,785	13,531,181	1.0%
Cash Funds	3,607,642	0	3,700,174	3,736,980	1.0%
Federal Funds	2,041,029	2,069,640	2,090,336	2,111,296	1.0%

(F) Indirect Cost Assessment

Indirect Cost Assessment	<u>0</u>	<u>144,216</u>	<u>291,520</u>	<u>307,110</u>	
Cash Funds	0	10,132	149,888	149,890	
Federal Funds	0	134,084	141,632	157,220	

SUBTOTAL - (F) Indirect Cost Assessment	0	144,216	291,520	307,110	5.3%
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0%</u>
Cash Funds	0	10,132	149,888	149,890	0.0%
Federal Funds	0	134,084	141,632	157,220	11.0%

*Line item contains a decision item.

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	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Appropriation	FY 2019-20 Request	Request vs. Appropriation
TOTAL - (10) Adult Assistance Programs	178,159,706	157,373,135	203,523,747	207,113,031	1.8%
<i>FTE</i>	<u>25.7</u>	<u>25.4</u>	<u>30.5</u>	<u>32.3</u>	<u>5.9%</u>
General Fund	47,644,946	47,386,772	54,010,118	54,190,166	0.3%
Cash Funds	111,336,489	91,073,805	127,942,066	131,294,937	2.6%
Reappropriated Funds	1,800	1,800	1,001,800	1,001,800	0.0%
Federal Funds	19,176,471	18,910,758	20,569,763	20,626,128	0.3%
TOTAL - Department of Human Services	691,418,904	685,226,092	827,102,956	839,812,055	1.5%
<i>FTE</i>	<u>334.7</u>	<u>345.1</u>	<u>377.2</u>	<u>380.9</u>	<u>1.0%</u>
General Fund	143,420,227	163,912,815	184,963,460	185,007,249	0.0%
Cash Funds	200,721,645	130,556,432	227,895,563	231,972,270	1.8%
Reappropriated Funds	3,561,439	2,377,693	11,325,442	11,698,369	3.3%
Federal Funds	343,715,593	388,379,152	402,918,491	411,134,167	2.0%

APPENDIX B

RECENT LEGISLATION AFFECTING DEPARTMENT BUDGET

2017 SESSION BILLS

S.B. 17-028 (HEALTHY FAMILIES AND MILITARY PREPAREDNESS ACT): Requires the Department of Human Services and county departments of human or social services to provide notice and to collect and share information with the command authority of national military installations regarding any report received of known or suspected instances of child abuse or neglect in which the person having custody or control of the child is a member of the armed forces, a spouse, or a significant other or family member residing in the home of the member of the armed forces assigned to that military installation. Appropriates \$12,960 General Fund to the Department and transfers this money to the Governor's Office of Information Technology for FY 2017-18 for computer programming services.

S.B. 17-163 (SUPPLEMENTAL BILL): Modifies FY 2016-17 appropriations to the Department.

S.B. 17-254 (LONG BILL): General appropriations act for FY 2017-18. Includes provisions modifying FY 2016-17 appropriations to the Department.

S.B. 17-292 (CO WORKS EMPLOYMENT OPPORTUNITIES WITH WAGES): Creates the Employment Opportunities with Wages Program to assist individuals receiving public assistance through the state's implementation of the federal Temporary Assistance for Needy Families (TANF) program, known as Colorado Works, in attaining living-wage, permanent jobs. Appropriates \$4.0 million federal funds from the state's TANF reserve for the costs associated with implementing the Employment Opportunities with Wages Program.

H.B. 17-1045 (EXTEND HOME CARE ALLOWANCE GRANT PROGRAM): Continues the Home Care Assistance (HCA) Grant Program for an indefinite period of time until the State has established a consumer-directed support service delivery option for providing homemaker, personal care, and medical support services for individuals who are receiving home- and community-based services (HCBS) on the Supported Living Services (SLS) waiver program under Medicaid. Transfers \$695,107 General Fund from the HCA line item in the Department to the HCA Grant Program line item in the Department in FY 2017-18.

H.B. 17-1264 (PACE OMBUDSMAN PROGRAM ADD LOCAL OMBUDSMEN): Adds a local Program of All-Inclusive Care for the Elderly (PACE) ombudsmen to the State Ombudsman's office, and outlines provisions related the training and authority of the local PACE ombudsmen. Appropriates \$75,000 General Fund to the Department for FY 2017-18 to add one local ombudsman position.

H.B. 17-1284 (DATA SYSTEM CHECK FOR EMPLOYEES SERVING AT-RISK ADULTS): Requires certain employers to conduct a records check of the Colorado Adult Protective Services (CAPS) data system for prospective employees to determine if a prospective employee who will work directly with at-risk adults is the subject of a substantiated report of adult abuse or neglect. Appropriates \$428,779 General Fund to the Department for FY 2017-18 to make several changes to the CAPS system, hire

a compliance investigator to initially develop appeals process procedures and then receive appeals from persons facing a substantiated allegation of adult abuse or neglect, provide training to staff on the new policy, and promulgate rules. Of this amount, \$42,773 is transferred to the Department of Law to assist with rules promulgation. In addition, states the assumption that the Department will require an additional 0.4 FTE.

2018 SESSION BILLS

S.B. 18-191 (LOCAL GOVERNMENT LIMITED GAMING IMPACT FUND): Requires in FY 2018-19 and FY 2019-20 that \$50,000 of the amount allocated to the Gambling Addiction Account within the Local Government Limited Gaming Impact Fund be appropriated to the Department to develop a plan for a successful gambling addiction program. Eliminates the \$100,000 cash funds appropriation to the Department from the Gambling Addiction Account for FY 2018-19 for gambling addiction services, and appropriates \$50,000 for the development of the plan. For additional information, see the "Recent Legislation" section at the end of Part III for the Department of Local Affairs.

S.B. 18-207 (DHS INDIRECT COST ASSESSMENT FROM CASH FUNDS): Authorizes the Department to retain money for its indirect costs, based on a federally approved cost allocation plan, from the Older Coloradans Cash Fund and the Nurse Home Visitor Program Fund.

S.B. 18-249 (MENTAL HEALTH CRIMINAL JUSTICE DIVERSION GRANT PROGRAM): Establishes within the Judicial Department's Office of the State Court Administrator the Mental Health Criminal Justice Diversion Grant Program to support up to four pre-plea local-level mental health pilot programs that will divert individuals with mental health conditions who have been charged with low-level criminal offenses into community treatment programs. Appropriates \$750,000 General Fund to the Judicial Department for FY 2018-19, and states the assumption that the Department will require an additional 0.9 FTE.

H.B. 18-1064 (TRAINING PROGRAM FOR PREVENTION OF CHILD SEXUAL ABUSE): Allows funds from the Colorado Children's Trust Fund to be used to develop, promote, maintain, and monitor a research-based child sexual abuse prevention training model. Expands current training to include all persons who interact with young children, including parents, childcare providers, teachers, and any other mandatory reporter. Appropriates \$158,374 to the Department for FY 2018-19.

H.B. 18-1079 (WORKS ALLOCATION COMMITTEE AND USE OF COLORADO LONG-TERM WORKS RESERVE): No later than August 31, 2018, and no later than June 30 each year after the Works Allocation Committee shall submit to the Executive Director, the Governor, and the Joint Budget Committee recommendations for the use of the reserve for the upcoming year. The recommendations shall consider the expected reserve levels, and the Colorado Works Program (TANF) needs over the next three years.

H.B. 18-1094 (CHILDREN AND YOUTH MENTAL HEALTH TREATMENT ACT): Indefinitely extends the Child Mental Health Treatment Act, which provides mental health treatment services for children and youth at risk of out-of-home placement. Renames and modifies the program, including expanding eligibility and the availability of services statewide. Appropriates \$1,286,611 General Fund to the Department's Office of Behavioral Health (OBH) for FY 2018-19, and states the assumption that OBH will require an additional 0.5 FTE.

H.B. 18-1136 (EXPAND MEDICAID BENEFIT FOR SUBSTANCE USE DISORDER): Adds residential and inpatient substance use disorder treatment and medical detoxification services as a benefit under the Colorado Medicaid Program, conditional upon federal approval. If the new benefit is enacted, requires Managed Service Organizations (MSOs) to determine to what extent money allocated from the Marijuana Tax Cash Fund may be used to assist in providing substance use disorder services if those services are not otherwise covered by private or public insurance. Appropriates a total of \$236,827 to the Department of Health Care Policy and Financing (HCPF) for FY 2018-19 (including \$155,193 General Fund and \$81,634 cash funds from the Healthcare Affordability and Sustainability Fee Cash Fund), and states the assumption that HCPF will receive \$236,828 federal funds for FY 2018-19.

H.B. 18-1162 (SUPPLEMENTAL BILL): Modifies FY 2017-18 appropriations to the Department.

H.B. 18-1172 (MONEY ALLOCATED TO MANAGED SERVICE ORGANIZATIONS): Clarifies that an MSO may use money allocated to it from the MTCF for substance use disorder services and for any start-up costs or other expenses necessary to increase capacity to provide such services. Permits an MSO to spend an allocation over two state fiscal years. Modifies related reporting requirements.

H.B. 18-1306 (IMPROVING EDUCATIONAL STABILITY FOR FOSTER YOUTH): Aligns state law with federal "Every Student Succeeds Act" (ESSA) provisions relating to students in foster care, referred to in state statutes as "students in out-of-home placement". ESSA permits students in out-of-home placement at any time during the school year to remain in their school of origin, as defined in the act, rather than move to a different school upon placement outside of the home or change in placement, unless the county department of human or social services or juvenile court determines that it is not in the child's best interest to remain in his or her school of origin. Appropriates \$2,817,327 total funds, including \$2,267,261 federal Temporary Assistance to Needy Families funds, to the Department of Human Services for FY 2018-19 and states the assumption that the Department will require an additional 0.9 FTE.

H.B. 18-1319 (SERVICES TO ENSURE A SUCCESSFUL ADULTHOOD FOR FORMER FOSTER CARE YOUTH): Allows county departments of human or social services to extend the provision of certain services for a successful adulthood to foster care youth between the ages of 18 and 21 who have exited the foster care system (former foster care youth), including assistance with employment, housing, education, financial management, mental health care, and substance abuse treatment (services for a successful adulthood). Tasks the state Department of Human Services with establishing a former foster care youth steering committee to develop recommendations for an implementation plan that supports the long-term provision of services for a successful adulthood for former foster care youth. Appropriates \$30,000 General Fund to the Department for FY 2018-19 for administration of the program.

H.B. 18-1322 (LONG BILL): General appropriations act for FY 2018-19. Includes provisions modifying FY 2017-18 appropriations to the Department.

H.B. 18-1323 (PAY FOR SUCCESS CONTRACTS PILOT PROGRAM FUNDING): Transfers specified amounts from the General Fund and the Marijuana Tax Cash Fund (MTCF) to the Office of State Planning and Budgeting (OSPB) Youth Pay for Success Initiatives Account within the Pay for Success Contracts Fund for FY 2018-19 through FY 2021-22. Authorizes OSPB to spend this money for three

specified Pay for Success contracts for pilot programs designed to reduce juvenile involvement in the justice system, reduce out-of-home placements of juveniles, and improve on-time high school graduation rates. Authorizes the Department of Human Services to spend any money appropriated to it from the Account for expenses related to the administration of any pay for success contract, and appropriates \$52,511 reappropriated funds to the Department for FY 2018-19 and states the assumption that the Department will require an additional 0.5 FTE. Has a General Fund impact of \$401,314 for FY 2018-19 and a total General Fund impact of \$1.9 million between FY 2018-19 and FY 2021-22. Additionally, has a MTCF impact of \$989,470 for FY 2018-19 and a total MTCF impact of \$4.4 million between FY 2018-19 and FY 2021-22. For additional information, see the "Recent Legislation" section at the end of Part III for the Office of the Governor.

H.B. 18-1328 (REDESIGN RESIDENTIAL CHILD HEALTH CARE WAIVER): Directs the Department of Health Care Policy and Financing (HCPF) to initiate a stakeholder process for purposes of preparing and submitting a redesigned Children's Habilitation Residential Program (CHRP) waiver for federal approval that allows for home- and community-based services for children with intellectual and developmental disabilities who have complex behavioral support needs. HCPF may also request federal authorization to change the agency designated to administer and operate the program from the Department of Human Services to HCPF. Includes language creating the redesigned program, relocates the program in statute, and makes conforming changes in statute to reflect the new location of the program. The new program will become effective once federal approval has been granted for the redesigned CHRP waiver. Reduces the appropriation to the Department of Human Services by \$2,685,176 Medicaid reappropriated funds and 1.0 FTE in FY 2018-19.

H.B. 18-1333 (PART C CHILD FIND RESPONSIBILITIES OF CDE & DHS): Requires the Department of Education and the Department of Human Services to enter into an intergovernmental agreement concerning evaluations for services under the Child Find Program. The departments must enter into the agreement by October 1, 2018, and report to the Joint Budget Committee on the agreement by November 1, 2018. By June 30, 2019, the departments must report on the results and recommendations of the study conducted under the agreement. The bill defines "early intervention evaluation" in statute. The bill requires a \$15,000 General Fund appropriation to the Department of Human Services for FY 2018-19.

H.B. 18-1334 (EXTEND TRANSITIONAL JOBS PROGRAM): Extends the Department's transitional jobs program, known as ReHire Colorado, for an additional five years through June 30, 2024. ReHire Colorado, created via H.B. 13-1004 (Colorado Careers Act of 2013) and reauthorized via H.B. 14-1015 (Extend Transitional Jobs Program) and H.B. 16-1290 (Extend Transitional Jobs Program), subsidizes the wages of unemployed and under-employed adults to provide opportunities to learn and practice successful workplace behaviors that help in securing long-term unsubsidized employment. The priority for program participation is given to individuals who are non-custodial parents, veterans, and/or displaced workers that are 50 years of age or older. Appropriates \$1,278,751 General Fund and 1.0 FTE to the Department for FY 2018-19.

H.B. 18-1335 CHILD CARE ASSISTANCE PROGRAM MARKET RATE STUDY: This bill makes several changes to the method for distributing block grants to counties in the Colorado Child Care Assistance Program (CCCAP) in the Department of Human Services (DHS). First, it requires that the DHS contract for a market rate survey of provider rates each year, rather than every two years as under current law, and provide the report to the Joint Budget Committee by January 2, 2019, and each January 2 thereafter. Based on the market rate survey, the bill specifies block grant funding be allocated

to counties based on a new formula using the provider rate multiplied by the estimated total number of children eligible to participate in CCCAP in that county. The DHS may adjust the county allocations based on various factors specified in the bill and adopted in rule.

H.B. 18-1339 (BACKGROUND CHECKS EMPLOYEES WITH ACCESS TO FEDERAL TAX INFORMATION): Requires each applicant, state employee, state contractor, or other individual who has or may have access through a state agency to federal tax information received from the federal government to submit to a fingerprint-based criminal history records check. Specifies that a state agency that shares such federal tax information with a county may authorize and require the county department applicants, employees, contractors, or other individuals to submit to a fingerprint-based criminal history records check. Requires a state agency to deny access to federal tax information received from the federal government to any individual who does not pass the fingerprint-based criminal history record check. Provides FY 2018-19 appropriations to multiple departments for associated costs, including \$36,630 General Fund to the Department of Human Services. For additional information, see the “Recent Legislation” section at the end of Part III for the Department of Revenue.

H.B. 18-1357 (OMBUDSMAN FOR BEHAVIORAL HEALTH ACCESS TO CARE): Creates in the Department the independent Office of the Ombudsman for Behavioral Health Access to Care (Ombudsman) to serve as a neutral party to help consumers and health care providers navigate and resolve issues related to consumer access to behavioral health care. Requires the State Commissioner of Insurance to submit an annual report to the General Assembly concerning insurance carrier compliance with behavioral health coverage parity requirements. Appropriates \$85,695 General Fund to the Department of Human Services and \$8,355 cash funds from the Division of Insurance Cash Fund to the Department of Regulatory Agencies for FY 2018-19, and states the assumption that the departments will require an additional 0.9 FTE and 0.1 FTE, respectively.

H.B. 18-1363 (RECOMMENDATIONS OF CHILD SUPPORT COMMISSION): Implements several recommendations from the Child Support Commission, including requiring insurance companies to participate in the Child Support Lien Network, and gives the Department the authority to recover fees attached to liens on insurance claims, payments, awards, and settlements and spend this revenue on costs related to participating in the Child Support Lien Network. Recovered costs are credited to the Child Support Insurance Lien Fund. Appropriates \$122,996 from the Fund to the Department for FY 2018-19 to pay for the State's participation in the Network.

H.B. 18-1364 (SUNSET COLORADO COUNCIL PERSONS WITH DISABILITIES): Continues the Colorado Advisory Council for Persons with Disabilities and transfers it from the Office of the Governor to the Department of Human Services, changes its membership, and redefines its duties. Appropriates \$250,000 General Fund to the Department for FY 2018-19 and states the assumption that the Department will require an additional 1.0 FTE.

APPENDIX C

FOOTNOTES AND INFORMATION REQUESTS

UPDATE ON LONG BILL FOOTNOTES

- 36 **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 2018-19 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.

- 37 **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, be distributed to counties, as described in Sections 26-13-108 and 26-2-108, 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 2018-19 to express legislative intent with respect to the use of the State share of child support enforcement recoveries.

- 40 **Department of Human Services, Office of Early Childhood, Division of Early Care and Learning, Early Childhood Councils** -- It is the General Assembly's intent that these funds be allocated to existing Early Childhood Councils.

COMMENT: This footnote was added in FY 2018-19 to express legislative intent. The department has stated these funds have been allocated to existing Early Childhood Councils.

- 41 **Department of Human Services, Office of Early Childhood, Division of Community and Family Support, Early Childhood Mental Health Services** -- It is the General Assembly's intent that this appropriation be used for the purpose of supporting early childhood mental health specialists in each community mental health center.

COMMENT: This footnote was included for FY 2018-19 to express legislative intent. The Department has stated these funds have been used for the purpose of supporting early childhood mental health specialists in community mental health centers and other community-based locations. State procurement law requires that the services be acquired through a competitive process. However, the Department conducts targeted outreach to each of the community mental health centers to encourage their participation in the procurement process.

- 42 **Department of Human Services, Office of Early Childhood, Division of Community and Family Support, Early Intervention Services** -- It is the General Assembly's intent that \$1,000,000 General Fund of this appropriation be used for reimbursement to the Community Centered Boards for expenses incurred in FY 2016-17.

COMMENT: The Department has stated that these funds have been used for the purpose of reimbursing Community Centered Boards for expenses incurred in FY 2016-17 that were not previously reimbursed.

- 43 **Department of Human Services, Office of Early Childhood, Division of Community and Family Support, Community Based Child Abuse Prevention Services** --This appropriation assumes that the Department will receive grant funding from a foundation for the Community Response Expansion, for the 2018-19 fiscal year and is made subject to the condition that the Department receives the grant funding.

COMMENT: This footnote was added for FY 2018-19.

- 44 **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 included for FY 2017-18 as a result of the addition of a line item for FY 2016-17 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 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.

- 45 **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 2018-19 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.

- 46 **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 2018-19 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.

- 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 2018-19 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 2017-18 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.

- 48 **Department of Human Services, Office of Self Sufficiency, Special Purpose Welfare Programs, Food Distribution Program** -- Of this amount, it is the General Assembly's intent that \$500,000 General Fund go to a Colorado-based community foundation as part of the department's responsibilities under Section 26-1-121, C.R.S., to distribute funds to requesting food pantries and food banks, not to exceed \$50,000 per entity per year, such funds to be used for the purchase of Colorado grown foods that meet the Colorado Proud definition and any associated costs, such as transportation and cold storage. This amount is calculated based on the assumption that the Colorado-based community foundation will receive up to

5.0 percent of the total allocation for costs associated with program administration and that entities receiving funds will use no more than 10.0 percent of these funds for indirect costs associated with the purchase of Colorado grown foods including, but not limited to, transportation, refrigeration, and storage.

COMMENT: This footnote was added in FY 2018-19 to reflect legislative intent.

- 55 **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 2018-19 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.

- 56 **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 2018-19 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

REQUESTS FOR MULTIPLE DEPARTMENTS

- 7 **Department of Human Services, Department of Education** -- The Departments are requested to submit on or before November 1, 2018 a report to the Joint Budget Committee concerning the agreement between the two Departments on the Part C Child Find program including: the process used, the outcomes of the process, the Department's interpretation on how the process progressed, and the anticipated outcome of the process.

COMMENT: On October 1, 2018, the Department of Human Services and the Department of Education submitted a joint response to the Legislature's Request for Information (RFI). See below.

Colorado Department of Human Services and Department of Education response to Request for Information #7 (Multi RFI #7) concerning the status of the agreement between the two Departments on the Part C Child Find Program.

Introduction

House Bill 18-1333 required the Colorado Department of Human Services (CDHS) and the Colorado Department of Education (CDE) to enter into an interagency agreement to study the administration of Early Intervention (EI) evaluations by October 1, 2018. The legislation specified that the interagency agreement should include a process for studying eleven aspects related to conducting EI evaluations, such as establishing clear lines of responsibility and accountability, how funding should be allocated between the two departments, and evaluation timelines and tools. Ultimately, the goal of the interagency agreement is for the Departments' study of the identified aspects to produce recommendations to the Legislature by June 30, 2019 regarding the administration of EI evaluations.

A. The Departments' Process

The Departments conducted an intensive and thoughtful process for developing their interagency agreement. Beginning August 1, 2018, a group of select staff from the CDHS and the CDE met regularly to create a scope for the agreement, draft the agreement itself, and finalize the details in time for the October 1 submission. Items not able to be completed during the designated work group meetings were addressed as needed on an individual basis. The members included Department staff with subject matter expertise in the administration of Early Intervention evaluations, leadership from the CDE's Student Learning Division and the CDHS' Office of Early Childhood, and the Joint Budget Committee analyst assigned to the Office of Early Childhood. External facilitation for this ad hoc work group was provided by Equinox Consultancy, LLC.

B. Outcomes of the Process

As a result of this process, the CDHS and the CDE have developed and submitted an interagency agreement that encompasses the items described in H.B. 18-1333. The RFI and the completed interagency agreement were submitted simultaneously.

C. How the Process Progressed and the Departments' Interpretation of the Process

The process used by the CDHS and the CDE to develop the interagency agreement was one rooted in collaboration, reflection, and open communication. With the assistance of the external facilitator, the Departments established a shared understanding of work group norms early in the process, which included joint decision making using consensus, incorporating the perspectives of stakeholders not in the room, and a commitment to the timely joint development of an interagency agreement. Throughout the process, the group prioritized the development of joint communications with stakeholders, including regular email messages and a CDE/CDHS informational webinar. The Departments experienced a smooth, efficient, positive collaboration that resulted in completing the interagency agreement on time and through consensus.

D. Anticipated Outcome

The Departments are committed to executing the terms of the interagency agreement over the course of the study period. Between October 1, 2018 and spring of 2019, the Departments' primary focus will be to implement the study of EI evaluations required under HB18-1333, synthesize and analyze the information gathered during this period, and communicate the progress of the study with stakeholders. Collaboration between the CDHS and the CDE will be ongoing to ensure that both Departments adhere to the requirements outlined in HB18-1333. The CDHS and the CDE are committed to developing joint recommendations to the Legislature regarding the administration of EI evaluations, which will be submitted by the June 2019 due date. The long-term intended outcome of the interagency agreement is to improve outcomes for families receiving EI evaluations and to promote systems improvements in the future.

- 8 **Department of Human Services, Department of Education** -- The Departments are requested to submit on or before June 1, 2019 a report to the Joint Budget Committee concerning the breakdown of the costs of Part C Child Find evaluations, including the cost per evaluator, cost per evaluation, cost per geographic area, and cost by expertise for each evaluation.

COMMENT: Staff anticipates receiving this report from the Department(s) on or before the June 1, 2019 due date.

- 9 **Department of Regulatory Agencies, Public Utilities Commission; Department of Human Services, Executive Director's Office, Special Purpose; Department of Human Services, Office of Early Childhood, Division of Early Care and learning** – The Departments are requested to submit a quarterly report beginning September 1, 2018 on the status of translation

services for the deaf and hard of hearing. The report should include information on expenditures, cash fund balance for the Telephone Users with Disabilities Fund, locations of translation services, number of individuals served, category of services (doctor's office, school, etc.), county location of individuals requesting service, and the amount of time between request for translations services and the provision of those services.

REQUESTS FOR THE DEPARTMENT OF HUMAN SERVICES

- 10 **Department of Human Services, Office of Early Childhood, Early Intervention Services** – The Department is requested to submit annually, on or before January 1, a report to the Joint Budget Committee concerning caseload growth for early intervention services. The requested report should include the following information: (a) the total number of early intervention services performed compared to the projected amount of early intervention services; (b) the amount of funds expended in the fiscal year from July 1 through the time period when the report is created compared to the projected spending; and (c) the amount of any expected gaps between the appropriation in the long bill and actual expenditures.

COMMENT: Staff expects this report to be received on or before January 1, 2019.

- 11 **Department of Human Services, Office of Early Childhood, Child Care Assistance Program** – The Department is requested to submit annually, on or before January 1, a report to the Joint Budget Committee concerning costs for the Colorado Child Care Assistance Program. The requested report should include the following information: (a) the changes in direct services costs from the prior year due to inflation; (b) changes in direct services costs from the prior year due to quality; and (c) changes in cost due to changes to continuity from the previous year.

COMMENT: Staff expects this report to be received on or before January 1, 2019.

- 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 on November 1, 2018.

ANALYSIS OF TANF LONG-TERM RESERVE			
	FY 2016-17 ACTUALS	FY 2017-18 APPROPRIATION	FY 2018-19 REQUEST
TANF FUNDS AVAILABLE TO APPROPRIATE			
Prior Grant Year Funds Available (as of June 30)	\$40,366,426	\$53,318,649	\$40,297,162
State Family Assistance Grant	135,607,703	135,607,703	136,056,690
Contingency Fund awarded	<u>14,400,411</u>	<u>0</u>	<u>0</u>
TOTAL	\$190,374,540	\$188,926,352	\$176,353,852
TANF SPENDING/APPROPRIATIONS			
Indirects	\$4,419,804	\$5,942,123	\$5,942,123
Colorado Benefits Management System	4,373,786	4,373,786	4,373,786
Child Welfare Services Refinance (S.B. 16-190)	550,000	0	0
Colorado Works Program - Administration	1,791,637	1,618,865	1,618,865
County Block Grants	130,198,357	128,198,357	128,198,357
County Training	377,596	382,397	382,397
Domestic Abuse Program	629,677	629,677	629,677
Works Program Evaluation	490,516	495,440	495,440
Workforce Development Council	76,211	76,211	76,211
Refugee Assistance	2,705,334	2,705,334	2,705,334
Electronic Benefits Transfer Service	204,679	204,679	204,679
Systematic Alien Verification for Eligibility	2,321	2,321	2,321
Employment Opportunities with Wages (S.B. 17-292)	0	4,000,000	4,000,000
FY 2018-19 Decision Items	<u>0</u>	<u>0</u>	<u>3,164,163</u>
TOTAL	\$145,819,917	\$148,629,190	\$151,793,353
Proposed Target TANF Long-Term Reserve Balance	\$53,318,649	\$40,297,162	\$24,560,499

TANF MAINTENANCE OF EFFORT			
SOURCE OF FUNDS	FFY 2017 ACTUALS	FFY 2018 FORECAST	FFY 2019 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	\$3,149,370	\$3,149,370
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
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	\$72,000,000	\$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	\$15,000,000	\$14,000,000	\$14,000,000
ReHire	\$250,000	\$200,000	\$100,000
TOTAL	\$241,406,050	\$226,516,899	\$226,416,899
Base MOE Requirement	\$88,395,624	\$88,395,624	\$88,395,624
Surplus/(Deficit)	\$153,010,426	\$138,121,275	\$138,021,275

- 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: On November 1, 2018, the Department reported that it received \$20,457,353 federal Older Americans Act Program funds for federal FY 2017-18. The money received was matched with \$1,289,411 State funds and \$3,077,683 local and in-kind funds. The report states that “no State funding was used to draw down federal dollars” in the Older Americans Act Programs line item in the prior actual fiscal year to comply with federal match requirements.

- 9 **Department of Human Services, Adult Assistance Programs** -- The Department is requested to submit a plan to the Joint Budget Committee on or before November 1, 2018 that provides a standard definition of “waiting list” that can be applied to each service provided by the state’s Area Agencies on Aging and how this waiting list data can be collected and reported in a uniform, statewide manner on an annual basis to the Joint Budget Committee. Additionally, the plan should include the Department’s strategy for combining standardized waiting list data with cost per unit of service data such that the cost to eliminate waiting lists for services provided to older adults can be calculated in its entirety or on a service-by-service basis. The response should include additional resources, if any, required to implement the proposed solutions included in the plan.

COMMENT: On November 1, 2018, the Department provided the following report.

Department Response to RFI #9

1. Provide a plan for a standard definition of “waitlist” that can be applied to each service provided by the AAAs.

The Department has updated the waitlist policy in the Area Agency on Aging (AAA) Policy & Procedure Manual. The updated policy became effective September 1, 2018. The Department will pilot the policy between September and December 2018 and make any changes necessary to ensure a consistent approach to maintain waitlists is implemented by all AAAs beginning January 1, 2019.

The revised policy requires AAAs to collect and provide the Department data on a monthly basis for older adults in two categories: “waitlist” and “services unavailable”. The waitlist consists of individuals who are waiting for a service that the AAA offers, but the AAA does not have the resources or capacity to provide the service at that time. In those cases, the AAA should put the individual on a waitlist so they can receive the service when funding or a space becomes available. The services unavailable category consists of persons the AAA is unable to serve due to other reasons, such as in a case where an older adult needs a ride to their doctor on a certain date but there is not a driver available at that time. In that situation, it would not be beneficial to the person to put them on a waitlist because the service will not become available. However, it will still be valuable to collect data on individuals the AAAs are unable to serve because the service is not available.

2. How will this waitlist data be collected and reported in a uniform, statewide manner on an annual basis to the Joint Budget Committee? The plan should also include the Department’s strategy for combining standardized waitlist data with cost per unit of service data such that the cost to eliminate waitlists for services provided to older adults can be calculated in its entirety or on a service-by-service basis.

The AAAs will collect waitlist data each month from their contracted service providers. The AAAs will validate the data, maintain supporting documentation, and submit the information to the Department using the statewide data system, the Colorado Budget

Reimbursement & Expenditure System, or CBRES, on a monthly basis. The Department will review the AAAs' methodology for collecting waitlist data annually during each AAA's annual monitoring review to ensure the information is tracked consistently by all AAAs.

In order to identify the total cost statewide to eliminate the waitlist for each service type, the Department will calculate the cost to eliminate the waitlist by service type for each AAA individually and aggregate the results. The aggregate results will be presented to the Joint Budget Committee by November 1st each year.

Specifically, at the end of each state fiscal year, the Department will determine the cost per unit for each service type for each AAA region. The Department will also identify the average number of each type of service provided to older adults per year in each AAA region. For each service type in each AAA region, the Department will then multiply the average number of individuals on the waitlist per month by the average number of units of service received per year by the cost per unit to identify a cost per service to eliminate the waitlist for each AAA. Finally, the Department will total these costs for the AAAs to identify the statewide cost to eliminate the waitlist. The following is a sample table that the Department will complete for each AAA. The Department will aggregate the results for all 16 AAAs and report the total cost to the Joint Budget Committee each November.

Area Agencies on Aging Waitlist Information – AAA Region X				
Service Type	Average Number of Individuals on Waitlist per Month	Average Number of Units of Service Received per Person per Year	Average Cost per Unit of Service	Total Cost of Eliminating Waitlist
Congregate Meals				
Home Delivered Meals				
Homemaker				
Personal Care				
Chore				
Material Aid				
Respite				
Transportation				
Adult Day				
Other				
Total				

It is important to note that funding appropriated to AAAs through the State Funding for Senior Services Long Bill line item must be disbursed to the 16 AAAs in Colorado via the federally-approved Intrastate Funding Formula (IFF). The IFF is an allocation formula based on several population demographic figures provided annually by the State Demography Office. As a result, if additional funding is appropriated to the State Funding for Senior Services line item, it will be distributed to the AAAs based on the IFF, not

based on their individual funding needs to eliminate their waitlists. For example, if the Joint Budget Committee appropriates an additional \$1 million to address AAA waitlists, an AAA that receives five percent of the overall AAA allocation using the IFF would receive \$50,000, and another AAA that receives 40 percent of the AAA allocations using the IFF would receive \$400,000. If both AAAs needed \$100,000 to eliminate their waitlists, one AAA would not be able to eliminate its waitlists while the other AAA would receive more funding than what is needed to eliminate its waitlists. Consequently, if additional funding is provided by the Joint Budget Committee to address AAA waitlists, the Department recommends a separate appropriation be made to earmark funding to address each AAA's waitlist without the use of the IFF.

APPENDIX D

DEPARTMENT ANNUAL PERFORMANCE REPORT

Pursuant to Section 2-7-205 (1) (b), C.R.S., the Department of Human Services is required to publish an **Annual Performance Report** for the *previous fiscal year* 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 the designated fiscal year. In addition, pursuant to Section 2-7-204 (3)(a)(I), C.R.S., the department is required to develop a **Performance Plan** and submit the plan for the *current fiscal year* 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 FY 2019-20 budget request, the FY 2017-18 Annual Performance Report and the FY 2018-19 Performance Plan can be found at the following link:

<https://www.colorado.gov/pacific/performancemanagement/department-performance-plans>