

**COLORADO GENERAL ASSEMBLY  
JOINT BUDGET COMMITTEE**



**FY 2009-10 STAFF BUDGET BRIEFING**

**DEPARTMENT OF HUMAN SERVICES**

**(Executive Director's Office, Information Technology Services,  
County Administration, Self Sufficiency, Adult Assistance)**

**JBC Working Document - Subject to Change  
Staff Recommendation Does Not Represent Committee Decision**

**Prepared By:  
Michael Cain, JBC Staff  
December 11, 2008**

For Further Information Contact:

Joint Budget Committee Staff  
200 E. 14th Avenue, 3rd Floor  
Denver, Colorado 80203  
Telephone: (303) 866-2061  
TDD: (303) 866-3472

**FY 2009-10 BUDGET BRIEFING  
STAFF PRESENTATION TO THE JOINT BUDGET COMMITTEE**

**DEPARTMENT OF HUMAN SERVICES**

**(Executive Director's Office, Information Technology Services,  
County Administration, Self Sufficiency, Adult Assistance)**

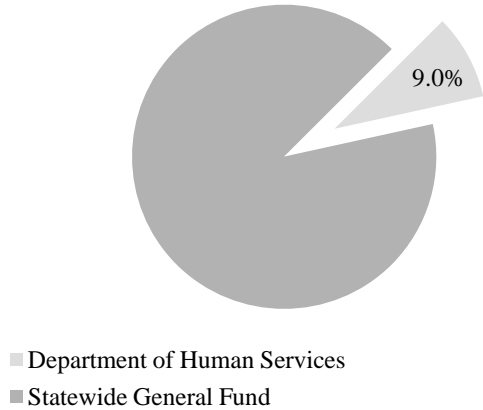
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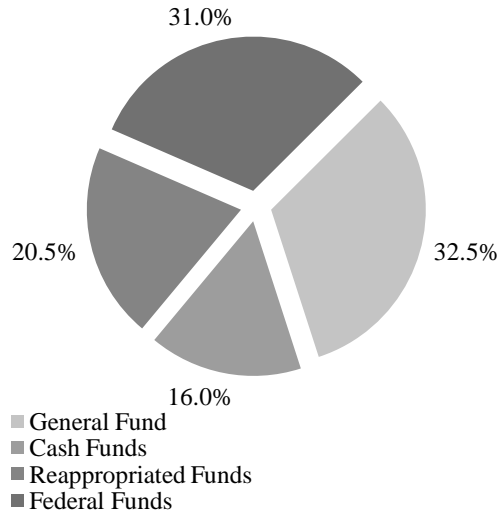
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**GRAPHIC OVERVIEW**

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

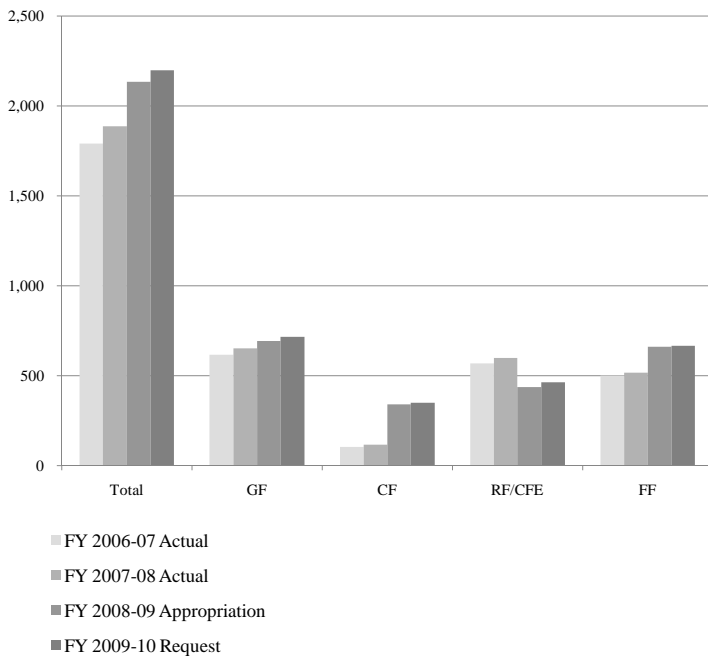


**Department Funding Sources**

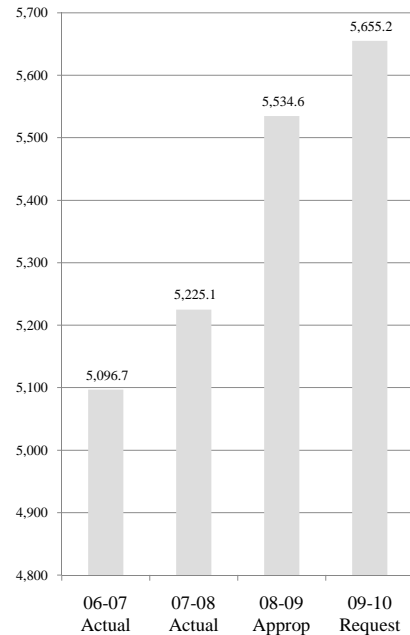


Note: If General Fund appropriated to the Department of Health Care Policy and Financing for human services programs were included in the graph above, the Department of Human Services' share of the total state General Fund would rise to 11.7%.

**Budget History  
(Millions of Dollars)**

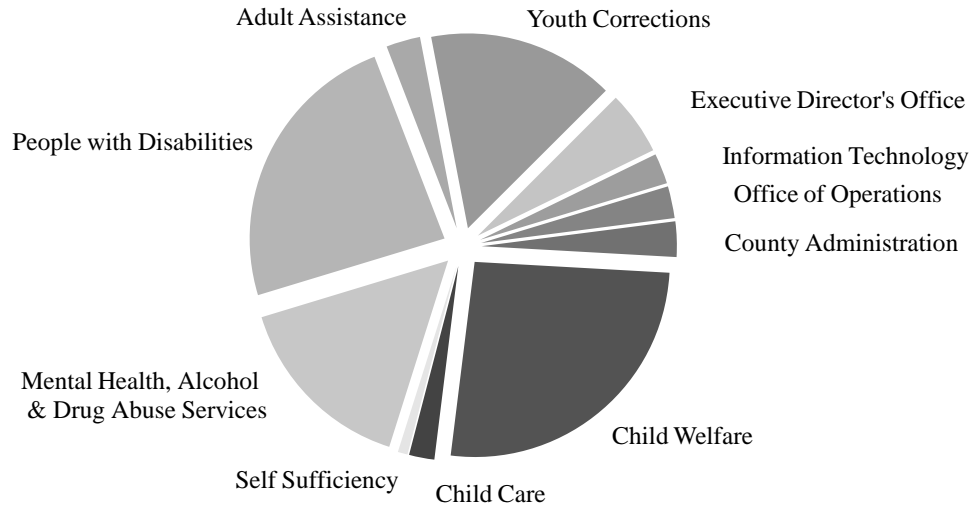


**FTE History**



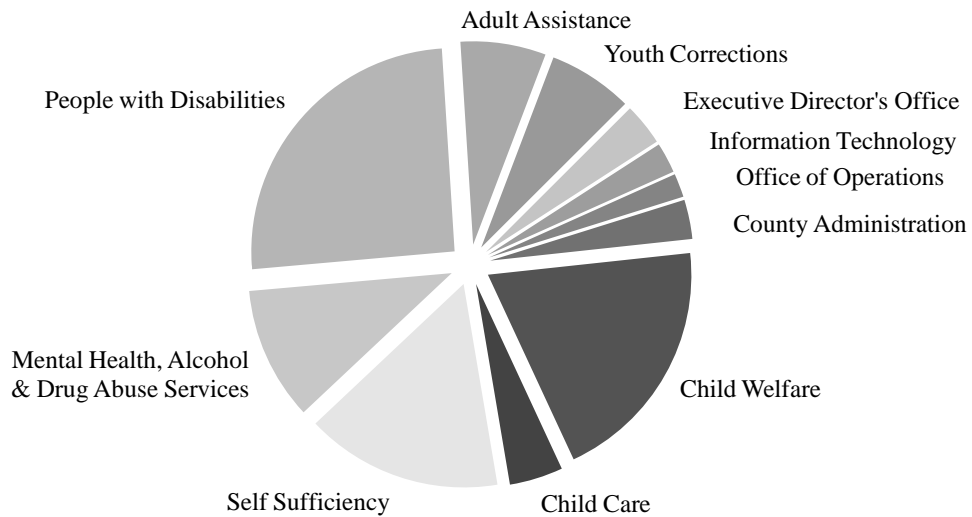
Unless otherwise noted, all charts are based on the FY 2008-09 appropriation.

**Distribution of Net General Fund by Division\***  
**FY 2008-09 Appropriation \$896.1 million**



\*Net General Fund includes General Fund appropriated to the Department of Human Services and General Fund appropriated to the Department of Health Care Policy and Financing for human services programs.

**Distribution of Total Funds by Division**



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**DEPARTMENT OVERVIEW**

**Key Responsibilities**

- ❑ **Executive Director's Office:** Serves as the central administrative office responsible for accounting, budgeting, and general office policy. It also operates the Office of Performance Improvement, which delivers information, technical assistance, and management solutions to other divisions in the department and to counties and local providers. It covers financial, programmatic, legal, and policy accountability. Some of the programs within the Executive Director's Office are excluded from this packet and will be covered in other staff briefings (e.g., the Juvenile Parole Board is covered as part of the Division of Youth Corrections). Examples of major programs of this section include:
  - The Administrative Review Division is responsible for federally required case review and quality assurance for the Division of Child Welfare and the Division of Youth Corrections.
  - Human Resources is responsible for recruitment, required examinations, referrals, and orientation of new employees, as well as personnel and benefits administration.
  - Boards and Commissions is responsible for the oversight of and staff support for several state boards and commissions.
  
- ❑ **Office of Information Technology Services:** Supports and maintains existing information systems used by the staff of the Department of Human Services, county departments of social services, and local service providers. It also oversees the development and ongoing improvement of the information systems used by department staff, counties, and other providers. The following list is a sampling of the systems supported by this division.
  - The Colorado Benefits Management System. This system is used by county departments of social services to determine eligibility and manage benefits associated with the Medicaid program, the Colorado Works program, the Food Stamp program, the Children's Basic Health Plan, the Colorado Indigent Care Program, and other programs.
  - The County Financial Management System. This system is used primarily to accumulate benefit and benefit-related expenditure and refund data from the counties, and is used by the Department to calculate appropriate federal and state reimbursement of those expenditures.

- The Colorado Trails (Child Welfare and Youth Corrections) system. This system provides support for case management, case tracking, court reporting, and case information sharing in support of client services.
- ☐ **County Administration:** Provides counties with resources related to their duties in delivering social services functions. Several of the programs administered by the counties are described under the Divisions of Self Sufficiency and Adult Assistance.
- ☐ **Self-Sufficiency:** Provides income, nutritional, and support services to assist families and individuals in need, and particularly as they transition from welfare to independence.
- Colorado Works is the State's implementation of the federal Temporary Assistance for Needy Families program and provides cash and other benefits and services intended to promote sustainable employment for low income families with children.
  - Food stamp and commodity food distribution programs assist the needy in meeting nutritional needs.
  - Low-income energy assistance and low-income telephone assistance programs provide support in those areas.
  - Child Support Enforcement works to insure that child support orders that have been entered are properly complied with.
- ☐ **Adult Assistance Programs:** Provides assistance and support for the elderly and the needy adult disabled populations in Colorado.
- Supervises the Old Age Pension (OAP) program, which provides cash assistance to eligible individuals age 60 and older.
  - Determines medical disability for Colorado residents who apply for Social Security Disability Insurance (SSDI) or Supplemental Security Income (SSI) benefits. Included in its responsibilities is processing disability cases for Medicaid.
  - Supervises the Aid to the Needy Disabled / State Only (AND-SO) program, which provides cash assistance to disabled individuals awaiting SSI eligibility determination and those individuals who meet state eligibility requirements but not federal requirements, and supervises the Aid to the Blind / Supplemental Security Income / Colorado Supplement Program.
  - Supervises Adult Protective Services programs (APS), which intervene on behalf of at-risk adults to correct or alleviate situations of abuse, neglect, or exploitation.
  - Supervises and funds the provision of services to older Coloradans throughout the state through the 16 Area Agencies on Aging (AAA).

## **Factors Driving the Budget**

The divisions of the Department of Human Services covered in this briefing packet do not, for the most part, include line items that are driven by mandatory increases in response to factors such as inflation or caseload. In the General Fund forecast presented at the beginning of the annual briefing and hearing process, all of the divisions here are shown with "flat" projections of the most recent appropriation, less removal of known one-time spending amounts. Increases (or decreases) are more likely to be driven by specific actions taken by the General Assembly, the federal government, or other authorities. The remainder of this section provides specific examples of that.

### **Colorado Benefits Management System**

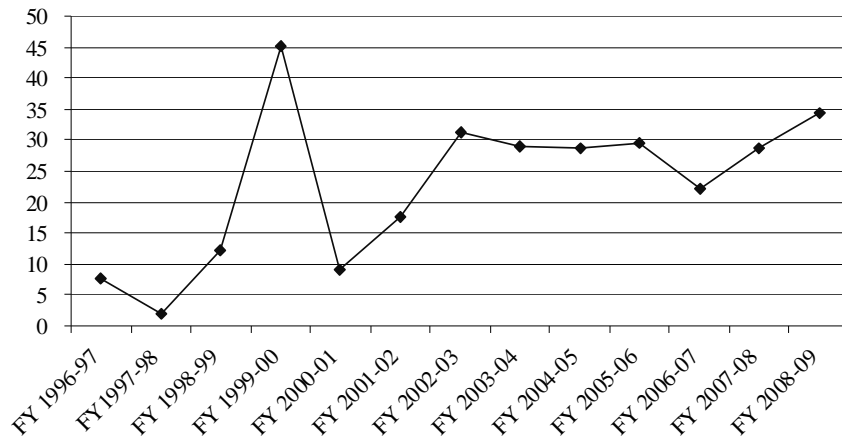
The Colorado Benefits Management System (CBMS) replaced several older IT systems that supported social services programs in Colorado: the Colorado Indigent Care Program, the Children's Basic Health Plan, the Client-Oriented Information Network, the Colorado Automated Client Tracking Information System, the Colorado Automated Food Stamp System, and Colorado Employment First. CBMS is a collaborative effort between the Department of Human Services and the Department of Health Care Policy and Financing. As the single support system for a large number of programs, CBMS is linked to a variety of different state expenditures.

The initial CBMS roll-out experienced significant problems. In addition to simply operating the system, there were a number of other expenses associated with those problems. These include legal services expenses from a lawsuit (the suit has since been settled, with the State generally prevailing), and additional spending to provide counties with assistance in converting to the new system. The State may potentially face additional future expenses related to the early CBMS problems. Historical spending related to CBMS is summarized in the chart at the top of the following page. This chart includes all CBMS-associated appropriations that staff has been able to identify. Increases in the appropriation for the last two fiscal years have been driven primarily by large one-time projects. Staff will provide additional detail on this subject in one of the briefing issues.

### **Old Age Pension**

Colorado's Old Age Pension (OAP) Program is mandated in Article XXIV of the Colorado Constitution. The State Board of Human Services determines the level of Old Age Pension benefits, and moneys from the pension fund are continuously appropriated pursuant to Article XXIV. The informational appropriation for FY 2008-09 was for \$85.9 million and accounts for 60.5 percent of the total budget for the Adult Assistance Programs division. The Board's decisions have the potential to directly affect other General Fund spending because of the way OAP is funded. The Old Age Pension Fund has first call on 85 percent of most state sales and excise taxes, inheritance taxes, and incorporation fees. These revenues must be spent in the following order: to make full payments to all qualified recipients, then to top up the \$5.0 million Stabilization Fund, then to top up the \$10.0 million Health and Medical Care Fund. Only then are the remaining funds from those taxes transferred to the General Fund (with a portion diverted into the State Funding for Senior Services line item). The State Board typically makes an annual cost of living adjustment to the maximum grant award.

**CBMS-Related Spending, Total**  
(Millions of Dollars)



**Community Provider Rate Increases**

Some departments of state government contract with community providers to deliver services of the state to eligible clients. To ensure that community provider arrangements are viable over the long term, the General Assembly has regularly awarded annual inflationary increases for community provider programs. The rate increases awarded to providers each year are recommended by the Joint Budget Committee in a common policy decision. This common policy is then applied to each community provider program. Of the five divisions covered in this briefing, the County Administration division is the only one that has historically been affected by the provider rate increase. This non-mandatory increase in the County Administration line item effectively awards an inflationary increase to the counties for their costs to administer various programs.

**Low Income Energy Assistance Program.**

The Low Income Energy Assistance Program is funded primarily with federal dollars. Spending for the program has varied both up and down over the last several years, as shown in the following table. The sharp increase in spending in FY 2005-06 was driven by government response to the record-high natural gas prices that occurred following the damage done to key areas of the Gulf Coast by Hurricanes Katrina and Rita. Past spending on this line has also been affected by the Governor's allocation of federal "flexible" funds, which are outside of the General Assembly's control, and by special bills such as H.B. 06-1200.

<b>Low Income Energy Assistance Expenditures</b>			
<b>Fiscal Year</b>	<b>Expenditures</b>	<b>Change (Dollars)</b>	<b>Change (Percent)</b>
2002-03	\$33,495,547	n/a	n/a
2003-04	\$41,279,451	\$7,783,904	23.2%



2004-05	\$44,750,486	\$3,471,035	8.4%
2005-06	\$69,947,472	\$25,196,986	56.3%
2006-07	\$46,426,404	(\$23,521,068)	-33.6%
2007-08	\$52,286,937	\$5,860,533	12.6%
2008-09*	\$33,791,701	(\$18,495,236)	-35.4%

\* Current estimate of expenditures from the Department's budget request.

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**DECISION ITEM PRIORITY LIST**

Note: This table includes all Department of Human Services decision items. However, the full decision item descriptive text is shown only for those items that affect the sections of the budget covered in this presentation. In some cases, only a portion of the total decision item amount shown will apply to the budget sections addressed in this packet.

Decision Item	GF	CF	RF	FF	Total	Net GF*	FTE
1 Regional Centers - High Needs Clients	\$0	\$0	\$1,503,502	\$0	\$1,503,502	\$751,751	39.4
2 <b>Budget Office Staffing</b> <b>Executive Director's Office.</b> The Department requests 2.0 FTE and \$152,132 from various sources (including \$107,517 net General Fund) in order to add two budget analysts to support a growing need for budgetary and fiscal management. This request partially offsets a reduction of 4.0 FTE taken in the budget office in FY 2004-05. The budget office oversees a total budget of \$2.1 billion and over 5,700 FTE. Current staff limitations have forced the Department to take an almost entirely reactive approach, focusing on production of the November 1st budget submission and other mandatory documentation. Additional staff would allow increased focus on identification of budgetary opportunities (e.g., opportunities to increase federal or other revenues) and potential problems (e.g., recurring over-expenditures). Staff will discuss this item in greater detail in one of the briefing issues. <i>Statutory authority: Article XII of the Colorado Constitution, Section 24-50-101 et. seq., C.R.S., and related State Personnel Rules.</i>	91,869	2,569	37,826	19,868	152,132	107,571	2.0
3 Community Resources for the Developmentally Disabled	313,750	416,386	5,189,494	0	5,919,630	2,908,497	0.0
4 Functional Family Therapy	2,632,599	649,342	0	0	3,281,941	2,632,599	0.5
5 Capital Outlay and Operating Increase for Facilities Management of Direct Care Facilities	405,109	0	164,250	0	569,359	487,234	0.0
6 Child Welfare Staffing Recommendations from the Division Organizational Assessment	458,933	0	0	133,623	592,556	458,933	8.3
7 Child Welfare Training Academy	918,656	0	0	696,792	1,615,448	918,656	5.5
8 Child Care Business Partnership Program	0	(11,057)	0	0	(11,057)	0	1.0

Decision Item	GF	CF	RF	FF	Total	Net GF*	FTE
9 Title IV-E Administrative Claims for Child Placement Agency Administrative Activities	321,250	0	0	0	321,250	321,250	0.0
10 Child Welfare Services Caseload Increase	5,157,711	1,506,161	365,144	2,099,576	9,128,592	5,340,283	0.0
11 <b>Establish Electronic Benefits Transfer (EBT) Fraud Investigation Unit</b>  <b>Office of Self Sufficiency.</b> The Department requests 2.0 FTE and \$112,981 in additional funding (\$54,318 General Fund and \$58,663 from various sources of federal funds) in order to create a fraud investigation unit for the Electronic Benefits Transfer (EBT) program. The EBT program allows the State to deliver a variety of cash benefits through automated teller machines, and Food Stamp benefits through point of sale terminals at food retailers. In June 2008, an audit by the federal Department of Agriculture's Office of the Inspector General cited the Department for failing to establish a state-level fraud detection unit. If granted, this request would allow the Department to create such a unit. The new staff members will work extensively with county departments of social services and provide training, technical assistance, and oversight. Staff will address this decision item in greater detail in one of the briefing issues. <i>Statutory authority: 7 C.F.R. 274.2 (a) and Section 26-2-104, C.R.S.</i>	54,318	0	0	58,663	112,981	54,318	2.0
12 Deficit Reduction Act (DRA) Child Support Mandates	83,346	0	0	55,008	138,354	83,346	0.0
13 Homeless Program Funding	241,718	0	0	0	241,718	241,718	0.0
14 High Risk Pregnant Women Program	0	0	1,026,247	0	1,026,247	513,124	0.0
15 Increase Drug Offender Surcharge Spending Authority	0	250,000	0	0	250,000	0	0.0
16 Increase Administrative Review FTE	0	(459,113)	0	459,113	0	0	6.6
17 Inflationary Increase for DHS Residential Programs	467,603	0	93,549	0	561,152	511,539	0.0
18 Child Care Assistance Programs Compliance Assurance	0	(20,399)	0	0	(20,399)	0	2.0
19 Spending Authority for Traumatic Brain Injury Trust Fund	0	603,077	0	0	603,077	0	0.0
20 Garage Fund Spending Authority	0	0	558,909	0	558,909	0	0.0

Decision Item	GF	CF	RF	FF	Total	Net GF*	FTE
21	0	1,801,722	0	0	1,801,722	0	0.0
<b>Cost of Living Adjustment for the Old Age Pension Program</b> <b>Adult Assistance.</b> The State's Old Age Pension (OAP) program is authorized by the Colorado State Constitution. Several major revenue sources, including 85% of the state sales tax, are used to fund program obligations, with the remaining revenues then flowing to the General Fund. Moneys from the Old Age Pension Fund are continuously appropriated by the Constitution. Benefit levels for the Old Age Pension program are set by the State Board of Human Services, using constitutional authority. The Department anticipates that the Board will provide a 2.0 percent increase for the program, and requests that the informational OAP amount shown in the Long Bill be adjusted to reflect that increase. <i>Statutory authority: Article XXIV Section 7 of the Colorado State Constitution and Sections 26-2-111 and 114, C.R.S.</i>							
22	0	480,266	0	0	480,266	0	0.0
Buildings and Grounds Fund Spending Authority Increase							
23	0	0	0	350,000	350,000	0	0.0
<b>Colorado Works Program Evaluation</b> <b>Office of Self Sufficiency.</b> The Department requests an appropriation of \$350,000 (federal funds from the Temporary Assistance for Needy Families block grant) for research and evaluation initiatives for the Colorado Works program. The current Colorado Work program evaluation program is authorized by Section 26-2-723, C.R.S., which will sunset on July 1, 2009. The current statute requires the Department to oversee the administration of an independent evaluation of the Works program and to annually report the results of that evaluation to the Health and Human Services committees of the General Assembly. The Department states that ongoing evaluation activities are important to the long-term success of the program, but that the evaluation model outlined in statute is no longer appropriate. <i>Statutory authority: Sections 26-2-712 (5) and 26-2-723, C.R.S.</i>							
24	0	71,801	0	0	71,801	0	0.0
Increase Persistent Drunk Driver Programs Spending Authority							
25	0	0	0	25,460	25,460	0	0.0
<b>Spending Authority to Proceed with the Destruction of Obsolete Forms</b> <b>Office of Self Sufficiency.</b> The Department requests \$25,460 in additional spending authority (remaining Food Stamp bonus moneys from federal FY 2003-04) to cover the costs of destroying obsolete forms. These three forms are currently inventoried by the State Forms Warehouse, operated by the Department of Personnel and Administration, but are no longer required due to the implementation of the Colorado Benefits Management System. When agencies remove forms from the Warehouse, they are normally charged the actual cost of printing the forms, plus a 34 percent markup. The Department has reached an agreement with the Warehouse to dispose of the unneeded forms for cost plus 10 percent in order to remove them from the inventory. <i>Statutory authority: 7 C.F.R. 277.4.</i>							
26	647,344	0	0	0	647,344	647,344	0.0
Family Centered Substance Use Disorder Treatment for Families Involved in the Child Welfare System							
27	0	0	908,620	0	908,620	0	0.0
Integrated School-based Substance Use Treatment for Adolescents							
NP1	133,843	407	102,875	19,365	256,490	180,737	0.0
State Fleet Variable Cost							

Decision Item	GF	CF	RF	FF	Total	Net GF*	FTE
NP2 <b>Postage Increase and Mail Equipment Upgrade</b> <b>Various.</b> This non-prioritized request reflects the Department's share of a prioritized decision item in the Department of Personnel and Administration. That decision item will be discussed in a separate staff briefing.	79,071	28,342	121,134	212,908	441,455	135,431	0.0
NP3 <b>Office of Administrative Courts Staffing Adjustment</b> <b>Executive Director's Office.</b> This non-prioritized request reflects adjustments in the cost of administrative court services, which are provided on a centralized basis by the Department of Personnel and Administration. Such adjustments are handled as matters of common policy which will be settled by the Committee during figure setting.	24,178	2,424	0	13,402	40,004	24,178	0.0
NP4 <b>Ombuds Program Increase</b> <b>Executive Director's Office.</b> The Department of Personnel and Administration performs a centralized ombudsman function as part of its Workers' Compensation program for the State. This non-prioritized request reflects an increase in the Department's share of the cost of that function. Such adjustments are handled as matters of common policy which will be settled by the Committee during figure setting.	6,877	39	5,546	571	13,033	8,821	0.0
NP5 Annual Fleet Vehicle Replacements	150,675	3,652	70,854	15,667	240,848	180,706	0.0
NP6 Disability Program Navigator	0	0	(237,653)	(693,347)	(931,000)	0	(9.0)
<b>Total</b>	<b>\$12,188,850</b>	<b>\$5,325,619</b>	<b>\$9,910,297</b>	<b>\$3,466,669</b>	<b>\$30,891,435</b>	<b>\$16,508,036</b>	<b>58.3</b>
<b>Total for Items in this Packet</b>	<b>\$256,313</b>	<b>\$1,835,096</b>	<b>\$164,506</b>	<b>\$680,872</b>	<b>\$2,936,787</b>	<b>\$330,319</b>	<b>4.0</b>

\* These amounts are shown for informational purposes only. A large portion of the Department's reappropriated funds are Medicaid-related transfers from the Department of Health Care Policy and Financing (HCPF). Roughly half of the corresponding HCPF appropriations are General Fund. Net General Fund equals the direct GF appropriation shown, plus the GF portion of the HCPF transfer.

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**OVERVIEW OF NUMBERS PAGES**

The following table summarizes the total change, in dollars and as a percentage, between the Department's FY 2008-09 appropriation and its FY 2009-10 request. A large portion of the Department's reappropriated funds are Medicaid-related transfers from the Department of Health Care Policy and Financing (HCPF). Roughly half of the corresponding HCPF appropriations are General Fund. Net General Fund equals the direct GF appropriation shown, plus the GF portion of the HCPF transfer.

**Total Requested Change, FY 2008-09 to FY 2009-10 (millions of dollars)**

<b>Category</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>Net GF</b>	<b>FTE</b>
FY 2008-09 Appropriation	\$694.5	\$342.2	\$437.0	\$661.2	\$2,134.9	\$896.1	5,534.6
FY 2009-10 Request	717.2	350.7	463.9	666.9	2,198.7	931.0	5,655.2
Increase / (Decrease)	\$22.7	\$8.5	\$26.9	\$5.7	\$63.8	\$34.9	120.6
Percentage Change	3.3%	2.5%	6.2%	0.9%	3.0%	3.9%	2.2%

The following table highlights the individual changes contained in the Department's FY 2009-10 budget request, as compared with the FY 2008-09 appropriation, for the portion of the Department covered in this briefing packet. For additional detail, see the numbers pages in Appendix A.

**Requested Changes, FY 2008-09 to FY 2009-10**

<b>Category</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>Net GF</b>	<b>FTE</b>
<b>Executive Director's Office</b>							
Prior Year Salary Survey, Pay for Performance (at 80%)	\$206,231	\$29,471	\$70,908	\$200,765	\$507,375	\$233,709	0.0
Increase Administrative Review FTE (DI #16)	0	0	0	459,113	459,113	0	6.6
Budget Office Staffing (DI #2)	91,869	2,569	37,826	19,868	152,132	107,5716.6	2.0
Regional Centers - High Needs Clients (DI #1)	0	0	120,284	0	120,284	60,142	0.0
Non-prioritized Decision Items	47,311	2,618	5,577	22,086	77,592	49,255	0.0
Statewide Common Policies	(308,001)	11,314	55,635	(248,036)	(489,088)	(222,496)	0.0

Category	GF	CF	RF	FF	Total	Net GF	FTE
Annualize Prior Year Decision Items and Special Bills	<u>1,045</u>	<u>(433)</u>	<u>(10,213)</u>	<u>(6,870)</u>	<u>(16,471)</u>	<u>1,204</u>	<u>0.0</u>
<b>Subtotal</b>	<b>\$38,455</b>	<b>\$45,539</b>	<b>\$280,017</b>	<b>\$446,926</b>	<b>\$810,937</b>	<b>\$229,385</b>	<b>8.6</b>
<b>Office of Information Technology Services</b>							
Prior Year Salary Survey, Pay for Performance (at 80%)	\$373,336	\$20,284	\$111,680	\$222,417	\$727,717	\$417,884	0.0
Non-prioritized Decision Items	53,870	27,357	118,343	141,782	341,352	109,310	0.0
Annualize Prior Year Decision Items and Special Bills	<u>85,998</u>	<u>(40,800)</u>	<u>(123,527)</u>	<u>(149,779)</u>	<u>(228,108)</u>	<u>57,492</u>	<u>2.6</u>
<b>Subtotal</b>	<b>\$513,204</b>	<b>\$6,841</b>	<b>\$106,496</b>	<b>\$214,420</b>	<b>\$840,961</b>	<b>\$584,686</b>	<b>2.6</b>
<b>County Administration</b>							
Deficit Reduction Act Child Support Mandates (DI #12)	<u>\$83,346</u>	<u>\$0</u>	<u>\$0</u>	<u>\$55,008</u>	<u>\$138,354</u>	<u>\$83,386</u>	<u>0.0</u>
<b>Subtotal</b>	<b>\$83,346</b>	<b>\$0</b>	<b>\$0</b>	<b>\$55,008</b>	<b>\$138,354</b>	<b>\$83,386</b>	<b>0.0</b>
<b>Office of Self Sufficiency</b>							
Prior Year Salary Survey, Pay for Performance (at 80%)	\$178,497	\$11,660	\$1,138	\$718,609	\$909,904	\$178,497	0.0
Colorado Works Program Evaluation (DI #23)	0	0	0	350,000	350,000	0	0.0
Establish Electronics Benefits Transfer Fraud Investigation Unit (DI #11)	54,318	0	0	58,663	112,981	54,318	2.0
Non-prioritized Decision Items	8,458	527	0	49,424	58,409	8,458	0.0
Spending Authority to Proceed with Destruction of Obsolete Forms (DI #25)	0	0	0	25,460	25,460	0	0.0
Annualize Prior Year Decision Items and Special Bills	<u>(279,000)</u>	<u>0</u>	<u>0</u>	<u>(668,400)</u>	<u>(947,400)</u>	<u>(279,000)</u>	<u>0.0</u>
<b>Subtotal</b>	<b>(\$37,727)</b>	<b>\$12,187</b>	<b>\$1,138</b>	<b>\$533,756</b>	<b>\$509,354</b>	<b>(\$37,727)</b>	<b>2.0</b>
<b>Adult Assistance Programs</b>							
Annualize Prior Year Decision Items and Special Bills	\$0	\$3,000,000	\$0	\$0	\$3,000,000	\$0	0.0
Cost of Living Adjustment for Old Age Pension (DI #21)	0	1,801,722	0	0	1,801,722	0	0.0
Prior Year Salary Survey, Pay for Performance (at 80%)	13,173	46,415	5,307	40,935	105,830	13,173	0.0

Category	GF	CF	RF	FF	Total	Net GF	FTE
Non-prioritized Decision Items	<u>296</u>	<u>228</u>	<u>38</u>	<u>828</u>	<u>1,390</u>	<u>296</u>	<u>0.0</u>
<b>Subtotal</b>	<b>\$13,469</b>	<b>\$4,848,365</b>	<b>\$5,345</b>	<b>\$41,763</b>	<b>\$4,908,942</b>	<b>\$13,469</b>	<b>0.0</b>
<b>Total Change</b>	<b>\$610,747</b>	<b>\$4,912,932</b>	<b>\$392,996</b>	<b>\$1,291,873</b>	<b>\$7,208,548</b>	<b>\$873,199</b>	<b>13.2</b>



**FY 2009-10 Joint Budget Committee Staff Budget Briefing  
Department of Human Services  
(Executive Director's Office, Information Technology Services,  
County Administration, Self Sufficiency, Adult Assistance)**

**BRIEFING ISSUE**

**ISSUE: CBMS-Related Expenditures**

In addition to the normal appropriations for the operation of the Colorado Benefits Management System (CBMS), there are several less usual expenses that have occurred, or will possibly occur in the future. These include: payments to reflect incorrect federal contributions in prior years; expenses associated with the transition to a new support vendor; federal Food Stamp sanctions; and expenses associated with major system enhancements for the Department of Health Care Policy and Financing.

**SUMMARY:**

- ❑ The formula used for allocating CBMS expenses to different federal and state programs has been inaccurate since the system became operational, and the State is required to reimburse those federal programs that were overcharged in prior years. This is a normal federal practice, but results in the need to expend additional state funds at this point in time.
- ❑ Colorado is making the transition to a new support vendor for CBMS. This is in part a result of federal rules requiring periodic rebids for the service contract, and mandatory federal rules about how contract bids must be evaluated. Transition costs, as well as the vendor prices reflected in the new contract, have resulted in the need for additional appropriations.
- ❑ The state has been billed for three separate violations of federal Food Stamp program rules related to the introduction of CBMS. These sanctions currently total about \$15.2 million. The smallest of the three has been settled for \$381,000. The other two sanctions are in various stages of the appeals process.
- ❑ The Department of Health Care Policy and Financing received an appropriation of \$5.3 million for FY 2008-09 to pay part of the costs of implementing a new front-end for CBMS that will handle Medicaid-only eligibility determination. The plan is to deploy the new front-end into locations such as schools and medical treatment facilities to allow immediate qualification of individuals for Medicaid services only. Staff is concerned that the addition of an alternate front-end will make CBMS more expensive to operate overall.
- ❑ At least \$18.2 million of tobacco settlement moneys were set aside in a newly created Supplemental Appropriations and Overexpenditures account to pay for CBMS supplemental expenses and overexpenditures. Under current statute, this account will expire on April 15, 2009.

## **RECOMMENDATION:**

Staff recommends the Committee sponsor legislation to further extend the period of time for which funds in the Health Care Supplemental Appropriations and Overexpenditures account in the Tobacco Litigation Settlement Cash Fund (created by H.B. 07-1359 and extended by S.B. 08-127) can be used for non-ordinary CBMS expenses.

## **DISCUSSION:**

CBMS provides support for unified eligibility and benefits determination for many of Colorado's public assistance programs, including the Old Age Pension, Colorado Works, the State's implementation of the federal Food Stamp program (now officially the Supplemental Nutrition Assistance Program), Medicaid eligibility, and others. In total, CBMS is involved in some fashion in the distribution of approximately \$2.3 billion dollars in annual benefits. The annual expenses for operating the system, excluding large one-time items, is roughly \$23.0 million, or about one percent of the benefits paid.

In addition to the costs of operating and maintaining the system, there are a number of less usual expenses that have been incurred recently, or will possibly be incurred in the near future. This briefing issue discusses the four principle sources of those expenses: payments to reimburse federal agencies for incorrect allocations in prior years; expenses associated with the transition to a new support vendor; federal Food Stamp sanctions; and expenses associated with major system enhancements for the Department of Health Care Policy and Financing. The briefing issue also provides status information about the Supplemental Appropriations and Overexpenditures account, which contains tobacco settlement moneys set aside for CBMS expenditures.

### **Adjustments of Prior Year Appropriations**

CBMS cost allocations are done by formulas negotiated with all of the federal agencies that provide funding. Different formulas apply during the development phase for such a system and the operational phase. Operational formulas are determined by random moment sampling (RMS) statistical techniques. The cost allocation for each fiscal year must be formally accepted by the federal government. This normally occurs some time after the expenditures were actually made, so corrections are often necessary. The new RMS-determined allocation of CBMS expenses result in corrected funding splits for prior years, so require the State to reimburse the affected federal agencies at the present time.

### **Transition to New Support Vendor**

A sizeable portion of the development and operational costs of CBMS were and are paid by federal agencies. Federal rules that apply as a result of that funding require the State to periodically rebid the maintenance and operations support contract. Federal rules also dictate the extent to which some considerations (e.g. price) must be considered in evaluating vendor proposals. The prior contract was held by EDS, the original developer of the system. The State issued an RFP for the support services and received two responses. The winning bid was submitted by Deloitte Consulting LLP.

The State has signed the final contract with Deloitte and is prepared to begin the transition process that will transfer responsibility for system maintenance and operations support from EDS to Deloitte.

During figure setting for the CBMS line item in the FY 2008-09 Long Bill, staff's analysis pointed out that the results of the rebid process would almost certainly lead to changes in CBMS expenses. Such changes were likely to occur even if the incumbent vendor had submitted the winning bid, as it was the State's intent for the vendor to take a larger role in implementing changes to the system under the new contract. As the transition process continues, staff will work with the department to determine how those changes in responsibility may affect FTE and other budgetary requirements.

On September 22, 2008, the Joint Budget Committee approved the Department's interim supplemental request for an additional \$2.5 million (including about \$800,000 net General Fund) to cover transition expenses. Details of the approved request are shown in the tables below.

Department of Human Services  
(2) Office of Information Technology Services

Line Item	Total Amount	GF	CF	RF	FF
Colorado Benefits Management System (CBMS)	\$2,500,000	\$392,375	\$200,625	\$867,750	\$1,039,250

Cash funds shall be from the Old Age Pension Fund. Reappropriated funds shall be transferred from the Department of Health Care Policy and Financing. Of the federal funds amount, \$713,750 shall be from the Temporary Assistance for Needy Families block grant and \$325,500 shall be from Food Stamp funds.

Department of Health Care Policy and Financing  
(6) DHS Medicaid-Funded Programs  
(B) Office of Information Technology Services - Medicaid Funding

Line Item	Total Amount	GF	CF	RF	FF
Colorado Benefits Management System	\$867,750	\$406,512	\$47,425	\$4,488	\$409,325

Cash funds shall be from the Children's Basic Health Trust Fund. Reappropriated funds shall be from the Old Age Pension Fund transferred from the Department of Human Services.

**Federal Food Stamp Sanctions**

Colorado has been billed for three separate Food Stamp sanctions related to the early operation of CBMS. Each of these sanctions will be discussed in greater detail.

**The Freeze Flag sanction.** During the transition to CBMS from the predecessor system for the Food Stamp program, the State implemented a temporary "Freeze Flag" feature in CBMS which froze benefits in cases that had not been properly reviewed. During the period that the Freeze Flag was in place, the federal Food and Nutrition Services (FNS) agency made a cost of living adjustment to Food Stamp benefits. CBMS correctly calculated the adjustment for cases that were not frozen. Colorado implemented a manual work-around process that estimated and paid the increase for cases

that had frozen benefits. The FNS ruled that Colorado had exceeded its authority by using an estimate, and imposed a liability of \$479,680 on the State. On September 22, 2008, the Joint Budget Committee approved an interim supplemental request for \$380,860 cash funds from the Supplemental Appropriations and Overexpenditures account to pay a negotiated settlement with the FNS.

**First overexpenditures sanction.** During the initial months of CBMS operation, there were some over and/or incorrect issuances of federal food stamp benefits. A federal audit of the system's operation for federal FY 2004-05 conducted by Booz Allen Hamilton concluded that \$11.2 million in such payments were made. This was subsequently reduced upon appeal to \$10.9 million. Interest has been accruing at a rate of about \$200,000 per year, dated back to March 24, 2006, the date when the federal bill was first received. The audit attributed the overpayments to both programming errors within CBMS and data-entry errors by county workers.

The Department believes that the methodology used by Booz Allen Hamilton in conducting its data-mining audit overstates the amount of overpayments. The Department stated in its appeal to the FNS that the methodology incorrectly counted some overpayments multiple times, and failed to recognize that manual processes put in place by the State and the counties outside of CBMS blocked certain overpayments from being made. The State has filed a civil action against the federal State Food Stamp Appeals Board in U.S. District Court. The State has received permission from the Court to introduce new evidence. The case remains active.

**Second overexpenditures sanction.** Another federal audit for federal FY 2005-06 operation of CBMS, using the same methodology that the State is challenging in court, again found over and/or incorrect issuances of benefits. In a letter dated May 12, 2008, the FNS notified the State that it must repay the federal government \$3.5 million. The Department has filed an appeal to the State Food Stamp Appeals Board, the first step in the appeals process.

### **Health Care Policy and Financing System Enhancements**

During the 2008 session, the Department of Health Care Policy and Financing submitted requests for \$250,000 for FY 2007-08 and \$10.0 million for FY 2008-09 in order to implement an alternate front-end for CBMS. This front-end system would be deployed to a variety of locations such as schools and medical treatment facilities in order to allow on-site determine of Medicaid eligibility without the need to visit a county social services location. Staff recommended an appropriation of \$250,000 for FY 2008-09 to allow the Department to study the feasibility and detailed consequences of such a deployment. The Committee, and the General Assembly, approved an appropriation of \$5.3 million for FY 2008-09 in order to support initial development.

During figure setting in the 2008 session, staff expressed a number of concerns about the introduction of a new, limited front-end for CBMS. Staff continues to believe that this addition will ultimately lead to higher costs for the CBMS system overall. Specific reasons for staff concern are:

- Potentially large numbers of new users will be added. At the present time, there are approximately 8,000 state and county workers who use CBMS. Among other user-support activities, each user must be assigned a security profile which allows them access to only the appropriate portions of the database. Each user's security profile must be kept up to date. Staff is concerned about the impacts of large numbers of new users on support operations.
- Training of new users is a critical part of CBMS support. Many of the initial problems the State experienced with CBMS were, at least indirectly, the result of inadequate training for county workers. Staff is concerned that the introduction of a parallel input system will at least require new training for existing users so that they are prepared to deal with partial data entered using that parallel system. If training of the users for the Medicaid-only input system is to be handled as a part of the current training activities, the impact would be significantly larger.
- Portions of CBMS other than the front-end may require modification. The new front-end will, by design, require only that information necessary to determine Medicaid eligibility to be entered. This may create situations which the system will interpret as partial entry of the data required for other assistance programs and create problems in processing for those other programs.
- One of the primary goals for CBMS was to ensure that individuals receive all of the public assistance benefits for which they are eligible. Following the introduction of CBMS, there was a significant increase in the average number of services received per individual. Introducing Medicaid-only eligibility determination risks losing that improvement in the delivery of state services.

#### **Supplemental Appropriations and Overexpenditures Account**

H.B. 07-1359 directed \$24.4 million of tobacco settlement moneys into a newly created Supplemental Appropriations and Overexpenditures account. Of this amount, at least \$18.2 million was to be available for overexpenditures and supplemental expenses incurred by CBMS. The lifetime of the special account was extended by S.B. 08-127 to April 15, 2009. Approximately \$3.6 million from the special account has been previously appropriated for CBMS expenses or approved as interim supplemental requests.

The following table summarizes both actual expenses, which have already been appropriated or have been approved as interim supplemental requests, and estimates of the future expenses of the same nature. The figures for the Food Stamp sanctions assume that the State is found to be liable for the current amounts of the sanctions and does not win any reduction in court. The total of \$23.2 million exceeds the amount in the account that is reserved for CBMS-related expenses. If, on the other hand, the first Food Stamp sanction were cut in half, the total would fit within the reserved amount.

<b>Item</b>	<b>Amount</b>
<b>Previously approved</b>	
Refinance CBMS FY 2004-05	\$1,564,135
Refinance CBMS FY 2005-06	1,616,656
Freeze flag sanction	380,860
<b>Estimates of future expenses</b>	
Refinance CBMS FY 2006-07	1,600,000
Refinance CBMS FY 2007-08	1,600,000
Refinance CBMS FY 2008-09	1,600,000
First food stamp sanction	11,300,000
Second food stamp sanction	3,500,000
<b>Total</b>	<b>\$23,161,651</b>

Each of the past years in which the old funding formula was applied must be negotiated separately with the federal agencies that provide funding for CBMS. Fiscal years 2004-05 and 2005-06 have been settled; FY 2006-07 and FY 2007-08 remain to be settled; the FY 2008-09 appropriation continued to use the old formula, but the corrections cannot be negotiated until after the year is complete. The Department has expressed hopes that all completed years will be settled prior to April 15, 2009, but the matter is not completely within their control. Any settlement of FY 2008-09 will clearly occur after that date. The first food stamp overexpenditure appeal is currently in federal District Court; the time frame in which the case will be settled is unknown, but could easily occur after April 15, 2009.

Due to delays in determining the amounts needed from the overexpenditures account, **staff recommends the Committee sponsor legislation that will extend the life of that account for at least another year.**

**FY 2009-10 Joint Budget Committee Staff Budget Briefing  
Department of Human Services  
(Executive Director's Office, Information Technology Services,  
County Administration, Self Sufficiency, Adult Assistance)**

**BRIEFING ISSUE**

**ISSUE: Supplemental Security Income Federal Maintenance of Effort**

Colorado continues to struggle to meet its federal maintenance of effort obligation for expenditures for recipients of the Supplemental Security Income program. Willful failure to meet this requirement may eventually lead to severe fiscal sanctions against the state.

**SUMMARY:**

- ❑ Colorado is required to meet a federal target on the level of state spending for assistance to recipients of federal Supplemental Security Income benefits. The requirement is on the total level of spending. Colorado counts several state-funded programs toward this federal requirement.
- ❑ In five of the last six years (including an estimate for calendar year 2008), Colorado has failed to meet the federal target. For each of the years when the target was not met, the state has successfully implemented a corrective plan in the following year. However, if Colorado is eventually found to be in violation of the MOE requirement, large federal sanctions may result. The smallest sanction which can be imposed is the loss of three months' federal Medicaid matching funds; for Colorado, that would amount to about \$300 million.
- ❑ The state's actions to meet the federal target can result in erratic changes in the level of assistance provided to some recipients. The federal requirement is based on calendar years, while the state budget operates on a fiscal year that is offset by six months. This leads to the Department spending more heavily in the July-December period to meet the federal requirement, then reducing spending in the January-June period to stay within appropriations.
- ❑ Staff believes it would be desirable to reduce the risk of the very large sanctions that could be imposed, and to stabilize the assistance levels provided to clients that have become more variable due to efforts to meet conflicting constraints. Staff recommends the Committee sponsor legislation to create a stabilization fund that can improve both problems.

**RECOMMENDATION:**

Staff recommends the Committee sponsor legislation that creates a stabilization fund to be used to address these problems. In broad outline, the legislation should:

- Create a cash fund to hold the necessary moneys.
- Create a continuous appropriation of the moneys in the fund to the Department to be expended on programs that count towards the SSI MOE.
- Establish a cap on the amount that can remain in the fund at the end of each fiscal year, with the excess to revert to the General Fund; \$1.5 million may be a reasonable amount.
- Allow the Department to deposit excess recoveries into the fund (rather than reverting them immediately to the General Fund), so those funds are available if needed in subsequent years.
- Appropriate an initial amount to the fund.

**DISCUSSION:**

The federal Supplemental Security Income (SSI) program is administered by the Social Security Administration and provides assistance to the needy aged, blind, and disabled. States provide supplemental payments to SSI recipients who do not receive the maximum federal grant. As is the case for many federal programs, states are required to maintain spending of state funds at a specified level. Such requirements are called "maintenance of effort", or MOE. In this discussion, MOE will mean the SSI MOE requirement, rather than the MOE requirements for other programs, unless specifically noted.

Colorado is on a total expenditure test for MOE: the total state funds spent on SSI recipients each year must be at least as large as the highest amount spent in any previous year. The MOE test is applied on a calendar year basis. MOE targets and spending for the last seven calendar years are shown in the following table (CY 2008 spending is estimated). These figures do not reflect prior year corrective actions, which result in supplemental payments being made to SSI recipients. Colorado failed to meet the target in four of the last five calendar years, and recent Department estimates show that the State is on a pace to also miss the MOE target for CY 2008.

<b>Recent SSI MOE Target and Spending History</b>			
<b>Calendar Year</b>	<b>MOE Target</b>	<b>MOE Spending</b>	<b>Over/(Under)</b>
2002	\$26,669,766	\$26,678,719	\$8,953
2003	26,678,719	22,352,304	(4,326,415)
2004	26,678,719	21,717,428	(4,961,291)
2005	26,678,719	26,101,267	(577,452)
2006	26,678,719	26,882,089	203,370
2007	26,882,089	25,811,244	(1,070,845)
2008	26,882,089	26,611,056	(271,033)

Source: Department figures. CY 2008 spending is estimated. Figures do not include corrective actions.



When a state fails to meet its MOE target, it is allowed to take corrective action in the following year. The MOE target for the year following a shortfall is increased by the amount of the shortfall. The increase due to the shortfall is temporary, and the target is reduced once the shortfall has been made up. Only when the shortfall is not made up in the following year is the state technically out of compliance. Colorado has taken necessary corrective actions, increasing spending by making special adjustment payments to SSI recipients through the Aid to the Needy Disabled - Colorado Supplement (AND-CS) program. Staff's concerns regarding the SSI MOE are a result of consistent difficulties in meeting the expenditure target in recent fiscal years.

Failure to meet MOE targets can result in federal sanctions in the form of withheld federal Medicaid matching funds. The potential consequences for failing to meet this MOE requirement are quite serious; the minimum sanction is the withholding of *all* Medicaid Federal Financial Participation (FFP) funds for one calendar quarter. JBC staff estimate that Colorado receives FFP funds at a rate of about \$100 million per month. That is, the *smallest* sanction that could be imposed would result in the loss of about \$300 million in federal Medicaid funding.

Colorado counts payments made to SSI recipients under a variety of programs towards its MOE spending. For example, property tax rebates paid by the Department of Revenue count<sup>1</sup> towards the MOE target *when they are paid to an SSI recipient*. The programs that are used for MOE compliance, and their relative contributions to estimated total MOE spending for CY 2008, are shown in the table below. Once the State begins using a program for total expenditure MOE compliance, it must continue to use that program in the future.

<b>SSI MOE Spending by Program</b>		
<b>Program</b>	<b>Contribution (Dollars)</b>	<b>Contribution (Percentage)</b>
Home Care Allowance	\$10,134,855	38.1%
Old Age Pension	9,935,413	37.3%
Property/Rent Tax Rebate	4,063,105	15.3%
Aid to the Needy Disabled	1,807,041	6.8%
Heat Rebate	1,049,205	3.9%
Adult Foster Care	26,661	0.1%
Refunds/Expungement	(405,224)	-1.5%
<b>Total</b>	<b>\$26,611,056</b>	<b>100.0%</b>

Source: Department estimates for CY 2008. Percentages may not add due to rounding.

Some of these programs target SSI recipients poorly. Property tax rebates or other benefits paid to non-SSI individuals do not count towards the MOE requirement. Programs in which only a small

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<sup>1</sup>Counting the property tax rebate required federal approval, which in turn required that the program be modified so that payments were made at least quarterly, rather than annually.

fraction of the recipients are in the SSI group have limited use in making short-term adjustments to spending in order to meet the MOE target. As an example of this problem, the average Old Age Pension program Long Bill appropriation for the Cash Assistance Programs line item for CY 2008 was \$79.2 million, but only an estimated \$9.9 million of that counted towards the MOE target. To increase spending towards the MOE requirement by a dollar using the OAP program would require increasing OAP spending by almost eight dollars.

The amount of MOE contribution from some of these programs is outside of the Department's control. For example, in recent years the number of applications for the property/rent tax rebate has decreased; no one knows why, but fewer applicants have resulted in reduced spending towards the MOE. An additional complication for the Department's planning is that information is not always available in a timely fashion. Tax rebates are not paid until the end of the quarter, and detailed information is not available until some point after that. Because of these delays, changes that occur in July or August may not be reflected in the data available to the Department until October or November. At that point, it is too late in the calendar year measurement period to make compensating adjustments in other areas.

The mismatch in measurement over calendar years and funding over fiscal years puts the Department in a position which can result in what appear to be erratic payment amounts to recipients. During the period from July through December, the Department finds itself trying to increase spending in order to meet the MOE target. This may lead to its overspending relative to the total amounts of program appropriations. During the period from January through June, then, the Department finds itself with a need to reduce payments in order to stay within the appropriations. This pattern also creates the possibility that reduced expenditures in the first half of the calendar year make it even more difficult for the Department to increase spending sufficiently in the second half of the measurement period. This situation appears to be poor policy, both from the perspective of providing public assistance as well as from a purely budgetary perspective.

An additional difficulty that arises involves CBMS. The program staff at the Department indicate that making a change in the maximum payment allowed under one of the programs that count towards the MOE requires that they submit two separate change requests. The first request would be to increase the benefit amount so that spending toward the MOE is increased. The second request is simply to undo the first request. The program staff indicate that getting a change request implemented requires as long as three months, and is a significant limitation on their ability to make spending adjustments in a timely manner. In addition, if an increase is only in effect for three months, it must be much larger than an increase that would be in effect for a longer period of time. Committee staff will continue to work with the Department to understand this problem, but will not address it further in this briefing issue.

The federal rules allow the State to switch to a different MOE test called the pass-through test. Under this test, the State would be in compliance if it "passes through" any increases in the SSI maximum grant amount by making a corresponding increase in the maximum grant for the AND-CS program. In response to Committee inquiries in past years, the Department has estimated that

converting to the pass-through test would increase state spending over current levels by about \$30 million to start, and then increase by two to five million dollars per year. Switching to the alternate MOE test has been suggested as a method to achieve compliance in the past, but has been regarded as too expensive.

**Staff recommends that the Committee sponsor legislation to create a stabilizing source of funding** for the Department that can be used to alleviate the current cycle of increasing and decreasing spending in order to meet incompatible goals. Staff believes that if that cycle can be relieved to some extent, it will improve the chances that the State can regularly meet the MOE requirement. Further, staff believes that it is possible to provide that stabilization at a much lower cost than would be incurred by switching to the alternate test. In broad outline, the bill should:

- Create a stabilization cash fund to hold the necessary moneys on an ongoing basis. The fund would allow moneys to flow forward from one year to the next.
- Create a continuous appropriation of the moneys in the fund to the Department to be expended on programs that count towards the SSI MOE. Staff is ordinarily suspicious of continuous appropriations; however, this is a case where the intent is to allow the Department to act quickly but in a limited fashion, without the difficulty and delays involved in seeking permission from the General Assembly.
- Establish a cap on the amount that can remain in the fund at the end of each fiscal year, with the excess to revert to the General Fund. Based on the amounts by which the Department has missed the target in recent years, \$1.5 million may be a reasonable amount for such a limit.
- Allow the Department to deposit excess recoveries into the fund (rather than reverting them to the General Fund at the end of the fiscal years), so those funds are available if needed in subsequent years. The amount of recoveries varies from year to year. There is a recent precedent for this; for FY 2007-08, the General Assembly approved retention of excess recoveries for use in FY 2008-09.
- Appropriate an initial amount into the fund.

**FY 2009-10 Joint Budget Committee Staff Budget Briefing  
Department of Human Services  
(Executive Director's Office, Information Technology Services,  
County Administration, Self Sufficiency, Adult Assistance)**

**BRIEFING ISSUE**

**ISSUE: Budget Office Staffing**

The Department requests \$152,132 and 2.0 FTE to increase staffing for their budget group in the Executive Director's Office. The additional staff would partially replace cuts that were made in FY 2004-05, and would be used to reduce workload in general and improve management of the complex set of interagency funding in the Department's budget. Funding for the request would be from various state and federal sources, including \$107,571 net General Fund.

**SUMMARY:**

- ❑ The Department of Human Services requests \$152,132 and 2.0 FTE to increase staffing for their centralized budget group. The increase will partially offset a cut of 4.0 FTE that occurred in FY 2004-05, and allow the budget group to be more proactive about managing their budget, rather than functioning in an almost exclusively reactive mode.
- ❑ This is another in a series of requests to increase support and administrative personnel that were cut in FY 2003-04 and FY 2004-05. During the 2008 session, the General Assembly approved requests for FY 2008-09 to add 5.0 FTE to the human resources group and 2.4 FTE (annualizing to 5.0) in the Office of Information Technology Services.
- ❑ The Department cites the growing size and complexity of their budget as an additional reason for adding to the budget group. Joint Budget Committee staff have examined independent data sources in order to compare the Department to other state agencies. Staff believes these data generally support the Department's claims.

**DISCUSSION:**

The Department of Human Services (CDHS) requests \$152,132 and 2.0 FTE to increase the staffing for the budget group within the Executive Director's Office. The group currently consists of 8.0 FTE: six analysts, one program assistant, and the budget director. The current size has remained unchanged since 4.0 FTE were cut for FY 2004-05. The additional staff would be used to reduce workload in general, improve management of the complex interagency funding in the Department's budget, and seek ways to increase the amount of federal funds earned. Because this function is located in the Executive Director's Office, it would be funded from a wide variety of cash funds, reappropriated funds and federal funds sources, as well as \$107,571 net General Fund. The net General Fund component would consist of \$91,869 appropriated directly to the Department, and

\$15,702 appropriated to the Department of Health Care Policy and Financing (HCPF) for Medicaid matching purposes.

This request is another in a series of requests from the Department to add staff that were cut during FY 2003-04 and FY 2004-05. During the 2008 session, the General Assembly approved requests for the addition of 5.0 FTE to the human resources group in the Executive Director's Office, and 2.4 FTE (annualizing to 5.0) for support staff in the Office of Information Technology Services.

The Department asserts that additional staff will allow them to use their funds more effectively. Staff believes that it is probable that there are ways to improve the "efficiency" of state and local funds. For example, during the 2008 session, the Department identified an alternate way to transfer county block grant funds to the counties that resulted in an opportunity for the counties to draw down an additional \$1.6 million in federal funds. Similar opportunities are likely to exist. Properly identifying such opportunities can be a complicated problem, though, as federal money usually comes with "strings attached" that may result in restrictions on the uses of the matching state funds as well.

The Department cites the increasing size and complexity of its budget as another argument for the increase. The total appropriation to the Department for FY 2008-09 was \$2.1 billion, and in recent years, has increased by approximately \$100.0 million per year. The Department consists of 11 Long Bill divisions, the most of any department in the state. The Department is funded through an extremely diverse set of cash funds, reappropriated funds, and federal funds sources. The table below summarizes the Department's counts of the different funding sources. Among the reappropriated funds sources, the Department must coordinate a total transfer of over \$400 million from the Department of Health Care Policy and Financing.

<b>Fund Type</b>	<b>Number of Distinct Sources</b>
Cash Funds	54
Reappropriated Funds	53
Federal Funds	37

Staff has attempted to make comparisons between the Department's situation and that of other departments that may have similar problems with size and/or complexity using independent sources. Staff selected the Department of Health Care Policy and Financing and the Department of Public Health and Environment (DPHE) for this exercise. HCPF has a somewhat larger total budget and must also manage a large volume of interagency transfers. DPHE has ten Long Bill divisions, the second most amongst all departments, and is also regarded as having a large number of funding sources.

In response to last session's Joint Budget Committee Requests for Information, the Office of State Planning and Budgeting and the Department of Personnel and Administration have provided a position-by-position report on salary and benefit information for the entire state. Using this data,

staff counted the number of "budget" positions using codes from the state's classified employee system in each of the three departments being compared. HCPF has 13 positions listed, CDHS has nine, and DPHE has eight. These are not definitive numbers for the question being considered, since there are almost certainly some differences in classification and actual work assignments (for example, the Department of Agriculture has a budget staff, but does not have any employees with any of the State's budget analyst classifications). Staff believes these figures are useful for a gross comparison.

During the summer of 2008, the Joint Budget Committee staff performed a variety of data collection exercises as part of an ongoing "e-budgeting" initiative. One exercise collected as many as possible of the detailed funding sources used in the FY 2009-10 appropriation. As with the above exercise, the results are not definitive. The data have not all been properly cleaned, so assorted data entry errors may result in double counting a source. Some appropriations are simply identified as "various sources of cash funds" that may result in undercounts. Federal funds are also problematic; DPHE receives federal funds from various grants that do not require any state matching or maintenance of effort spending and so do not have identified sources. Staff believes, again, that the results are useful for making at least a gross comparison. The following table shows that CDHS deals with more funding sources in total than HCPF and DPHE combined.

	Number of Distinct Sources		
Fund Type	Human Services	Health Care Policy and Financing	Public Health and Environment
Cash Funds	53	25	51
Reappropriated Funds	49	13	10
Federal Funds	39	1	6

The final comparison between the three departments involves the size of the budget and the rate of growth. The most recent four total appropriations, and year-over-year growth as a percentage, for the departments are summarized in the following tables. The large increases in the size of the DPHE appropriation from FY 2004-05 to FY 2005-06, and to a lesser degree from FY 2005-06 to FY 2006-07 reflect Amendment 35 tobacco tax moneys becoming available.

	Total Appropriation, Millions of Dollars				
Department	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09*
Human Services	1,745.0	1,847.2	1,920.9	2,033.6	2,134.9
Health Care Policy and Financing	3,076.0	3,258.5	3,344.0	3,549.0	3,764.0
Public Health and Environment	279.0	387.9	451.1	460.7	467.2

	<b>Year-Over-Year Growth, Percentage</b>				
<b>Department</b>	<b>FY 2004-05</b>	<b>FY 2005-06</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>	<b>FY 2008-09*</b>
Human Services	N/A	5.9%	4.0%	5.9%	5.0%
Health Care Policy and Financing	N/A	5.9%	2.6%	6.1%	6.1%
Public Health and Environment	N/A	39.0%	16.3%	2.1%	1.4%

\* The FY 2008-09 appropriation reflects the most recent Appropriations Report, but may change due to supplemental requests made later in the fiscal year.

In summary, staff believes that these exercises generally support the argument that CDHS has fewer budget staff relative to the size and/or complexity of their budget when compared to these other departments.

**FY 2009-10 Joint Budget Committee Staff Budget Briefing  
Department of Human Services  
(Executive Director's Office, Information Technology Services,  
County Administration, Self Sufficiency, Adult Assistance)**

**BRIEFING ISSUE**

**ISSUE: EBT Fraud Investigation Unit**

The Department requests \$112,981 (including \$54,318 General Fund) and 2.0 FTE in additional spending authority for FY 2009-10 in order to create a fraud investigation unit for the Electronic Benefits Transfer system.

**SUMMARY:**

- The Electronic Benefits Transfer (EBT) system is a state-administered contractor-operated benefit delivery system. The system allows clients to use a debit-like card to receive cash benefits through automated teller machines, and food stamp benefits through point of sale terminals at food retailers.
- In June 2008 the Department was cited by the federal Department of Agriculture for failing to establish a state-level fraud detection unit for Food Assistance benefits. The federal department has warned Colorado that the State risks having Food Stamp administrative funds suspended or disallowed if its fraud detection efforts are not significantly strengthened.
- The Department estimates that 2.0 additional FTE will be required to implement such a program. These FTE will allow the Department to improve monitoring of the daily and monthly reports produced by the vendor, to make use of new vendor capabilities for fraud detection, and to train county workers.

**DISCUSSION:**

The Electronic Benefits Transfer (EBT) system is a state-administered contractor-operated benefit delivery system. The system allows clients to use a debit-like card to receive cash benefits through automated teller machines, and food stamp benefits through point of sale terminals at food retailers. The system was initially authorized by H.B. 95-1144 and has been in statewide operation since February 1998. The most recent rebid of the contract occurred in 2003, and was won by Citibank Electronic Financial Services. The Citibank unit was purchased in January 2004 by JP Morgan Electronic Financial Services, the current vendor.

As is the case for many of Colorado's public assistance program, food assistance programs are generally state-supervised but county-administered. Currently, local food assistance offices are responsible for investigating cases of alleged fraud. Fraud includes not only cases where individuals



receive benefits to which they are not entitled, but also illegal exchange of food assistance benefits for cash. For FY 2008-09, the EBT line item received an appropriation of \$3.2 million and 5.0 FTE. The current FTE are responsible for monitoring the vendor for contract compliance, transmission of payment files to the vendor, coordination between government agencies (at federal, state, and local level) and retailers, banks, and other providers.

The federal Department of Agriculture audits various aspects of states' implementations of the food assistance programs on a regular basis. In June 2008, that department published the findings of an audit of the Colorado EBT program. The State was cited for a failure to establish a state-level fraud detection unit, and for a failure to properly monitor EBT management reports provide by the vendor. The federal department has warned the State that federal Food Stamp administrative funds may be disallowed or suspended if state-level fraud detection, investigation, and assistance in prosecution are not significantly strengthened. Participation in the federal programs is mandatory; the state might be required to backfill as much as \$1.2 million annually in lost federal funds.

The Department estimates that 2.0 additional FTE will be required to implement the necessary changes. These FTE will allow the Department to improve monitoring of the daily and monthly reports produced by the service vendor. These FTE will also be responsible for managing a new database which will be provided by the vendor beginning in October 2008. The database will allow the Department to create ad hoc reports that can be used to assist in fraud detection. The new staff will also be responsible for training county workers in the use of the database. In order to pay for these FTE, the Department requests a funding increase of \$112,981 (including \$54,318 General Fund) for FY 2009-10. This would annualize to \$106,871 (including \$53,436 General Fund) in FY 2010-11.

In response to staff inquiry, the Department indicates that the federal funds used for this program would all be from food assistance programs, and that fraud investigations would in fact be limited to food assistance programs. If the unit detected indications of fraud in other programs, the unit would pass the information along, but would not be directly involved in any investigation that developed.

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Department of Human Services  
(Executive Director's Office, Information Technology Services,  
County Administration, Self Sufficiency, Adult Assistance)**

**BRIEFING ISSUE**

**ISSUE: Sunset of Transfer and Overexpenditure Authority**

Several sections of Article 24-75, C.R.S., allow the Department of Human Services limited abilities to transfer spending authority or to make overexpenditures. These sections are currently slated to sunset in 2009. Unless extended in some form, the Department will have less flexibility in managing its budget, probably resulting in increased interim supplemental requests.

**SUMMARY:**

- Several sections of Article 24-75, C.R.S., give the Department of Human Services, or the Governor acting on behalf of the Department, authority to transfer spending authority or make limited overexpenditures. Some of these provisions sunset in 2009.
- The Department has made regular use of this authority during the past several fiscal years. Allowing these sections of the statute to expire will reduce some of the flexibility the Department has for managing its budget and almost certainly result in Medicaid-related supplemental requests.
- Section 24-75-109 (1) (b) allows the Department to overexpend non-Medicaid appropriations by a maximum of one million dollars. When such overexpenditures occur, the State Controller restricts the overexpended lines by the amount of the overexpenditure in the following fiscal year. One million dollars is 0.05 percent of the Department's total appropriation for FY 2008-09.
- The Joint Budget Committee may wish to consider sponsoring legislation which would extend the sunset date, and possibly make other changes in these statutes.

**DISCUSSION:**

Several sections of Article 24-75, C.R.S., give the Department of Human Services (CDHS) limited authority to transfer spending authority between line items or to make overexpenditures. Three of the sections apply specifically to the Department:

Section	Sunset Date	Summary
106	September 1, 2009	Allows the Governor to transfer unlimited amounts of General Fund and reappropriated funds to and from the Departments of Health Care Policy and Financing and Human Services due to changes in the amount of Medicaid cash funds earned through programs or services. Relaxes, if necessary, conditions imposed by the "M" notation.
109 (1) (b)	July 1, 2009	Allows the Department, with approval by the Governor, to overexpend non-Medicaid appropriations by a total of one million dollars in any fiscal year. The State Controller will restrict overexpended lines by an amount equal to the overexpenditure in the following fiscal year.
109 (1) (c.5)	July 1, 2009	Allows the Department to overexpend for the Workers' Compensation self-insurance program. The State Controller will restrict the line by an amount equal to the overexpenditure in the following fiscal year.

The Department makes use of these different overexpenditure and transfer mechanisms with different frequencies. The special overexpenditure authority for the Workers' Compensation line has not been used in any of the last five fiscal years; the overexpenditure authority in Section 109 (1) (b), C.R.S., has been used in two of the last five fiscal years; and substantial Medicaid transfers have been made in each year. The total amounts of the transfers and overexpenditures are summarized in the following table.

Fiscal Year	Medicaid-Related Transfers	Overexpenditures Under 109 (1) (b)
2003-04	8,748,444	349,627
2004-05	11,254,810	0
2005-06	11,153,314	0
2006-07	8,994,294	769,964
2007-08	15,543,008	0

Source: Colorado State Controller's Office.

The Joint Budget Committee may wish to consider sponsoring legislation to extend the life of some or all of the authority granted in these sections. Points which the Committee may wish to consider with regard to such legislation include the following:

- Substantial annual transfers are made under the provisions of Section 24-75-106, C.R.S. If this section were to expire, those transfers would have to be handled through a different mechanism.
- Section 24-75-109 (1) (b) includes a one million dollar limit on the overexpenditure authority it provides. One million dollars is approximately 0.05 percent of the total CDHS budget. The million dollar limit was originally established in 1989, while the Department was still the Department of Social Services. There have been large structural changes in the state

social services agencies since that time: Medicaid was split off from CDHS to become the Department of Health Care Policy and Financing, and most of the Department of Institutions was absorbed into CDHS. In very round numbers, the million dollar limit applies today to a budget that is three times as large as the budget to which it applied when it was originally established.

- The Department does not appear to have made use of the authority granted in Section 24-75-109 (1) (c.5) during the last five fiscal years. When this authority was initially granted, it applied to the Department of Institutions, which corresponds to only a subset of today's Department of Human Services.

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**APPENDIX A: NUMBERS PAGES**

	<b>FY 2006-07</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	
	<b>Actual</b>	<b>Actual</b>	<b>Appropriation</b>	<b>Request</b>	<b>Change Request</b>

<b>DEPARTMENT OF HUMAN SERVICES</b> <b>Executive Director: Karen L. Beye</b>
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**(1) EXECUTIVE DIRECTOR'S OFFICE**

The primary function of this division is general department administration, which includes human resources, budgeting, and quality assurance. The division also administers special purpose functions such as the Juvenile Parole Board, the Developmental Disabilities Council, and the quality assurance activities related to child welfare.

**(A) General Administration**

*Please note that the funding splits for this subsection are for informational purposes only as the Long Bill for this subsection reflects fund splits at the bottom-line only.*

Personal Services	1,958,275	1,989,735	2,076,123	2,326,030	DI #2
FTE	<u>19.3</u>	<u>20.1</u>	<u>22.4</u>	<u>24.4</u>	
General Fund	(486,221)	(460,555)	625,083	742,653	
Cash Funds	388,420	204,573	98,257	106,127	
Reappropriated Fund / Cash Funds Exempt	939,482	1,264,093	450,527	509,354	
Federal Funds	1,116,594	981,624	902,256	967,896	
*Medicaid Cash Funds	699,186	351,181	346,412	393,899	
*Net General Fund	(136,629)	(284,965)	791,385	932,627	
Health, Life, and Dental	<u>14,200,144</u>	<u>18,417,860</u>	<u>22,609,877</u>	<u>25,385,525</u>	
General Fund	8,486,004	11,154,196	13,243,291	14,869,072	
Cash Funds	151,878	191,643	572,834	643,157	
Reappropriated Fund / Cash Funds Exempt	3,572,668	4,377,155	6,130,863	6,883,504	
Federal Funds	1,989,594	2,694,866	2,662,889	2,989,792	
*Medicaid Cash Funds	1,462,932	4,144,081	5,226,226	5,822,263	
*Net General Fund	9,218,024	13,227,744	15,927,534	17,780,204	

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	
	Actual	Actual	Appropriation	Request	Change Request
Short-term Disability	221,746	285,064	331,564	335,849	
General Fund	130,709	179,346	204,610	207,254	
Cash Funds	5,879	2,660	4,746	4,807	
Reappropriated Fund / Cash Funds Exempt	46,649	63,933	71,984	72,914	
Federal Funds	38,509	39,125	50,224	50,874	
*Medicaid Cash Funds	43,886	47,307	62,006	62,807	
*Net General Fund	152,675	207,587	235,575	238,619	
S.B. 04-257 Amortization Equalization Disbursement	1,498,493	2,651,404	4,012,420	5,166,890	
General Fund	896,173	1,621,108	2,465,817	3,175,292	
Cash Funds	38,052	31,561	58,409	75,215	
Reappropriated Fund / Cash Funds Exempt	315,321	599,325	870,055	1,120,391	
Federal Funds	248,947	399,410	618,139	795,992	
*Medicaid Cash Funds	298,480	531,865	747,252	962,254	
*Net General Fund	1,045,256	1,887,297	2,838,975	3,655,817	
S.B. 06-235 Supplemental Amortization Equalization Disbursement	0	482,075	1,827,413	3,229,306	
General Fund	0	290,410	1,114,864	1,970,128	
Cash Funds	0	6,401	27,379	48,382	
Reappropriated Fund / Cash Funds Exempt	0	103,502	395,417	698,760	
Federal Funds	0	81,762	289,753	512,036	
*Medicaid Cash Funds	0	90,082	337,853	597,036	
*Net General Fund	0	335,499	1,283,579	2,268,272	
Salary Survey and Senior Executive Service	6,253,819	8,459,970	9,460,039	7,294,565	
General Fund	4,095,089	5,475,481	5,672,397	4,399,428	
Cash Funds	62,620	89,341	130,363	83,066	
Reappropriated Fund / Cash Funds Exempt	1,508,376	1,815,860	2,054,876	1,601,626	
Federal Funds	587,734	1,079,288	1,602,403	1,210,445	
*Medicaid Cash Funds	1,502,475	1,854,973	1,831,336	1,429,321	
*Net General Fund	4,846,896	6,405,668	6,584,245	5,286,575	

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	
	Actual	Actual	Appropriation	Request	Change Request
Performance-based Pay Awards	<u>0</u>	<u>3,048,099</u>	<u>3,951,587</u>	<u>0</u>	
General Fund	0	2,009,319	2,420,937	0	
Cash Funds	0	37,607	49,582	0	
Reappropriated Fund / Cash Funds Exempt	0	583,843	896,523	0	
Federal Funds	0	417,330	584,545	0	
*Medicaid Cash Funds	0	565,522	789,488	0	
*Net General Fund	0	2,292,156	2,815,128	0	
Shift Differential	<u>4,145,074</u>	<u>4,420,547</u>	<u>3,958,334</u>	<u>4,370,295</u>	DI #1
General Fund	2,666,651	2,837,484	2,615,314	2,808,055	
Cash Funds	2,297	2,005	366	366	
Reappropriated Fund / Cash Funds Exempt	1,467,594	1,573,716	1,332,101	1,550,543	
Federal Funds	8,532	7,342	10,553	11,331	
*Medicaid Cash Funds	1,442,508	1,552,039	1,327,198	1,545,279	
*Net General Fund	3,387,905	3,613,504	3,278,914	3,580,695	
Workers' Compensation	<u>6,389,052</u>	<u>6,764,507</u>	<u>8,587,528</u>	<u>8,600,561</u>	DI #NP4
General Fund	3,657,451	4,089,964	4,531,528	4,538,405	
Cash Funds	21,624	19,264	25,673	25,712	
Reappropriated Fund / Cash Funds Exempt	2,369,935	2,361,024	3,654,106	3,659,652	
Federal Funds	340,042	294,255	376,221	376,792	
*Medicaid Cash Funds	1,866,281	1,600,406	2,561,937	2,565,825	
*Net General Fund	4,591,041	4,890,167	5,812,497	5,821,318	
Operating Expenses	<u>479,937</u>	<u>487,980</u>	<u>494,827</u>	<u>514,539</u>	DI #2, NP1, NP2
General Fund	285,017	294,475	138,806	153,161	
Cash Funds	99,512	99,512	119,393	119,598	
Reappropriated Fund / Cash Funds Exempt	93,992	93,993	160,504	163,733	
Federal Funds	1,416	0	76,124	78,047	
*Medicaid Cash Funds	93,992	93,993	149,989	152,705	
*Net General Fund	332,013	341,472	213,801	229,514	

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	
	Actual	Actual	Appropriation	Request	Change Request
Legal Services	1,249,611	1,328,161	1,387,635	1,387,635	
Hours	<u>18,439.0</u>	<u>0.0</u>	<u>18,439.0</u>	<u>18,439.0</u>	
General Fund	1,249,596	1,213,642	1,154,609	1,154,609	
Cash Funds	15	114,519	159,379	159,379	
Reappropriated Fund / Cash Funds Exempt	0	0	16,147	16,147	
Federal Funds	0	0	57,500	57,500	
Administrative Law Judge Services	<u>852,141</u>	<u>833,592</u>	<u>873,818</u>	<u>913,822</u>	DI #NP3
General Fund	772,025	783,576	528,119	552,297	
Cash Funds	80,116	50,016	52,939	55,363	
Federal Funds	0	0	292,760	306,162	
Payment to Risk Management and Property Funds	<u>2,138,482</u>	<u>1,296,369</u>	<u>1,768,970</u>	<u>1,768,970</u>	
General Fund	1,757,345	1,021,651	1,474,504	1,474,504	
Cash Funds	4,301	6,096	3,986	3,986	
Reappropriated Fund / Cash Funds Exempt	240,813	171,111	216,859	216,859	
Federal Funds	136,023	97,511	73,621	73,621	
*Medicaid Cash Funds	<i>174,044</i>	<i>121,335</i>	<i>137,304</i>	<i>137,304</i>	
*Net General Fund	<i>1,844,367</i>	<i>1,082,319</i>	<i>1,543,156</i>	<i>1,543,156</i>	
Staff Training	<u>15,762</u>	<u>14,508</u>	<u>31,870</u>	<u>31,870</u>	
General Fund	1,628	(4,495)	0	0	
Cash Funds	175	16,429	31,870	31,870	
Reappropriated Fund / Cash Funds Exempt	13,959	2,574	0	0	
Injury Prevention Program	<u>105,211</u>	<u>105,888</u>	<u>105,970</u>	<u>105,970</u>	
General Fund	105,211	105,888	0	0	
Reappropriated Fund / Cash Funds Exempt	0	0	105,970	105,970	
*Medicaid Cash Funds	<i>0</i>	<i>0</i>	<i>105,970</i>	<i>105,970</i>	
*Net General Fund	<i>105,211</i>	<i>0</i>	<i>52,985</i>	<i>52,985</i>	



	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	
	Actual	Actual	Appropriation	Request	Change Request
CBMS Emergency Processing Unit	198,844	139,887	213,822	219,687	
FTE	<u>0.0</u>	<u>2.7</u>	<u>4.0</u>	<u>4.0</u>	
General Fund	81,715	65,153	73,768	75,821	
Cash Funds	7,781	1,785	17,106	17,575	
Federal Funds	109,348	72,949	122,948	126,291	
CBMS Eligibility Audit - Cash Funds Exempt	<u>198,844</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General fund	81,715	0	0	0	
Cash Funds	7,781	0	0	0	
Federal Funds	109,348	0	0	0	
					Request vs. Appropriation
<b>(1) EXECUTIVE DIRECTOR'S OFFICE</b>					
<b>Subtotal - (A) General Administration</b>	39,905,435	50,725,646	61,691,797	61,651,514	-0.1%
FTE	<u>19.3</u>	<u>22.8</u>	<u>26.4</u>	<u>28.4</u>	7.0%
General Fund	23,780,108	30,676,643	36,263,647	36,120,679	-0.4%
Cash Funds	870,451	873,412	1,352,282	1,374,603	1.6%
Reappropriated Fund / Cash Funds Exempt	10,568,789	13,010,129	16,355,932	16,599,453	1.5%
Federal Funds	4,686,087	6,165,462	7,719,936	7,556,779	-2.2%
*Medicaid Cash Funds	7,583,784	10,952,784	13,622,971	13,774,663	1.1%
*Net General Fund	27,573,438	36,056,324	43,134,270	43,172,509	0.1%

**(B) Special Purpose**

This section provides funding to support staff responsible for periodically assessing all Colorado children placed in residential care as a result of a dependency and neglect or a delinquency proceeding to ensure counties' statutory and regulatory compliance and to assess whether each child has been placed appropriately. Funding is also provided to support staff who conduct background/employment screenings using records and reports of child abuse or neglect, and staff who represent the Department at administrative hearings related to individuals who appeal a county's finding related to a report of abuse or neglect. Cash funds are from fees paid by those requesting background/employment checks.

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	
	Actual	Actual	Appropriation	Request	Change Request
Office of Performance Improvement	4,419,592	4,600,868	4,997,731	5,236,280	DI #NP1, NP2
FTE	<u>63.7</u>	<u>65.2</u>	<u>74.1</u>	<u>74.1</u>	
General Fund	1,422,341	1,680,324	1,834,005	1,934,834	
Cash Funds	169,041	171,125	231,126	235,472	
Reappropriated Fund / Cash Funds Exempt	757,434	730,765	740,052	778,298	
Federal Funds	2,070,776	2,018,654	2,192,548	2,287,676	
*Medicaid Cash Funds	670,136	642,044	694,587	729,310	
*Net General Fund	1,757,409	2,001,346	2,181,299	2,299,491	
Administrative Review Unit	1,685,233	1,859,239	1,951,619	2,509,103	DI #16, NP1
FTE	<u>20.2</u>	<u>20.9</u>	<u>22.2</u>	<u>28.8</u>	
General Fund	992,679	1,160,911	1,196,849	1,262,171	
Federal Funds	692,554	698,328	754,770	1,246,932	
Records and Reports of Child Abuse or Neglect	400,104	426,787	566,874	585,746	DI #NP2
FTE	<u>6.0</u>	<u>6.5</u>	<u>7.5</u>	<u>7.5</u>	
Cash Funds	188,213	73,771	566,874	585,746	
Reappropriated Fund / Cash Funds Exempt	211,891	353,016	0	0	
Juvenile Parole Board	162,729	186,907	255,976	252,582	
FTE	<u>2.1</u>	<u>0.0</u>	<u>3.0</u>	<u>3.0</u>	
General Fund	162,729	186,907	199,979	206,814	
Reappropriated Funds / Cash Funds Exempt	0	0	55,997	45,768	
Developmental Disabilities Council - Federal Funds	686,224	827,992	861,654	883,974	DI #NP2
FTE	5.1	5.0	6.0	6.0	
Colorado Commission for the Deaf and Hard of Hearing	0	736,159	785,920	793,850	DI #NP2
FTE	<u>0.0</u>	<u>1.9</u>	<u>2.8</u>	<u>2.8</u>	
General Fund	0	131,161	131,164	132,507	
Cash Funds	0	0	0	0	
Reappropriated Fund / Cash Funds Exempt	0	604,998	654,756	661,343	
Federal Funds	0	0	0	0	
*Medicaid Cash Funds	0	0	0	0	
*Net General Fund	0	131,161	131,164	132,507	

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	
	Actual	Actual	Appropriation	Request	Change Request
Colorado Commission for Individuals who are Blind or Visually Impaired - RF/CFE	0	23,448	112,067	112,067	
FTE	0.0	0.0	1.0	1.0	
HIPAA Security Remediation	289,590	496,002	522,013	531,472	
FTE	<u>1.5</u>	<u>1.5</u>	<u>2.0</u>	<u>2.0</u>	
General Fund	214,376	380,466	388,218	395,312	
Cash Funds	0	0	377	377	
Reappropriated Fund / Cash Funds Exempt	56,462	86,162	102,666	104,558	
Federal Funds	18,752	29,374	30,752	31,225	
*Medicaid Cash Funds	56,462	86,162	102,666	104,558	
*Net General Fund	242,607	423,547	439,552	447,591	
					Request vs. Appropriation
<b>(1) EXECUTIVE DIRECTOR'S OFFICE</b>					
<b>Subtotal - (B) Special Purpose</b>	7,643,472	9,157,402	10,053,854	10,905,074	7.8%
FTE	<u>98.6</u>	<u>101.0</u>	<u>118.6</u>	<u>125.2</u>	5.3%
General Fund	2,792,125	3,539,769	3,750,215	3,931,638	4.6%
Cash Funds	357,254	244,896	798,377	821,595	2.8%
Reappropriated Fund / Cash Funds Exempt	1,025,787	1,798,389	1,665,538	1,702,034	2.1%
Federal Funds	3,468,306	3,574,348	3,839,724	4,449,807	13.7%
*Medicaid Cash Funds	726,598	728,206	797,253	833,868	4.4%
*Net General Fund	3,155,424	3,903,872	4,148,843	4,348,574	4.6%

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	
	Actual	Actual	Appropriation	Request	Change Request
<b>TOTAL - (1) EXECUTIVE DIRECTOR'S OFFICE</b>	47,548,907	59,883,048	71,745,651	72,556,588	Request vs. Appropriation 1.1%
FTE	<u>117.9</u>	<u>123.8</u>	<u>145.0</u>	<u>153.6</u>	5.6%
General Fund	26,572,233	34,216,412	40,013,862	40,052,317	0.1%
Cash Funds	1,227,705	1,118,308	2,150,659	2,196,198	2.1%
Reappropriated Fund / Cash Funds Exempt	11,594,576	14,808,518	18,021,470	18,301,487	1.5%
Federal Funds	8,154,393	9,739,810	11,559,660	12,006,586	3.7%
<i>*Medicaid Cash Funds</i>	<i>8,310,382</i>	<i>11,680,990</i>	<i>14,420,224</i>	<i>14,608,531</i>	1.3%
<i>*Net General Fund</i>	<i>30,728,862</i>	<i>39,960,196</i>	<i>47,283,113</i>	<i>47,521,083</i>	0.5%

\* These amounts are included for informational purposes only. Medicaid cash funds are classified as cash funds exempt for the purpose of complying with Article X, Section 20 of the State Constitution. These moneys are transferred from the Department of Health Care Policy and Financing where generally half of the dollars are appropriated as General Fund. Net General Fund equals the General Fund dollars listed above plus the General Fund transferred as part of Medicaid.

**(2) OFFICE OF INFORMATION TECHNOLOGY SERVICES**

The primary function of this division is to develop and maintain the Department's information technology systems, including Colorado Trails and the Colorado Benefits Management System. It also contains appropriations for the department's use of certain centralized programs (e.g. Communications Services Payments and Purchase of Services from Computer Center) that are operated in the Department of Personnel and Administration. The cash funds, cash funds exempt, and federal funds are related to the programs supported by each system. A number of programs are supported by Medicaid funding as indicated below.

Personal Services	5,881,730	5,617,050	5,961,739	6,455,752
FTE	<u>68.4</u>	<u>68.1</u>	<u>72.6</u>	<u>75.2</u>
General Fund	4,269,113	4,348,432	4,597,188	4,983,664
Cash Funds	23,620	24,063	143,438	145,462
Reappropriated Fund / Cash Funds Exempt	503,321	548,704	463,361	510,475
Federal Funds	1,085,676	695,851	757,752	816,151
<i>*Medicaid Cash Funds</i>	<i>210,748</i>	<i>76,733</i>	<i>237,497</i>	<i>257,483</i>
<i>*Net General Fund</i>	<i>4,374,488</i>	<i>4,386,799</i>	<i>4,715,934</i>	<i>5,112,407</i>

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	
	Actual	Actual	Appropriation	Request	Change Request
Operating Expenses	<u>345,772</u>	<u>371,065</u>	<u>407,176</u>	<u>392,733</u>	DI #NP1
General Fund	307,488	307,488	324,068	312,582	
Cash Funds	0	0	0	0	
Reappropriated Fund / Cash Funds Exempt	15,288	16,040	16,855	16,255	
Federal Funds	22,996	47,537	66,253	63,896	
*Medicaid Cash Funds	15,288	16,040	16,855	16,255	
*Net General Fund	315,132	315,508	332,496	320,710	
Purchase of Services from Computer Center	<u>4,095,419</u>	<u>4,383,797</u>	<u>4,463,968</u>	<u>4,463,968</u>	
General Fund	1,797,175	2,120,498	1,948,041	1,948,041	
Cash Funds	17,603	15,991	6,051	6,051	
Reappropriated Fund / Cash Funds Exempt	61,799	48,589	3,051	3,051	
Federal Funds	2,218,842	2,198,719	2,506,825	2,506,825	
*Medicaid Cash Funds	57,974	48,271	2,774	2,774	
*Net General Fund	1,826,162	2,142,517	1,949,428	1,949,428	
Microcomputer Lease Payments	<u>525,174</u>	<u>526,365</u>	<u>539,344</u>	<u>539,344</u>	
General Fund	301,832	301,832	301,832	301,832	
Cash Funds	15,466	15,466	15,466	15,466	
Reappropriated Fund / Cash Funds Exempt	125,663	128,647	128,647	128,647	
Federal Funds	82,213	80,420	93,399	93,399	
*Medicaid Cash Funds	60,579	128,647	63,563	63,563	
*Net General Fund	332,122	366,156	333,613	333,613	
Colorado Trails	9,231,413	9,256,750	9,551,829	9,733,993	
FTE	<u>41.7</u>	<u>42.9</u>	<u>48.0</u>	<u>48.0</u>	
General Fund	4,974,287	5,008,216	5,237,536	5,335,887	
Reappropriated Fund / Cash Funds Exempt	28,003	0	0	0	
Federal Funds	4,229,123	4,248,534	4,314,293	4,398,106	
County Financial Management System (CFMS)	<u>1,498,846</u>	<u>1,513,744</u>	<u>1,515,836</u>	<u>1,515,836</u>	
General Fund	476,670	781,835	781,835	781,835	
Reappropriated Fund / Cash Funds Exempt	305,166	0	0	0	
Federal Funds	717,010	731,909	734,001	734,001	

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	
	Actual	Actual	Appropriation	Request	Change Request
Health Information Management System	<u>305,608</u>	<u>311,294</u>	<u>339,168</u>	<u>339,168</u>	
General Fund	209,891	211,290	211,290	211,290	
Reappropriated Fund / Cash Funds Exempt	95,717	100,004	127,878	127,878	
*Medicaid Cash Funds	0	0	0	0	
*Net General Fund	209,891	211,290	211,290	211,290	
Client Index Project	153,045	133,781	156,116	162,526	
FTE	<u>0.0</u>	<u>3.0</u>	<u>3.0</u>	<u>3.0</u>	
General Fund	89,634	89,634	89,634	93,314	
Federal Funds	63,411	44,147	66,482	69,212	
National Aging Program Information System	<u>78,420</u>	<u>82,929</u>	<u>93,114</u>	<u>93,114</u>	
General Fund	13,791	12,836	15,526	15,526	
Cash Funds	0	0	7,752	7,752	
Reappropriated Fund / Cash Funds Exempt	0	7,752	0	0	
Federal Funds	64,629	62,341	69,836	69,836	
Colorado Benefits Management System (CBMS)	21,517,388	24,646,499	23,312,145	23,484,962	DI #NP2
FTE	<u>33.3</u>	<u>43.4</u>	<u>47.1</u>	<u>47.1</u>	
General Fund	3,457,574	3,878,767	3,641,922	3,678,105	
Cash Funds	1,705,153	1,951,276	1,887,716	1,892,533	
Reappropriated Fund / Cash Funds Exempt	7,411,617	8,521,201	8,091,647	8,151,629	
Federal Funds	8,943,044	10,295,255	9,690,860	9,762,695	
*Medicaid Cash Funds	7,412,103	8,548,494	8,091,647	8,151,629	
*Net General Fund	7,787,338	7,745,560	7,390,532	7,488,722	
CBMS SAS-70 Audit	<u>111,900</u>	<u>144,750</u>	<u>149,000</u>	<u>149,000</u>	
General Fund	21,986	22,719	23,386	23,386	
Cash Funds	8,980	11,616	11,957	11,957	
Reappropriated Fund / Cash Funds Exempt	34,571	50,242	51,718	51,718	
Federal Funds	46,363	60,173	61,939	61,939	
*Medicaid Cash Funds	34,571	50,242	51,718	51,718	
*Net General Fund	38,183	45,471	47,614	47,614	

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	
	Actual	Actual	Appropriation	Request	Change Request
CBMS Federal Reallocation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	0	158,947	0	0	
Cash Funds	0	0	0	0	
Reappropriated Fund / Cash Funds Exempt	0	2,986,105	0	0	
Federal Funds	0	(3,145,052)	0	0	
*Medicaid Cash Funds	0	823,628	0	0	
*Net General Fund	0	158,947	0	0	
CBMS TANF Reauthorization Changes					
Federal Funds	0	0	2,838,755	2,838,755	
Multiuse Network Payments	<u>1,809,954</u>	<u>2,207,742</u>	<u>2,282,929</u>	<u>2,282,929</u>	
General Fund	1,104,071	1,346,723	1,392,586	1,392,586	
Cash Funds	18,100	22,077	22,829	22,829	
Reappropriated Fund / Cash Funds Exempt	140,187	176,619	182,635	182,635	
Federal Funds	547,596	662,323	684,879	684,879	
*Medicaid Cash Funds	93,507	176,619	106,764	106,764	
*Net General Fund	1,150,825	1,435,033	1,445,968	1,445,968	
Communication Services Payments	<u>140,720</u>	<u>156,510</u>	<u>163,475</u>	<u>163,475</u>	
General Fund	119,612	133,034	138,954	138,954	
Cash Funds	0	0	0	0	
Reappropriated Fund / Cash Funds Exempt	21,108	23,476	24,521	24,521	
Federal Funds	0	0	0	0	

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	
	Actual	Actual	Appropriation	Request	Change Request
<b>TOTAL - (2) OFFICE OF INFORMATION TECHNOLOGY SERVICES</b>	45,695,389	49,352,276	51,774,594	52,615,555	Request vs. Appropriation 1.6%
FTE	143.4	157.4	170.7	173.3	1.5%
General Fund	17,143,124	18,722,251	18,703,798	19,217,002	2.7%
Cash Funds	1,788,922	2,040,489	2,095,209	2,102,050	0.3%
Reappropriated Fund / Cash Funds Exempt	8,742,440	12,607,379	9,090,313	9,196,809	1.2%
Federal Funds	18,020,903	15,982,157	21,885,274	22,099,694	1.0%
*Medicaid Cash Funds	7,884,770	9,868,674	8,570,818	8,650,186	0.9%
*Net General Fund	21,708,135	22,832,836	22,690,360	23,275,268	2.5%

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#### (4) COUNTY ADMINISTRATION

This division provides counties with resources for duties related to their social services functions. Funding includes a county's 20.0 percent share or a maintenance of effort and other funding for the administrative costs of medical and cash assistance programs. Such programs include Medicaid, Adult Protection, and Food Stamps.

County Administration	<u>40,204,044</u>	<u>37,095,807</u>	<u>51,138,883</u>	<u>51,138,883</u>	
General Fund	13,359,022	14,001,616	20,227,939	20,227,939	
Cash Funds	0	0	9,381,078	9,381,078	
Reappropriated Fund / Cash Funds Exempt	11,922,659	6,164,325	0	0	
Federal Funds	14,922,363	16,929,866	21,529,866	21,529,866	
*Medicaid Cash Funds	0	0	0	0	
*Net General Fund	13,359,022	14,001,616	20,227,939	20,227,939	
County Contingency Payments pursuant to Section 26-1-126, C.R.S. - General Fund	11,069,321	11,069,321	0	0	
County Tax Base Relief - General Fund	0	0	6,069,321	6,069,321	



	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	
	Actual	Actual	Appropriation	Request	Change Request
County Share of Offsetting Revenues	<u>3,728,422</u>	<u>3,530,126</u>	<u>3,789,313</u>	<u>3,789,313</u>	
Cash Funds	0	0	3,789,313	3,789,313	
Reappropriated Fund / Cash Funds Exempt	3,728,422	3,530,126	0	0	
County Incentive Payments	<u>2,848,504</u>	<u>1,815,147</u>	<u>5,584,361</u>	<u>5,584,361</u>	
Cash Funds	0	0	5,584,361	5,584,361	
Reappropriated Fund / Cash Funds Exempt	2,848,504	1,815,147	0	0	
Emergency Property Tax Relief - General Fund	1,193,897	0	0	0	
OFFSET LOSS TO COUNTIES DUE TO DEFICIT REDUCTION ACT					
CHANGES IN TANF APPLICANT ASSIGNMENT OF RIGHTS TO					
ARREARS (New Line)	<u>0</u>	<u>0</u>	<u>0</u>	<u>138,354</u>	DI #12
General Fund	0	0	0	83,346	
Federal Funds	0	0	0	55,008	
					Request vs. Appropriation
<b>TOTAL - (4) COUNTY ADMINISTRATION</b>	<u>59,044,188</u>	<u>53,510,401</u>	<u>66,581,878</u>	<u>66,720,232</u>	0.2%
General Fund	25,622,240	25,070,937	26,297,260	26,380,606	0.3%
Cash Funds	0	0	18,754,752	18,754,752	0.0%
Reappropriated Fund / Cash Funds Exempt	18,499,585	11,509,598	0	0	
Federal Funds	14,922,363	16,929,866	21,529,866	21,584,874	0.3%
*Medicaid Cash Funds	0	0	0	0	
*Net General Fund	<u>25,622,240</u>	<u>25,070,937</u>	<u>26,297,260</u>	<u>26,380,606</u>	0.3%

\* These amounts are included for informational purposes only. Medicaid cash funds are classified as cash funds exempt for the purpose of complying with Article X, Section 20 of the State Constitution. These moneys are transferred from the Department of Health Care Policy and Financing where generally half of the dollars are appropriated as General Fund. Net General Fund equals the General Fund dollars listed above plus the General Fund transferred as part of Medicaid.

## (7) OFFICE OF SELF SUFFICIENCY

### (A) Administration

The Office of Self Sufficiency's Administration section is responsible for the oversight of the the Colorado Works Program, the Special Purpose Welfare Programs (Low Income Energy Assistance Program, Food Stamp Job Search, Food Distribution, Low-Income Telephone Assistance Program, Income Tax Offset, Electronic Benefits Transfer Service, Refugee Assistance, and Systematic Alien Verification for Eligibility), Child Support Enforcement, and Disability Determination Services.

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	
	Actual	Actual	Appropriation	Request	Change Request
Personal Services	1,379,197	1,459,112	1,647,548	1,728,161	
FTE	<u>16.0</u>	<u>18.3</u>	<u>22.0</u>	<u>22.0</u>	
General Fund	639,286	626,958	663,988	744,601	
Federal Funds	739,911	832,154	983,560	983,560	
Operating Expenses	<u>69,735</u>	<u>83,733</u>	<u>77,156</u>	<u>104,177</u>	DI #25, NP1, NP2
General Fund	35,433	42,654	53,884	54,801	
Federal Funds	34,302	41,079	23,272	49,376	
Inmate Assistance Pilot Program					
General Fund	0	0	279,000	0	Request vs. Appropriation
<b>(7) SELF SUFFICIENCY</b>					
<b>Subtotal - (A) Administration</b>	1,448,932	1,542,845	2,003,704	1,832,338	-9.4%
FTE	<u>16.0</u>	<u>18.3</u>	<u>22.0</u>	<u>22.0</u>	0.0%
General Fund	674,719	669,612	996,872	799,402	-24.7%
Federal Funds	774,213	873,233	1,006,832	1,032,936	2.5%

**(7) OFFICE OF SELF SUFFICIENCY**

**(B) Colorado Works Program**

The Colorado Works Program implements federal welfare reform. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 created the Temporary Assistance for Needy Families (TANF) to replace the Aid to Families with Dependent Children (AFDC). Colorado Works supervises administration of TANF programs delivered at the county level. TANF provides cash assistance benefits and other support services to eligible families to assist these families in finding and retaining employment.

Colorado Works Administration	1,025,858	1,156,612	1,495,094	1,552,298	DI #NP2
FTE	<u>11.6</u>	<u>13.1</u>	<u>19.0</u>	<u>19.0</u>	
General Fund	0	0	0	0	
Reappropriated Fund / Cash Funds Exempt	0	0	0	0	
Federal Funds	1,025,858	1,156,612	1,495,094	1,552,298	

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	
	Actual	Actual	Appropriation	Request	Change Request
County Block Grants	119,321,019	116,067,649	151,941,672	151,941,672	
General Fund	627,726	627,726	405,504	405,504	
Cash Funds	0	0	22,823,033	22,823,033	
Reappropriated Fund / Cash Funds Exempt	25,092,840	24,904,503	0	0	
Federal Funds	93,600,453	90,535,420	128,713,135	128,713,135	
Reimbursement to Counties for Prior Year Expenditures Due to Reduction in Federal Maintenance of Effort Requirement - Federal Funds	0	11,049,452	5,524,726	5,524,726	
Funds to Help Katrina Victims - Federal Funds	11,381	0	0	0	
County Block Grant Support Fund (formerly Short-term Works Emergency Fund) - Federal Funds	0	80,160	1,000,000	1,000,000	
County Reserve Accounts - Federal Funds	0	0	79,820,105	79,820,105	
County Training - Federal Funds	332,272	440,794	584,917	592,534	DI #NP2
FTE	0.0	1.8	2.0	2.0	
Domestic Violence Training - Federal Funds	105,142	0	0	0	
FTE	0.7	0.0	0.0	0.0	
Domestic Abuse Program	839,090	807,709	983,617	990,807	DI #NP2
FTE	1.7	1.0	2.0	2.0	
Cash Funds	0	0	330,711	330,983	
Reappropriated Fund / Cash Funds Exempt	189,090	157,709	0	0	
Federal Funds	650,000	650,000	652,906	659,824	
Works Program Evaluation - Federal Funds	497,114	490,938	500,000	350,029	DI #23, NP2
Workforce Development Council - Federal Funds	76,813	88,838	88,838	88,838	
TANF Federal Reporting CBMS Maintenance - Federal Funds	36,240	0	0	0	
Federal TANF Reauthorization CBMS Changes - Federal Funds	0	199,893	168,400	0	

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	
	Actual	Actual	Appropriation	Request	Change Request
Promoting Responsible Fatherhood Grant	0	0	2,222,222	2,222,222	
General Fund	0	0	222,222	222,222	
Federal Funds	0	0	2,000,000	2,000,000	
<b>COLORADO WORKS PROGRAM MAINTENANCE FUND (New Line)</b>					
- Federal Funds	0	0	3,000,000	3,000,000	
<b>COLORADO WORKS STATEWIDE STRATEGIC USE FUND (New Line) - Federal Funds</b>					
	0	0	10,000,000	10,000,000	
					Request vs. Appropriation
<b>(7) SELF SUFFICIENCY</b>					
<b>Subtotal - (B) Colorado Works Program</b>	122,244,929	130,382,045	257,329,591	257,083,231	-0.1%
FTE	14.0	15.9	23.0	23.0	0.0%
General Fund	627,726	627,726	627,726	627,726	0.0%
Cash Funds	0	0	23,153,744	23,154,016	0.0%
Reappropriated Fund / Cash Funds Exempt	25,281,930	25,062,212	0	0	
Federal Funds	96,335,273	104,692,107	233,548,121	233,301,489	-0.1%
<b>(7) OFFICE OF SELF SUFFICIENCY</b>					
<b>(C) Special Purpose Welfare Programs</b>					
This program provides administrative oversight to counties for food, energy, and other cash assistance to low-income households.					
<b>(1) Low Income Energy Assistance</b>	46,426,404	52,248,363	33,742,345	33,795,980	DI #NP2
FTE	4.8	5.0	6.6	6.6	
Cash Funds	0	5,950,000	0	0	
Reappropriated Fund / Cash Funds Exempt	7,100,000	2,149,832	2,149,832	2,149,832	
Federal Funds	39,326,404	44,148,531	31,592,513	31,646,148	

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	
	Actual	Actual	Appropriation	Request	Change Request
<b>(2) Food Stamp Job Search Units</b>					
Program Costs	2,017,047	2,001,321	2,043,946	2,067,077	
FTE	<u>6.1</u>	<u>5.9</u>	<u>6.2</u>	<u>6.2</u>	
General Fund	157,243	162,632	171,002	182,568	
Cash Funds	0	0	409,382	409,382	
Reappropriated Fund / Cash Funds Exempt	409,382	409,382	0	0	
Federal Funds	1,450,422	1,429,307	1,463,562	1,475,127	
Supportive Services	<u>261,438</u>	<u>260,491</u>	<u>261,452</u>	<u>261,452</u>	
General Fund	78,430	78,075	78,435	78,435	
Cash Funds	0	0	52,291	52,291	
Reappropriated Fund / Cash Funds Exempt	52,291	52,291	0	0	
Federal Funds	130,717	130,125	130,726	130,726	
					Request vs. Appropriation
<b>(7) OFFICE OF SELF SUFFICIENCY</b>					
<b>Subtotal - (C) (2) Food Stamp Job Search Units</b>	2,278,485	2,261,812	2,305,398	2,328,529	1.0%
FTE	<u>6.1</u>	<u>5.9</u>	<u>6.2</u>	<u>6.2</u>	0.0%
General Fund	235,673	240,707	249,437	261,003	4.4%
Cash Funds	0	0	461,673	461,673	0.0%
Reappropriated Fund / Cash Funds Exempt	461,673	461,673	0	0	
Federal Funds	1,581,139	1,559,432	1,594,288	1,605,853	0.7%
<b>(3) Food Distribution Program</b>					
FTE	<u>6.4</u>	<u>6.3</u>	<u>6.5</u>	<u>6.5</u>	DI #NP2
General Fund	42,367	42,813	44,591	46,752	
Cash Funds	215,577	212,407	237,050	247,081	
Reappropriated Fund / Cash Funds Exempt	0	0	0	0	
Federal Funds	268,339	240,055	269,858	280,772	
<b>(4) Low-Income Telephone Assistance Program</b>					
FTE	<u>0.9</u>	<u>0.9</u>	<u>1.1</u>	<u>1.1</u>	DI #NP2
Cash Funds	47,220	43,918	77,801	79,685	
Reappropriated Fund / Cash Funds Exempt	0	0	0	0	

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	
	Actual	Actual	Appropriation	Request	Change Request
<b>(5) Income Tax Offset</b>	<u>447</u>	<u>4,114</u>	<u>4,128</u>	<u>4,128</u>	
General Fund	224	2,057	2,064	2,064	
Federal Funds	223	2,057	2,064	2,064	
<b>(6) Electronic Benefits Transfer Service</b>	3,173,108	3,175,248	3,201,710	3,334,903	DI #11, NP2
FTE	<u>4.7</u>	<u>4.9</u>	<u>5.0</u>	<u>7.0</u>	
General Fund	771,200	819,298	831,264	893,936	
Cash Funds	244,959	240,367	890,707	890,707	
Reappropriated Fund / Cash Funds Exempt	634,993	634,746	0	0	
Federal Funds	1,521,956	1,480,837	1,479,739	1,550,260	
<b>(7) Refugee Assistance - Federal Funds</b>	2,478,608	3,307,759	4,017,490	4,017,490	
FTE	0.4	0.0	10.0	10.0	
<b>(8) Systematic Alien Verification for Eligibility</b>	39,015	43,129	53,040	55,002	
FTE	<u>0.4</u>	<u>0.7</u>	<u>1.0</u>	<u>1.0</u>	
General Fund	5,482	6,343	6,735	7,147	
Cash Funds	1,074	3,474	3,700	3,700	
Reappropriated Fund / Cash Funds Exempt	26,981	26,125	33,628	34,766	
Federal Funds	5,478	7,187	8,977	9,389	
					Request vs. Appropriation
<b>(7) OFFICE OF SELF SUFFICIENCY</b>					
<b>Subtotal - (C) Special Purpose Welfare Programs</b>	54,969,570	61,579,618	43,953,411	44,190,322	0.5%
FTE	<u>23.7</u>	<u>23.7</u>	<u>36.4</u>	<u>38.4</u>	5.2%
General Fund	1,054,946	1,111,218	1,134,091	1,210,902	6.3%
Cash Funds	508,830	6,450,166	1,670,931	1,682,846	0.7%
Reappropriated Fund / Cash Funds Exempt	8,223,647	3,272,376	2,183,460	2,184,598	0.1%
Federal Funds	45,182,147	50,745,858	38,964,929	39,111,976	0.4%

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	
	Actual	Actual	Appropriation	Request	Change Request
<b>(7) OFFICE OF SELF SUFFICIENCY</b>					
<b>(D) Child Support Enforcement</b>					
Automated Child Support Enforcement System	11,157,269	11,168,819	11,455,066	11,599,344	DI #NP2
FTE	<u>34.4</u>	<u>32.6</u>	<u>39.9</u>	<u>39.9</u>	
General Fund	3,738,016	3,779,603	3,749,754	3,798,808	
Cash Funds	67,470	83,381	426,499	426,499	
Reappropriated Fund / Cash Funds Exempt	106,052	74,872	0	0	
Federal Funds	7,245,731	7,230,963	7,278,813	7,374,037	
Child Support Enforcement	1,712,326	1,931,657	2,075,707	2,175,345	DI #NP2
FTE	<u>21.6</u>	<u>21.8</u>	<u>24.5</u>	<u>24.5</u>	
General Fund	584,243	675,602	705,740	739,618	
Federal Funds	1,128,083	1,256,055	1,369,967	1,435,727	
					Request vs. Appropriation
<b>(7) OFFICE OF SELF SUFFICIENCY</b>					
<b>Subtotal - (D) Child Support Enforcement</b>	12,869,595	13,100,476	13,530,773	13,774,689	1.8%
FTE	<u>56.0</u>	<u>54.4</u>	<u>64.4</u>	<u>64.4</u>	0.0%
General Fund	4,322,259	4,455,205	4,455,494	4,538,426	1.8%
Cash Funds	67,470	83,381	426,499	426,499	0.0%
Reappropriated Fund / Cash Funds Exempt	106,052	74,872	0	0	
Federal Funds	8,373,814	8,487,018	8,648,780	8,809,764	1.8%
<b>(7) OFFICE OF SELF SUFFICIENCY</b>					
<b>(E) Disability Determination Services</b>					
Disability Determination Services	14,768,552	15,500,882	17,208,434	17,654,687	DI #NP2
FTE	<u>122.0</u>	<u>126.5</u>	<u>140.5</u>	<u>140.5</u>	
Reappropriated Fund / Cash Funds Exempt	0	0	0	0	
Federal Funds	14,768,552	15,500,882	17,208,434	17,654,687	
*Medicaid Cash Funds	0	0	0	0	
*Net General Fund	0	0	0	0	

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	
	Actual	Actual	Appropriation	Request	Change Request
<b>TOTAL - (7) OFFICE OF SELF SUFFICIENCY</b>	206,301,578	222,105,866	334,025,913	334,535,267	Request vs. Appropriation 0.2%
FTE	<u>231.7</u>	<u>238.8</u>	<u>286.3</u>	<u>288.3</u>	0.7%
General Fund	6,679,650	6,863,761	7,214,183	7,176,456	-0.5%
Cash Funds	576,300	6,533,547	25,251,174	25,263,361	0.0%
Reappropriated Fund / Cash Funds Exempt	33,611,629	28,409,460	2,183,460	2,184,598	0.1%
Federal Funds	165,433,999	180,299,098	299,377,096	299,910,852	0.2%
*Medicaid Cash Funds	0	0	0	0	
*Net General Fund	6,679,650	6,863,761	7,214,183	7,176,456	-0.5%

\* These amounts are included for informational purposes only. Medicaid cash funds are classified as cash funds exempt for the purpose of complying with Article X, Section 20 of the State Constitution. These moneys are transferred from the Department of Health Care Policy and Financing where generally half of the dollars are appropriated as General Fund. Net General Fund equals the General Fund dollars listed above plus the General Fund transferred as part of Medicaid.

**(10) ADULT ASSISTANCE PROGRAMS**

Adult Assistance Programs supervises the Old Age Pension, Aid to the Needy Disabled, and Aid to the Blind programs, Adult Protective Services, and the state's 16 Area Agencies on Aging.

**(10) ADULT ASSISTANCE PROGRAMS**

<b>(A) Administration</b>	481,518	545,122	565,426	593,785	DI #NP2
FTE	<u>5.4</u>	<u>5.6</u>	<u>6.0</u>	<u>6.0</u>	
General Fund	94,645	95,936	99,636	104,954	
Reappropriated Fund / Cash Funds Exempt	88,552	89,681	100,217	105,562	
Federal Funds	298,321	359,505	365,573	383,269	

**(10) ADULT ASSISTANCE PROGRAMS**

**(B) Old Age Pension Program**

Cash Assistance Program - Cash Funds	72,932,800	75,911,068	80,871,918	85,673,640	DI #21
Refunds - Cash Funds Exempt	<u>588,362</u>	<u>588,362</u>	<u>588,362</u>	<u>588,362</u>	
Cash Funds	0	0	588,362	588,362	
Reappropriated Fund / Cash Funds Exempt	588,362	588,362	0	0	



	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	
	Actual	Actual	Appropriation	Request	Change Request
Burial Reimbursements - Cash Funds	953,409	825,364	918,364	918,364	
State Administration - Cash Funds	1,139,579	913,867	1,114,694	1,161,337	DI #NP2
FTE	12.0	9.7	14.0	14.0	
County Administration - Cash Funds	2,356,916	2,782,102	2,450,785	2,450,785	
					Request vs. Appropriation
<b>(10) ADULT ASSISTANCE PROGRAMS</b>					
<b>Subtotal - (B) Old Age Pension Program</b>	77,971,066	81,020,763	85,944,123	90,792,488	5.3%
FTE	<u>12.0</u>	<u>9.7</u>	<u>14.0</u>	<u>14.0</u>	0.0%
Cash Funds	77,382,704	80,432,401	85,944,123	90,792,488	5.3%
Reappropriated Fund / Cash Funds Exempt	588,362	588,362	0	0	
<b>(10) ADULT ASSISTANCE PROGRAMS</b>					
<b>(C) Other Grant Programs</b>					
Aid to the Needy Disabled Programs	<u>0</u>	<u>17,675,480</u>	<u>17,428,495</u>	<u>17,428,495</u>	
General Fund	0	11,556,188	11,421,471	11,421,471	
Cash Funds	0	0	6,007,024	6,007,024	
Reappropriated Fund / Cash Funds Exempt	0	6,119,292	0	0	
Aid to the Needy Disabled State Supplemental Grant Program	<u>1,821,308</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	1,223,268	0	0	0	
Reappropriated Fund / Cash Funds Exempt	598,040	0	0	0	
Aid to the Blind State Supplemental Grant Program	<u>4,844</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	1,789	0	0	0	
Reappropriated Fund / Cash Funds Exempt	3,055	0	0	0	
Aid to the Needy Disabled State-only Grant Program	<u>15,500,190</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	10,094,834	0	0	0	
Reappropriated Fund / Cash Funds Exempt	5,405,356	0	0	0	

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	
	Actual	Actual	Appropriation	Request	Change Request
Burial Reimburements	<u>466,693</u>	<u>355,498</u>	<u>508,000</u>	<u>508,000</u>	
General Fund	365,949	345,246	402,985	402,985	
Cash Funds	0	0	105,015	105,015	
Reappropriated Fund / Cash Funds Exempt	100,744	10,252	0	0	
Home Care Allowance	<u>10,767,160</u>	<u>10,836,494</u>	<u>10,880,411</u>	<u>10,880,411</u>	
General Fund	10,223,139	10,292,473	10,336,390	10,336,390	
Cash Funds	0	0	544,021	544,021	
Reappropriated Fund / Cash Funds Exempt	544,021	544,021	0	0	
Adult Foster Care	<u>37,340</u>	<u>33,391</u>	<u>157,469</u>	<u>157,469</u>	
General Fund	29,467	25,518	149,596	149,596	
Cash Funds	0	0	7,873	7,873	
Reappropriated Fund / Cash Funds Exempt	7,873	7,873	0	0	
					Request vs. Appropriation
<b>(10) ADULT ASSISTANCE PROGRAMS</b>					
<b>Subtotal - (C) Other Grant Programs</b>	<u>28,597,535</u>	<u>28,900,863</u>	<u>28,974,375</u>	<u>28,974,375</u>	0.0%
General Fund	21,938,446	22,219,425	22,310,442	22,310,442	0.0%
Cash Funds	0	0	6,663,933	6,663,933	0.0%
Reappropriated Fund / Cash Funds Exempt	6,659,089	6,681,438	0	0	
<b>(10) ADULT ASSISTANCE PROGRAMS</b>					
<b>(D) Community Services for the Elderly</b>					
Administration	417,781	582,546	657,866	685,783	DI #NP2
FTE	<u>5.0</u>	<u>6.8</u>	<u>7.0</u>	<u>7.0</u>	
General Fund	48,240	151,203	174,985	182,411	
Federal Funds	369,541	431,343	482,881	503,372	
Colorado Commission on Aging	75,721	77,432	79,309	82,132	DI #NP2
FTE	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	
General Fund	18,769	19,807	20,400	21,125	
Federal Funds	56,952	57,625	58,909	61,007	

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	
	Actual	Actual	Appropriation	Request	Change Request
Senior Community Services Employment - Federal Funds	869,187	949,920	862,379	863,857	
FTE	0.0	0.5	0.5	0.5	
Older Americans Act Programs	13,343,175	13,420,264	14,141,987	14,141,987	
FTE	0.0	0.0	0.0	0.0	
General Fund	572,463	576,749	576,747	576,747	
Cash Funds	0	0	3,079,710	3,079,710	
Reappropriated Fund / Cash Funds Exempt	3,039,710	3,039,710	0	0	
Federal Funds	9,731,002	9,803,805	10,485,530	10,485,530	
National Family Caregiver Support Program	<u>2,157,124</u>	<u>2,230,338</u>	<u>2,263,386</u>	<u>2,263,386</u>	
General Fund	142,041	142,041	142,041	142,041	
Cash Funds	0	0	423,805	423,805	
Reappropriated Fund / Cash Funds Exempt	213,062	213,062	0	0	
Federal Funds	1,802,021	1,875,235	1,697,540	1,697,540	
State Ombudsman Program	<u>222,031</u>	<u>222,031</u>	<u>272,031</u>	<u>272,031</u>	
General Fund	61,898	61,898	111,898	111,898	
Reappropriated Fund / Cash Funds Exempt	1,800	1,800	1,800	1,800	
Federal Funds	158,333	158,333	158,333	158,333	
*Medicaid Cash Funds	1,800	1,800	1,800	1,800	
*Net General Fund	62,798	62,798	112,798	112,798	
State Funding for Senior Services	<u>5,000,000</u>	<u>7,000,000</u>	<u>10,000,000</u>	<u>10,000,000</u>	
General Fund	1,925,961	2,000,000	2,000,000	2,000,000	
Cash Funds	3,074,039	5,000,000	8,000,000	8,000,000	
Area Agencies on Aging Administration - Federal Funds	1,264,409	1,370,784	1,353,957	1,353,957	

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	
	Actual	Actual	Appropriation	Request	Change Request
					Request vs. Appropriation
<b>(10) ADULT ASSISTANCE PROGRAMS</b>					
<b>Subtotal - (D) Community Services for the Elderly</b>	23,349,428	25,853,315	29,630,915	29,663,133	0.1%
FTE	<u>6.0</u>	<u>8.3</u>	<u>8.5</u>	<u>8.5</u>	0.0%
General Fund	2,769,372	2,951,698	3,026,071	3,034,222	0.3%
Cash Funds	3,074,039	5,000,000	11,503,515	11,503,515	0.0%
Reappropriated Fund / Cash Funds Exempt	3,254,572	3,254,572	1,800	1,800	0.0%
Federal Funds	14,251,445	14,647,045	15,099,529	15,123,596	0.2%
*Medicaid Cash Funds	1,800	1,800	1,800	1,800	0.0%
*Net General Fund	2,770,272	2,952,598	3,026,971	3,035,122	0.3%
					Request vs. Appropriation
<b>TOTAL - (10) ADULT ASSISTANCE PROGRAMS</b>	130,399,547	136,320,063	145,114,839	150,023,781	3.3%
FTE	<u>23.4</u>	<u>23.6</u>	<u>28.5</u>	<u>28.5</u>	0.0%
General Fund	24,802,463	25,267,059	25,436,149	25,449,618	0.1%
Cash Funds	80,456,743	85,432,401	104,111,571	108,959,936	4.4%
Reappropriated Fund / Cash Funds Exempt	10,590,575	10,614,053	102,017	107,362	5.0%
Federal Funds	14,549,766	15,006,550	15,465,102	15,506,865	0.3%
*Medicaid Cash Funds	1,800	1,800	1,800	1,800	0.0%
*Net General Fund	24,803,363	25,267,959	25,437,049	25,450,518	0.1%

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	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	
	Actual	Actual	Appropriation	Request	Change Request
					Request vs. Appropriation
<b>TOTAL - HUMAN SERVICES - EDO/OITS/CA/SS/AA</b>	488,989,609	521,171,654	669,242,875	676,451,423	1.1%
FTE	<u>516.4</u>	<u>543.6</u>	<u>630.5</u>	<u>643.7</u>	2.1%
General Fund	100,819,710	110,140,420	117,665,252	118,275,999	0.5%
Cash Funds	84,049,670	95,124,745	152,363,365	157,276,297	3.1%
Reappropriated Fund / Cash Funds Exempt	83,038,805	77,949,008	29,397,260	29,790,256	1.3%
Federal Funds	221,081,424	237,957,481	369,816,998	371,108,871	0.3%
*Medicaid Cash Funds	16,196,952	21,551,464	22,992,842	23,260,517	1.2%
*Net General Fund	109,542,250	119,995,689	128,921,965	129,803,931	0.7%

\* These amounts are included for informational purposes only. Medicaid cash funds are classified as cash funds exempt for the purpose of complying with Article X, Section 20 of the State Constitution. These moneys are transferred from the Department of Health Care Policy and Financing where generally half of the dollars are appropriated as General Fund. Net General Fund equals the General Fund dollars listed above plus the General Fund transferred as part of Medicaid.

**FY 2009-10 Joint Budget Committee Staff Budget Briefing  
Department of Department of Human Services  
(Executive Director's Office, Information Technology Services,  
County Administration, Self Sufficiency, Adult Assistance)**

**APPENDIX B: SUMMARY OF MAJOR LEGISLATION**

- ❑ **S.B. 08-6:** Suspends Medicaid benefits for certain classes of persons, such as those who are in the custody of the Department of Corrections. Makes an appropriation of \$158,392 to the Department of Human Services for changes to the Colorado Benefits Management System to reflect the modified eligibility determination rules. Of that sum, \$42,546 is from the General Fund, \$21,754 is from the Old Age Pension Fund, \$94,092 is reappropriated funds from the Department of Health Care Policy and Financing, and \$112,688 is anticipated to be from various sources of federal funds.
  
- ❑ **S.B. 08-7:** Creates the Inmate Assistance Demonstration Grant Program to provide grants to counties for the purpose of helping inmates in county jails to access health care, housing, and employment benefits. Connects inmates with appropriate public benefits, including mental health treatment. Appropriates \$279,000 General Fund to the Department of Human Services and a total of \$2,000 (\$1,000 General Fund and \$1,000 federal funds) to the Department of Health Care Policy and Financing for the implementation of the act.
  
- ❑ **S.B. 08-155:** Transfers responsibility for major information technology projects and decisions from individual departments to the Governor's Office of Information Technology. For the Department of Human Services, transfers the authorization for 3.0 FTE to the Governor's Office. FY 2008-09 funding responsibilities for those FTE remains in the Department of Human Services.
  
- ❑ **S.B. 08-160:** Expands eligibility for the Children's Basic Health Plan. Appropriates \$91,806 to the Department of Human Services for CBMS changes necessary to implement the new eligibility rules. Of that amount, \$21,776 is cash funds, \$31,866 is reappropriated funds transferred from the Department of Health Care Policy and Financing, and \$38,164 is anticipated federal funds.
  
- ❑ **S.B. 08-161:** Requires the Department of Health Care Policy and Financing to verify applicant income for eligibility determination for Medicaid and the Children's Basic Health Plan through records at the Department of Labor and Employment. Appropriates \$16,000 to the Department of Human Services for CBMS changes necessary to support this. Of that amount, \$3,791 is cash funds, \$5,554 is reappropriated funds transferred from the Department of Health Care Policy and Financing, and \$6,655 is anticipated federal funds.

- ❑ **S.B. 08-177:** Makes a number of changes to the Colorado Works program and to the allocation of federal Temporary Assistance to Needy Families (TANF) funds between the State and the counties. Replaces the Short-term Works Emergency Fund with the County Block Grant Support Fund. Creates the Colorado Works Program Maintenance Fund and the Colorado Works Statewide Strategic Use Fund. Limits the size of the TANF reserves which may be retained by the counties, and requires the counties to remit excess reserves to the State. Appropriates \$3.0 million and \$10.0 million in federal TANF block grant funds to the Colorado Works Program Maintenance Fund and the Colorado Works Statewide Strategic Use Fund respectively. Appropriates federal TANF block grant funds to the Department of Human Services for the following purposes: \$65,071 and 1.0 FTE for Colorado Works administration, \$140,000 for county training, and \$168,400 for changes in CBMS reporting capabilities related to federal TANF reauthorization legislation.
  
- ❑ **H.B. 08-1046:** For juveniles in a juvenile commitment facility and certain individuals committed to a Department of Human Services facility, requires appropriate personnel in each facility to provide assistance in applying for Medicaid, Children's Basic Health Plan benefits, Supplemental Security Income, or Social Security Disability Insurance at least 120 days prior to release from commitment, or as soon as practicable for those juveniles committed for less than 120 days. Appropriates \$11,941 General Fund, \$6,106 cash funds, \$26,408 reappropriated funds (transferred from the Department of Health Care Policy and Financing), and \$31,626 federal funds to the Department of Human Services in FY 2008-09.
  
- ❑ **H.B. 08-1108:** Increases the transfer of receipts from the state sales and use taxes to the Older Coloradans Cash Fund by \$3.0 million per year, from \$5.0 million to \$8.0 million annually. Increases the appropriation from the Older Coloradans Cash Fund to the State Funding for Senior Services line item by \$3.0 million for FY 2008-09. The additional appropriation will support increased funding for the 16 local Area Agencies on Aging, which will in turn increase in expenditures for services such as home-delivered meals, transportation services, and personal care services.
  
- ❑ **H.B. 08-1156:** Eliminates reference to the Division of Juvenile Parole in the Department of Human Services and authorizes the Division of Youth Corrections (DYC) to manage all juvenile parole services. Requires the DYC to use objective risk assessment in identifying appropriate treatment services for a juvenile during his commitment and parole period. Clarifies the Juvenile Parole Board's authority to discharge a juvenile from parole. Clarifies that the DYC shall not retain jurisdiction over a juvenile who turns 21, and that the sentence to commitment and parole period is discharged when a juvenile turns 21. Appropriates \$55,997 cash funds and 0.8 FTE to the Juvenile Parole Board within Executive Director's Office of the Department of Human Services in FY 2008-09.
  
- ❑ **H.B. 08-1227:** Continues the Public Utilities Commission (PUC) until 2019 and makes various adjustments in regulated utility programs. Appropriates \$15,578 cash funds and 0.2 FTE to the Department of Human Services, Office of Self Sufficiency, to harmonize

eligibility for the Low-Income Telephone Assistance Programs at 185 percent of the federal poverty level.

- ❑ **H.B. 08-1250:** Restructures funding of the County Administration group of line items. Replaces the County Contingency Fund with a new County Tax Base Relief Fund. Replaces the formulas used to determine the amount of assistance for which counties with high social services costs relative to their property tax base will be eligible. The \$11.2 million General Fund appropriation made in the Long Bill for County Contingency is eliminated, and the moneys are distributed as follows: \$6.2 million to the new County Tax Base Relief Fund, \$4.0 million to the County Administration line in the Department of Human Services, and \$1.0 million to the County Administration line in the Department of Health and Human Services. The reallocation of \$5.0 million to the County Administration line items is anticipated to allow the counties to draw down an additional \$6.3 million in federal funds.
- ❑ **H.B. 08-1314:** Creates the Local Government Limited Gaming Impact Fund to provide financial assistance to certain local governments for documented gaming impacts. Creates the Gambling Addiction Account to award grants for gambling addiction counseling services and to award moneys to addiction counselors who are pursuing national accreditation as gambling addiction counselors. For FY 2008-09, appropriates \$146,684 reappropriated funds transferred from the Department of Local Affairs to the Department of Human Services.
- ❑ **H.B. 08-1342:** Makes a number of technical changes related to child support enforcement. In addition, decreases the appropriation to the Colorado Works program county block grants line item by \$2.5 million (cash funds from the State's share of retained child support collections and fraud refunds) and increases the appropriation to County Administration county incentive payments line item by the same \$2.5 million. The moneys will be used by the counties for the same purposes as before; when delivered as county incentive payments, the state moneys will allow the counties to draw down an estimated \$1.65 million additional federal matching dollars.
- ❑ **H.B. 08-1387:** Makes substantial changes in the management of the Operational Account of the Severance Tax Trust Fund. Makes changes in the funding mechanisms for low-income energy assistance programs. As a result of the funding mechanism changes, reduces the Long Bill appropriation to the Department of Human Services, Office of Self Sufficiency, low-income energy assistance program by \$5,950,000 cash funds.
- ❑ **H.B. 08-1391:** Creates the Child Welfare and Mental Health Services Pilot Program within the Department of Human Services. By July 1, 2008, the department must issue a request for proposals for the selection of a contractor to develop and implement the program to provide mental health screenings and evaluations and mental health services for any child ages 4 through 10 who is the subject of a substantiated case of abuse or neglect, and to his or her siblings. On or before July 1, 2009, the pilot program is to be implemented in a



minimum of three Colorado counties. The program is to provide mental health screenings, mental health evaluations, mental health services, appropriate referrals for other services, integrated child welfare and mental health programs, and training programs. The Department of Human Services is required to conduct an evaluation of the pilot program and to submit a report of its evaluation to the House and Senate Health and Human Services committees by January 30, 2012. The program is repealed effective July 1, 2012. Includes an appropriation of \$2,100,169 General Fund to the Department of Human Services for FY 2008-09. Costs associated with the bill are projected to be \$3,472,530 General Fund in FY 2009-10.

**FY 2009-10 Joint Budget Committee Staff Budget Briefing  
Department of Department of Human Services  
(Executive Director's Office, Information Technology Services,  
County Administration, Self Sufficiency, Adult Assistance)**

**APPENDIX C: UPDATE OF FY 2008-09  
LONG BILL FOOTNOTES AND REQUESTS FOR INFORMATION**

**Long Bill Footnotes**

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

Comment: This footnote does not request the Department to file a report. In response to staff inquiry, the Department reported that for FY 2007-08, additional recoveries were made and distributed.

- 28 Department of Human Services, County Administration, County Incentive Payments; Office of Self Sufficiency, Colorado Works Program, County Block Grants** -- It is the intent of the General Assembly that, pursuant to Sections 26-13-108 and 26-13-112.5 (2), C.R.S., the Department distribute child support incentive payments to counties. This appropriation represents an estimate of one-half of the State share of recoveries of amounts of support for public assistance recipients, as described in Section 26-13-108, C.R.S. If the amount of one-half of the State share of such recoveries is greater than the amount reflected in this appropriation, the Department is authorized to distribute an amount in excess of this appropriation to reflect one-half of the actual State share of such recoveries.

Comment: This footnote does not request the Department to file a report. In response to staff inquiry, the Department reported that for FY 2007-08, additional recoveries were made and distributed.

- 36 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. It is the intent of the General Assembly that the Department 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 does not request the Department to file a report. Full information about county transfers from TANF to the federal Child Care Development Fund and to Title XX programs was provided by the Department in a report in response to Request for Information number 46 (see below). The percentage transferred by individual counties ranges from a high of 81.5 percent to a low of zero, indicating that the Department has conformed to the footnote instruction. For the state as a whole, 4.7 percent of the funds were transferred.

- 37 Department of Human Services, Office of Self Sufficiency, Colorado Works Program, County Block Grants** -- It is the intent of the General Assembly that 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 2007-08 targeted or actual spending level, pursuant to Section 26-2-714 (8), C.R.S.

Comment: The 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. The purpose of the current statute appears to be to provide the General Assembly the flexibility to determine, each year, through this footnote, whether more, less or no mitigation expenditures are to be allowed. This flexibility has not been exercised; no figure other than \$100,000 has ever been used.

For FY 2007-08, the Works Allocation Committee approved maintenance of effort mitigation in the amount of \$10,051 for Sedgewick County.

## **Requests for Information**

- 1 All Departments, Totals** - Every department is requested to submit to the Joint Budget Committee information on the number of additional federal and cash funds FTE associated with any federal grants or private donations that are applied for or received during FY 2008-09. The information should include the number of FTE, the associated costs (such as workers' compensation, health and life benefits, need for additional space, etc.) that are related to the additional FTE, the direct and indirect matching requirements associated with

the federal grant or donated funds, the duration of the grant, and a brief description of the program and its goals and objectives.

Comment: *The Governor directed the Department to comply to the extent to which this information can be provided without adversely impacting the operation of the executive branch or the delivery of government services, by November 1, 2008, due to the substantial resources needed to comply with this request.*

The Department is in partial compliance with this request. In response to staff inquiry, the Department provided information on FTE and annual salaries paid for with special federal grants or private gifts, grants, and donations. This information is summarized in the following table.

<b>Division</b>	<b>FTE</b>	<b>Annual Salary</b>
Child Welfare	4.0	289,393
Self Sufficiency	7.3	723,837
<b>Total</b>	<b>11.3</b>	<b>\$1,013,230</b>

- 33 Department of Human Services, Executive Director's Office, General Administration, Injury Prevention Program** -- The Department is requested to provide information regarding the cost-effectiveness of this program. Such information should include: Actual and planned annual expenditures for this line item, by program; the actual number of workers' compensation claims filed, by type of injury and by program; and the related costs associated with workers' compensation claims filed, by type of injury and by program. This information should be provided to the Joint Budget Committee annually on or before October 15.

Comment: The Department is in compliance with this request. However, the Department had neglected to prepare the report until staff inquired about it, and the report was not delivered until December 4, 2008. Staff has not had an opportunity to ask follow-up questions of the Department.

The Department filed a total of 865 workers' compensation claims in FY 2007-08. These claims have resulted in a cost of \$5.9 million to date; some of these claims will continue to accumulate costs when treatment continues into the next fiscal year. The number of claims and the cost are summarized for a few major categories in the following table. The total cost for slips and falls is heavily biased by a small number of cases. One of the complicated injuries in this category has resulted in \$259,000 in costs; several others have incurred more than \$50,000 each.

Cause of Injury	Number of Claims	Cost of Claims
Struck or injured by patient	277	\$2,049,683
Strains, all sources	242	1,702,480
Slips and/or falls	143	1,625,712
Other	203	516,426
<b>TOTAL</b>	<b>865</b>	<b>\$5,894,301</b>

The number of claims increased by 95 from the previous year. Of this increase, 87 were the result of injuries at the regional centers. The Department attributes the increase in injuries at the regional centers to two causes:

- The three facilities are treating an increasing number of sex offenders. On average, these clients are more intelligent, more mobile, and more violent than the population has been in the past.
- A hiring freeze affecting only the three regional centers was implemented during the first half of FY 2007-08. The Department asserts that the freeze led to reduced staff ratios and to an increase in consecutive days worked and to longer shifts. The Department believes that more fatigued workers are less aware and slower to react.

If the report had been delivered in a timely fashion, staff would have attempted to pursue these claims in more detail, with the results probably handled as part of the briefing that included the regional centers. Why are the regional centers experiencing this change in client demographics? Is there a more appropriate place for these clients to be treated? Why did the Department impose the hiring freeze? Was the possibility of an increase in violence understood to be a consequence of that decision?

**34 Department of Human Services, Office of Information Technology Services, Colorado Benefits Management System (CBMS)** – The Department is requested submit a summary of change request activity related to the Colorado Benefits Management System to the Joint Budget Committee on or before November 1, 2008. This summary should include the number of requests completed, the number in progress, and the number that have been submitted but not yet started. Change requests requiring the expenditure of more than fifty thousand dollars (\$50,000) should be described in detail.

Comment: *The Governor directed the Department to comply to the extent feasible, due to the volume of requests that potentially meet the reporting criteria.*

The Department is in compliance with this request. The November 3, 2008 report covers the period from November 1, 2007 to October 31, 2008. For this period there were a total of 423 active change requests, including 186 that were completed. In the previous year report, the

Department reported 310 active requests, including 50 that were completed. The summary of current change request activity is shown in the following table.

Category	Number
<b>Total Active Change Requests</b>	<b><u>423</u></b>
Change Requests Completed	186
Change Requests In Progress	42
Change Requests Submitted but not yet started	<u>195</u>
Draft	8
On Hold	30
Research	94
Open	28
Detail Design Assessment Requested	29
Final	6

Of the 423 change requests, 21 were valued at \$50,000 or more. Twelve of those were closed during the reporting period, five were in progress but not yet completed, and four were submitted but not yet started. In the previous year report, only nine change requests were valued at more than \$50,000. The 21 most expensive change requests, their status, and their price, are shown in the next table.

Name	Status	Price
Change to Display Verification Checklist	Closed	\$386,544
Date Reported / Date Verified Fields	Submitted	330,750
Implement CHP+ at Work	Submitted	317,400
Pursuant to SB 07-211, Add Presumptive Eligibility for Pregnant Women and Children	Closed	304,204
Modifications to Creation of II Verification Checklist and Mass Update Triggers	Submitted	199,050
Restore Protected Time Spans for All Medical Service Clients	In Progress	172,811
CW New Funding Type	Closed	119,286
Automate Food Stamps QA/QC Process	Closed	107,480
Convert Group of CDHS Reports to COGNOS	In Progress	107,147
Automate PERM Audit Extract	Closed	81,495

Name	Status	Price
IEVS Discrepancy Process Update to Include UIB Income Posting	In Progress	79,500
Job Search Activity Change from Weekly to Hourly for WFD	In Progress	73,500
Modify Alert Generation Process	Closed	71,455
Window Changes to Display Change Effective Dates	Closed	70,295
Interactive Interview Changes for HB1023 and DRA8	Closed	68,507
Changes to FSLA	Closed	67,902
Transitional Benefit Reports	Submitted	66,600
Modify Court Reports with Titles, New State Summary Tab with Totals, and New Counting Logic on Selected Reports	Closed	64,800
View/Edit RRR Checklist	Closed	61,261
Add New Fields for Medicare Part D Expenses	Closed	57,894
Convert Cash Reports to COGNOS	In Progress	56,487
<b>Total</b>		<b>\$2,864,368</b>

The Department's report includes extensive detail on the change requests that cost \$50,000 or more. The following list describes, *very* briefly, three of the more expensive changes.

- "Change to display verification checklist" converted hard-coded rules regarding individual income verification to rules contained in reference tables. In addition, it allows different screens to accommodate different verification requirements for different programs.
- "Date Reported/Date Verified Fields" will add mandatory new fields to 42 different screens. Many of the screens require redesign in order to create space for the new fields. Screen changes have a "ripple" effect, causing subsequent changes in other areas of the program such as training materials.
- "Pursuant to SB 07-211, Add Presumptive Eligibility for Pregnant Women and Children" implemented changes required by S.B. 07-211. Among other reasons for the complexity of these changes, only selected personnel at selected sites are allowed to authorize presumptive eligibility cases.

**47 Department of Human Services, Totals** -- The Department is requested to submit annually, on or before November 1, a report to the Joint Budget Committee concerning the amount of

federal Temporary Assistance for Needy Families (TANF) funds available in the Long-term Works Reserve Fund. The requested report should include the following: (a) the amount of TANF funds expended, by Long Bill line item, for FY 2007-08, and the amount of TANF funds requested, by Long Bill line item, for FY 2008-09; (b) the amount of federal TANF funds transferred by each individual county, for FY 2007-08, including details regarding the program area to which each county transferred such funds; (c) the amount of any prior year appropriations of federal TANF funds that have been rolled forward to the current state fiscal year; (d) estimated expenditures of federal TANF funds for the current year and immediately following state fiscal year; (e) the total amount of TANF funds available to Colorado for state fiscal years FY 2007-08, FY 2008-09, and FY 2009-10, including funds rolled forward from previous state fiscal years; (f) the amount of federal TANF funds that remain available in each county's Works Program Reserve Account as of July 1 of the current state fiscal year; (g) a demonstration that the total amount of federal TANF funds requested in its annual budget request for state fiscal year 2009-10 does not exceed an amount anticipated to be available to the State; (h) a demonstration that the information provided in the report is consistent with related financial information reported to the federal government; and (i) an accounting of the total allocation of TANF funds to each county for FY 2007-08.

Comment: The Department is in compliance with this footnote request. The information provided by the Department is summarized in the following several tables. The first table is in response to item (a), TANF expenditures by Long Bill line item for FY 2006-07. The table also show the amount shown in last year's version of the report.

<b>TANF Funds Expended</b>		
<b>Long Bill Line Item</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
EDO - Admin - Personal Services	\$840,629	\$734,273
EDO - Workman's Compensation	17,737	17,019
EDO - Risk Management	7,210	5,594
ITS - Admin-Purch.Svcs.-GGCC	54,471	45,559
ITS - Colorado Trails	1,066,931	990,252
ITS - SAS-70 Audit	31,639	41,326
ITS - Colorado Benefits Management System	5,626,746	7,366,603
ITS - CBMS Program Costs	574,629	0
ITS - CBMS Emergency Processing Unit	32,017	7,599
ITS - CBMS Roll Forward	85,650	129,411
ITS - CBMS Federal Reallocation	0	(5,279,217)
OSS - Admin - Operating	(58)	0
OSS - Administration	1,113,778	1,291,275
OSS - Domestic Violence Training	110,215	0



<b>TANF Funds Expended</b>		
<b>Long Bill Line Item</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
OSS - County Block Grant	93,600,453	90,535,420
OSS - Workforce Development Council	76,813	88,838
OSS - Short-term Works Emergency Fund	0	80,160
OSS - Reimbursement to counties for prior year expenditures due to reduction in federal maintenance of effort requirement	0	11,049,452
OSS - County Training	332,272	453,375
OSS - Works program Evaluation	497,114	478,423
OSS - TANF Federal Reporting CBMS Maintenance (Roll Forward in FY 2007-08)	36,240	86,367
OSS - Low Income Energy Assistance Program	1,500,000	1,500,000
OSS - Federal TANF Reauthorization CBMS Changes	0	199,893
OSS - Refuge Assistance	317,273	659,974
OSS - Systematic Alien Verification for Eligibility	745	2,156
OSS - Domestic Abuse Program	650,000	650,000
OSS - Electronic Benefits Transfer service	144,354	116,945
OSS - Funds to Help Hurricane Katrina Victims (roll forward)	11,381	0
CBMS Capital Construction	0	102,703
CFMS audit adjustments	(354,652)	(227,571)
<b>Total TANF Funds</b>	<b>\$106,373,587</b>	<b>\$111,125,829</b>

The next table summarizes the county-specific information requested in items (b), (f), and (i). Item (b) requested the transfers of TANF funds to Child Care and Child Welfare; item (f) requested the counties' reserve fund balances; and item (i) requested the total allocation to each county. Such TANF transfers are also the subject of footnote 36, which relaxes the limits on how much of its TANF funds a county may transfer. Total county TANF allocations were not included in the report, but were provided by the Department in response to staff inquiry. As of September 30, the counties had accumulated reserves totaling \$145.2 million when TANF funds in child care and child welfare reserves are included. S.B. 08-177 imposes limits on the amount of reserves that a county can accumulate relative to their total allocation beginning in FY 2008-09. If the initial limit of 70% had been in place at the end of this past fiscal year, counties would have been required to remit \$54.6 million. If the final limit of 30% had been in place, the remitted amount would have been \$97.5 million. Public assistance expenditures in Colorado are dominated by the ten largest counties. A separate table showing the same figures for those counties, ordered from largest to smallest, is shown on page 75.

TANF Budget Statistics, All Counties									
County	TANF Allocation	Transfer to CCDF	Transfer to Title XX	Total Transfer	Transfer to Allocation	Reserve Balance 9/30/2008	Reserve to Allocation	Remittance (70% limit)	Remittance (30% limit)
Adams	\$12,505,120	\$0	\$0	\$0	0.0%	\$5,822,140	46.6%	\$0	\$2,070,604
Alamosa	1,220,341	0	0	0	0.0%	1,528,293	125.2%	674,055	1,162,191
Arapahoe	13,713,100	670,000	0	670,000	4.9%	11,062,754	80.7%	1,463,584	6,948,824
Archuleta	271,591	60,000	22,671	82,671	30.4%	252,145	92.8%	62,031	170,668
Baca	217,615	100,000	18,166	118,166	54.3%	669,627	307.7%	517,297	604,343
Bent	557,280	0	10,000	10,000	1.8%	742,502	133.2%	352,406	575,318
Boulder	6,244,776	0	0	0	0.0%	14,458,691	231.5%	10,087,348	12,585,259
Chaffee	380,615	0	0	0	0.0%	528,038	138.7%	261,608	413,854
Cheyenne	50,979	17,677	4,256	21,933	43.0%	91,761	180.0%	0	0
Clear Creek	204,199	0	0	0	0.0%	152,102	74.5%	9,162	90,842
Conejos	781,360	0	0	0	0.0%	2,207,102	282.5%	1,660,150	1,972,694
Costilla	366,115	0	0	0	0.0%	774,249	211.5%	517,968	664,414
Crowley	528,761	0	43,000	43,000	8.1%	854,424	161.6%	484,291	695,795
Custer	85,773	0	0	0	0.0%	293,655	342.4%	193,655	193,655
Delta	1,160,223	100,000	96,851	196,851	17.0%	2,625,894	226.3%	1,813,738	2,277,827
Denver	40,356,741	0	0	0	0.0%	14,422,635	35.7%	0	2,315,612
Dolores	43,387	0	0	0	0.0%	44,156	101.8%	0	0
Douglas	438,126	0	0	0	0.0%	498,885	113.9%	192,197	367,448
Eagle	458,560	10,000	0	10,000	2.2%	299,017	65.2%	0	161,449
Elbert	299,974	0	10,000	10,000	3.3%	267,995	89.3%	58,013	178,003

TANF Budget Statistics, All Counties									
County	TANF Allocation	Transfer to CCDF	Transfer to Title XX	Total Transfer	Transfer to Allocation	Reserve Balance 9/30/2008	Reserve to Allocation	Remittance (70% limit)	Remittance (30% limit)
El Paso	21,398,726	0	1,779,143	1,779,143	8.3%	26,517,151	123.9%	11,538,043	20,097,534
Fremont	1,988,612	120,000	0	120,000	6.0%	1,636,149	82.3%	244,121	1,039,566
Garfield	1,313,371	250,000	100,000	350,000	26.6%	2,323,462	176.9%	1,404,103	1,929,451
Gilpin	77,238	0	0	0	0.0%	78,018	101.0%	0	0
Grand	113,295	0	0	0	0.0%	200,869	177.3%	100,869	100,869
Gunnison	175,966	60,000	0	60,000	34.1%	178,370	101.4%	78,370	78,370
Hinsdale	24,480	19,961	0	19,961	81.5%	38,305	156.5%	0	0
Huerfano	551,396	50,000	45,000	95,000	17.2%	686,822	124.6%	300,844	521,403
Jackson	32,941	0	0	0	0.0%	88,248	267.9%	0	0
Jefferson	10,401,614	0	0	0	0.0%	11,474,212	110.3%	4,193,082	8,353,727
Kiowa	59,415	0	0	0	0.0%	(1)	0.0%	0	0
Kit Carson	123,979	30,000	10,349	40,349	32.5%	316,306	255.1%	216,306	216,306
Lake	442,750	50,000	37,541	87,541	19.8%	475,446	107.4%	165,521	342,621
La Plata	1,037,470	0	0	0	0.0%	879,195	84.7%	152,966	567,954
Larimer	7,019,036	2,000,000	666,723	2,666,723	38.0%	11,461,991	163.3%	6,548,666	9,356,280
Las Animas	915,408	50,000	76,415	126,415	13.8%	1,282,455	140.1%	641,669	1,007,832
Lincoln	193,734	15,000	0	15,000	7.7%	166,876	86.1%	66,876	66,876
Logan	909,336	0	75,908	75,908	8.3%	1,073,371	118.0%	436,836	800,570
Mesa	5,581,144	0	0	0	0.0%	5,707,331	102.3%	1,800,530	4,032,988
Mineral	13,463	0	0	0	0.0%	52,272	388.3%	0	0

TANF Budget Statistics, All Counties									
County	TANF Allocation	Transfer to CCDF	Transfer to Title XX	Total Transfer	Transfer to Allocation	Reserve Balance 9/30/2008	Reserve to Allocation	Remittance (70% limit)	Remittance (30% limit)
Moffat	427,425	69,667	35,680	105,347	24.6%	963,674	225.5%	664,477	835,447
Montezuma	807,417	0	0	0	0.0%	1,854,031	229.6%	1,288,839	1,611,806
Montrose	1,321,408	150,000	110,306	260,306	19.7%	1,550,150	117.3%	625,165	1,153,728
Morgan	1,204,621	0	0	0	0.0%	1,070,377	88.9%	227,142	708,991
Otero	1,165,599	0	0	0	0.0%	1,908,110	163.7%	1,092,191	1,558,430
Ouray	36,399	0	0	0	0.0%	161,785	444.5%	61,785	61,785
Park	123,822	30,000	0	30,000	24.2%	147,002	118.7%	47,002	47,002
Phillips	81,347	0	0	0	0.0%	56,248	69.1%	0	0
Pitkin	50,858	10,619	0	10,619	20.9%	161,331	317.2%	61,331	61,331
Prowers	1,321,345	0	0	0	0.0%	1,209,057	91.5%	284,116	812,654
Pueblo	6,889,689	0	0	0	0.0%	4,843,444	70.3%	20,662	2,776,537
Rio Blanco	144,374	23,532	11,766	35,298	24.4%	369,082	255.6%	269,082	269,082
Rio Grande	1,197,074	0	0	0	0.0%	1,857,359	155.2%	1,019,407	1,498,237
Routt	226,863	0	0	0	0.0%	454,905	200.5%	296,101	386,846
Saguache	192,127	0	0	0	0.0%	805,031	419.0%	705,031	705,031
San Juan	44,670	10,000	0	10,000	22.4%	134,895	302.0%	34,895	34,895
San Miguel	35,550	0	0	0	0.0%	111,488	313.6%	11,488	11,488
Sedgwick	60,930	17,354	5,925	23,279	38.2%	125,169	205.4%	25,169	25,169
Summit	169,817	0	0	0	0.0%	316,977	186.7%	216,977	216,977
Teller	520,449	0	0	0	0.0%	523,341	100.6%	159,027	367,207

<b>TANF Budget Statistics, All Counties</b>									
<b>County</b>	<b>TANF Allocation</b>	<b>Transfer to CCDF</b>	<b>Transfer to Title XX</b>	<b>Total Transfer</b>	<b>Transfer to Allocation</b>	<b>Reserve Balance 9/30/2008</b>	<b>Reserve to Allocation</b>	<b>Remittance (70% limit)</b>	<b>Remittance (30% limit)</b>
Washington	120,868	0	5,000	5,000	4.1%	156,922	129.8%	56,922	56,922
Weld	5,074,869	0	0	0	0.0%	2,307,437	45.5%	0	784,976
Yuma	243,081	50,000	20,291	70,291	28.9%	343,398	141.3%	173,241	270,474
Broomfield	713,009	0	50,000	50,000	7.0%	1,522,465	213.5%	1,023,359	1,308,562
<b>Total</b>	<b>\$154,431,621</b>	<b>\$3,963,810</b>	<b>\$3,234,991</b>	<b>\$7,198,801</b>	<b>4.7%</b>	<b>\$145,186,593</b>	<b>94.0%</b>	<b>\$54,599,714</b>	<b>\$97,524,723</b>

<b>TANF Budget Statistics, "Big 10" Counties Only</b>									
<b>County</b>	<b>TANF Allocation</b>	<b>Transfer to CCDF</b>	<b>Transfer to Title XX</b>	<b>Total Transfer</b>	<b>Transfer to Allocation</b>	<b>Reserve Balance 6/30/2008</b>	<b>Reserve to Allocation</b>	<b>Remittance (70% limit)</b>	<b>Remittance (30% limit)</b>
Denver	\$40,356,741	\$0	\$0	\$0	0.0%	\$14,422,635	35.7%	\$0	\$2,315,612
El Paso	21,398,726	0	1,779,143	1,779,143	8.3%	26,517,151	123.9%	11,538,043	20,097,534
Arapahoe	13,713,100	670,000	0	670,000	4.9%	11,062,754	80.7%	1,463,584	6,948,824
Adams	12,505,120	0	0	0	0.0%	5,822,140	46.6%	0	2,070,604
Jefferson	10,401,614	0	0	0	0.0%	11,474,212	110.3%	4,193,082	8,353,727
Larimer	7,019,036	2,000,000	666,723	2,666,723	38.0%	11,461,991	163.3%	6,548,666	9,356,280
Pueblo	6,889,689	0	0	0	0.0%	4,843,444	70.3%	20,662	2,776,537
Boulder	6,244,776	0	0	0	0.0%	14,458,691	231.5%	10,087,348	12,585,259
Mesa	5,581,144	0	0	0	0.0%	5,707,331	102.3%	1,800,530	4,032,988
Weld	5,074,869	0	0	0	0.0%	2,307,437	45.5%	0	784,976
<b>Total</b>	<b>\$129,184,815</b>	<b>\$2,670,000</b>	<b>\$2,445,866</b>	<b>\$5,115,866</b>	<b>4.0%</b>	<b>\$108,077,786</b>	<b>83.7%</b>	<b>\$35,651,915</b>	<b>\$69,322,342</b>

The next table shows the Department's response to item (c), the amount of TANF funds rolled forward from FY 2006-07 to FY 2007-08.

<b>Appropriation</b>	<b>Amount Rolled Forward</b>
CBMS Roll Forward	\$47,002
<b>Total</b>	<b>\$47,002</b>

The next table summarizes the information for item (d), the estimated expenditures of TANF funds for the current fiscal year and the immediately following fiscal year. The Department provided the information by Long Bill line item, with some of the smaller line items rolled up. The Department's estimates for FY 2009-10 are, with two exceptions, the same as the current FY 2008-09 estimate.

The FY 2008-09 estimated total of \$266.4 million in this table is much higher than the \$111.1 million expenditures for FY 2007-08 given in a previous table. Almost all of that difference is from three sources: (1) this estimated table includes \$99.2 million for the county reserve accounts that is not shown in the prior year expenditures, (2) the county block grant line increases by \$38.2 million, and (3) reimbursement to counties for reduction in federal MOE requirements decreases by \$5.5 million.

<b>Long Bill Line Item</b>	<b>Estimated Expenditures</b>	
	<b>FY 2008-09</b>	<b>FY 2009-10</b>
EDO - Various Lines	\$707,332	\$707,332
ITS - Various Lines	1,149,394	1,149,394
ITS - Colorado Trails	1,394,380	1,394,380
ITS - CBMS	6,611,855	6,611,855
ITS - CBMS TANF Reauthorization Changes	2,838,755	2,838,755
OPS - Admin-Vehicle Lease	4,000	4,000
OSS - Colorado Works Administration	1,668,252	1,668,252
OSS - Colorado Works Program Maintenance Fund	3,000,000	3,000,000
OSS - Colorado Works Statewide Strategic Use Fund	10,000,000	10,000,000
OSS - County Block Grant	128,713,135	128,713,135
OSS - Workforce Development Council	105,007	105,007
OSS - County Block Grant Support Fund	1,000,000	1,000,000
OSS - Reimbursement to counties for prior year expenditures due to reduction in federal maintenance of effort requirement	5,524,726	5,524,726
OSS - County Training	602,755	602,755

Long Bill Line Item	Estimated Expenditures	
	FY 2008-09	FY 2009-10
OSS - County Reserve Accounts	99,205,507	99,205,507
OSS - Works Program Evaluation	500,000	350,000
OSS - Low Income Energy Assistance Program	1,500,000	1,500,000
OSS - TANF Reauthorization CBMS Changes	168,400	0
OSS - Refugee Assistance	815,850	815,850
OSS - Domestic Abuse Program	652,906	652,906
OSS - Electronic Benefits Transfer Service	204,679	204,679
ITS - CBMS Roll Forward	47,002	0
<b>Total</b>	<b>\$266,413,935</b>	<b>\$266,048,533</b>

The next table shows the information provided by the Department for item (e), the amount of TANF funds available to the state for fiscal years 2007-08, 2008-09, and 2009-10.

SFY 2007-08	
2005 TANF Grant Unspent Balance on July 1, 2007	\$17,963,316
2006 TANF Grant Unspent Balance on July 1, 2007	39,741,574
Amount Available on the FFY 2007 Grant through June 30, 2007	58,589,932
<b>Total Funds Available to the State For SFY 2007-08</b>	<b>\$116,294,822</b>
SFY 2008-09	
2005 TANF Grant Unspent Balance on July 1, 2008	\$8,786,461
2006 TANF Grant Unspent Balance on July 1, 2008	54,892,139
2007 TANF Grant Unspent Balance on July 1, 2008	33,415,261
Remaining Balance on FFY 2008 Award	45,903,796
<i>Estimated</i> Amount Available on the FFY 2009 Grant through June 30, 2008	112,219,786
<b>Total Funds Available to the State For SFY 2007-08</b>	<b>\$255,217,443</b>
SFY 2009-10	



<i>Estimated</i> Amount Remaining on FFY 2009 Grant July 1, 2009	\$44,629,411
<i>Estimated</i> Amount Available on FFY 2009 Grant through June 30, 2010	112,219,786
<b>Total Funds Available to the State For SFY 2009-10</b>	<b>\$156,849,197</b>

The Department did not respond directly to item (g), a request that they demonstrate that their budget request does not exceed the estimate of the total funds available for FY 2009-10. However, a rough calculation can be done from the data that has been provided. Starting from the estimated expenditures for FY 2009-10 as the request, then subtracting the county reserves (which represent past years funds) and the reimbursement to counties (which is only paid if received from the federal government through a separate transaction), leaves an apparent shortfall of \$4.5 million. However, the amount available figure assumes that all of the grant amounts from prior years will be expended by the end of FY 2008-09; based on past history, this is an extreme assumption; the actual amount available at the beginning of FY 2009-10 will almost certainly be larger than the \$156.8 million shown.

<b>Item</b>	<b>Amount</b>
Estimated Expenditures FY 2009-10	\$266,048,533
Less County Reserves	(\$99,205,507)
Less Reimbursements to Counties for Prior Year Expenditures	(\$5,524,726)
Total	\$161,318,300
Estimated Amount Available	\$156,849,197
Over/(Under) Funding	(\$4,469,103)

The last table contains the data provided by the Department in response to item (h), a demonstration that the information provided in the report is consistent with related financial information reported to the federal government. The Department also provided copies of the quarterly financial reports from the federal government, which are not reproduced in this document but are on file at the JBC office.

<b>TANF Grants By Year</b>	<b>Amount Reported Expended on 6/30/07 Federal Report</b>	<b>Amount Reported Expended on 6/30/08 Federal Report</b>	<b>Amount Spent in SFY 2008 per the Federal Reports</b>
FFY 2008 Grant	\$0	\$66,273,473	\$66,273,473
FFY 2007 Grant	\$53,587,337	\$71,323,206	\$17,735,869

<b>TANF Grants By Year</b>	<b>Amount Reported Expended on 6/30/07 Federal Report</b>	<b>Amount Reported Expended on 6/30/08 Federal Report</b>	<b>Amount Spent in SFY 2008 per the Federal Reports</b>
FFY 2006 Grant	\$65,336,134	\$68,866,378	\$3,530,244
FFY 2005 Grant	\$97,080,496	\$120,666,738	\$23,586,242
Total Amount Spent Based on the Federal Reports			\$111,125,828
Total Amount Reported Spent in COFRS for SFY 2007-08			\$111,125,828
Variance Between COFRS and Federal Reports			\$0