COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE

FY 2016-17 STAFF BUDGET BRIEFING

DEPARTMENT OF HUMAN SERVICES

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

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

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DEPARTMENT OF HUMAN SERVICES

Department Overview

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

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

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

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

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

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

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

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

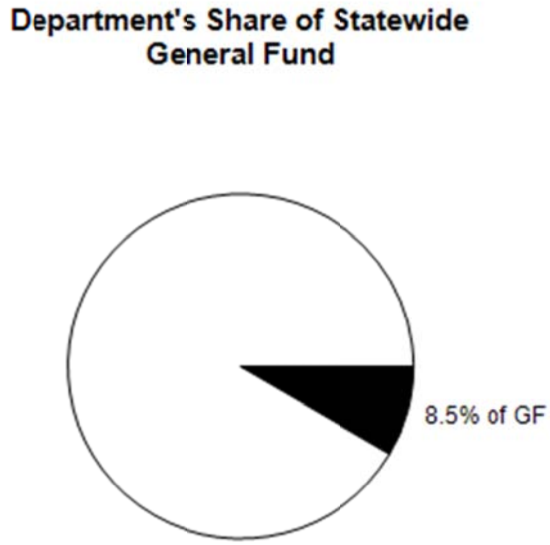
Department Budget: Recent Appropriations

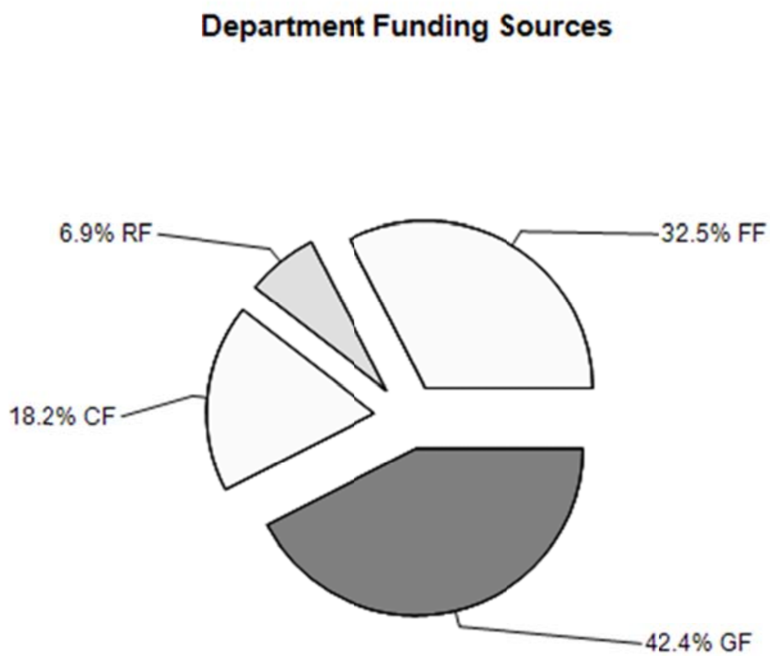
The following table shows recent appropriations for only the offices and agencies included in this Joint Budget Committee staff budget briefing document.

Funding Source	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17 *
General Fund	$196,725,720	$223,371,282	$221,505,437	$238,932,953
Cash Funds	156,604,248	154,629,617	155,091,230	155,586,017
Reappropriated Funds	26,954,708	4,394,126	4,544,887	4,508,666
Federal Funds	332,428,967	335,379,807	334,624,716	334,425,070
Total Funds	**$712,713,643**	**$717,774,832**	**$715,766,270**	**$733,452,706**
Full Time Equiv. Staff	1,199.7	1,230.2	1,284.9	1,362.7

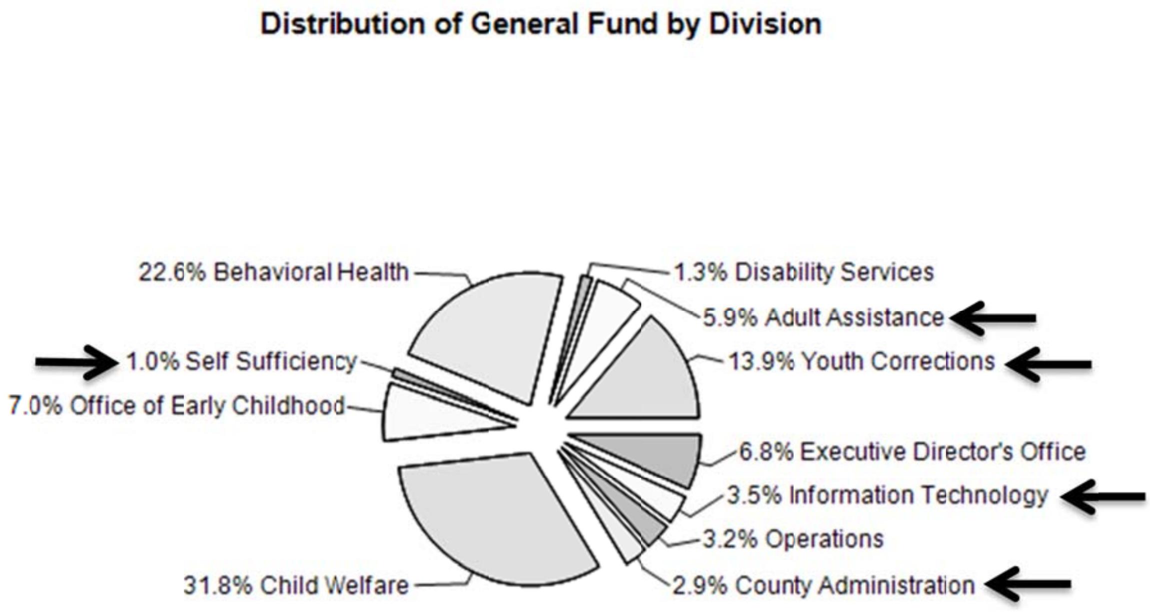
*Requested appropriation.

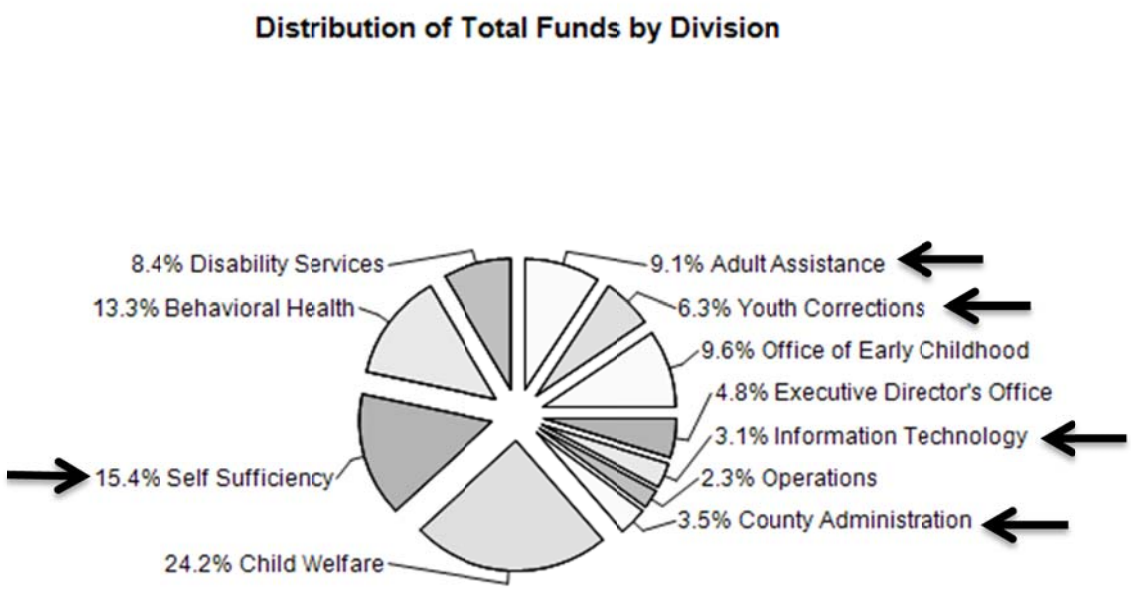
Department Budget: Graphic Overview





All charts are based on the FY 2015-16 appropriation.





All charts are based on the FY 2015-16 appropriation.

General Factors Driving the Budget

Office of Information Technology Services (OITS)

Funding Source	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17 *
General Fund	$25,938,208	$ 40,727,389	$ 28,528,230	$41,875,648
Cash Funds	3,333,739	1,616,490	890,369	1,605,447
Reappropriated Funds	23,521,345	1,072,793	1,071,589	1,049,014
Federal Funds	25,809,325	30,240,092	28,954,252	28,678,610
Total Funds	**$78,602,617**	**$73,656,764**	**$59,444,440**	**$73,208,719**
Full Time Equiv. Staff	11.0	11.0	11.0	11.0

*Requested appropriation.

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

OITS' FY 2015-16 appropriation for CBMS-related expenditures totaled $19.2 million total funds, including $8.1 million General Fund,, which equaled 32.2 percent of OITS' FY 2015-16 appropriation of $59.4 million. CBMS expenses are driven by standard operating costs, including contract services, personal services, postage, personal computers, hardware/software, network equipment, and printing supplies. OITS' budget has also been driven by phases one and two of the CBMS modernization project begun with the passage of H.B. 12-1339 (Becker/Lambert).

CBMS Modernization Project Appropriations to Human Services	
FY 2011-12	$8,950,260
FY 2012-13	12,279,762
FY 2013-14	14,571,587
FY 2014-15	35,342,773
Total	**$71,144,382**

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

- Colorado TRAILS – system used counties and the State, operational since 2002, that supports activities in the Division of Child Welfare and the Division of Youth Corrections. It provides case management, financial tools, and other resources to users of the program.

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

- Child Care Automated Tracking System (CHATS) – system for eligibility and payment for the Child Care Assistance Program. The program provides child care subsidies for low-income families, TANF families, and families transitioning from the Colorado Works program.

County Administration

Funding Source	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17 *
General Fund	$20,301,973	$23,817,877	$23,546,625	$23,349,956
Cash Funds	16,236,101	17,761,504	17,535,967	17,431,597
Reappropriated Funds	0	0	0	0
Federal Funds	23,073,506	26,841,168	26,280,468	26,017,663
Total Funds	**$59,611,580**	**$68,420,549**	**$67,363,060**	**$66,799,216**
Full Time Equiv. Staff	0.0	0.0	0.0	0.0

*Requested appropriation.

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

Over time, funding for the administrative responsibilities for some programs has been moved out of County Administration section. Administration for child care services, child welfare services, TANF, adult services, and the Old Age Pension are incorporated into line items in other sections of the Department's budget.

County administration of medical assistance programs (e.g. Medcaid) was moved to the Department of Health Care Policy and Financing (HCPF) in FY 2006-07. County activities to determine medical assistance eligibility are essentially the same as the activities to determine eligibility for other social service programs: both involve CBMS, and eligibility-determination costs are allocated between programs and the two departments. Today, the County Administration section includes funding for eligibility determination for the Supplemental Nutrition Assistance Program (food stamps) and funding to assist some counties experiencing severe financial gaps between service needs and property taxes in maintaining program operations. Funding provided by the State for county administration is capped at the level appropriated (as opposed to an entitlement), and county costs and caseload only affect appropriations to the extent the General Assembly chooses to make related adjustments. Many counties supplement State appropriations with county tax revenues.

Office of Self Sufficiency

Funding Source	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17 *
General Fund	$7,776,412	$7,046,646	$8,390,903	$8,639,108
Cash Funds	29,496,036	29,614,975	29,624,307	29,534,324
Reappropriated Funds	33,951	33,951	34,505	34,505
Federal Funds	260,991,868	255,769,662	256,834,361	257,197,230
Total Funds	**$298,298,267**	**$292,465,234**	**$294,884,076**	**$295,405,167**
Full Time Equiv. Staff	245.7	245.7	245.7	244.7

*Requested appropriation.

Colorado Works and the Temporary Assistance to Needy Families Block Grant

The Colorado Works Program implements the federal Temporary Assistance for Needy Families (TANF) block grant program created in the 1996 welfare reform law (P.L. 104-193). The program provides financial and other assistance to families to enable children to be cared for in their own homes and to assist needy parents in achieving self-sufficiency. Per the 1996 federal law, the State receives a fixed amount of $136.1 million per year in TANF block grant funds. The majority of the TANF funds received each year ($130.2 million for FY 2015-16) are appropriated as block allocations to counties for the Colorado Works program. Federal TANF funds are also used by the State and counties to support related programs that assist needy families, including child welfare and child care subsidy programs.

The yearly, fixed amount of TANF block grant funds are not the only TANF moneys received by the State. Colorado was one of 17 states that received funding in addition to its fixed amount in the form of supplemental grants provided to states that meet the criterion of high population growth and/or low historic grants per poor person. However, no federal funding was made available for supplemental grants in recent years, as the moneys were not reauthorized by Congress. As a result, Colorado's federal allocation in addition to the fixed amount of $136.1 million per year was cut by $13.6 million in FY 2012-13 and FY 2013-14. Additionally, pursuant to the American Recovery and Reinvestment Act of 2009 (ARRA), Colorado was able to access $68.0 million in supplemental TANF funds in FY 2008-09 and FY 2009-10 through a combination of the TANF Emergency Fund created through ARRA and the Contingency Fund created in 1996. These enhanced funds, too, were discontinued, although the State does continue to receive moneys from the Contingency Fund at a much lesser level than peak recession years ($15.2 million for FY 2014-15).

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

Adult Assistance Programs

Funding Source	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17 *
General Fund	$36,544,454	$43,756,192	$48,237,752	$48,041,082
Cash Funds	107,446,841	103,545,117	104,949,056	104,923,118
Reappropriated Funds	1,800	1,800	1,800	1,800
Federal Funds	20,748,062	20,760,899	20,828,317	20,814,915
Total Funds	**$164,741,157**	**$168,064,008**	**$174,016,925**	**$173,780,915**
Full Time Equiv. Staff	29.5	29.5	29.5	29.5

*Requested appropriation.

Old Age Pension Program

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

Increases in expenditures through FY 2008-09 were driven primarily by cost-of-living (COLA) increases approved by the State Board of Human Services, while the caseload remained flat or declined between 24,000 and 23,000. Between January 2009 and June 2012, no cost-of-living increases were approved. Additionally, expenditures were significantly reduced starting in FY 2010-11 by S.B. 10-1384 (Noncitizen Eligibility Old Age Pension), which imposed a five year waiting period for most new legal immigrants to become eligible for OAP benefits. Pursuant to H.B. 12-1326 (Concerning Assistance To The Elderly), the General Assembly encouraged the State Board of Human Services to provide a COLA increase of 3.7 percent. The Board approved this adjustment effective July 1, 2012, driving an increase of $6.7 million for FY 2012-13. In December 2012, the Board approved an additional 1.7 percent COLA for the program, effective January 1, 2013, driving an increase of $1.8 million for FY 2013-14. However, this increase was eclipsed by H.B. 10-1384, which drove a further reduction of $7.4 million in FY 2013-14.

For FY 2013-14 and FY 2014-15, the legislature provided funding for a 3.0 percent COLA increase ($1.3 million cash funds for FY 2013-14 and $2.7 million cash funds for FY 2014-15).

For FY 2015-16, the legislature provided a COLA increase of 1.7 percent ($1.3 million cash funds).

Aid to the Needy Disabled and Home Care Allowance Programs

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

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

Additionally, S.B. 14-012 (Aid To The Needy Disabled Program) required the Department to increase the monthly benefit amount for Aid to the Needy and Disabled (AND) program by 8.0 percent in FY 2014-15 ($1.5 million total funds). From FY 2015-16 to FY 2018-19, subject to available appropriations, the DHS is encouraged to increase the monthly award until it is equal to the award level in FY 2006-07, and then to increase the award to account for cost of living in future years. The bill also created the Federal Supplemental Security Income Application Assistance Pilot Program to provide assistance to SSI applicants in order to increase the approval rate and timeliness of federal SSI applications. This pilot program was appropriated $246,897 General Fund beginning in FY 2014-15.

Community Services for the Elderly

The State distributes State and federal funds to Area Agencies on Aging, which provide a variety of community services for the elderly such as transportation, congregate meals, "meals on wheels," and in-home support services. Funding levels are adjusted based on available federal and State funding. Funding from State sources increased significantly through FY 2008-09 and again in FY 2013-14 based on statutory changes to increase funding from the Older Coloradans Cash Fund, which originates as State sales and excise taxes. Additionally, the General Assembly provided an increase of $4.5 million General Fund for FY 2014-15 to improve services for seniors and individuals who are blind or visually impaired. For FY 2015-16, the legislature provided an increase of $3.9 million total funds for senior services. Additionally, the legislature appropriated $150,000 General Fund for FY 2015-16 to conduct an evaluation of the system-wide data collection needs for information to be gathered on serviced rendered for moneys expended.

Division of Youth Corrections

Funding Source	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17 *
General Fund	$106,164,673	$108,023,178	$112,801,927	$117,027,159
Cash Funds	91,531	2,091,531	2,091,531	2,091,531
Reappropriated Funds	3,397,612	3,285,582	3,436,993	3,423,347
Federal Funds	1,806,206	1,767,986	1,727,318	1,716,652
Total Funds	**$111,460,022**	**$115,168,277**	**$120,057,769**	**$124,258,689**
Full Time Equiv. Staff	913.5	944.0	998.7	1,077.5

*Requested appropriation.

The Division of Youth Corrections provides for the housing of juveniles who are detained while awaiting adjudication (similar to adult jail), or committed for a period of time as a result of a juvenile delinquent adjudication (similar to adult prison). The Division also supervises juveniles during a mandatory parole period following all commitment sentences. The vast majority of the appropriation is from the General Fund. The size of the population of detained, committed and paroled juveniles significantly affects funding requirements. For FY 2013-14, the General Assembly decreased funding to reflect a reduction in the number of youth placed in private contract commitment and detention beds due to lower caseloads, to close five pods (living units) at Division of Youth Corrections facilities, and to consolidate three Front Range juvenile assessment programs for newly committed youth into a single assessment program. All of these decreases were due to the reduced size of the population. However, funding increases and declines have not always aligned with population changes.

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

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

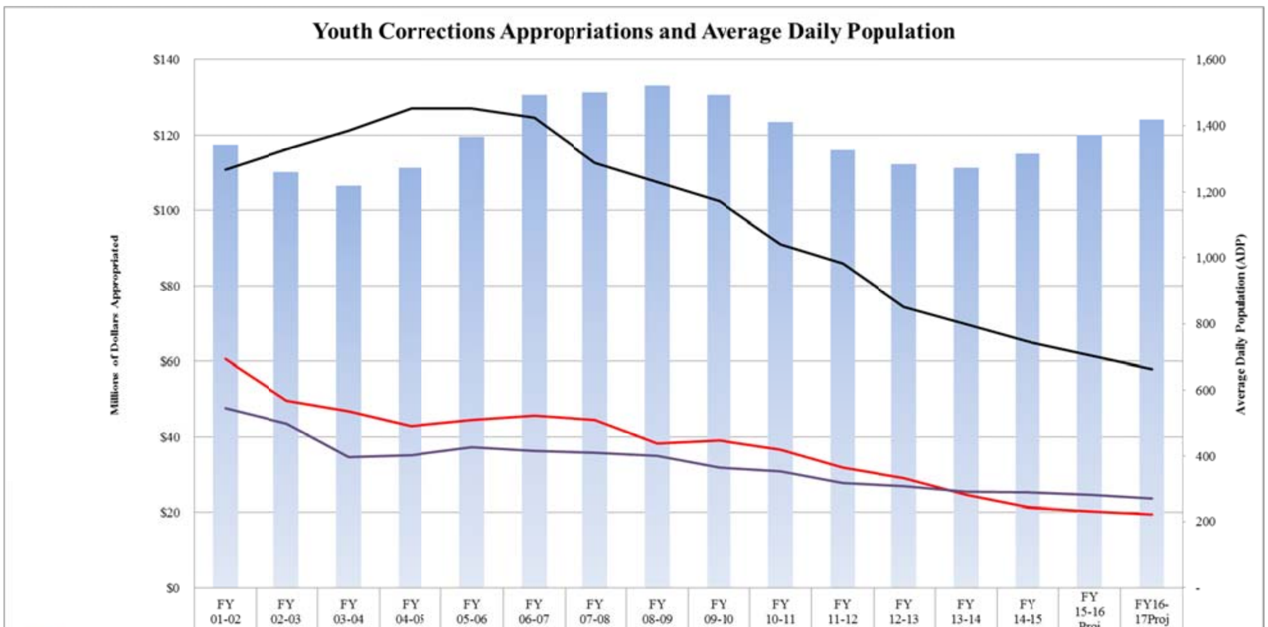
- Beginning in mid-FY 2010-11 and continuing in FY 2011-12, reductions were taken in response to the sharp declines in the population of committed and detained youth, as well as in response to statewide revenue constraints. Division funding was more closely aligned with the youth population, and cuts were taken in parole program services and in funding for alternatives to secure placements. In addition, pursuant to S.B. 11-217 (Reduction Juvenile Detention Bed Cap), the detention cap was lowered to 422, based on lower arrest rates and a reduction in the number of youth in secure detention. Today, the detention cap level is 382, as dictated by S.B. 13-177 (Reduce Juvenile Detention Bed Cap).

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

- For FY 2014-15, the General Assembly increased funding for S.B. 91-94 programming by $2.0 million from the Marijuana Tax Cash Fund.

- For FY 2014-15 and FY 2016-17, the General Assembly increased funding by $3.5 million for a staffing increase of 75.0 FTE in the Division's ten State-owned and –operated facilities.

The following table summarizes appropriations for the Division along with the average daily population (ADP) of youth in commitment, on parole, or in detention.



	FY 01-02	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16 Proj	FY16-17Proj
Appropriatons (millions)	$117.44	$110.22	$106.67	$111.46	$119.54	$130.89	$131.39	$133.36	$130.78	$123.61	$116.16	$112.33	$111.46	$115.17	$120.06	$124.26
Commitment ADP	1,267	1,328	1,386	1,454	1,453	1,425	1,288	1,229	1,172	1,041	983	851	797	746	704	663
Parole ADP	693	567	536	490	509	523	509	437	447	418	363	332	281	242	232	222
Detention ADP	545	497	396	402	426	415	409	399	363	353	316	308	291	289	280	269

Summary:FY 2015-16 Appropriation & FY 2016-17 Request

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

	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2015-16 Appropriation						
SB 15-234 (Long Bill)	$714,866,371	$221,158,924	$155,091,230	$4,544,887	$334,071,330	1,284.6
Other Legislation	899,899	346,513	0	0	553,386	0.3
TOTAL	**$715,766,270**	**$221,505,437**	**$155,091,230**	**$4,544,887**	**$334,624,716**	**1,284.9**
FY 2016-17 Requested Appropriation						
FY 2015-16 Appropriation	$715,766,270	$221,505,437	$155,091,230	$4,544,887	$334,624,716	1,284.9
R2 DYC security staffing in facilities - Phase 2	3,740,894	3,740,894	0	0	0	78.8
R6 Children's savings accounts	(100,000)	(100,000)	0	0	0	0.0
R17 DYC Title IV-E technical correction	0	0	0	0	0	0.0
R19 Community provider rate adjustment	(1,231,930)	(791,463)	(132,940)	(13,646)	(293,881)	0.0
NP1 CBMS/PEAK annual base adjustment	12,294,796	11,572,771	722,025	0	0	0.0
NP6 Secure Colorado	163,481	88,070	1,994	5,210	68,207	0.0
NP7 CBMS training staff	35,791	14,667	1,162	0	19,962	0.0
Annualize prior year budget action	2,968,948	2,942,583	(87,005)	0	113,370	0.0
Annualize prior year legislation	690,590	431,547	0	0	259,043	(1.0)
Centrally appropriated line items	(876,134)	(471,553)	(10,449)	(27,785)	(366,347)	0.0
TOTAL	**$733,452,706**	**$238,932,953**	**$155,586,017**	**$4,508,666**	**$334,425,070**	**1,362.7**
Increase/(Decrease)	$17,686,436	$17,427,516	$494,787	($36,221)	($199,646)	77.8
Percentage Change	2.5%	7.9%	0.3%	(0.8%)	(0.1%)	6.1%

Description of Requested Changes

R2 DYC security staffing in facilities - Phase 2: The request seeks an increase of $4.7 million General Fund and 78.8 FTE for FY 2016-17 to add 125 staff to State-owned and operated youth corrections' facilities in an effort to improve safety and security. Note, the request amount listed here includes centrally appropriated line items, such as health, life, and dental insurance, which are not shown in the summary table because these line items appear in the Executive Director's Office which will be covered in a separate staff budget briefing provided by Megan Davisson on Monday, December 14th. Additionally, the request includes funds for a special education needs assessment to determine what resources are needed to provide youth with social and emotional disabilities with the proper learning environment. *For more information on this request, see staff's briefing issue in this document entitled "DYC Security Staffing, Phase II."*

R6 Children's savings accounts: The request includes a transfer of $100,000 General Fund from the line item supporting the Automated Child Support Enforcement System to a new line item in the Executive Director's Office for FY 2016-17 to create the Children's Savings Account Pilot Program. The Program seeks to deposit $50 to college savings accounts of up to 2,000 children in low-income households. Note, the request amount listed here the does not match the summary table because the offsetting increase of $100,000 General Fund is shown in the Executive Director's Office which will be covered in a separate staff budget briefing provided by Megan Davisson on Monday, December 14th.

R17 DYC Title IV-E technical correction: The request seeks to transfer appropriations for FY 2016-17 between three line items in the Community Programs section of the Division of Youth Corrections. The transfers, which sum to zero, move federal funds between the Personal Services, Purchase of Contract Placements, and Parole Program Services line items to align appropriations with historical expenditure patterns.

R19 Community provider rate adjustment: The request seeks a decrease of $1,231,930 total funds, including $791,463 General Fund, for FY 2016-17 for a 1.0 percent community provider rate increase. The decreases are requested for County Administration and for providers of services to the Division of Youth Corrections.

NP1 CBMS/PEAK annual base adjustment: The request includes an increase of $12.3 million total funds, including $11.6 million General Fund, for FY 2016-17 for the base level operation of the Colorado Benefits Management System (CBMS) and the Program Eligibility Application Kit (PEAK) and for future enhancements of the integrated systems and tools. *For more information on this request, see staff's briefing issue in this document entitled "CBMS Funding Request."*

NP6 Secure Colorado: The request seeks an increase of $163,481 total funds, including $88,070 General Fund, for FY 2016-17 to cover the Department's share of costs associated with a decision item in the Governor's Office of Information Technology to add advanced information security event analytics capabilities. *For more information on this request, see staff's briefing issue in the Office of the Governor document entitled "New Information Technology Funding Requests (Operating/Capital)." This document was presented to the Committee on Friday, November 20th.*

NP7 CBMS training staff: The request includes an increase of $35,791 total funds, including $14,667 General Fund, for FY 2016-17 to cover an increase in the total compensation costs for employees in the Department of Health Care Policy and Financing supporting the Colorado Benefits Management System (CBMS).

Annualize prior year budget action: The request includes adjustments related to prior year budget actions, primarily decision items. The table below itemizes each requested annualization for FY 2016-17.

Annualization of Prior Year Budget Actions						
Annualization	**TF**	**GF**	**CF**	**RF**	**FF**	**FTE**
MH institute electronic health record system	$2,151,415	$2,151,415	$0	$0	$0	0.0
Annualize prior year salary survey	721,302	578,091	7,171	0	136,040	0.0
Annualize merit base pay	621,231	488,077	5,824	0	127,330	0.0
Annualize senior services evaluation study	0	0	0	0	0	0.0
Annualize SNAP quality control study	(300,000)	(150,000)	0	0	(150,000)	0.0
Annualize Respite Care Task Force increase	(125,000)	(125,000)	0	0	0	0.0
Annualize domestic violence spending increase	(100,000)	0	(100,000)	0	0	0.0
Total	**$2,968,948**	**$2,942,583**	**($87,005)**	**$0**	**$113,370**	**0.0**

Annualize prior year legislation: The request includes adjustments related to prior year legislation. The table below itemizes each requested annualization for FY 2016-17.

Annualization of Prior Year Legislation						
Annualization	**TF**	**GF**	**CF**	**RF**	**FF**	**FTE**
SB 15-012 TANF/Child Support	$1,910,636	$1,651,593	$0	$0	$259,043	0.0
HB 15-1131 DYC Information Release	1,284	1,284	0	0	0	0.0
HB 14-1015 Transitional Jobs	(1,204,730)	(1,204,730)	0	0	0	(1.0)
HB 15-1248 Safe placements	(16,600)	(16,600)	0	0	0	0.0
Total	**$690,590**	**$431,547**	**$0**	**$0**	**$259,043**	**(1.0)**

Centrally appropriated line items: The request includes adjustments to centrally appropriated line items for Payments to OIT. *The Payments to OIT request was addressed in a separate staff briefing presented by Kevin Neimond for the Governor's Office of Information Technology on Friday, November 20th.*

Issue: CBMS Funding Request

The executive branch requests an increase of $22.4 million total funds, including $15.0 General Fund, for FY 2016-17 to increase base funding for the Colorado Benefits Management System, known as CBMS, and to increase funding for vendor project hours to address State, federal, and program requirements and technology issues. Staff recommends that the Joint Budget Committee narrow its focus to consider funding only a subset of the request.

SUMMARY:

- The Colorado Benefits Management System, known as CBMS, underwent a $71.1 million modernization project from FY 2011-12 to FY 2014-15 to bring stability to the system and upgrade components that support various social services programs;

- The Governor's Office of Information Technology, in partnership with the Departments of Health Care Policy and Financing and Human Services, indicates that CBMS and supporting applications have now grown in function and complexity beyond the base level of funding appropriated for the ongoing operations and maintenance of CBMS. Additionally, the executive branch indicates that there is a need for an annual pool of vendor hours to allow more flexibility to support State, federal, and program requirements and technology issues;

- The executive branch budget request for FY 2016-17 includes an increase of $22.4 million total funds, including $15.0 General Fund, for the projected costs associated with ongoing system operations and maintenance and for an annual pool of 117,000 vendor hours for projects and enhancements; and

- During the figure setting process for FY 2016-17, staff recommends that the Joint Budget Committee consider a subset of the requested increase for base operations and maintenance and consider only funding additional vendor hours based if it meets certain criteria related to funding sources, cross-program benefits, and future budgetary impacts.

DISCUSSION:

Background

CBMS is the computer system used to determine a citizen's eligibility for public assistance programs like Medicaid, the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), Old Age Pension (OAP), and many others. CBMS is developed and maintained by the State for use by county social service organizations and various medical assistance sites throughout the state. The majority of employees assigned directly to CBMS reside in the Governor's Office of Information Technology.

The base budget for CBMS for FY 2015-16 is $29.1 million total funds, including $12.0 million General Fund, and includes moneys for personal services, contract services, client correspondence, hardware, software, building leases, and training. The contract with the State's existing system vendor for operations and maintenance, Deloitte, is set to expire at the end of FY

2016-17. It is anticipated that the new vendor award will occur prior to the commencement of FY 2016-17. FY 2016-17 is considered a transition year as Deloitte will work with the vendor awarded the new contract (set to begin in FY 2017-18) to transfer knowledge and responsibilities. Note, this scenario assumes that Deloitte will not be awarded the future contract. If Deloitte wins the reprocurement bid, CBMS operations and maintenance schedules will be adjusted accordingly (e.g. no transition year).

In addition to annually receiving funds for a base level of operations and maintenance, CBMS received appropriations totaling $71.1 million from FY 2011-12 to FY 2014-15 for a two-phased modernization project to bring stability to the system and upgrade related components, like the Program Eligibility and Application Kit (PEAK).

Issues
As the process of transitioning from one contract to a new contract is undertaken, the Governor's Office of Information Technology, in partnership with the Departments of Health Care Policy and Financing and Human Services, has studied the future funding needs of CBMS. The team indicates that the current level of funding for the base operating and maintenance costs for CBMS, and related applications (e.g. PEAK), is not enough to sustain system needs. The collection of systems and applications that has been developed with existing funding requires additional money to support so that the security and quality of all components is maintained at current levels.

Additionally, the request indicates that there is a need for an annual pool of vendor hours for the State to quickly address State, federal, and program requirements and technology issues. In the absence of an annually funded pool of vendor hours that can be used for any CBMS-related purpose, requests for funding for vendor hours must be regularly submitted to the Joint Budget Committee for consideration (e.g. decision items and supplemental funding requests).

Proposed Solution
The executive branch seeks an appropriation of $22.4 million total funds, including $15.0 million General Fund, for FY 2016-17 to serve two purposes. First, the request seeks an increase of $5.6 million total funds to raise the system's annual base operating and maintenance funding from $29.1 million total funds to $34.7 million total funds. The following table summarizes the additions sought for the CBMS base.

Requested Increases for Base Operating and Maintenance Costs	
Request	**Total Funds**
Consumer Application Support (PEAK, Health Mobile App, Shared Eligibility System)	$1,972,947
Electronic Document Management System Hardware and Software	1,497,520
Software Licenses	599,200
Addition of a New Call Center	551,358
Client Correspondence Increase	410,000
PEAK Outreach and Training for Community-based Organizations	397,405
System Independent Verification and Validation	200,000
Total	**$5,628,430**

Second, the request seeks $16.1 million total funds to obtain a pool of 117,000 vendor hours to work on what the CBMS Executive Steering Committee has described as a "volume of projects that must be completed annually based on compliance requirements, federal mandates, and technical infrastructure needs." Funding for the hours is not requested for specific projects, but is instead requested as an allocation of hours to different parties to cover anticipated needs that may arise.

CBMS Vendor Pool Hours Request		
Request	**Hours**	**Total Funds**
Health Care Policy and Financing	45,000	$6,165,000
Human Services	38,000	5,206,000
Governor's Office of Information Technology	15,000	2,055,000
Counties	10,000	1,370,000
Various Projects	9,276	1,270,812
Total	**117,276**	**$16,066,812**

Recommendations

During the figure setting process for FY 2016-17, staff recommends that the Joint Budget Committee employ an informal methodology for prioritizing the various components of the request. Staff recommends that this methodology contemplate the following:

- **True Base Level Funding** – The Committee may wish to consider the necessity of the requested funding to support the base level of operations and maintenance needed for CBMS and related systems to function in a manner that does not compromise system security and integrity. Staff recommends that the Committee consider only those requested increases for base items that are essential components of the base.

  For example, staff questions whether several requests categorized as base items are necessary to "keep the lights on." It is staff's opinion that PEAK outreach and training (requested increase of $397,405 total funds) and the addition of a call center to take consumer and eligibility technician calls (requested base increase of $1,150,558 total funds, including supporting software licenses) do not qualify as expenditures required for system operations and maintenance, while a request for increased funding for client correspondence does qualify as a base level need.

  By isolating only specific "keep the lights on" costs, the Committee will be able to determine the base appropriation required for FY 2016-17 and future fiscal years and how these amounts compare to the current appropriation. Non-base items requested for funding, such as the examples above, can be considered and prioritized along with the other new and ongoing enhancement projects and generic vendor pool hours.

- **Alignment of Funding Requests to Identified Projects** – Staff recommends that the Committee determine the level of engagement it seeks to have in the process of reviewing and providing funding for new and ongoing CBMS projects. The challenge with a complex system like CBMS is finding the right balance for the Committee between oversight and micro-management.

On one end of the spectrum, the executive branch is requesting $16.1 million total funds for FY 2016-17 for 117,000 vendor pool hours without providing project plans for how the moneys would be expended. This request requires the Committee to trust the executive branch that the moneys will be expended for beneficial purposes (and in a properly prioritized manner) to address system deficiencies. On the other end of the spectrum, the legislature could require the executive branch to request funding for each discrete CBMS enhancement that is needed to address State, federal, and program requirements or technology issues.

- **Future Base Costs of Requested Projects** – Staff recommends that the Committee consider how much the operations and maintenance costs will be in future years for new projects and enhancements for which funding is sought for FY 2016-17. Note, as discussed above, the lack of detail in the request adds a challenge to this recommendation. It is important that it is contemplated, however, because the Committee will be asked to funds such costs in the future.

  For example, in prior fiscal years, the Department of Health Care Policy and Financing used enhanced federal funding to build out functionality for an electronic document management system. For FY 2016-17, the executive branch base request for CBMS includes an increase of $1.5 million total funds for the hardware (including purchasing digital scanners for counties) and software needed for the operations and maintenance of the electronic document management system. After FY 2016-17, the annual operations and maintenance costs are $0.9 million total funds.

  This example illustrates that the new projects and enhancements requesting funding for FY 2016-17, whether they are clearly or loosely defined today, will cost the State additional money in the future. It is recommended that the Committee have knowledge of the lifetime costs of projects or enhancements before providing funding to commence such endeavors.

- **Requested Projects Impact on All Programs** – Staff recommends that the Committee factor in the ramifications of new project and enhancement funding requests on all programs supported by CBMS, not just the impact on the program that may be requesting moneys. Impacts can be either positive or negative. For example, a requested enhancement may be deemed a higher priority to receive funding if it provides a fix to an issue that benefits more than one social services program (e.g. Medicaid, TANF, and SNAP). Converserly, a requested enhancement for one program (e.g. Medicaid) that may disrupt the business processes of another (e.g. SNAP) may be deemed a lower priority to receive funding.

- **Source of Funding** – Staff recommends that the Committee provide preference to funding new project and enhancement requests that leverage "90/10" funding. The federal government has extended the deadline to December 31, 2018 for states to receive a 90 percent federal match to develop eligibility systems integrated among health and human services programs, such as SNAP and TANF. It would be beneficial to preserving the State's General Fund to leverage federal funds to the fullest extent needed prior to the close of 2018.

Issue: Report on DYC Facility Security and Staffing

Data reported by the Division of Youth Corrections, as requested by the Joint Budget Committee, indicate that the occurrence of assaults and fights has decreased from January 2015 to September 2015 across the ten State-owned and –operated commitment and detention facilities, while staffing these facilities continue to prove challenging.

SUMMARY:

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

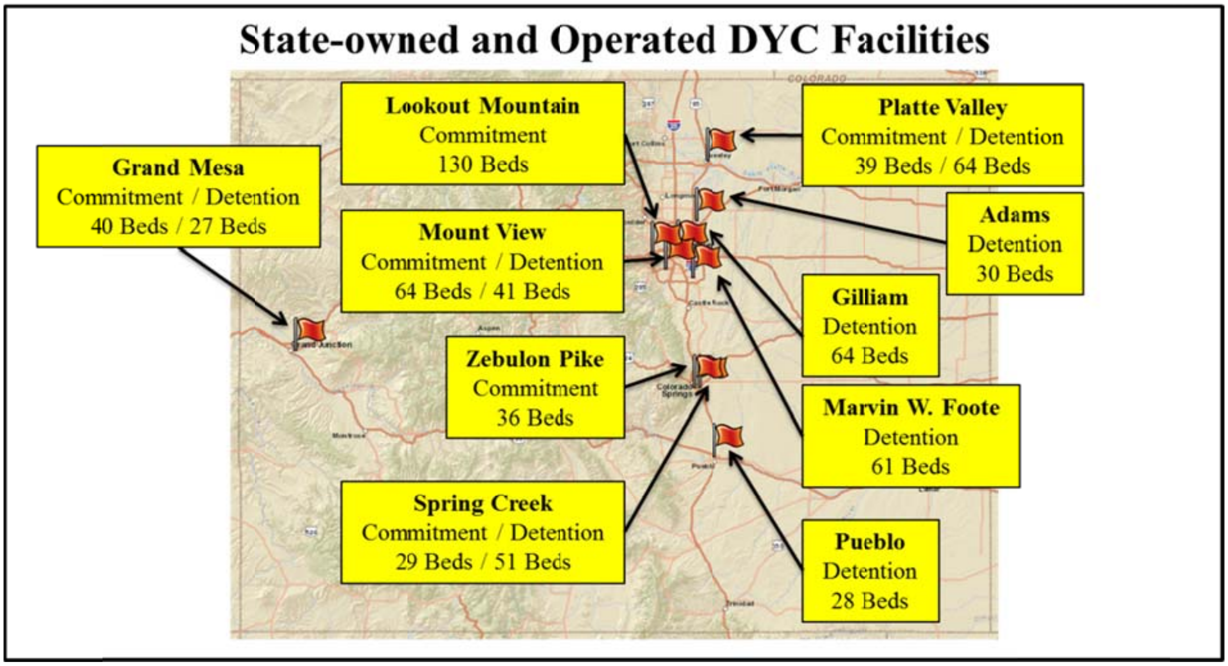
- The legislature provided the Department with $3.5 million General Fund to hire an additional 75 staff members between FY 2014-15 and FY 2015-16 to begin addressing security issues; and

- In conjunction with funding for new staff, the Joint Budget Committee requested a report with monthly data for each State-owned and -operated facility for the period of January 2014 through September 2015 for assault incidents and staffing levels. This report shows that improvements have been made in reducing the number of assaults and fights, while the number of vacant positions and amount staff overtime and temporary help needed to maintain secure environments has increased.

DISCUSSION:

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

There are 366 detention beds and 338 commitment beds in the Division's ten State-owned and operated facilities. Thus far for FY 2015-16, the detention beds have an average daily population of 272.2 (74.4 percent of capacity) and the commitment beds have an average daily population of 342.0 (101.2 percent of capacity). The following graphic provides the Committee with reference information for the forthcoming discussion.



Addressing Staffing Shortages and Collecting Data

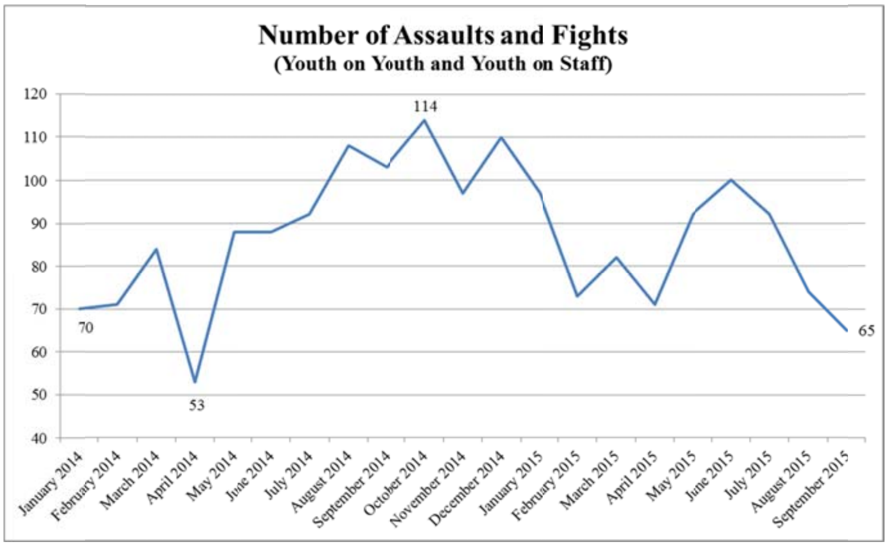
Last year, the Division indicated that staffing level deficiencies at the State-owned and -operated facilities resulted in inadequate resources to successfully supervise youth in a manner that maintained a safe and secure environment for all youth and staff. The agency cited two high-profile examples as illustrations of the negative impact of staffing level deficiencies (four youth escaped the Lookout Mountain facility after an assault of an overnight staff and elevated occurrences of assaults, fights, and injuries to youth and staff at the Spring Creek facility). As a result of data showing an increase in assault incidents to support the Department's claims of unsafe conditions, the legislature provided the Division with $3.5 million General Fund to hire an additional 75 staff members between FY 2014-15 and FY 2015-16. The added staff began the process of completing training and assuming duties in the facilities in January and February 2015.

To monitor progress in addressing security issues, the Joint Budget Committee requested that the Division of Youth Corrections submit a report with monthly data for each State-owned and -operated facility for the period of January 2014 through September 2015 for assault incidents and staffing levels. The report provided to the Committee on November 1, 2015 yields information on trends occurring in the facilities. This is useful in understanding the context in which future staffing requests are based. Note, a future staffing request is discussed in this document in a staff briefing issue entitled "*DYC Security Staffing, Phase II*".

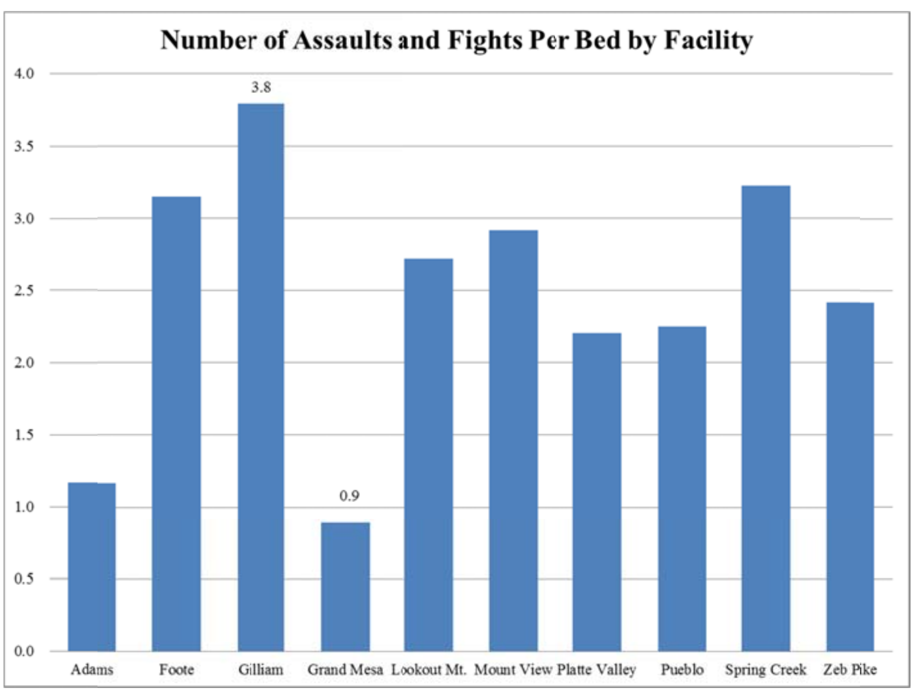
Assault Information Gleaned from Data Collection

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

For the time period reported, data show that a total of 1,824 assault incidents, including fights, occurred across the ten facilities. This averages out to 87 total assaults and fights per month. The average number of incidents per month dropped from 89 to 82 after the addition of staff in January and February 2015.



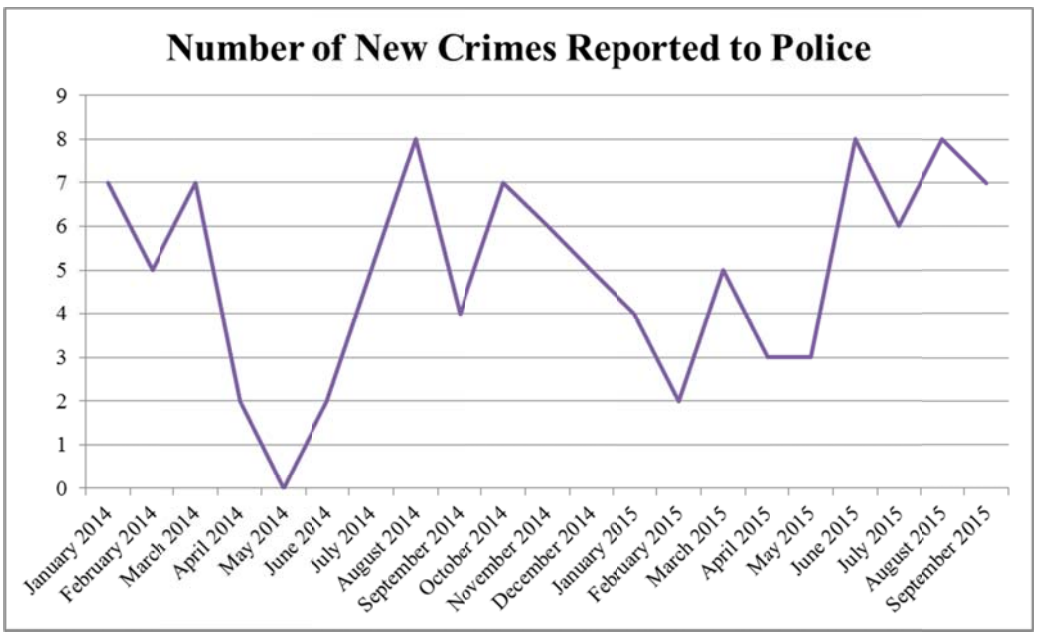
The following chart illustrates the number of assaults and fights by facility. The analysis factors in the number of beds to normalize the data for accurate comparisons across facilities.



The next table summarizes the data by the type of incident that occurred. With the exception of fights, all levels of assaults decreased in average monthly frequency from the period prior to staffing increases to the period following staffing increases.

Average Number of Incidents Per Month by Type			
Incident Type	**Monthly Average (Pre Staffing Increase)**	**Monthly Average (Post Staffing Increase)**	**Difference**
Level 1	4.7	3.9	(0.78)
Level 2	16.5	10.7	(5.83)
Level 3	28.5	26.7	(1.83)
Fights	40.2	41.7	1.50

The following chart shows that 104 new crimes were reported to police during the 21 months reported. The crimes included felonies (28), misdemeanors (14), and citations (62). The number of occurrences varied little in this time period, with an average of five per month.



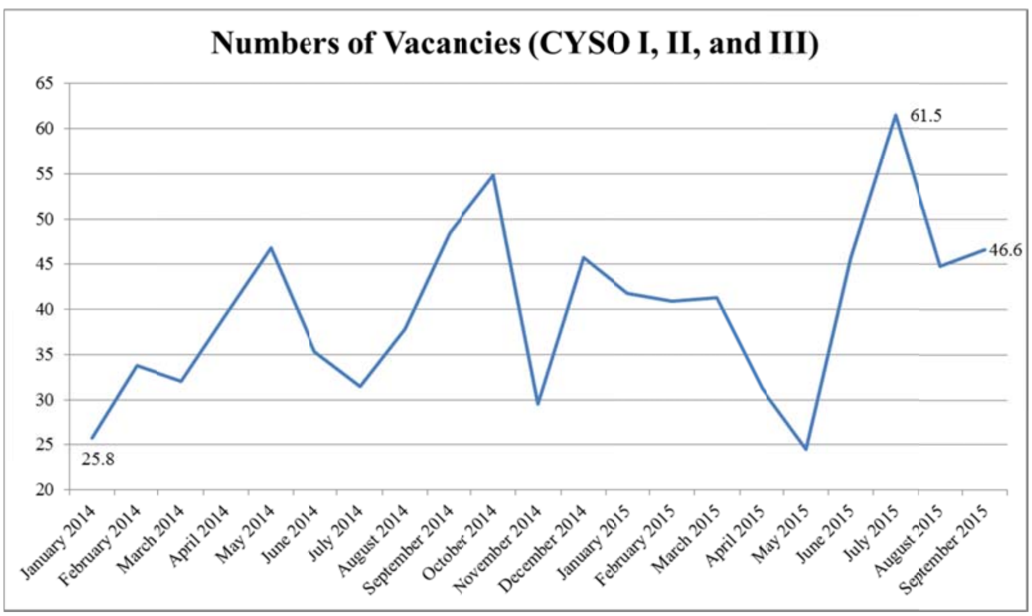
Staffing Information Gleaned from Data Collection

As was discussed last year, there are complexities associated with calculating staff-to-youth ratios given the Division's staffing model. The Division is transitioning to a staff–to-youth model, but has historically used a critical post staffing method. This means that staff positions were assigned to a "post" that was deemed critical to the functioning of the facility. Under this model, no consideration was given to the number of youth in each living unit. This results in a variety of staff-to-youth ratios dependent upon the size and configuration of units in a particular facility. For these reasons, it is not beneficial to evaluate staff-to-youth ratios on a division-wide level against a standard. Instead, it is useful to evaluate how individual facilities' staff-to-youth ratios are changing.

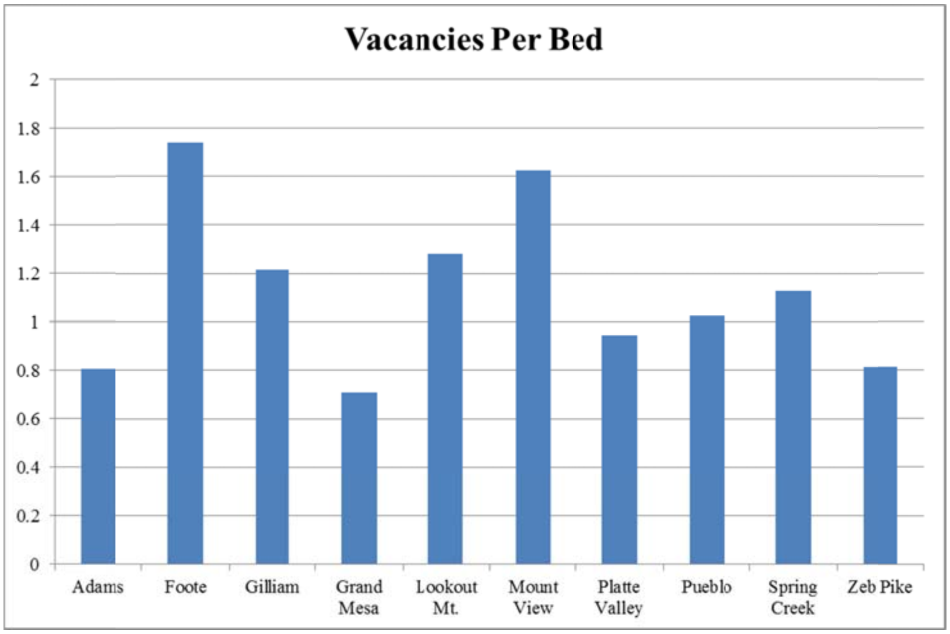
The next table shows that eight out of the ten facilities have seen improved staff-to-youth ratios in both the sleeping hours and waking hours of the day after the staffing increases. This is most pronounced in the Lookout Mountain, Mount View, Spring Creek, and Zeb Pike facilities, which saw improvements of up to 27.0 percent in the number of direct are staff per youth.

Direct Care Staff (CYSO I and II) Per Youth						
	Monthly Average (Pre Staffing Increase)		Monthly Average (Post Staffing Increase)		Percentage Change	
Facility	Sleeping Hours	Waking Hours	Sleeping Hours	Waking Hours	Sleeping Hours	Waking Hours
Adams	1:22.2	1:11.1	1:21.7	1:10.9	(2.3%)	(1.8%)
Foote	1:19.7	1:9.9	1:20.7	1:10.4	5.1%	5.1%
Gilliam	1:9.1	1:9.1	1:8.5	1:8.5	(6.3%)	(6.3%)
Grand Mesa	1:18.4	1:12.2	1:19.4	1:12.9	5.5%	5.5%
Lookout Mountain	1:20.6	1:13.7	1:16.8	1:11.2	(18.7%)	(18.6%)
Mount View	1:17.4	1:11.6	1:13.3	1:8.9	(23.8%)	(23.8%)
Platte Valley	1:23.0	1:11.5	1:21.9	1:10.9	(4.8%)	(4.8%)
Pueblo	1:17.4	1:11.6	1:16.2	1:10.8	(6.8%)	(6.8%)
Spring Creek	1:20.4	1:10.2	1:14.9	1:9.9	(27.0%)	(2.7%)
Zeb Pike	1:17.9	1:11.9	1:14.0	1:10.9	(21.7%)	(8.7%)

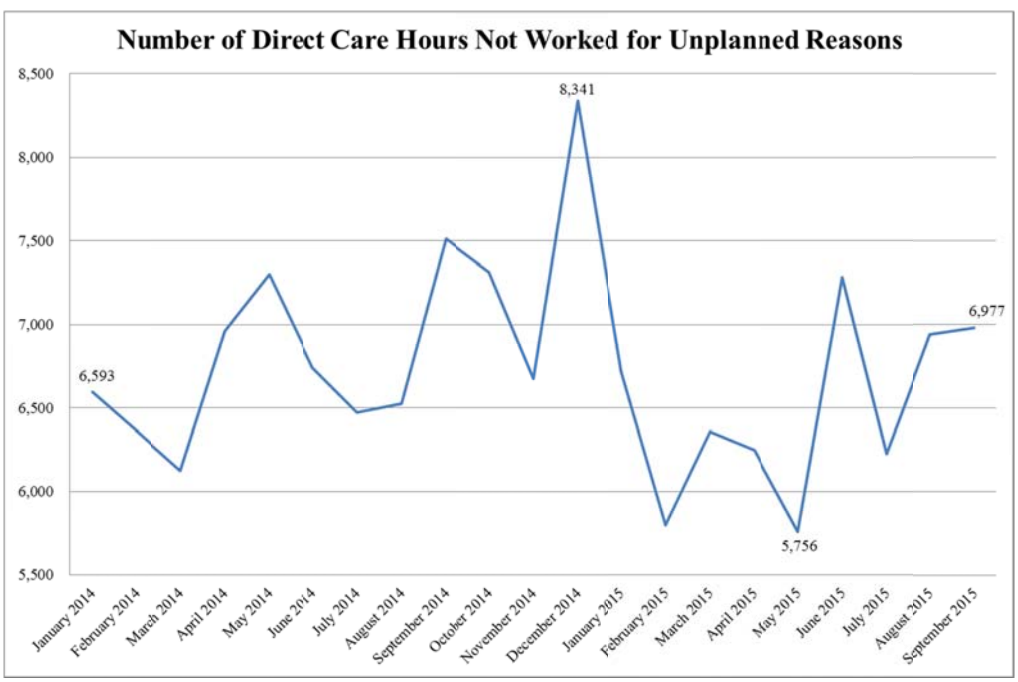
Even with the staffing increases, the Division continues to experience a higher number of total vacancies for Correctional, Youth, Security Officer (CYSO) I, II, and III positions from the beginning of the reporting period to the end. The following chart illustrates trends in the number of vacancies over time. The underlying data indicate that the Division averaged a vacancy rate of 6.9 percent for 2014 and 6.7 percent for the months of January through September of 2015.



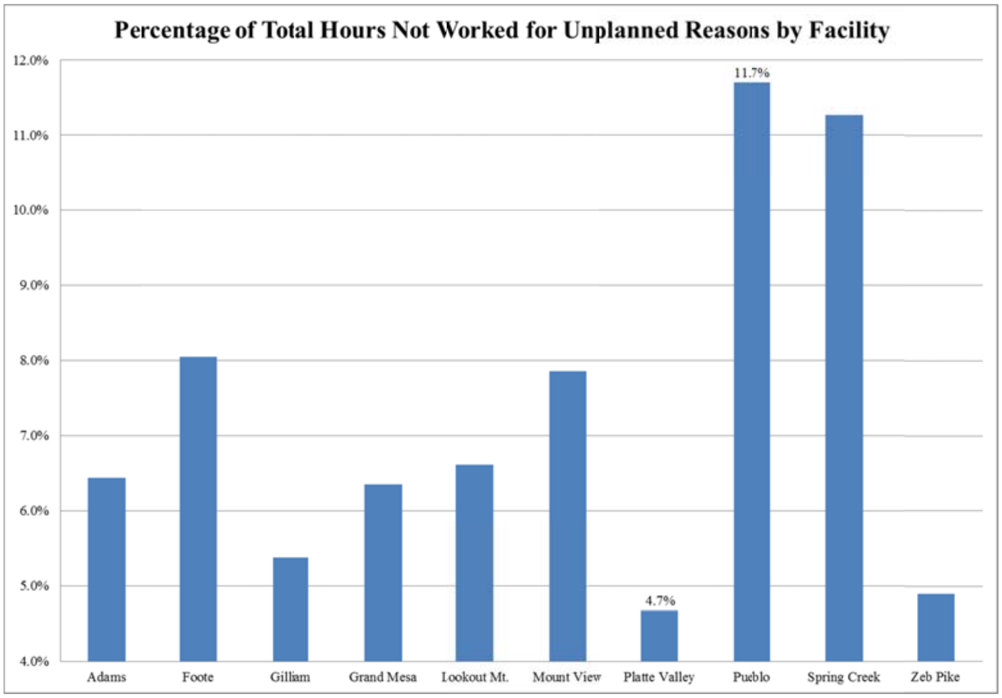
The next chart shows the number of vacancies per bed by facility. The analysis factors in the number of beds to normalize the data for accurate comparisons across facilities. It is interesting to note that three facilities appear in the top four in both number of incidents per bed and number of vacancies per bed (Foote, Gilliam, and Mount View).



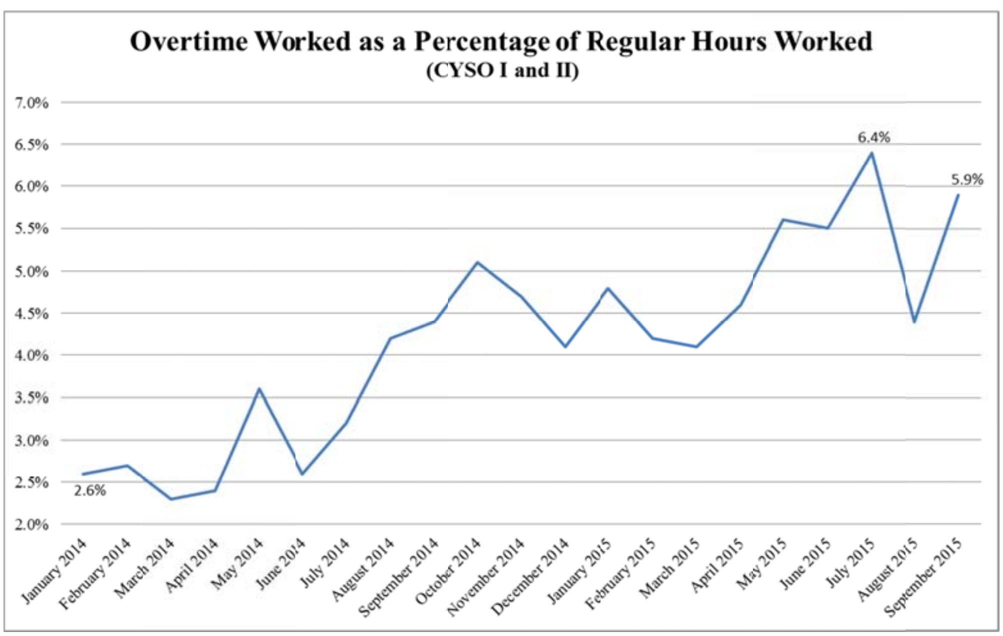
In addition to vacancies, the Division also manages it facilities with an understanding that direct care staff (CYSOs) will miss work for unplanned reasons (e.g. sick leave, unpaid leave, and workers compensation). The following chart illustrates the fluctuation in unplanned missed work. For the time period reported, system-wide absences of this type accounted for 141,213 hours, equating to 7.2 percent of all hours worked.



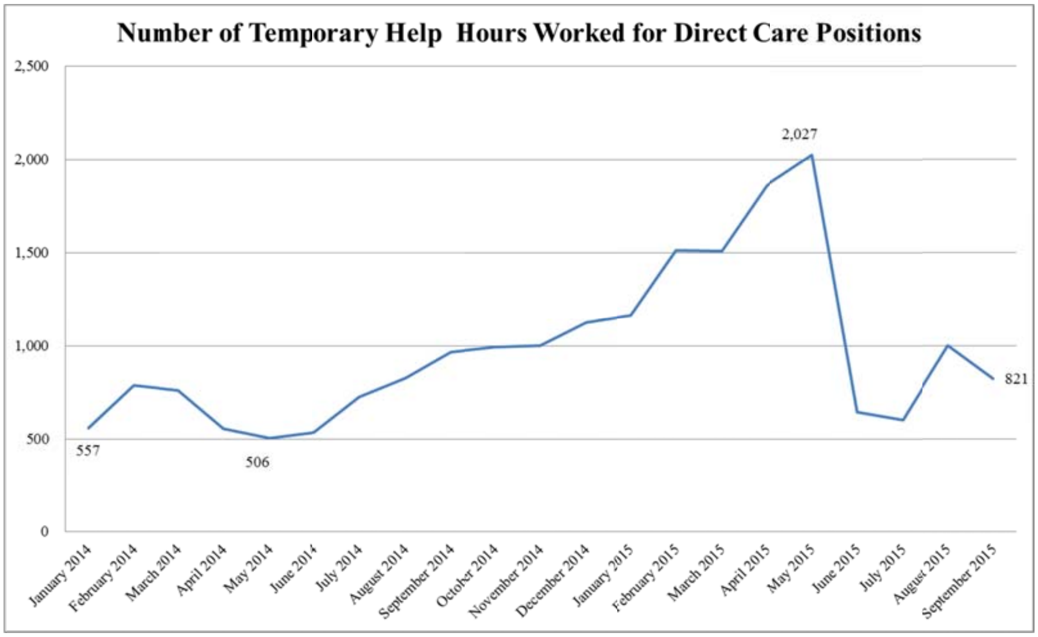
Not all facilities are equal when it comes to having to work around unplanned absences of direct care staff. The next chart highlights that the Pueblo and Spring Creek facilities have nearly double the rate of unplanned absences than peer facilities.



Direct care staff work overtime to cover shifts due to vacancies, planned absences, and unplanned absences to maintain security in the facilities. The following chart illustrates that the amount of overtime worked by CYSO I and II employees increased over the 21 months reported. Note, when existing employees log overtime hours, they are paid 1.5 times their regular salary.



In addition to existing direct care staff working overtime, the Division uses temporary employees to cover vacancies and absences. These individuals must go through training before working in a facility and often are hired into a permanent position. The next chart shows that the number of temporary help hours has increased from January 2014 to September 2015.



Issue: DYC Security Staffing, Phase II

The Division of Youth Corrections' budget request includes an increase of $4.7 million General Fund and 83.0 FTE for FY 2016-17 to address on-going safety and security issues within the Division's State-owned and -operated detention and commitment facilities. Staff recommends that the Joint Budget Committee focus its decision making process for funding this request on its potential to make measureable facility safety improvements and lower costs associated with backfilling facility staffing gaps.

SUMMARY:

- The Division of Youth Corrections received appropriations in FY 2014-15 and FY 2015-16 of $3.5 million to hire 75 new direct care staff to work in the Division's State-owned and -operated detention and commitment facilities;

- For FY 2016-17, the Division requests an increase of $4.7 million General Fund to hire an additional 125 employees for a second phase of direct care staffing increases across the Division's State-owned and -operated detention and commitment facilities. The goal of phase two is to further reduce assaults and fights to create more secure environments; and

- Staff recommends that the Joint Budget Committee work with the Division to quantify how much the additional staff requested are intended to improve performance in reducing assaults and fights and how much expenditures for staff overtime and temporary help are intended to decrease with added staff. Additionally, it is recommended that the Committee determine the merits of funding additional staff positions when the Division has existing vacancies for the same positions.

DISCUSSION:

Background

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

As a result of data showing a steady increase in assault incidents, the legislature provided the Division with $3.5 million General Fund to hire 75 staff direct care staff between FY 2014-15 and FY 2015-16 as an initial phase of a multi-phased staffing increase. The added staff began the process of completing training and assuming duties in the facilities in January and February 2015.

Issue

The Division argues that current staffing levels after phase one of the staffing increase plan are still not adequate to maintain security in its ten facilities. The lack of appropriate staff resources could lead to a "degradation of services that could manifest in an increased number of violent and self-harming acts, youth and staff injuries, and an overall unsafe environment." The unit suggests that there are three possible reasons that security issues remain a priority:

- For FY 2014-15, recommitments of youth reached an eight year high of 234. Recommitted youth have often failed in less secure settings and pose greater security challenges;
- New commitments to the Division are no longer declining and seem to be leveling off after a period of decrease; and
- The number of youth with complex behavioral health issues that lead to violent behaviors has increased.

In addition, the Division continues to show concern about complying with the federal Prison Rape Elimination Act of 2003 (PREA, P.L. 108-79) that was enacted by Congress to address the problem of sexual abuse of persons in the custody of correctional agencies, including juvenile justice facilities. PREA regulations state that each secure juvenile facility shall maintain staff ratios of a minimum of 1:8 during resident waking hours and 1:16 during resident sleeping hours. Colorado does not meet these standards, yet has not experienced issues with sexual abuse in its youth corrections facilities. If it fails to meet the standards by October 1, 2017, the State could lose approximately $200,000 of federal funds that are allocated across several departments.

Proposed Solution

The Department requests an increase of $4.7 million General Fund and 78.8 FTE for FY 2016-17 to address ongoing safety and security issues at the ten State-owned and –operated youth corrections' facilities. This request annualizes to $7.3 million General Fund and 125.0 FTE in FY 2017-18 and future fiscal years. It is projected that this increase will improve staff-to-youth ratios to 1:10 for waking hours and 1:20 for sleeping hours. Note, an additional 80.0 FTE are required to reach the PREA standard of 1:8 for waking hours and 1:16 for sleeping hours. It is anticipated that a request for 80.0 FTE will be made in a future fiscal year as part of a third phase of staffing increases.

The proposal indicates that staffing requested for FY 2016-17 would be hired in a staggered fashion beginning in July 2016 and concluding in February 2017. The following positions would be added in this timeframe:

- Correctional, Youth, Security Officer, I (CYSO I) – tasks include direct youth supervision, enforcement of program rules and behavior expectations, management of daily structured programming activities, documentation of observations and major incidents, conducting individual and group counseling, intervening in potentially volatile situations, managing youth movement, intake of youth, and control center operations. Monthly salary requested for each position is $3,308 plus benefits for 60.1 FTE, annualizing to 100.0 FTE for FY 2017-18 and future fiscal years.

- Correctional, Youth, Security Officer, II (CYSO II) – tasks include those associated with the CYSO I position, plus providing guidance as a lead worker to CYSO I staff, assisting supervision staff in facilitating team meetings, providing feedback to supervision staff for evaluation, conducting due process hearings for youth, and other specialized duties (e.g. restorative justice projects). Monthly salary requested for each position is $3,645 plus benefits for 17.8 FTE, annualizing to 24.0 FTE for FY 2017-18 and future fiscal years.

- General Professional III – tasks include human resources and training functions. Monthly salary requested for this position is $3,949 plus benefits for 0.9 FTE, annualizing to 1.0 FTE for FY 2017-18 and future fiscal years.

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

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

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

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

Recommendation
Staff recommends that the Committee consider the following three factors as part of the decision making process for funding the Division's request for staffing.

- **Performance Measures** – Staff recommends that the Committee focus on how the requested staffing increase will quantitatively impact assault and fight occurrences and staffing patterns. Specifically, the Committee may wish to draw a clearer line between increased staffing, staff-to-youth ratios, and the number of assaults and fights occurring in each facility. Per the Committee's request, the Division's report on assault incidents and staffing trends provides a blueprint to target funding to improve performance against measureable variables. As submitted, however, the request assumes that additional staff will decrease the occurrence of assaults and fights based on trends seen since the prior staffing increase, but it is not specific. It does not project the extent to which the increase will improve staff-youth ratios by facility nor does it speculate on a goal for assault and fight reductions.

- **Vacancies** – Staff recommends that the Committee determine if it is prudent to invest General Fund for the Division to open an additional 125 positions when it currently has a number of similar unfilled positions. The data reported by the Division show that 46.6 direct care positions were open as of September 2015. As a result of vacancies and other factors, such as unplanned absences, 5.9 percent of all direct care staff hours worked were overtime hours for existing staff and 821 hours of temporary help were employed in September 2015.

- **Overtime and Temporary Help** – Staff recommends that the Committee consider whether funding additional staff will lower the amount of overtime worked by existing staff. Overtime costs the Division 1.5 times the amount as regular hours, introduces staff fatigue, and lowers staff morale. Additionally, it is recommended that the Committee determine whether funding additional staff will decrease the need for temporary help. Employing temporary help is beneficial for addressing gaps in coverage in facilities, but it also requires an upfront investment in training for individuals who may not be retained as Division employees. Relying on overtime and temporary help as a standard operating practice in maintaining security within a facility is not fiscally beneficial or operationally advantageous.

Issue: Identifying Solutions to Ongoing SNAP Issues

The Colorado implementation of the Supplemental Nutrition Assistance Program (SNAP) is encountering challenges in complying with federal program standards. Failure to meet the standards cost the State $1.0 million General Fund for FY 2015-16. Staff recommends a combination of administrative and policy changes to begin improving the State's ability to meet the federal standards and reduce the risk of future financial penalties.

SUMMARY:

- The Supplemental Nutrition Assistance Program (SNAP), formerly known as the Food Stamp Program, is a federal initiative that provides financial assistance for low-income individuals and families in Colorado to support basic nutritional needs;

- Colorado has issues complying with federal standards in the areas of program access, client application processing, payment to clients, and tracking of administrative expenses. For FY 2015-16, the legislature appropriated $1.0 million General Fund due to failure in meeting standards related to tracking administrative costs; and

- Staff recommends a combination of administrative and policy changes that can be undertaken to begin improving the performance of SNAP to ensure compliance with federal standards.

DISCUSSION:

Background
SNAP, formerly known as the Food Stamp Program, offers nutrition assistance to eligible, low-income individuals and families. It is a federal aid program, administered by the U.S. Department of Agriculture's Food and Nutrition Service (FNS). Benefits are provided to program participants through an Electronic Benefits Transfer (EBT) card.

In Colorado, SNAP benefits are distributed by the Department of Human Services' Food and Energy Assistance Division under the State-supervised, county-administered model. The State provides technical and policy support, while each county manages the program for their own residents. For FY 2014-15, the program dispersed $778.3 million in assistance to over 480,000 individuals.

Federal Performance Standards
In serving clients and administering the program, Colorado, and all other states, is required by federal law and regulation to meet performance expectations in the following areas. Note, for each performance metric, FNS uses financial penalties and/or financial bonuses to incent adherence to performance standards.

- Administrative Expenditures – states must not spend federal SNAP moneys for administrative expenses that are not approved by FNS. If a state is found to be in violation of this standard, FNS is authorized to recoup moneys from states for the unauthorized expenses.

- Application Processing Timeliness – percentage of applications and renewals processed within a specified length of time. FNS levies financial penalties on states that fail to process less than 95 percent of applications in a timely manner and offers bonuses to states with the highest percentage of timely processed applications.

- Payment Error Rate – percentage of benefits paid out incorrectly (overpayments and underpayments). FNS levies financial penalties on states with error rates of more than 6.0 percent and offers bonuses to states with the lowest error rates states and to states that make the greatest improvements in decreasing error rates.

- Case and Procedural Error Rate (aka CAPER) – percentage of applicants or recipients that have improperly denied, suspended, or terminated SNAP benefits. FNS does not levy financial penalties on states that fail to meet standards, but does offer bonuses to states with the lowest error rates states and to states that make the greatest improvements in decreasing error rates.

- Program Access Index – an estimation of the percentage of eligible participants that are receiving benefits. FNS does not levy financial penalties on states that fail to meet standards, but does offer bonuses to states with the highest percentage of eligible individuals receiving benefits and to states that make the greatest improvements in increasing the number of eligible individuals receiving benefits.

Colorado Performance Issues
Data indicate that Colorado has issues complying with federal standards in the areas of tracking of administrative expenses, payment accuracy, case and procedural errors, and program access. Note, Colorado currently meets federal standards for application processing timeliness, thus it is not detailed in the following section. It is relevant, though, to question whether focusing on meeting the timeliness standard has had a negative impact on meeting the other performance standards, however that is not considered in this staff briefing issue.

- Administrative Expenditures – Between FY 2008-09 and FY 2013-14, the Department did not gain FNS approval for a number of SNAP-funded expenses for modifications made to the Colorado Benefits Management System (CBMS). FNS reviewed the expenditures and deemed $3.9 million of the costs to be ineligible for SNAP funding. This amount was negotiated down to $1.0 million by the Department, with support from the Attorney General's Office. As an emergency supplemental in June 2015, the Joint Budget Committee authorized a FY 2015-16 appropriation of $1.0 million General Fund to reimburse FNS for the ineligible expenditures.

- Payment Error Rate – For cases reviewed from October 1, 2014 through June 30, 2015 (a portion of Federal FY 2015), the state's payment error rate was 4.1 percent, while the national average was 3.0 percent. Colorado is not performing at a level triggering a financial penalty (6.0 percent), however two of the state's ten largest counties, Adams and Boulder, have rates above the federal financial penalty level, at 6.4 percent and 12.4 percent, respectively. Given the concentration of the state's population in a small percentage of counties, it is possible for a small number of the state's more populated counties to put the entire state at risk of sanctions.

- Case and Procedural Error Rate (aka CAPER) – For cases reviewed from October 1, 2014 through June 30, 2015 (a portion of Federal FY 2015), the state's case and procedural error rate was 43.5 percent, while the national average was 25.5 percent. Colorado is not at risk of financial penalties for its performance since FNS does not levy fines for this measure. It is concerning, though, that the state is committing errors related to eligibility determination and client correspondence at such a high rate compared to its peers. Note, high rates in this measure are not tied to one or two poorly performing counties, as nine of the state's ten largest counties have error rates greater than the national average.

- Program Access Index – For federal FY 2013, the program access index measured 56.8 percent, ranking Colorado 46th in the nation. For reference purposes, the top 25 states for federal FY 2013 had program access index scores of 80.0 percent or above. Colorado is not at risk of financial penalties for its performance since FNS does not levy fines for this measure. It is concerning, however, that only one of the state's ten largest counties, Pueblo, achieves an access level (83.3 percent) that falls in the top half of all states.

Identifying the System Challenges

Staff consulted with a variety of sources, including the Department, county representatives, non-profit organizations interested in the success of the program, and SNAP recipients, to identify challenges that exist in the system of SNAP delivery that may be contributing to the state not meeting federal standards and/or national averages for program performance. An additional aid to staff in identifying challenges came in the form of a recent assessment conducted by Deloitte of the Department's effectiveness in carrying out its duties in the administration of SNAP. The challenges learned by staff from these sources results in the delineation of six interrelated categories of challenges. The categories developed by staff do not represent all challenges that could be negatively impacting program performance. Rather, the categories are intended to be used to begin the process of identifying potential performance-improving, actionable items.

1. **Limited State Staff** – SNAP is a highly audited and complex program, yet only seven staff are assigned to directly oversee this program that distributes over $775 million to recipients each year. The lack of staff, including a designated SNAP manager, creates an environment whereby staff react to the most pressing "emergency" of the day rather than strategically to meet goals. This is especially troubling considering that work is being approached inconsistently, as processes are not formally documented and are developed in an ad-hoc, on-the-job manner in the absence of an onboarding curriculum. These current conditions are acting against the Department's need to monitor and identify overall program performance and provide support and training services to the counties in need of program administration assistance to meet federal standards.

2. **County Funding and Accountability** – The model of State-supervision and county-administration for a variety of social services programs, including SNAP, puts the burden of program delivery on the counties and the burden of funding on both the State and the

counties. As it relates specifically to SNAP, the funding model for county administration does not include provisions for existing staffing patterns at the county level or for performance in meeting federal standards. In the absence of such provisions, the State is receiving a different return on investment per county, ranging in the state's largest ten counties from $287 per SNAP enrollee in Boulder County to $81 per SNAP enrollee in Pueblo County.

While this return on investment statistic does not consider how these two counties are performing against other performance measures outside of access, it does highlight that counties are not being held financially accountable by the State for performance or the State is holding counties accountable using tools that are ineffective (e.g. implementing performance improvement plans that are not adequately followed up on or enforced if not adhered to).

Note, county advocates contend that the State does not appropriate enough funds on county administration across social services programs, including SNAP, which may contribute to a failure to meet federal performance measures. To begin remedying the perceived inadequacy of funding, county advocates are seeking moneys for a workload study to quantify the gap between existing staffing costs and required staffing needs. Staff does not have an opinion on funding this proposal since it was not submitted by the Office of State Planning and Budgeting for the Joint Budget Committee's consideration. Generally, though, staff is of the opinion that a workload study will indicate that counties are underfunded by an amount above what is reasonable for the legislature to appropriate given the number of competing State priorities. Staff's opinion is that the value of such a study to the Joint Budget Committee would be in the underlying data generated related to the variations in cost from county-to-county to administer SNAP to its citizens. This data could be used to inform the creation and implementation of policies aimed at paying for performance.

3. **Cumbersome Rule Making Process** – The State rule making process inhibits the Division's ability to make policy changes and comply with FNS regulations in a timely manner. It adds a layer of approval before Colorado can react to changing federal regulations, which, when combined with the time required to make technology changes, can lead to compliance issues.

4. **Transparency in Budgeting and Accounting** – The current structure of the Long Bill is not specific in the area of SNAP administration. This provides the opportunity for moneys intended for this purpose to be expended for different, non-SNAP uses. Additionally, an initial review of Department-wide expenditures for support functions (e.g. information technology systems and administrative overhead) finds that SNAP funds may be bearing a greater percentage of total costs than the level of support functions SNAP administration is receiving. The Department is in the process of conducting an internal review of all SNAP expenditures to determine the scope of the issue.

5. **Funding and Implementation of Technology Fixes** – The federal authorization allowing for the use of Affordable Care Act "90/10" moneys as the primary source of funds for eligibility system (CBMS) development costs that benefit multiple programs (e.g. Medicaid, SNAP, TANF, etc.) has been extended to December 31, 2018. The Deloitte assessment

indicates that Colorado currently lags behind peers in leveraging this enhanced federal funding, and may be able to significantly increase the percentage of federal funds applied to CBMS development costs by focusing on using more 90/10 dollars to fund eligibility system updates. In addition to not maximizing 90/10 funding for cross-program CBMS projects, SNAP has not been a priority for CBMS fixes when funding has been available. It is unclear how this has occurred (or continues to occur) given that the Department is represented on all cross-agency collaborative bodies that coordinate the competing priorities for CBMS changes, including the CBMS Executive Steering Committee.

6. **Cross-agency Relationships** – Counties do not differentiate social services programs into distinct programmatic silos as does the State. Eligibility workers may be working on a SNAP application one day, a Medicaid application the next day, and a TANF application the next day. The State's programmatic silo structure, however, delivers support such that counties receive training, corrective actions, performance metrics, and site visits separately from each different State program area. This leads to conflicting priorities and duplication of effort.

   One example of the conflicting priorities of the State programmatic silos can be seen in the difference of caseload figures for Medicaid and SNAP. Colorado has increased Medicaid enrollment by 154.7 percent from 2010 to 2015, while SNAP has increased by only 24.1 percent during the same time period. Looking further into the data, Medicaid has increased by 536,938 individuals from 2013 (period of Medicaid expansion) while SNAP has decreased by 24,191 individuals in the same time period despite the fact that it is estimated that well over 50 percent of newly enrolled Medicaid individuals are eligible for SNAP benefits.

Department Proposed Solution
The Department did not submit a budgetary request for FY 2016-17 related to SNAP or to the performance issues previously cited.

Recommendations
Staff recommends that the Joint Budget Committee consider the following solutions to the six categories cited above that represent challenges that could be negatively impacting program performance.

1. **Limited State Staff** – Staff recommends that the Committee consider adding seven staff positions to the Department during the figure setting process for FY 2016-17 to improve the State's role in the oversight of SNAP. The expense of the positions, roughly $800,000, would be shared 50/50 between federal funds and the General Fund. Note, funding these staffing recommendations with federal SNAP moneys would not decrease the amount of moneys available for county administration or SNAP recipients. Specifically, staff recommends the addition of the following:

- SNAP Program Manager (1.0 FTE) – The Deloitte assessment states, and staff concurs, that the complexity of SNAP necessitates a role dedicated to managing the program. This role should also serve as the primary contact for FNS and FNS-related inquiries. This position does not currently exist within the Department.

- SNAP Fiscal Manager (1.0 FTE) – This position would be assigned to monitor expenses to ensure that they comport with FNS rules and regulations and do not trigger financial penalties (as recently occurred and necessitated an emergency supplemental, as discussed above). This position does not currently exist within the Department.

- SNAP Performance Analyst (1.0 FTE) – The position would develop and implement tools to monitor and evaluate county performance. This staffer would act as an internal audit by proactively and continuously reviewing FNS program requirements against state systems and performance to identify areas of non-compliance before an FNS audit is conducted and potential fines are levied. This position does not currently exist within the Department.

- (4.0) Regional County Representatives – Staff are needed to increase the amount of time spent visiting counties, communicating policy, answering policy and technical questions, facilitating training, and providing over-the-shoulder support. These functions are currently spread across a small team of policy specialists.

It is assumed that a unit reorganization would take place within the Department if the legislature provides funding for these additional staff positions. The current structure is not designed to separate roles and responsibilities for specific functions or to support tasks not currently being performed. The Deloitte assessment contains ideas for a future structure, and the Department indicates it is developing a reorganization strategy, as well.

Additionally, for the Department to provide counties with adequate oversight and training, staff must have a working knowledge of a variety of policies and procedures that evolve often with federal regulatory changes. Staff recommends that the Department receive an appropriation of $50,000 ($25,000 General Fund and $25,000 federal funds) for FY 2016-17 for internal staff training purposes.

2. **County Funding and Accountability** – Staff recommends that the Joint Budget Committee determine if a pay for performance model would improve the State's ability to meet federal standards, avoid financial penalties, and compete for federal bonus payments. The key tenet of this type of model would be that county reimbursement is, in part, determined by a counties ability to meet federal performance standards. The standards could be added to statute for clarity of performance goals and a structure for financial penalties and financial bonuses for performance could be included, as well. The goal of implementing a pay for performance model is not to create an adversarial relationship between the State and the counties, as it could be perceived, but instead to communicate specific expectations so that the State and counties can allocate resources in a way that reduces the risk of incurring federal financial penalties in the future.

3. **Cumbersome Rule Making Process** – Staff recommends that the State's rule making process for SNAP be eliminated. This can be accomplished statutorily or internally by the

Department through its process of rules review. Due to the highly prescriptive nature of SNAP, many of Colorado's peers have opted to forgo state-level rules making and have not seen a negative impact in doing so.

4. **Transparency in Budgeting and Accounting** – Staff recommends that at least one line item is added to the Department's Long Bill structure during the figure setting process for FY 2016-17 to capture all appropriations for the programmatic functions associated with SNAP. This recommendation will fix an issue in the current Long Bill structure where only one line item supports a variety of programs, including SNAP. Adding one or more new line items to the Long Bill is conducive to appropriating moneys and tracking expenditures in a way that limits the flexibility of the Department to use SNAP funds for a variety of non-SNAP purposes. Staff may have additional recommendations for the Committee during the figure setting process to address this challenge after the Department has finished its internal review of SNAP expenditures across various support-function line items.

5. **Funding and Implementation of Technology Fixes** – Staff recommends that the Joint Budget Committee provide preference to funding CBMS requests that leverage 90/10 funding and provide fixes for issues affecting more than one program (e.g. Medicaid, SNAP, TANF, etc.) over requests for generic vendor pool hours.

6. **Cross-agency Relationships** – The issue of State-level social services program coordination has been a topic of discussion and consideration for many years, yet no solution has been implemented for coordination that removes the barriers between various programs. Staff is hesitant to make a recommendation for organizing a committee responsible for coordinating policies across programs, as is suggested in Deloitte's assessment. While all parties may benefit from formally designating responsibilities for coordination, and creating a group of people with a stake in all policy decisions across all social services programs, the idea does not appear to be transformational to the degree that is needed to address this complex challenge. Instead, staff recommends that the Joint Budget Committee use its Statewide oversight and budget writing authority to pressure the Departments of Health Care Policy and Financing and Human Services to address the impact of funding requests on other social services programs as part of the process of seeking additional funds or program changes.

Issue: Status Update on TANF Federal Compliance Issues

The Department of Human Services has been notified by the federal government that it did not meet performance measures related to its implementation of the federal Temporary Assistance for Needy Families (TANF) program and is subject to a sanction of $4.8 million.

SUMMARY:

- The Department of Human Services is responsible for the Colorado implementation of the federal Temporary Assistance for Needy Families (TANF) program aimed at helping families achieve self-sufficiency. This program, known in the state as Colorado Works, is delivered to clients through a State-supervised, county-administered model;

- The federal government measures program performance with the work participation rate. If a state fails to meet work participation rate standards, it can be subject to a fiscal penalty; and

- The Department of Human Services did not meet work participation standards for 2012. The one-time penalty for not meeting the standards in 2012 is a $4.8 million reduction from the State's annual TANF block grant amount of $136.1 million. The Department is disputing this penalty and implementing strategies to ensure that work participation rate standards are met in future years.

DISCUSSION:

Background
TANF is designed to help needy families achieve self-sufficiency. States receive block grants to design and operate programs that accomplish one of the purposes of the TANF program. The four purposes of the TANF program are to:

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

The federal government measures state program performance with the work participation rate (WPR). There are two WPRs: one for all recipient families with a work-eligible individual and one for two-parent families. States must achieve work rates of 50 percent for all families and 90 percent for two-parent families. These targets can be adjusted downward if a state receives a caseload reduction credit, which is based on the extent to which a state's caseload has fallen since 2005 for reasons other than changes in eligibility rules. If a state fails to meet one or both rates, as adjusted by the caseload reduction credit, it can be subject to a fiscal penalty.

Issue
On May 28, 2015, the Department of Human Services was notified by the federal Administration for Children and Families that Colorado had not met the all recipient families WPR standard or

the two-parent families WPR standard for 2012. This is the first time Colorado has failed to meet the WPR. The one-time penalty for not meeting the standards in 2012 is a $4.8 million reduction from the State's annual TANF block grant amount of $136.1 million. This penalty is calculated based on three factors:

- The degree to which the State missed the targets;
- The number of individuals it has engaged in work compared to the prior year; and
- How many rates and how many successive years the State has failed.

Proposed Solution
The Department of Human Services submitted a letter on July 28, 2015 to the Administration for Children and Families disputing the basis of this penalty. With assistance from the Attorney General's Office, the Department argues that the method used to calculate the caseload reduction credit component of the WPR was flawed because it included approximately 1,700 clients in the caseload total erroneously. The Department contends that the additional clients included by the federal government in the caseload total are served through a separate, but related, program from TANF and should not be included in the TANF caseload. In absence of this caseload inclusion, the Department calculates it is within a negotiable range of the WPR standard. For example, assume the WPR standard is 50 percent and the caseload is considered to be 500 by the State and 750 by the federal government and both entities agree that 300 individuals met the WPR. Using these sample numbers, the following illustrates how this impacts the State's compliance:

300 / 500 = 60% = Meets WPR Standard
300 / 750 = 40% = Does not meet WPR Standard

The Administration for Children and Families has not provided its ruling on this disputed issue. This decision is of great importance for the Department of Human Services because it carries weight for years beyond 2012. The Department has already submitted data for 2013, 2014, and 2015 and does not anticipate meeting the WPR standards for any of those years if the Administration for Children and Families determines that the methodology used to calculate caseload in 2012 was valid and should be applied in a similar manner in future years.

In addition to disputing how the State's WPR is derived, the Department of Human Services is focused on meeting the WPR standard by providing additional oversight to counties to ensure that all client data is reported correctly. The goal of this endeavor is to make sure that all data that count toward the fulfillment of the WPR standard are captured and captured accurately. This is more complex than correcting data entry errors. It involves developing knowledge of the variables used by the Administration for Children and Families, and how they are weighted, in determining WPR and subsequently modifying existing procedures. This includes modifications related to how cases are sampled for compliance, how client activity is captured from a technical perspective (e.g. ensuring that CBMS provides access to all data needed for technicians to count appropriate activities toward WPR), how client data is captured from a business process flow perspective (e.g. ensuring that data is entered as participants leave the program), and how counties will be supported with staff development services for implementing the new processes and monitored monthly for performance.

Recommendations
Staff recommends that the Joint Budget Committee monitor the ongoing compliance dispute. At this time, staff does not recommend more engagement in the form of budgetary or statutory actions for two reasons.

First, the process of working through a WPR non-compliance issue has many steps that provide the Department of Human Services with opportunities to reduce or eliminate the financial penalty currently levied by the Administration for Children and Families. There are three potential scenarios that staff presents as potential outcomes as the steps unfold:

1. The federal government rules that it agrees with the State's position that the WPR calculations overstated the caseload variable for Colorado and the State did not fall short of the WPR standards for 2012, 2013, 2014, or 2015. If this occurs, the Department can continue to work with its partners to implement programs aimed at clients gaining employment and self-sufficiency. By its own performance measure of programmatic success, employment entry, the State continues to improve in the number of individuals that have entered employment. This measure is believed to increase an individual's likelihood of long-term economic security more than the variables measured by the WPR.

2. The federal government rules that it correctly calculated the caseload variable of the WPR and the State is out of compliance. If this occurs, the State can begin two additional processes. The amount of the financial penalty can be negotiated to a lesser amount. Several states have successfully come to an agreement with the Administration for Children and Families to eliminate financial penalties in lieu of future corrective actions. Corrective actions constitute the second process the Department can start if the federal government does not rule in favor the dispute claim. A corrective action plan can be devised and implemented in consultation with the Administration for Children and Families to correct the violation and ensure continued compliance with the participation requirements. If the corrective action plan is adhered to, the State could see its financial penalty eliminated.

3. The federal government rules that it correctly calculated the caseload variable of the WPR, the State is out of compliance, and a financial penalty is carried out. If this occurs, the State could opt to decrease the amount of moneys available to counties for TANF-related activities by the financial penalty. Alternatively, the State could backfill the amount of the financial penalty with moneys from the TANF reserve, which currently has an amount of over $30 million.

The second reason staff recommends that the Joint Budget Committee monitor the ongoing compliance dispute at this time rather than take action is that is that it is potentially a symptom of a larger issue concerning performance measures. There is an ongoing, nationwide discussion concerning the validity of using work participation rates (as currently calculated by the Administration for Children and Families) as the measure of program success. Parties engaged in this discussion have questioned whether states are devoting significant resources to tracking hours of client activity to meet the WPR standards rather than providing direct service to clients that could improve prospects for securing employment. The Government Accountability Office (GAO) has described the current work participation rate as providing only a partial picture of state TANF programs' effort and success in engaging recipients in work activities. The challenge for Colorado and other states is to balance two complementary functions, service delivery and documentation of client progress to gauge success against the WPR, in a manner that does not sacrifice the value of either in assisting a client in becoming self-sufficient.

Additionally, staff questions whether the federal standards are causing Colorado to focus more on gaining credits to decrease the WPR standards to which it is held than on strategies to increase clients' work participation activities. For example, staff questions if seeking out expenditures outside of TANF to count toward increasing the TANF maintenance of effort level (the greater a state's maintenance of effort, the greater a state's WPR standard can be decreased) is more beneficial to clients than investing the same resources to implement programs that cause clients to meet the WPR standards. In summary, the question to be asked of the TANF program in general is: are we meeting (or striving to meet) the WPR at the expense of actually helping individuals with significant employment barriers overcome those barriers and find jobs?

Note, staff's rationale for recommending that the Joint Budget Committee only monitor the ongoing compliance dispute at this time rather than take action should not be construed as an acceptance or justification for the State and counties not meeting the WPR standards. Regardless of outside factors, the State and the counties are responsible for meeting these standards and should be held accountable for failing to do so. If these entities are unable to take the necessary corrective actions to meet these standards, the Joint Budget Committee should consider a combination of budgetary and policy options, including establishing performance measure goals and financial incentives (both positive and negative), to encourage performance improvements.

Issue: Senate Bill 15-109 Task Force Findings and Recommendations

Senate Bill 15-109 (Mandatory Abuse Report For Adult With A Disability) expanded the mandatory reporting requirements for at-risk adults to cover known or suspected abuse of adults with an intellectual or developmental disability. The task force studying the cost, best practices, and other aspects of expanded mandatory reporting for this population recently provided the legislature with a series of findings and recommendations.

DISCUSSION:

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

The bill also created a task force to study the cost, best practices, and other aspects of expanded mandatory reporting for this population. The bill specified the membership of the task force and required it to submit a written report of its findings and recommendations to the Governor, the Joint Budget Committee, and the health and human services committees of the General Assembly by December 1, 2015. A report containing 11 findings and recommendations was received by the Joint Budget Committee on December 7, 2015.

In addition to the report or findings and recommendations, the legislation also required the following (Section 18-6.5-109, (4) (b), C.R.S.):

> *"The task force shall submit to the Office of State Planning and Budgeting and to the Joint Budget Committee of the General Assembly a preliminary report on the costs of implementation so that the amount may be included in the Governor's budget request."*

The Office of State Planning and Budgeting (OSPB) did not submit a funding request (or a funding placeholder) to the Joint Budget Committee for FY 2016-17 for implementing the provisions of S.B. 15-109. It is believed that a funding request was not submitted for the legislature to review because OSPB did not receive funding recommendations from the Task Force within a timeframe that it could be considered for inclusion as part of the November 1st submittal.

Findings and Recommendations Included in the Report
An unedited list of the findings and recommendations contained in the report from the Task Force is included below for the Committee's review. Note, given the timing of the reception of

this report, staff was not able to analyze the costs or statutory considerations associated with the recommendations included in this list.

1. Consistent with the current language in SB15-109, the Task Force recommends that law enforcement and Adult Protective Services (APS) are key agencies with authority to investigate allegations of abuse, caretaker neglect, and exploitation of at-risk adults with an Intellectual and Development Disability (IDD).

2. The Task Force recommends that the Community Centered Boards (CCBs) continue to review incidents and accidents in accordance with existing rules and regulations.

3. The Task Force recommends that it continue to meet as an informal working group, beginning in January 2016 to develop:

- Common, working language for incidents and accidents to be used by law enforcement, APS, and CCBs in developing training materials for those agencies' staff, mandatory reporters, and the community.

- Recommendations regarding cooperative agreements related to the local coordination of investigations and related services between law enforcement, APS, and the CCBs to ensure the best outcomes for adults with IDD experiencing mistreatment.

- Methods for ensuring that law enforcement and APS are sharing critical report and investigative information in a timely manner.

4. The Task Force recommends changes to statutory language that align key definitions across the Criminal (Title 18, Article 6.5), Adult Protective Services (APS) (Title 26, Article 3.1), and Intellectual and Developmental Disabilities (IDD) (Title 25.5, Article 10, Part 2) sections of the Colorado Revised Statutes (C.R.S.) to ensure that all agencies are operating under the same legal guidelines, whenever possible.

5. The Task Force recommends the list of mandatory reporters be updated and expanded to ensure a more comprehensive list of professionals who routinely interact with at-risk adults with IDD and at-risk elders are identified as mandatory reporters.

6. The Task Force further recommends additional conforming statutory changes in all statutes to ensure that any new or modified definitions are incorporated throughout each statute.

7. The Task Force recommends funding be provided to support administrative and personnel costs of investigating reports and providing protective services for county departments, the State Department, law enforcement, and judicial districts.

8. The Task Force recommends mandatory training for APS, law enforcement, CCBs, and also that training is available for mandatory reporters and the community and that funding be provided for all training costs.

9. The Task Force recommends fully funding the administrative and training costs identified in this report with a sustainable revenue stream, including funding for a FY 2015-16 supplemental and ongoing funding beginning in FY 2016-17.

10. The Task Force further recommends that if the General Assembly is unable to fully fund the administrative and training costs identified in this report with a sustainable revenue stream, that SB15-109 be repealed or delayed and that mandatory reporting for at-risk adults with an intellectual and developmental disability not be implemented until such time as the General Assembly can meet the Task Force's funding recommendation.

11. The Task Force agrees that the two most promising sources of new revenue to support the costs of law enforcement and APS investigating, prosecuting, and providing protective services to vulnerable adults in Colorado are utilizing the increased revenues generated through marijuana taxes or from the Victims of Crime Act (VOCA).

Appendix A: Number Pages

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation

DEPARTMENT OF HUMAN SERVICES
Reggie Bicha, Executive Director

(2) OFFICE OF INFORMATION TECHNOLOGY SERVICES

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

(A) Information Technology

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
Operating Expenses	347,038	1,868,470	560,634	560,634	
General Fund	278,324	1,811,869	489,559	489,559	
Reappropriated Funds	14,474	0	14,474	14,474	
Federal Funds	54,240	56,601	56,601	56,601	
Microcomputer Lease Payments	525,760	539,324	539,344	539,344	
General Fund	301,832	301,812	301,832	301,832	
Cash Funds	15,466	15,466	15,466	15,466	
Reappropriated Funds	115,063	128,647	128,647	128,647	
Federal Funds	93,399	93,399	93,399	93,399	
County Financial Management System	1,493,983	1,494,324	1,494,325	1,494,325	
General Fund	770,740	770,739	770,740	770,740	
Federal Funds	723,243	723,585	723,585	723,585	

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
Client Index Project	17,698	17,200	17,698	17,698	
General Fund	10,154	10,100	10,154	10,154	
Federal Funds	7,544	7,100	7,544	7,544	
Colorado Trails	4,694,009	4,970,391	4,986,992	4,970,392	
General Fund	2,681,218	2,683,460	2,700,061	2,683,461	
Federal Funds	2,012,791	2,286,931	2,286,931	2,286,931	
National Aging Program Information System	46,919	64,724	93,114	93,114	
General Fund	7,980	16,198	23,278	23,278	
Federal Funds	38,939	48,526	69,836	69,836	
Child Care Automated Tracking System	2,490,350	2,973,502	2,709,933	2,709,933	
Federal Funds	2,490,350	2,973,502	2,709,933	2,709,933	
Health Information Management System	331,592	560,981	435,507	58,120	
General Fund	211,290	440,419	307,629	(69,758)	
Reappropriated Funds	120,302	120,562	127,878	127,878	
Adult Protective Services Data System	250,000	143,044	179,200	179,200	
General Fund	250,000	143,044	179,200	179,200	
Payments to OIT	0	26,183,748	25,122,963	24,746,702 *	
General Fund	0	14,042,001	13,534,199	13,331,769	
Cash Funds	0	286,707	306,503	302,060	
Reappropriated Funds	0	747,402	800,590	788,683	
Federal Funds	0	11,107,638	10,481,671	10,324,190	

*Line item contains a decision item.

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
CORE Operations	1,065,762	2,189,920	1,667,387	1,330,995	
General Fund	814,729	1,312,192	877,524	696,471	
Cash Funds	251,033	391,483	268,114	264,102	
Reappropriated Funds	0	0	0	(10,668)	
Federal Funds	0	486,245	521,749	381,090	
DYC Education Support	0	377,539	394,042	394,042	
General Fund	0	377,539	394,042	394,042	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
IT Systems Interoperability	0	0	1,323,360	1,323,360	
General Fund	0	0	132,336	132,336	
Federal Funds	0	0	1,191,024	1,191,024	
Enterprise Content Management	0	0	731,400	731,400	
General Fund	0	0	731,400	731,400	
Electronic Health Records, Vendor Costs (ongoing fees, system hosting, and support)	0	0	0	1,091,930	
General Fund	0	0	0	1,091,930	
Electronic Health Records, Vendor Costs (ongoing development and enhancement)	0	0	0	1,436,872	
General Fund	0	0	0	1,436,872	
Integrated Behavioral Health Services Data Collection	288,000	0	0	0	
General Fund	288,000	0	0	0	

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
Purchase of Services from Computer Center	15,879,869	0	0	0	
General Fund	7,979,513	0	0	0	
Cash Funds	199,855	0	0	0	
Reappropriated Funds	272,083	0	0	0	
Federal Funds	7,428,418	0	0	0	
Colorado State Network	3,924,795	0	0	0	
General Fund	2,581,373	0	0	0	
Cash Funds	33,942	0	0	0	
Reappropriated Funds	343,396	0	0	0	
Federal Funds	966,084	0	0	0	
Management and Administration of OIT	613,096	0	0	0	
General Fund	466,411	0	0	0	
Cash Funds	9,761	0	0	0	
Reappropriated Funds	49,657	0	0	0	
Federal Funds	87,267	0	0	0	
Communication Services Payments	183,829	0	0	0	
General Fund	156,938	0	0	0	
Reappropriated Funds	26,891	0	0	0	
Information Technology Security	214,273	0	0	0	
General Fund	117,519	0	0	0	
Cash Funds	2,538	0	0	0	
Reappropriated Funds	7,189	0	0	0	
Federal Funds	87,027	0	0	0	

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
SUBTOTAL - (A) Information Technology	32,366,973	41,383,167	40,255,899	41,678,061	3.5%
FTE	0.0	0.0	0.0	0.0	0.0%
General Fund	16,916,021	21,909,373	20,451,954	22,203,286	8.6%
Cash Funds	512,595	693,656	590,083	581,628	(1.4%)
Reappropriated Funds	949,055	996,611	1,071,589	1,049,014	(2.1%)
Federal Funds	13,989,302	17,783,527	18,142,273	17,844,133	(1.6%)

(B) Colorado Benefits Management System

(1) Ongoing Expenses

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
Personal Services	4,223,570	2,484,228	2,989,619	2,810,459 *	
General Fund	1,110,026	1,020,956	1,093,480	1,151,666	
Cash Funds	107,587	62,196	46,819	91,260	
Reappropriated Funds	1,532,014	120,756	0	0	
Federal Funds	1,473,943	1,280,320	1,849,320	1,567,533	
Centrally Appropriated Items	443,283	331,641	330,441	310,638 *	
General Fund	103,879	130,605	120,862	127,293	
Cash Funds	11,997	8,164	5,175	10,087	
Reappropriated Funds	147,011	0	0	0	
Federal Funds	180,396	192,872	204,404	173,258	
Operating and Contract Expenses	20,986,473	14,556,191	14,863,973	27,422,567 *	
General Fund	5,859,575	6,320,186	6,490,821	17,985,030	
Cash Funds	537,600	384,959	232,775	890,451	
Reappropriated Funds	7,232,305	0	0	0	
Federal Funds	7,356,993	7,851,046	8,140,377	8,547,086	

*Line item contains a decision item.

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
CBMS SAS-70 Audit	74,060	44,477	0	0	
General Fund	17,197	18,213	0	0	
Cash Funds	1,909	1,349	0	0	
Reappropriated Funds	24,858	0	0	0	
Federal Funds	30,096	24,915	0	0	
HCPF Personal Services	443,283	0	0	0	
General Fund	102,205	0	0	0	
Cash Funds	11,442	0	0	0	
Reappropriated Funds	150,129	0	0	0	
Federal Funds	179,507	0	0	0	
HCPF Only Projects	578,146	0	0	0	
Reappropriated Funds	578,146	0	0	0	
SUBTOTAL -	26,748,815	17,416,537	18,184,033	30,543,664	68.0%
FTE	0.0	0.0	0.0	0.0	0.0%
General Fund	7,192,882	7,489,960	7,705,163	19,263,989	150.0%
Cash Funds	670,535	456,668	284,769	991,798	248.3%
Reappropriated Funds	9,664,463	120,756	0	0	0.0%
Federal Funds	9,220,935	9,349,153	10,194,101	10,287,877	0.9%
(2) Special Projects					
Administration	0	0	1,004,508	986,994 *	
FTE	0.0	0.0	11.0	11.0	
General Fund	0	0	371,113	408,373	
Cash Funds	0	0	15,517	32,021	
Federal Funds	0	0	617,878	546,600	

*Line item contains a decision item.

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
CBMS Modernization, DHS Personal Services	707,094	491,766	0	0	
FTE	10.4	10.4	0.0	0.0	
General Fund	268,612	193,571	0	0	
Cash Funds	21,833	12,330	0	0	
Reappropriated Funds	261,182	21,844	0	0	
Federal Funds	155,467	264,021	0	0	
CBMS Modernization, DHS Operating Expenses	0	7,208	0	0	
General Fund	0	3,264	0	0	
Cash Funds	0	203	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	3,741	0	0	
CBMS Modernization, HCPF Personal Services, Operating Expenses, and Centrally Appropriated Expenses	680,196	529,578	0	0	
General Fund	276,576	223,047	0	0	
Cash Funds	17,624	12,377	0	0	
Reappropriated Funds	236,602	26,157	0	0	
Federal Funds	149,394	267,997	0	0	
CBMS Modernization, Phase I	11,598,562	0	0	0	
General Fund	2,218,422	0	0	0	
Cash Funds	531,639	0	0	0	
Reappropriated Funds	8,179,131	0	0	0	
Federal Funds	669,370	0	0	0	

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
CBMS Modernization, Phase II	0	3,762,321	0	0	
General Fund	0	2,672,588	0	0	
Cash Funds	0	525,181	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	564,552	0	0	
SUBTOTAL -	12,985,852	4,790,873	1,004,508	986,994	(1.7%)
FTE	10.4	10.4	11.0	11.0	0.0%
General Fund	2,763,610	3,092,470	371,113	408,373	10.0%
Cash Funds	571,096	550,091	15,517	32,021	106.4%
Reappropriated Funds	8,676,915	48,001	0	0	0.0%
Federal Funds	974,231	1,100,311	617,878	546,600	(11.5%)
SUBTOTAL - (B) Colorado Benefits Management System	39,734,667	22,207,410	19,188,541	31,530,658	64.3%
FTE	10.4	10.4	11.0	11.0	0.0%
General Fund	9,956,492	10,582,430	8,076,276	19,672,362	143.6%
Cash Funds	1,241,631	1,006,759	300,286	1,023,819	240.9%
Reappropriated Funds	18,341,378	168,757	0	0	0.0%
Federal Funds	10,195,166	10,449,464	10,811,979	10,834,477	0.2%
TOTAL - (2) Office of Information Technology Services	72,101,640	63,590,577	59,444,440	73,208,719	23.2%
FTE	10.4	10.4	11.0	11.0	0.0%
General Fund	26,872,513	32,491,803	28,528,230	41,875,648	46.8%
Cash Funds	1,754,226	1,700,415	890,369	1,605,447	80.3%
Reappropriated Funds	19,290,433	1,165,368	1,071,589	1,049,014	(2.1%)
Federal Funds	24,184,468	28,232,991	28,954,252	28,678,610	(1.0%)

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation

(4) COUNTY ADMINISTRATION

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

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
County Administration	51,816,687	46,779,289	56,384,304	55,820,460 *	
General Fund	19,606,080	19,938,121	19,666,869	19,470,200	
Cash Funds	9,137,101	0	10,436,967	10,332,597	
Reappropriated Funds	0	0	0	0	
Federal Funds	23,073,506	26,841,168	26,280,468	26,017,663	
County Tax Base Relief	2,697,803	3,879,756	3,879,756	3,879,756	
General Fund	2,697,803	3,879,756	3,879,756	3,879,756	
County Share of Offsetting Revenues	3,105,773	2,854,581	2,986,000	2,986,000	
Cash Funds	3,105,773	2,854,581	2,986,000	2,986,000	
County Incentive Payments	4,232,323	4,176,456	4,113,000	4,113,000	
Cash Funds	4,232,323	4,176,456	4,113,000	4,113,000	
TOTAL - (4) County Administration	61,852,586	57,690,082	67,363,060	66,799,216	(0.8%)
FTE	0.0	0.0	0.0	0.0	0.0%
General Fund	22,303,883	23,817,877	23,546,625	23,349,956	(0.8%)
Cash Funds	16,475,197	7,031,037	17,535,967	17,431,597	(0.6%)
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	23,073,506	26,841,168	26,280,468	26,017,663	(1.0%)

*Line item contains a decision item.

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
(7) OFFICE OF SELF SUFFICIENCY					
The Office of Self-Sufficiency provides income, nutritional, and support services to assist families and individuals in need. The programs administered by this unit include SNAP, Colorado Works, child support services, energy assistance, refugee services, and disability determination services.					
(A) Administration					
Personal Services	1,608,550	1,333,683	2,084,105	1,814,293	
FTE	19.9	19.9	22.0	22.0	
General Fund	701,008	634,039	943,897	824,085	
Federal Funds	907,542	699,644	1,140,208	990,208	
Operating Expenses	77,499	84,022	77,499	77,499	
General Fund	54,133	54,126	54,133	54,133	
Federal Funds	23,366	29,896	23,366	23,366	
SUBTOTAL - (A) Administration	1,686,049	1,417,705	2,161,604	1,891,792	(12.5%)
FTE	19.9	19.9	22.0	22.0	0.0%
General Fund	755,141	688,165	998,030	878,218	(12.0%)
Federal Funds	930,908	729,540	1,163,574	1,013,574	(12.9%)
(B) Colorado Works Program					
Administration	1,468,493	1,348,119	1,587,089	1,618,865	
FTE	17.2	17.2	18.0	18.0	
Federal Funds	1,468,493	1,348,119	1,587,089	1,618,865	
County Block Grants	128,398,357	124,596,958	152,548,087	152,548,087	
Cash Funds	206,590	93,497	22,349,730	22,349,730	
Federal Funds	128,191,767	124,503,461	130,198,357	130,198,357	

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
County TANF Reserves for Colorado Works, Child Welfare, and Child Care Programs	8,408,641	0	30,626,461	30,626,461	
Federal Funds	8,408,641	0	30,626,461	30,626,461	
County Training	327,944	418,378	484,213	486,998	
FTE	2.2	2.2	2.0	2.0	
Federal Funds	327,944	418,378	484,213	486,998	
Domestic Abuse Program	1,661,194	1,819,098	1,944,106	1,848,993	
FTE	2.6	2.6	2.7	2.7	
Cash Funds	1,031,517	1,192,753	1,314,429	1,219,316	
Federal Funds	629,677	626,345	629,677	629,677	
Works Program Evaluation	33,137	123,831	495,440	495,440	
Federal Funds	33,137	123,831	495,440	495,440	
Workforce Development Council	73,389	79,033	85,000	85,000	
Federal Funds	73,389	79,033	85,000	85,000	
Transitional Jobs Programs	1,523,210	1,397,897	2,400,000	1,198,202	
FTE	1.1	2.1	2.0	1.0	
General Fund	1,523,210	1,397,897	2,400,000	1,198,202	
SUBTOTAL - (B) Colorado Works Program	141,894,365	129,783,314	190,170,396	188,908,046	(0.7%)
FTE	23.1	24.1	24.7	23.7	(4.0%)
General Fund	1,523,210	1,397,897	2,400,000	1,198,202	(50.1%)
Cash Funds	1,238,107	1,286,250	23,664,159	23,569,046	(0.4%)
Federal Funds	139,133,048	127,099,167	164,106,237	164,140,798	0.0%

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
(C) Special Purpose Welfare Programs					
Low Income Energy Assistance Program	50,958,660	59,602,321	46,529,207	46,535,659	
FTE	5.1	5.1	5.2	5.2	
Cash Funds	4,279,783	3,250,000	3,450,000	3,450,000	
Federal Funds	46,678,877	56,352,321	43,079,207	43,085,659	
Food Stamp Job Search Units - Program Costs	1,549,815	1,495,828	2,077,582	2,081,582	
FTE	4.3	4.3	6.2	6.2	
General Fund	178,003	123,974	187,834	188,194	
Cash Funds	0	0	409,382	410,182	
Federal Funds	1,371,812	1,371,854	1,480,366	1,483,206	
Food Stamp Job Search Units - Supportive Services	201,593	199,456	261,452	261,452	
General Fund	75,597	74,796	78,435	78,435	
Cash Funds	0	0	52,291	52,291	
Federal Funds	125,996	124,660	130,726	130,726	
Food Distribution Program	915,085	882,291	582,201	586,062	
FTE	3.6	3.6	6.5	6.5	
General Fund	45,009	11,352	46,828	47,137	
Cash Funds	131,830	215,218	250,509	252,169	
Federal Funds	738,246	655,721	284,864	286,756	
Income Tax Offset	2,382	3,084	4,128	4,128	
General Fund	1,191	1,542	2,064	2,064	
Federal Funds	1,191	1,542	2,064	2,064	

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
Electronic Benefits Transfer Service	2,276,386	2,204,779	3,714,423	3,723,956	
FTE	7.0	7.0	7.0	7.0	
General Fund	700,491	997,064	1,001,401	1,003,975	
Cash Funds	109,464	85,366	995,377	995,853	
Federal Funds	1,466,431	1,122,349	1,717,645	1,724,128	
Refugee Assistance	11,685,186	9,774,516	16,696,954	16,711,313	
FTE	3.7	3.7	10.0	10.0	
Federal Funds	11,685,186	9,774,516	16,696,954	16,711,313	
Systematic Alien Verification for Eligibility	48,654	32,777	54,964	54,964	
FTE	0.4	0.4	1.0	1.0	
General Fund	6,580	4,747	7,166	7,166	
Cash Funds	3,464	930	3,797	3,797	
Reappropriated Funds	29,734	20,717	34,505	34,505	
Federal Funds	8,876	6,383	9,496	9,496	
SUBTOTAL - (C) Special Purpose Welfare Programs	67,637,761	74,195,052	69,920,911	69,959,116	0.1%
FTE	24.1	24.1	35.9	35.9	0.0%
General Fund	1,006,871	1,213,475	1,323,728	1,326,971	0.2%
Cash Funds	4,524,541	3,551,514	5,161,356	5,164,292	0.1%
Reappropriated Funds	29,734	20,717	34,505	34,505	0.0%
Federal Funds	62,076,615	69,409,346	63,401,322	63,433,348	0.1%

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
(D) Child Support Enforcement					
Automated Child Support Enforcement System	3,049,428	8,098,066	9,166,494	9,084,664 *	
FTE	13.8	13.8	16.9	16.9	
General Fund	2,337,843	2,451,573	2,675,783	2,581,234	
Cash Funds	364,937	411,808	722,793	724,065	
Federal Funds	346,648	5,234,685	5,767,918	5,779,365	
Child Support Enforcement	1,901,367	1,903,844	3,084,259	5,025,629	
FTE	21.5	21.5	24.5	24.5	
General Fund	616,217	661,235	993,362	2,654,483	
Cash Funds	64,291	60,909	75,999	76,921	
Federal Funds	1,220,859	1,181,700	2,014,898	2,294,225	
SUBTOTAL - (D) Child Support Enforcement	4,950,795	10,001,910	12,250,753	14,110,293	15.2%
FTE	35.3	35.3	41.4	41.4	0.0%
General Fund	2,954,060	3,112,808	3,669,145	5,235,717	42.7%
Cash Funds	429,228	472,717	798,792	800,986	0.3%
Federal Funds	1,567,507	6,416,385	7,782,816	8,073,590	3.7%
(E) Disability Determination Services					
Program Costs	16,564,980	16,766,569	20,380,412	20,535,920	
FTE	119.6	119.6	121.7	121.7	
Federal Funds	16,564,980	16,766,569	20,380,412	20,535,920	
SUBTOTAL - (E) Disability Determination Services	16,564,980	16,766,569	20,380,412	20,535,920	0.8%
FTE	119.6	119.6	121.7	121.7	0.0%
Federal Funds	16,564,980	16,766,569	20,380,412	20,535,920	0.8%

*Line item contains a decision item.

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
TOTAL - (7) Office of Self Sufficiency	232,733,950	232,164,550	294,884,076	295,405,167	0.2%
FTE	222.0	223.0	245.7	244.7	(0.4%)
General Fund	6,239,282	6,412,345	8,390,903	8,639,108	3.0%
Cash Funds	6,191,876	5,310,481	29,624,307	29,534,324	(0.3%)
Reappropriated Funds	29,734	20,717	34,505	34,505	0.0%
Federal Funds	220,273,058	220,421,007	256,834,361	257,197,230	0.1%

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation

(10) ADULT ASSISTANCE PROGRAMS

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

(A) Administration

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
Administration	926,566	895,446	1,000,612	1,014,538	
FTE	9.0	9.0	11.0	11.0	
General Fund	808,673	852,037	890,219	902,614	
Cash Funds	103,950	43,409	110,393	111,924	
Federal Funds	13,943	0	0	0	
SUBTOTAL - (A) Administration	926,566	895,446	1,000,612	1,014,538	1.4%
FTE	9.0	9.0	11.0	11.0	0.0%
General Fund	808,673	852,037	890,219	902,614	1.4%
Cash Funds	103,950	43,409	110,393	111,924	1.4%
Federal Funds	13,943	0	0	0	0.0%

(B) Old Age Pension Program

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
Cash Assistance Programs	93,195,498	89,414,981	76,071,868	76,071,868	
Cash Funds	93,195,498	89,414,981	76,071,868	76,071,868	
Refunds	815,291	1,062,491	588,362	588,362	
Cash Funds	815,291	1,062,491	588,362	588,362	

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
Burial Reimbursements	1,125,504	918,364	918,364	918,364	
Cash Funds	1,125,504	918,364	918,364	918,364	
State Administration	297,952	275,753	391,447	392,548	
FTE	3.0	0.0	3.5	3.5	
Cash Funds	297,952	275,753	391,447	392,548	
County Administration	1,706,739	1,924,419	2,566,974	2,566,974	
Cash Funds	1,706,739	1,924,419	2,566,974	2,566,974	
SUBTOTAL - (B) Old Age Pension Program	97,140,984	93,596,008	80,537,015	80,538,116	0.0%
FTE	3.0	0.0	3.5	3.5	0.0%
Cash Funds	97,140,984	93,596,008	80,537,015	80,538,116	0.0%
(C) Other Grant Programs					
Administration - Home Care Allowance SEP Contract	1,063,259	1,045,084	1,063,259	1,063,259	
General Fund	1,063,259	1,045,084	1,063,259	1,063,259	
Aid to the Needy Disabled Programs	14,148,483	15,110,331	18,844,238	18,844,238	
General Fund	11,421,471	12,316,683	12,554,065	12,554,065	
Cash Funds	2,727,012	2,793,648	6,290,173	6,290,173	
Aid to the Needy Disabled Federal Supplemental Security Income Application Pilot Program	0	74,889	246,897	246,897	
General Fund	0	74,889	246,897	246,897	
Burial Reimbursements	402,985	402,985	508,000	508,000	
General Fund	402,985	402,985	402,985	402,985	
Cash Funds	0	0	105,015	105,015	

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
Home Care Allowance	8,442,159	7,289,267	9,415,544	9,415,544	
General Fund	8,442,159	7,289,267	8,913,580	8,913,580	
Cash Funds	0	0	501,964	501,964	
Home Care Allowance Grant Program	1,086,156	624,741	1,086,156	1,086,156	
General Fund	1,086,156	624,741	1,086,156	1,086,156	
Adult Foster Care	34,463	15,066	157,469	157,469	
General Fund	34,463	15,066	149,596	149,596	
Cash Funds	0	0	7,873	7,873	
SSI Stabilization Fund Programs	817,492	0	1,000,000	1,000,000	
Cash Funds	817,492	0	1,000,000	1,000,000	
SUBTOTAL - (C) Other Grant Programs	25,994,997	24,562,363	32,321,563	32,321,563	0.0%
FTE	0.0	0.0	0.0	0.0	0.0%
General Fund	22,450,493	21,768,715	24,416,538	24,416,538	0.0%
Cash Funds	3,544,504	2,793,648	7,905,025	7,905,025	0.0%
(D) Community Services for the Elderly					
Administration	388,331	468,064	707,097	715,364	
FTE	5.0	5.0	7.0	7.0	
General Fund	96,814	115,681	176,775	178,842	
Federal Funds	291,517	352,383	530,322	536,522	

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
Colorado Commission on Aging	80,890	78,336	81,126	82,204	
FTE	1.0	1.0	1.0	1.0	
General Fund	20,161	19,545	20,282	20,552	
Federal Funds	60,729	58,791	60,844	61,652	
Senior Community Services Employment	847,313	862,593	1,235,648	1,235,648	
FTE	0.3	0.3	0.5	0.5	
Federal Funds	847,313	862,593	1,235,648	1,235,648	
Older Americans Act Programs	11,335,941	11,957,608	17,574,052	17,574,052	
General Fund	660,045	664,485	765,125	765,125	
Cash Funds	111	6,433	3,079,710	3,079,710	
Federal Funds	10,675,785	11,286,690	13,729,217	13,729,217	
National Family Caregiver Support Program	1,739,621	1,760,641	2,263,386	2,263,386	
General Fund	142,041	142,041	142,041	142,041	
Cash Funds	0	0	423,805	423,805	
Federal Funds	1,597,580	1,618,600	1,697,540	1,697,540	
State Ombudsman Program	317,031	317,031	347,031	347,031 *	
General Fund	130,648	186,898	186,898	186,898	
Reappropriated Funds	1,800	1,800	1,800	1,800	
Federal Funds	184,583	128,333	158,333	158,333	
State Funding for Senior Services	12,811,614	17,301,038	21,161,622	21,311,622	
General Fund	2,803,870	7,293,288	11,153,870	11,303,870	
Cash Funds	10,007,744	10,007,750	10,007,752	10,007,752	

*Line item contains a decision item.

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
Senior Services Data Evaluation	0	0	150,000	0	
General Fund	0	0	150,000	0	
Area Agencies on Aging Administration	1,407,886	1,272,084	1,375,384	1,375,384	
Federal Funds	1,407,886	1,272,084	1,375,384	1,375,384	
Respite Services	153,000	256,090	503,370	378,370	
General Fund	150,000	250,000	475,000	350,000	
Cash Funds	3,000	6,090	28,370	28,370	
SUBTOTAL - (D) Community Services for the Elderly	29,081,627	34,273,485	45,398,716	45,283,061	(0.3%)
FTE	6.3	6.3	8.5	8.5	0.0%
General Fund	4,003,579	8,671,938	13,069,991	12,947,328	(0.9%)
Cash Funds	10,010,855	10,020,273	13,539,637	13,539,637	0.0%
Reappropriated Funds	1,800	1,800	1,800	1,800	0.0%
Federal Funds	15,065,393	15,579,474	18,787,288	18,794,296	0.0%
(E) Adult Protective Services					
State Administration	409,053	540,791	593,302	599,577	
FTE	4.5	4.5	6.5	6.5	
General Fund	409,053	540,791	593,302	599,577	
Adult Protective Services	9,087,268	10,887,306	14,165,717	14,024,060 *	
General Fund	7,099,898	8,899,936	9,267,702	9,175,025	
Cash Funds	0	0	2,856,986	2,828,416	
Federal Funds	1,987,370	1,987,370	2,041,029	2,020,619	

*Line item contains a decision item.

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
SUBTOTAL - (E) Adult Protective Services	9,496,321	11,428,097	14,759,019	14,623,637	(0.9%)
FTE	4.5	4.5	6.5	6.5	0.0%
General Fund	7,508,951	9,440,727	9,861,004	9,774,602	(0.9%)
Cash Funds	0	0	2,856,986	2,828,416	(1.0%)
Federal Funds	1,987,370	1,987,370	2,041,029	2,020,619	(1.0%)
TOTAL - (10) Adult Assistance Programs	162,640,495	164,755,399	174,016,925	173,780,915	(0.1%)
FTE	22.8	19.8	29.5	29.5	0.0%
General Fund	34,771,696	40,733,417	48,237,752	48,041,082	(0.4%)
Cash Funds	110,800,293	106,453,338	104,949,056	104,923,118	(0.0%)
Reappropriated Funds	1,800	1,800	1,800	1,800	0.0%
Federal Funds	17,066,706	17,566,844	20,828,317	20,814,915	(0.1%)

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation

(11) DIVISION OF YOUTH CORRECTIONS

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

(A) Administration

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
Personal Services	1,343,780	1,390,521	1,449,625	1,468,509	
FTE	14.8	14.8	15.4	15.4	
General Fund	1,343,780	1,390,521	1,449,625	1,468,509	
Operating Expenses	30,329	30,357	30,357	30,357	
General Fund	30,329	30,357	30,357	30,357	
Victim Assistance	29,203	29,115	29,203	29,203	
FTE	0.3	0.3	0.5	0.5	
Reappropriated Funds	29,203	29,115	29,203	29,203	
SUBTOTAL - (A) Administration	1,403,312	1,449,993	1,509,185	1,528,069	1.3%
FTE	15.1	15.1	15.9	15.9	0.0%
General Fund	1,374,109	1,420,878	1,479,982	1,498,866	1.3%
Reappropriated Funds	29,203	29,115	29,203	29,203	0.0%

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request		Request vs. Appropriation
(B) Institutional Programs						
Operating Expenses	3,257,294	3,261,957	3,628,947	3,792,168	*	
General Fund	2,048,720	2,082,013	2,288,531	2,451,752		
Reappropriated Funds	0	0	1,340,200	1,340,200		
Federal Funds	1,208,574	1,179,944	216	216		
Medical Services	5,953,381	6,369,233	6,523,180	6,548,790	*	
FTE	34.5	34.5	36.0	36.0		
General Fund	5,953,381	6,369,233	6,523,180	6,548,790		
Educational Programs	5,756,313	6,307,327	6,245,039	6,257,887	*	
FTE	32.9	32.9	34.8	34.8		
General Fund	5,756,313	5,713,226	5,897,447	5,910,295		
Cash Funds	0	0	0	0		
Reappropriated Funds	0	0	347,592	347,592		
Federal Funds	0	594,101	0	0		
Prevention/Intervention Services	48,710	0	49,693	49,693		
FTE	0.0	0.0	1.0	1.0		
Reappropriated Funds	48,710	0	49,693	49,693		
SUBTOTAL - (B) Institutional Programs	15,015,698	15,938,517	16,446,859	16,648,538		1.2%
FTE	67.4	67.4	71.8	71.8		0.0%
General Fund	13,758,414	14,164,472	14,709,158	14,910,837		1.4%
Cash Funds	0	0	0	0		0.0%
Reappropriated Funds	48,710	0	1,737,485	1,737,485		0.0%
Federal Funds	1,208,574	1,774,045	216	216		0.0%

*Line item contains a decision item.

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
(C) Community Programs					
Personal Services	6,703,827	7,649,929	8,087,706	7,816,137 *	
FTE	93.4	94.1	101.7	101.7	
General Fund	6,346,532	6,622,171	7,070,331	6,798,762	
Cash Funds	50,833	50,833	50,833	50,833	
Reappropriated Funds	45,688	105,627	305,768	305,768	
Federal Funds	260,774	871,298	660,774	660,774	
Operating Expenses	337,403	455,666	544,372	542,303 *	
General Fund	334,996	455,666	530,618	528,662	
Cash Funds	2,407	0	2,448	2,448	
Reappropriated Funds	0	0	11,306	11,193	
Purchase of Contract Placements	27,415,122	25,888,159	26,881,648	26,085,168 *	
General Fund	26,774,940	25,324,198	24,497,341	23,724,707	
Cash Funds	640,182	0	0	0	
Reappropriated Funds	0	0	1,317,979	1,304,799	
Federal Funds	0	563,961	1,066,328	1,055,662	
Managed Care Project	1,348,310	1,393,689	1,454,624	1,440,077 *	
General Fund	1,348,310	1,393,689	1,419,372	1,405,178	
Reappropriated Funds	0	0	35,252	34,899	
S.B. 91-94 Programs	12,203,919	13,780,211	14,792,805	14,663,077 *	
General Fund	12,203,919	12,577,719	12,792,805	12,663,077	
Cash Funds	0	1,202,492	2,000,000	2,000,000	

*Line item contains a decision item.

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
Parole Program Services	4,049,560	4,708,771	3,960,681	4,848,735 *	
General Fund	3,144,526	4,241,545	3,960,681	4,848,735	
Federal Funds	905,034	467,226	0	0	
Juvenile Sex Offender Staff Training	44,825	38,623	47,060	47,060	
General Fund	8,472	5,768	8,810	8,810	
Cash Funds	36,353	32,855	38,250	38,250	
SUBTOTAL - (C) Community Programs	52,102,966	53,915,048	55,768,896	55,442,557	(0.6%)
FTE	93.4	94.1	101.7	101.7	0.0%
General Fund	50,161,695	50,620,756	50,279,958	49,977,931	(0.6%)
Cash Funds	729,775	1,286,180	2,091,531	2,091,531	0.0%
Reappropriated Funds	45,688	105,627	1,670,305	1,656,659	(0.8%)
Federal Funds	1,165,808	1,902,485	1,727,102	1,716,436	(0.6%)
TOTAL - (11) Division of Youth Corrections	68,521,976	71,303,558	73,724,940	73,619,164	(0.1%)
FTE	175.9	176.6	189.4	189.4	(0.0%)
General Fund	65,294,218	66,206,106	66,469,098	66,387,634	(0.1%)
Cash Funds	729,775	1,286,180	2,091,531	2,091,531	0.0%
Reappropriated Funds	123,601	134,742	3,436,993	3,423,347	(0.4%)
Federal Funds	2,374,382	3,676,530	1,727,318	1,716,652	(0.6%)
TOTAL - Department of Human Services	597,850,647	589,504,166	669,433,441	682,813,181	2.0%
FTE	431.1	429.8	475.6	474.6	(0.2%)
General Fund	155,481,592	169,661,548	175,172,608	188,293,428	7.5%
Cash Funds	135,951,367	121,781,451	155,091,230	155,586,017	0.3%
Reappropriated Funds	19,445,568	1,322,627	4,544,887	4,508,666	(0.8%)
Federal Funds	286,972,120	296,738,540	334,624,716	334,425,070	(0.1%)

*Line item contains a decision item.

Appendix B: Recent Legislation Affecting Department Budget

2014 Session Bills

S.B. 14-012 (Aid to the Needy Disabled Program): Requires the Department to increase the monthly benefit amount for Aid to the Needy and Disabled (AND) program by 8.0 percent in FY 2014-15. From FY 2015-16 to FY 2018-19, subject to available appropriations, the DHS is encouraged to increase the monthly award until it is equal to the award level in FY 2006-07, and then to increase the award to account for cost of living in future years. Allows the Department to promulgate rules permitting counties to waive the requirement that applicants first submit a federal Supplemental Security Income (SSI) application for a specified period of time. The bill also increases the cap on funds that may be held in the SSI Stabilization Fund to 20.0 percent of the annual appropriations for the AND program from the current cap of $1.5 million. The bill also creates the Federal Supplemental Security Income Application Assistance Pilot Program to provide assistance to SSI applicants in order to increase the approval rate and timeliness of federal SSI applications. The Department must contract for and implement the pilot program by October 1, 2014. Appropriates $1,495,144 total funds, of which $1,237,766 is General Fund, $247,339 is cash funds, $4,697 is reappropriated funds, and $5,342 is federal funds to the Department for FY 2014-15.

S.B. 14-014 (Property Tax Rent Heat Fuel Grants for Low-Income): Makes the following changes to the Property Tax, Rent, and Heat Rebate Program: increases the maximum property tax and rent rebate for income-eligible claimants to $700, establishes a "flat rate" rebate for both the property tax and rent rebate and the heat rebate in an expanded range of income eligibility, and implements certain recommendations of the August 2013 Legislative Audit of the program. Appropriates $4,092 total funds, of which $976 is General Fund to the Department for FY 2014-15.

S.B. 14-215 (Disposition of Legal Marijuana Related Revenue): Creates the Marijuana Tax Cash Fund (MTCF) and directs that all sales tax moneys collected by the state starting in FY 2014-15 from retail and medical marijuana be deposited in the MTCF instead of the Marijuana Cash Fund. Specifies permissible uses of moneys in the MTCF, including the following purposes relevant to the Department of Human Services (DHS):

- To provide inpatient treatment for adults who suffer from co-occurring disorders at the Colorado Mental Health Institute at Pueblo (i.e., the "Circle Program");
- For community-based programs to provide marijuana prevention and intervention services to youth;
- For local judicial-district based programs to provide marijuana prevention and intervention services to pre-adjudicated and adjudicated youth;
- To expand the provision of jail-based behavioral health services in underserved counties and to enhance the provision of jail-based behavioral health services to offenders transitioning from jail to the community to ensure continuity of care;

- For the provision of substance use disorder treatment services for adolescents and pregnant women; and
- To provide child welfare training specific to issues arising from marijuana use and abuse.

Under current law, the State Treasurer is required to annually transfer the first $2.0 million of sales tax revenues attributable to medical marijuana to the General Fund. These transfers are intended to offset General Fund expenditures for two programs: (1) The DHS' Circle Program; and (2) Screening, brief intervention, and referral for treatment for substance abuse ("SBIRT"), an optional service covered under the State's Medicaid program and funded through the Department of Health Care Policy and Financing. This act continues these transfers for FY 2013-14 and FY 2014-15, and eliminates these transfers starting in FY 2015-16. Instead, the bill authorizes the General Assembly to appropriate moneys from the MTCF to support the Circle Program.

Appropriates a total of $7,600,000 from the MTCF to DHS for FY 2014-15, including:
- $2.0 million for the Tony Grampsas Youth Services Program for programs specifically related to the prevention and intervention of adolescent and youth marijuana use;
- $2.0 million for the expansion and enhancement of jail-based behavioral health services;
- $2.0 million for SB 91-94 programs related to the provision of marijuana prevention and intervention services to pre-adjudicated and adjudicated youth;
- $1.5 million for the provision of substance use disorder treatment services for adolescents and pregnant women; and
- $100,000 for child welfare training specific to issues arising from marijuana use and abuse.

H.B. 14-1015 (Extend Transitional Jobs Program): Extends the Transitional Jobs Program (known as ReHire Colorado) through June 30, 2017, except that no new transitional jobs shall be offered after December 31, 2016. Appropriates $395,270 General Fund and 1.0 FTE to the Department for FY 2014-15.

H.B. 14-1336 (Long Bill): General appropriations act for FY 2014-15. Includes provisions modifying appropriations to the Department of Human Services for FY 2013-14.

2015 Session Bills

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

S.B. 15-149 (Supplemental Bill): Supplemental appropriation to the Department of Human Services to modify appropriations for FY 2014-15.

S.B. 15-234 (Long Bill): General appropriations act for FY 2015-16. Includes provisions modifying appropriations to the Department of Human Services for FY 2014-15.

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

Appendix C:
Update on Long Bill Footnotes & Requests for Information

Long Bill Footnotes

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

Comment: Staff recommends this item be reviewed during figure setting to determine if it is required for FY 2016-17.

25 **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: Staff recommends this item be reviewed during figure setting to determine if it is required for FY 2016-17.

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

Comment: Staff recommends this item be reviewed during figure setting to determine if it is required for FY 2016-17.

30 **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: Staff recommends this item be reviewed during figure setting to determine if it is required for FY 2016-17.

31 **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 2014-15 targeted or actual spending level pursuant to Section 26-2-714 (8), C.R.S.

Comment: Staff recommends this item be reviewed during figure setting to determine if it is required for FY 2016-17.

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

Comment: Staff recommends this item be reviewed during figure setting to determine if it is required for FY 2016-17.

33 **Department of Human Services, Office of Self Sufficiency, Colorado Works Program, County Block Grants --** It is the intent of the General Assembly that the Department comply with the provisions of Section 26-2-714 (10), C.R.S., by reducing required county Temporary Assistance for Needy Families (TANF) maintenance of effort expenditures in the fiscal year after the State is notified that it has met federal work participation rates and qualifies for a percent reduction in the state's maintenance of effort. If the State is notified during state FY 2014-15 that it has met federal work participation rates for a prior year and therefore qualifies for a percent reduction in the state's maintenance of effort, local cash funds expenditure obligations that are established

in this line item pursuant to Section 26-2-714 (6) (c) (I), C.R.S., shall be reduced by $5,524,726.

Comment: Staff recommends this item be reviewed during figure setting to determine if it is required for FY 2016-17.

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

Comment: Staff recommends this item be reviewed during figure setting to determine if it is required for FY 2016-17.

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

Comment: Information about county transfers within the Community Services for the Elderly section are addressed in Request for Information #7 (see next section for details).

43 **Department of Human Services, Adult Assistance Programs, Community Services for the Elderly, State Funding for Senior Services --** It is the intent of the General Assembly that $500,000 General Fund of this appropriation be used for the purpose of providing services for seniors who are blind or visually impaired and whose sight loss cannot be corrected with prescription lenses in order to assist them in maintaining their independence in their home.

Comment: Staff recommends this item be reviewed during figure setting to determine if it is required for FY 2016-17.

Requests for Information

1 **Department of Human Services, Division of Youth Corrections, Institutional Programs –** The Department is requested to submit a report by November 1, 2015 that includes the following monthly data for each State-owned and operated facility for the period of January 2014 through September 2015:

- Number of assaults by type (e.g. juvenile on staff, staff on juvenile, juvenile on juvenile);
- Number of homicides;
- Number of suicides;
- Number of youth in a facility that have charges filed against them district court;
- Number of new crimes reported to local police;
- Ratio of direct care staff (CYSO I, II, and III) to youth;
- Direct care staffing vacancies by type (e.g. CYSO I);
- Number and type of staff (e.g. CYSO I) hired at each facility with the additional FY 2015-16 appropriation;
- Number of hours of missed work by all direct care facility staff and reason for absence (e.g. injury on the job, sick leave, planned absence, unplanned absence, vacation);
- Amount of overtime hours worked by direct care staff and purpose (e.g. covering a shift for an absent co-worker) at each facility;
- Amount of temporary help hours used for direct care purposes;
- Number of staff hired as part of the 53 employee increase in FY 2014-15 who are no longer employed by the Division of Youth Corrections and the reason for separation; and
- Number of staff hired as part of the 22 employee increase in FY 2015-16 who are no longer employed by the Division of Youth Corrections and the reason for separation.

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

5 **Department of Human Services, Totals --** The Department is requested to submit a report concerning the status of federal Temporary Assistance for Needy Families (TANF) funds. The requested report should include the following: (a) an analysis of the TANF Long Term Reserve, including estimated TANF funds available for appropriation, estimated TANF appropriations by Long Bill line item, and the estimated closing Long Term Reserve balance, for the most recent actual fiscal year, the current fiscal year, and the request fiscal year; (b) an analysis of the TANF maintenance of effort (MOE) payments, showing the actual and forecasted MOE expenditures, by program, for the most recent actual fiscal year, the current fiscal year, and the request fiscal year; and (c) an analysis of the counties' TANF reserve balances that includes, for each county, for the most recent actual fiscal year, the starting TANF Reserve Account balances for the Works Program, Title XX, and Child Care Development Fund accounts, the annual

TANF allocation, the total expenditures, the net transfers to child care and child welfare, any amounts remitted to the state, and the closing reserve balance for all county TANF accounts. The report should be provided to the Joint Budget Committee annually on or before November 1. An update to this information reflecting data at the close of the federal fiscal year should be provided to the Joint Budget Committee annually on or before January 1.

Comment: The Department submitted the requested report on November 1. The point of most importance is that the Department projects a TANF Reserve balance of $26.3 million for FY 2016-17. This amount does not include contingency funds, which are not guaranteed to be awarded to Colorado. Additionally, the Department forecasts an MOE amount of $116.8 million, which is greater than the base MOE requirement by $78.4 million. For information on the State's adherence to federal TANF standards, see staff's briefing issue in this document entitled "*Status Update on TANF Federal Compliance Issues*".

6 **Department of Human Services, County Administration --** The Department is requested to submit a report by November 1, 2015 concerning the Supplemental Nutrition Assistance Program (SNAP). The requested report should include the following: (a) expenditures for FY 2013-14 and FY 2014-15 associated with the State-supervisory component of the implementation of SNAP, including State-level costs for program management, fraud, training, data, program integrity, policy, county oversight, and performance improvement; (b) expenditures for FY 2013-14 and FY 2014-15 associated with the county-administered component of the implementation of SNAP, including county-level costs for eligibility determination, supervision and management administrative costs, issuance and electronic benefit transfers, fair hearings, fraud control, and quality assurance functions; (c) a list of counties placed on performance improvement plans during FY 2013-14 and FY 2014-15 for not meeting federal requirements; and (d) for counties placed on performance improvement plans, information regarding improvements made in timeliness and accuracy (payment and determination).

Comment: The Department submitted the requested report on November 1. The findings included in the RFI are incorporated into staff's briefing issue in this document entitled "*Identifying Solutions to Ongoing SNAP Issues*".

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

Comment: For FY 2015-16, the Department did not transfer funds between the State Funding for Senior Services line item and the Older Americans Act Programs line item.

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

Comment: The Department submitted the requested report on January 1, 2014. The findings will be analyzed as part of staff's figure setting process.

9 **Department of Human Services, Division of Youth Corrections, Community Programs, S.B. 91-94 Programs --** The Department is requested to submit to the Joint Budget Committee no later than November 1 of each year a report that includes the following information by judicial district and for the state as a whole: (1) comparisons of trends in detention and commitment incarceration rates; (2) profiles of youth served by S.B. 91-94; (3) progress in achieving the performance goals established by each judicial district; (4) the level of local funding for alternatives to detention; and (5) identification and discussion of potential policy issues with the types of youth incarcerated, length of stay, and available alternatives to incarceration.

Comment: The Department submitted the requested report on November 1. The findings will be analyzed as part of staff's figure setting process.

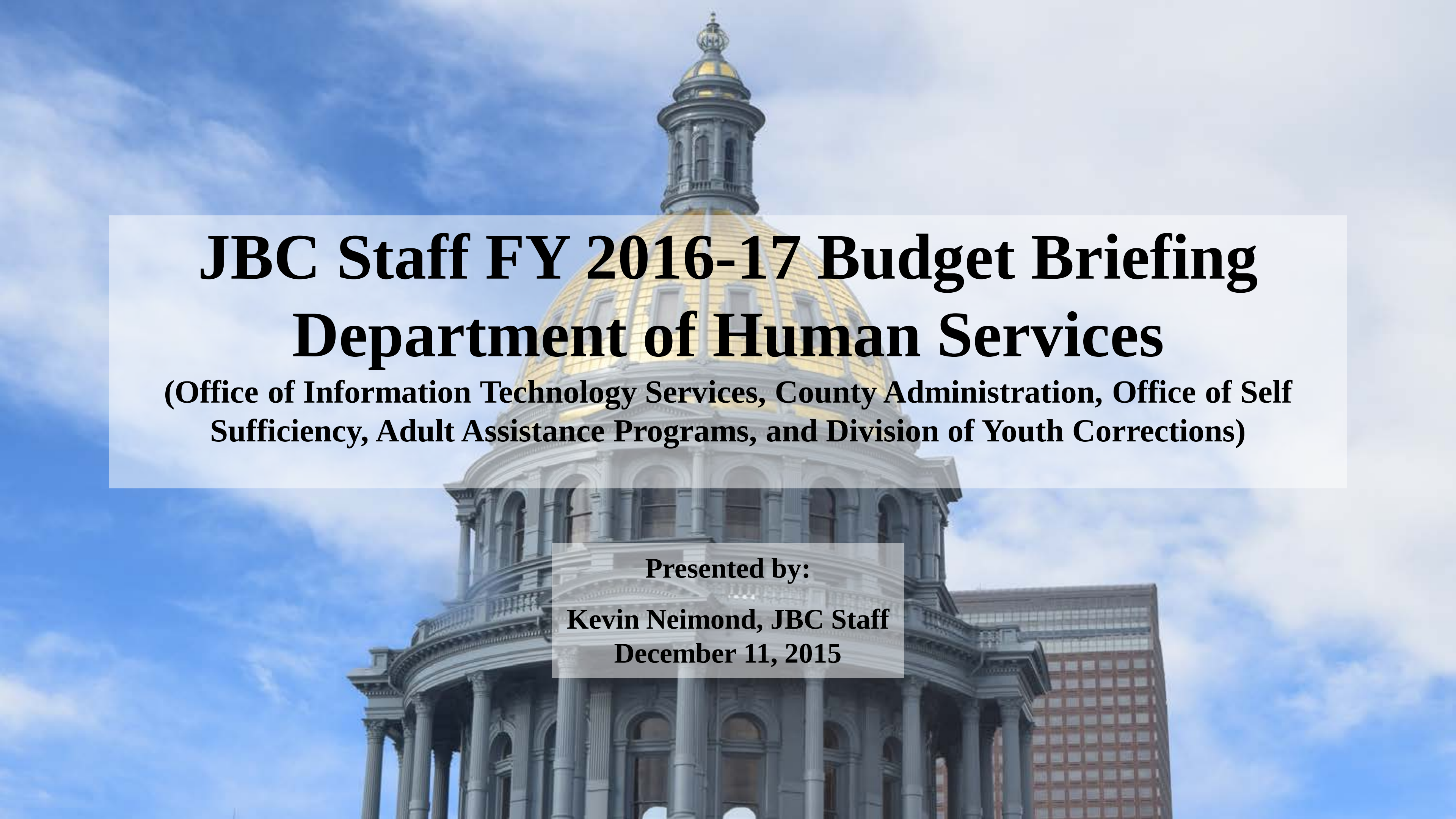
Appendix D: SMART Act Annual Performance Report

Pursuant to Section 2-7-205 (1) (a) (I), C.R.S., the Office of State Planning and Budgeting is required to publish an Annual Performance Report for the Department of Human Services by November 1 of each year. This report is to include a summary of the Department's performance plan and most recent performance evaluation. For consideration by the Joint Budget Committee in prioritizing the Department's budget request, the FY 2014-15 report dated October 2015 can be found at the following link:

https://goo.gl/jXcYUi

Pursuant to Section 2-7-204 (3) (a) (I), C.R.S., the Department of Human Services is required to develop a performance plan and submit that plan to the Joint Budget Committee and appropriate Joint Committee of Reference by July 1 of each year. For consideration by the Joint Budget Committee in prioritizing the Department's budget request, the FY 2015-16 updated plan dated October 28, 2015 can be found at the following link:

https://goo.gl/G7IzqK



JBC Staff FY 2016-17 Budget Briefing
Department of Human Services

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

Presented by:

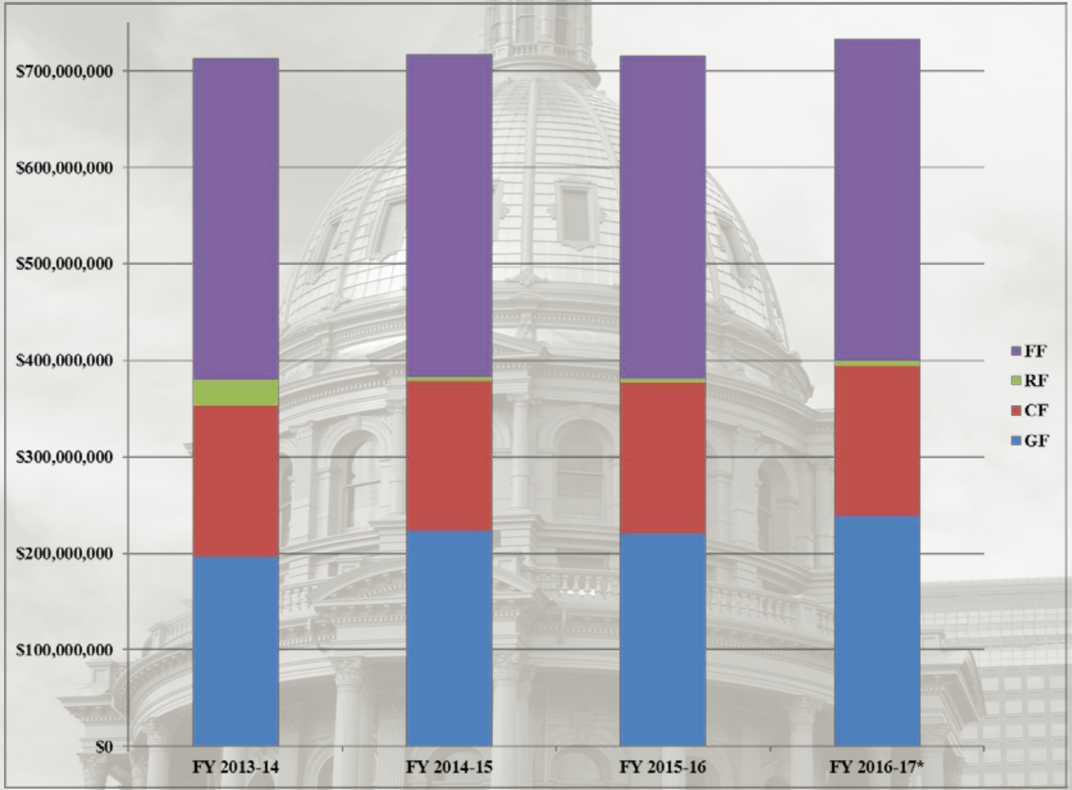
Kevin Neimond, JBC Staff
December 11, 2015

Agencies Included in Staff Budget Briefing

- Office of Information Technology Services
- County Administration
- Office of Self Sufficiency
- Adult Assistance Programs
- Division of Youth Corrections

Agencies Included in Staff Budget Briefing Only

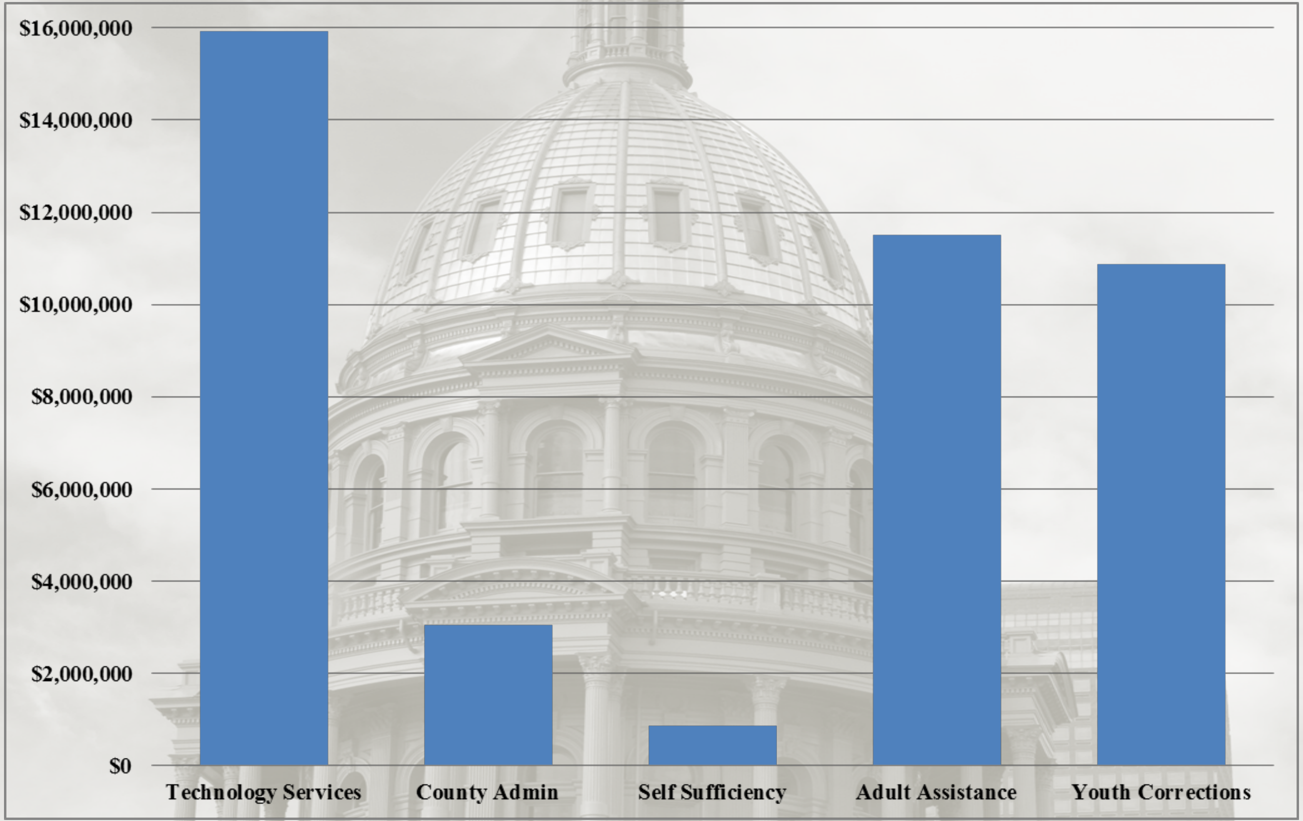
GF increased 21.5 percent (+$42,207,233)



*Requested appropriation.

General Fund Increases by Agency

FY 2013-14 to FY 2016-17 Request



FY 2016-17 Requested Decision Items

Division of Youth Corrections
R2 DYC Security Staffing, Phase 2
↑$4.7 million General Fund and 78.8 FTE

Office of Self Sufficiency
R6 Children's Savings Account
↔Budget Neutral Transfer of $100,000 General Fund

Division of Youth Corrections
R17 Title IV-E Technical Correction
↔ Budget Neutral Transfer Between Line Items

County Administration / DYC
R19 Community Provider Rate Adjustment
↓$0.8 million General Fund

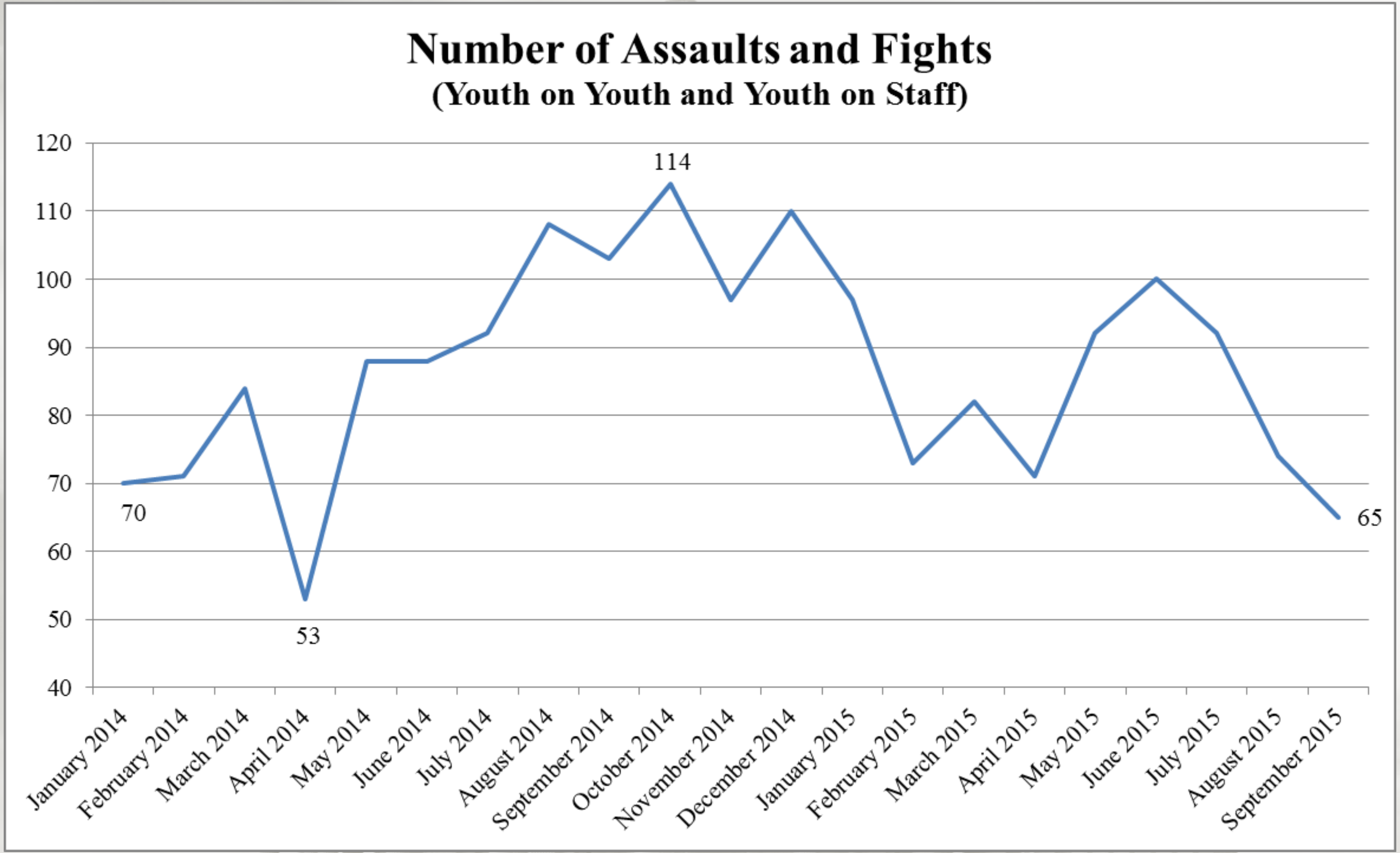
Office of Information Technology Services
NP1 CBMS / PEAK Annual Base Adjustment
↑$11.6 million General Fund

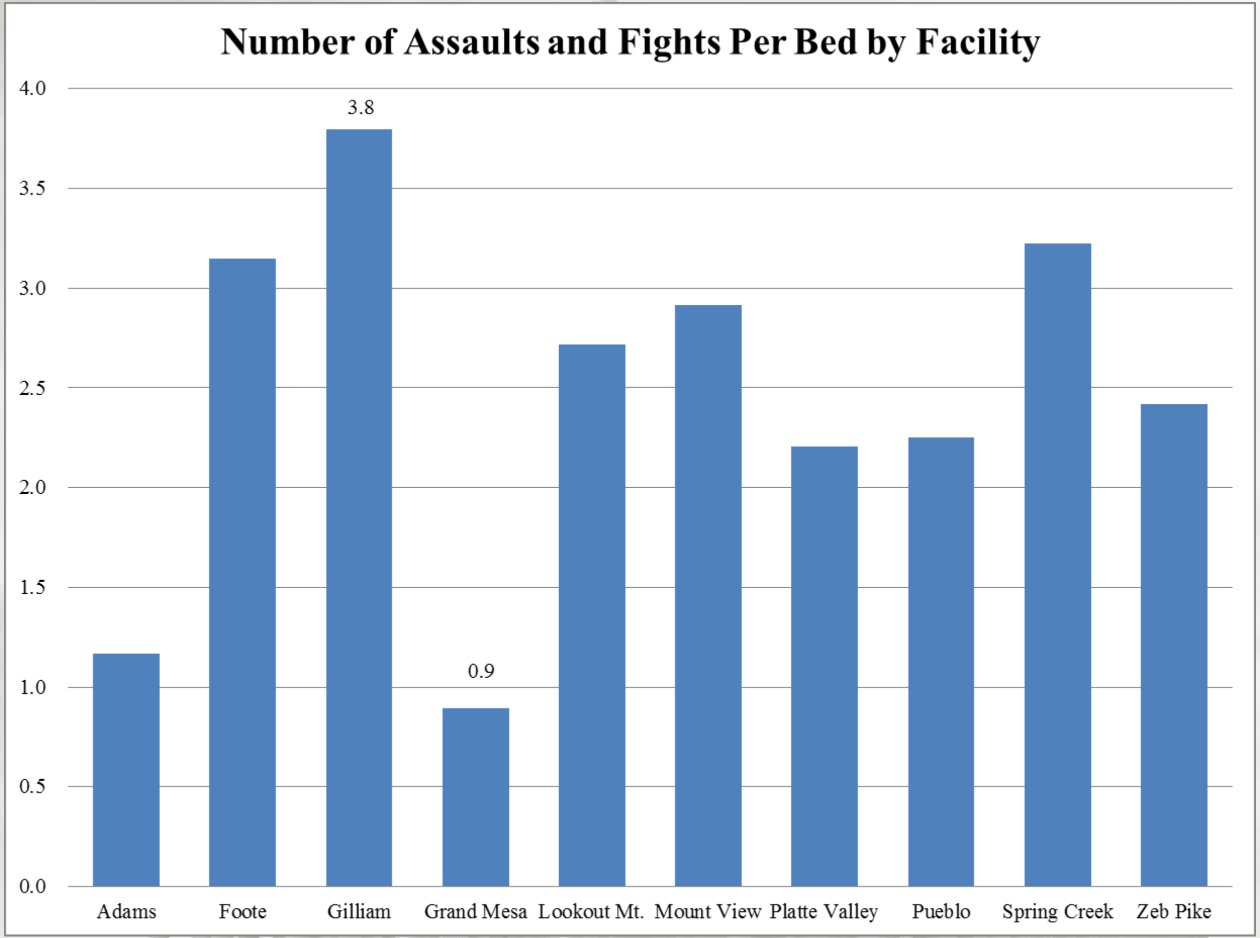
FY 2016-17 Briefing Issue

CBMS Funding Request

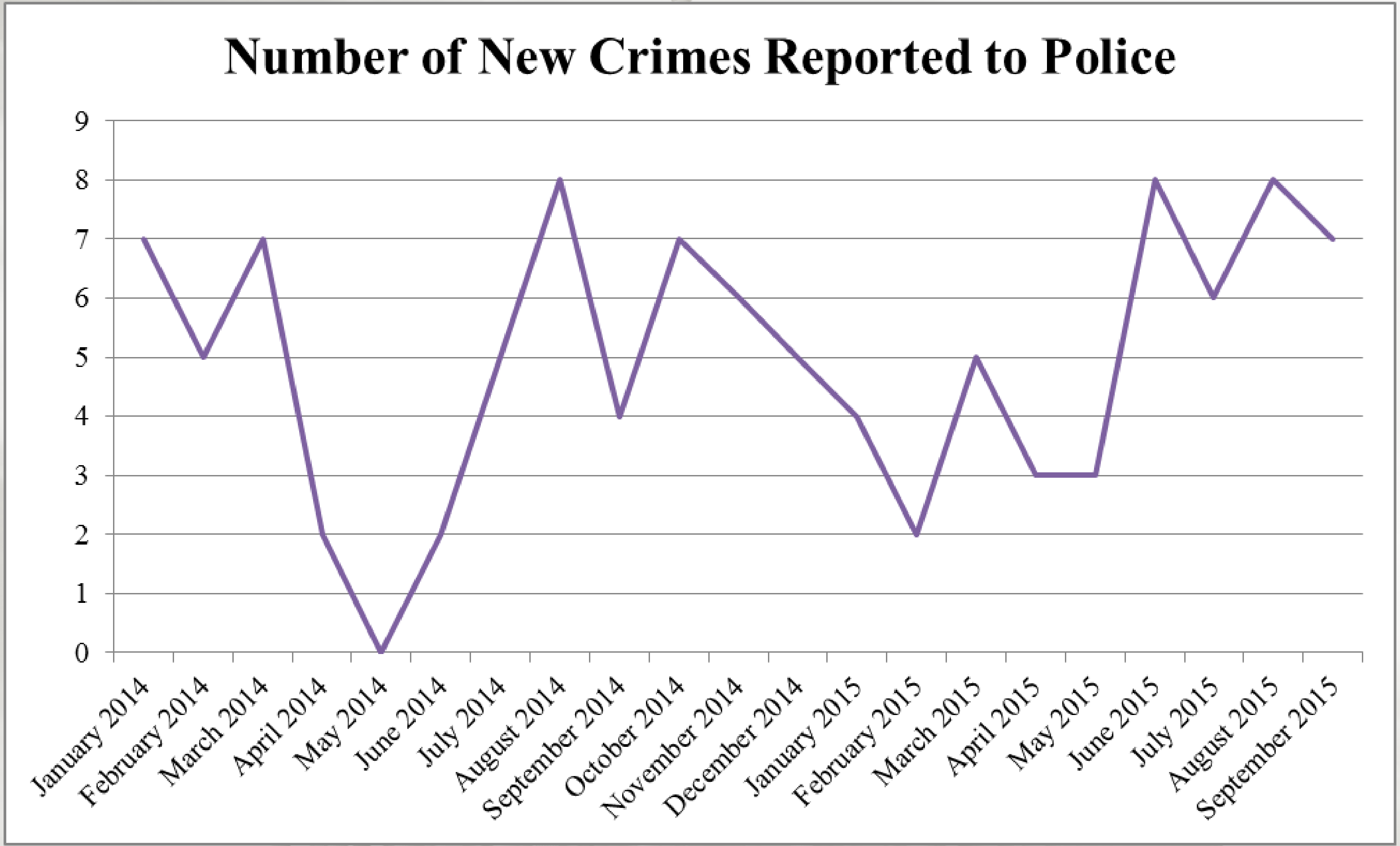
FY 2016-17 Briefing Issue

Report on DYC Facility Security and Staffing

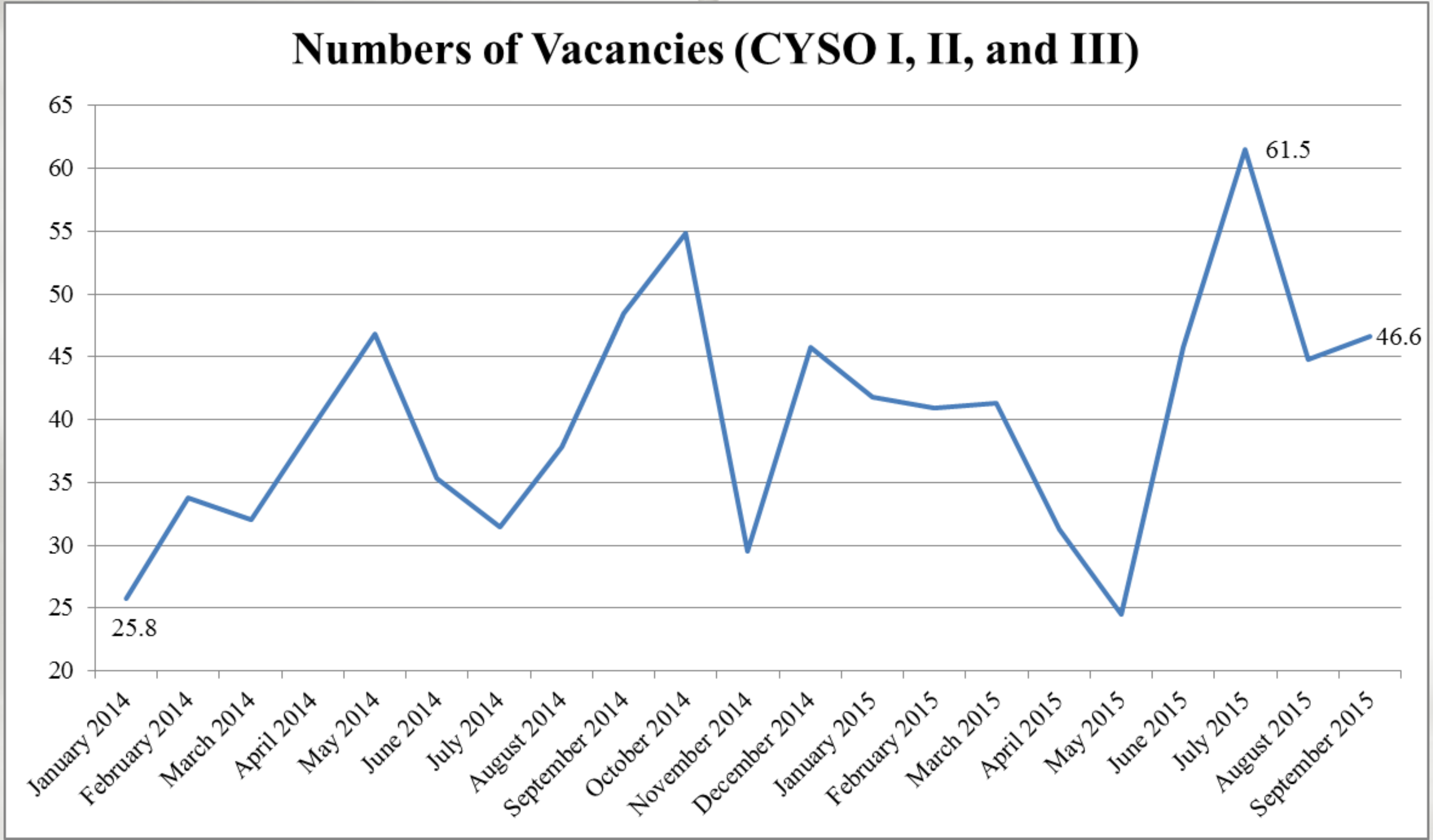

Number of Assaults and Fights
(Youth on Youth and Youth on Staff)
120
110
100
90
80
70
60
50
40
114
70
53
65
January 2014
February 2014
March 2014
April 2014
May 2014
June 2014
July 2014
August 2014
September 2014
October 2014
November 2014
December 2014
January 2015
February 2015
March 2015
April 2015
May 2015
June 2015
July 2015
August 2015
September 2015


Number of Assaults and Fights Per Bed by Facility
4.0
3.5
3.0
2.5
2.0
1.5
1.0
0.5
0.0
3.8
0.9
Adams
Foote
Gilliam
Grand Mesa
Lookout Mt.
Mount View
Platte Valley
Pueblo
Spring Creek
Zeb Pike

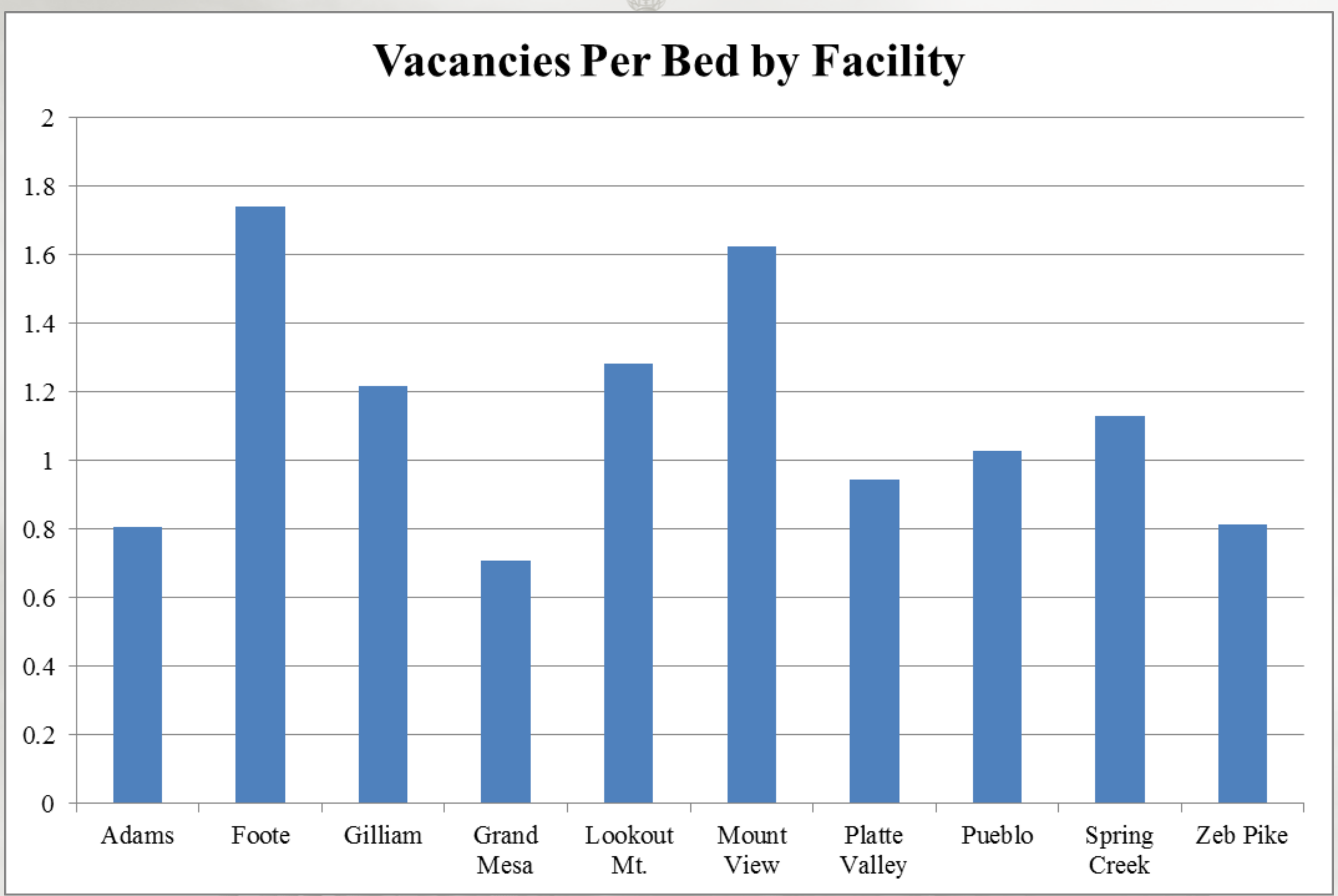
Average Number of Incidents Per Month by Type			
Incident Type	**Monthly Average (Pre Staffing Increase)**	**Monthly Average (Post Staffing Increase)**	**Difference**
Level 1	4.7	3.9	(0.78)
Level 2	16.5	10.7	(5.83)
Level 3	28.5	26.7	(1.83)
Fights	40.2	41.7	1.50

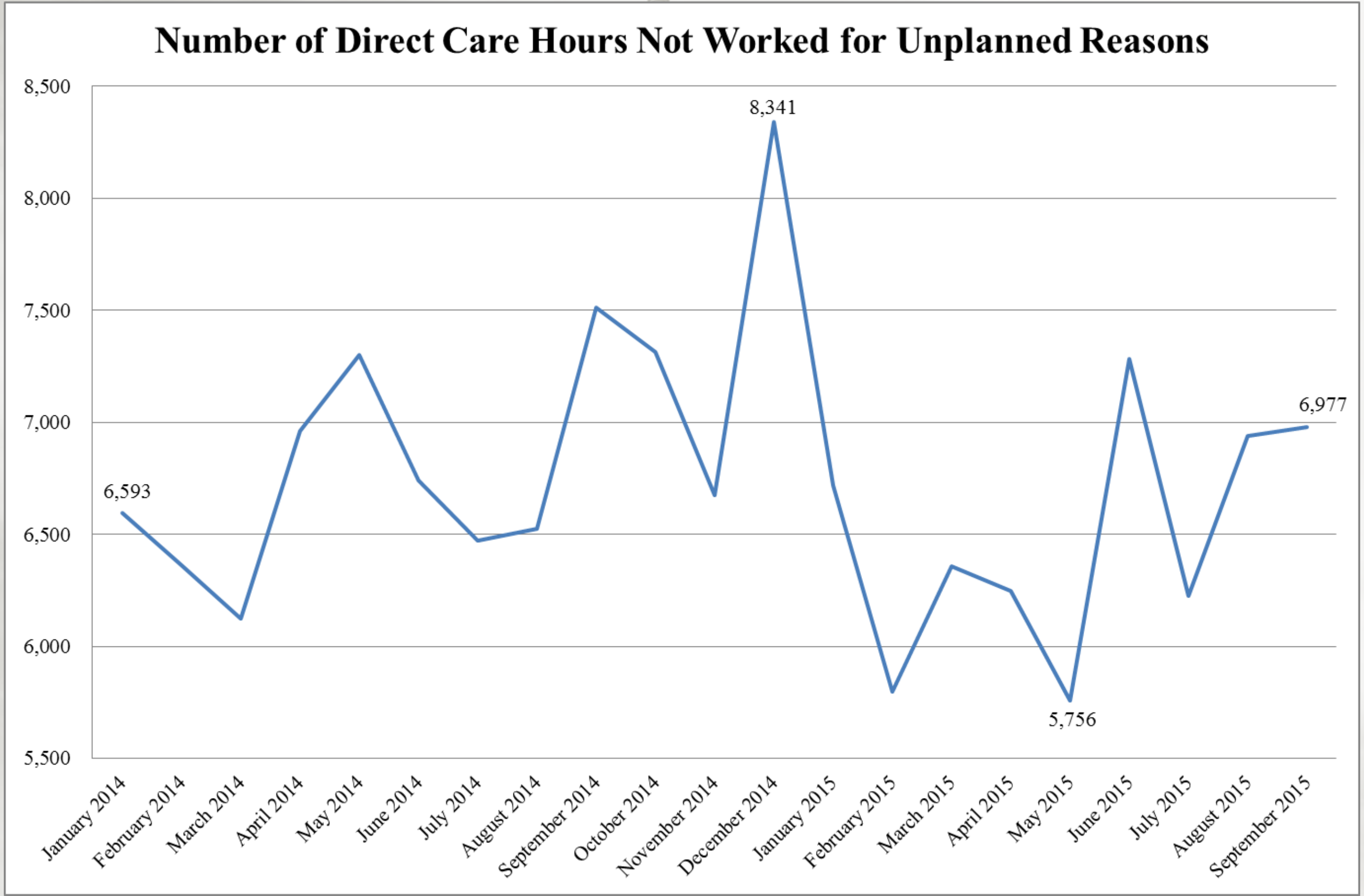

Number of New Crimes Reported to Police
9
8
7
6
5
4
3
2
1
0
January 2014
February 2014
March 2014
April 2014
May 2014
June 2014
July 2014
August 2014
September 2014
October 2014
November 2014
December 2014
January 2015
February 2015
March 2015
April 2015
May 2015
June 2015
July 2015
August 2015
September 2015

Direct Care Staff (CYSO I and II) Per Youth						
	Monthly Average (Pre Staffing Increase)		Monthly Average (Post Staffing Increase)		Percentage Change	
Facility	**Sleeping Hours**	**Waking Hours**	**Sleeping Hours**	**Waking Hours**	**Sleeping Hours**	**Waking Hours**
Adams	1:22.2	1:11.1	1:21.7	1:10.9	(2.3%)	(1.8%)
Foote	1:19.7	1:9.9	1:20.7	1:10.4	5.1%	5.1%
Gilliam	1:9.1	1:9.1	1:8.5	1:8.5	(6.3%)	(6.3%)
Grand Mesa	1:18.4	1:12.2	1:19.4	1:12.9	5.5%	5.5%
Lookout Mountain	1:20.6	1:13.7	1:16.8	1:11.2	(18.7%)	(18.6%)
Mount View	1:17.4	1:11.6	1:13.3	1:8.9	(23.8%)	(23.8%)
Platte Valley	1:23.0	1:11.5	1:21.9	1:10.9	(4.8%)	(4.8%)
Pueblo	1:17.4	1:11.6	1:16.2	1:10.8	(6.8%)	(6.8%)
Spring Creek	1:20.4	1:10.2	1:14.9	1:9.9	(27.0%)	(2.7%)
Zeb Pike	1:17.9	1:11.9	1:14.0	1:10.9	(21.7%)	(8.7%)

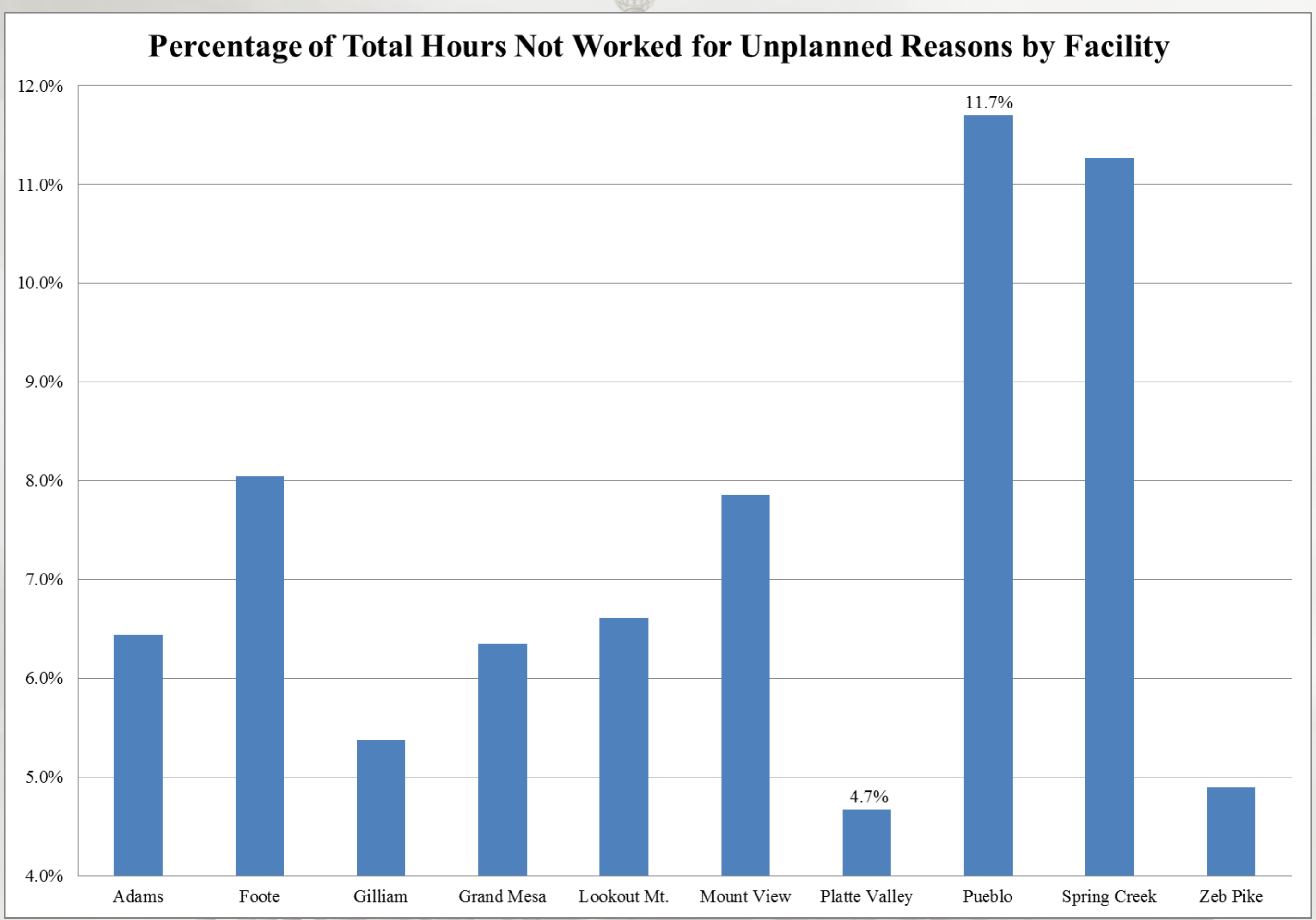


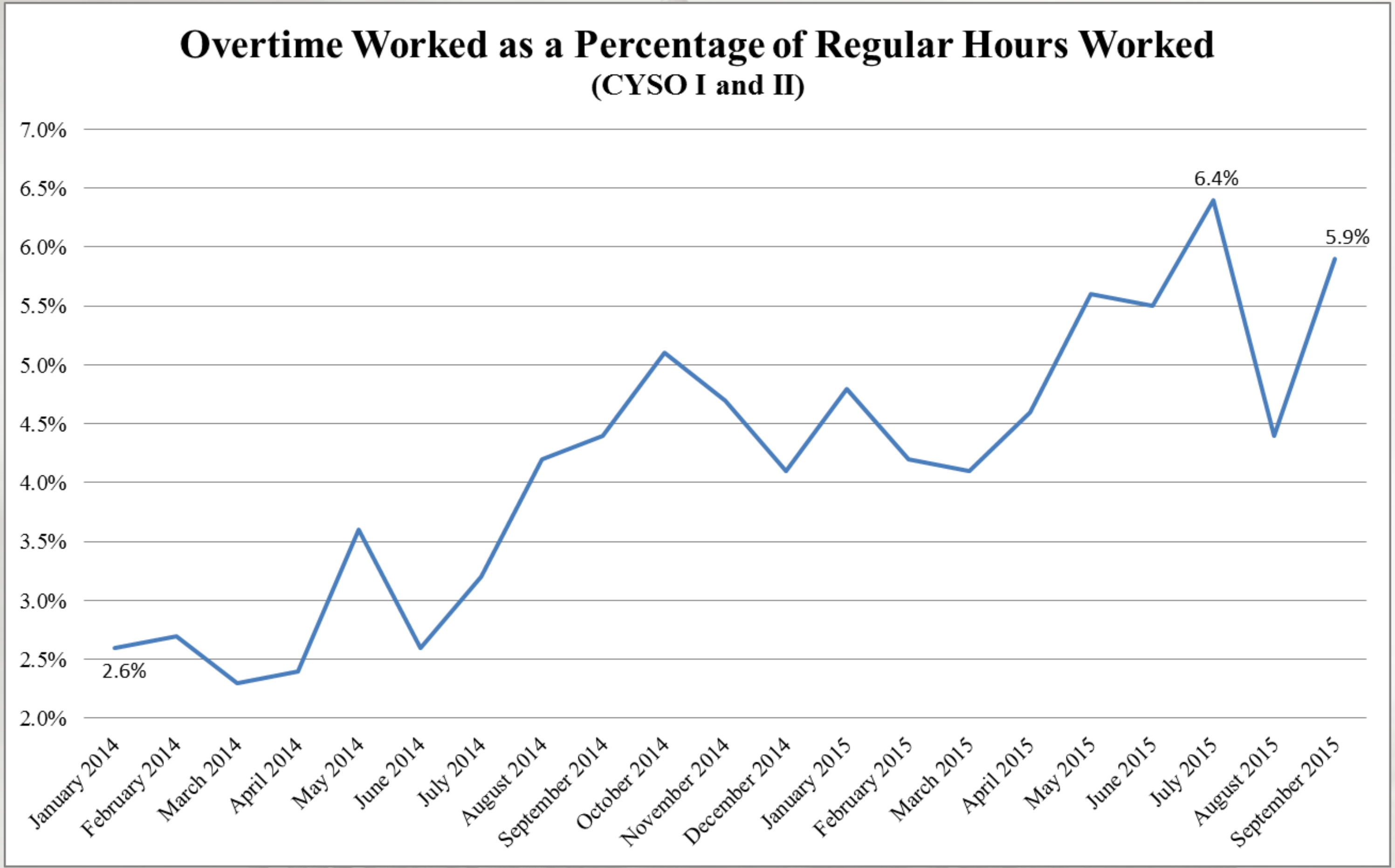
Numbers of Vacancies (CYSO I, II, and III)
65
60
55
50
45
40
35
30
25
20
61.5
46.6
25.8
January 2014
February 2014
March 2014
April 2014
May 2014
June 2014
July 2014
August 2014
September 2014
October 2014
November 2014
December 2014
January 2015
February 2015
March 2015
April 2015
May 2015
June 2015
July 2015
August 2015
September 2015

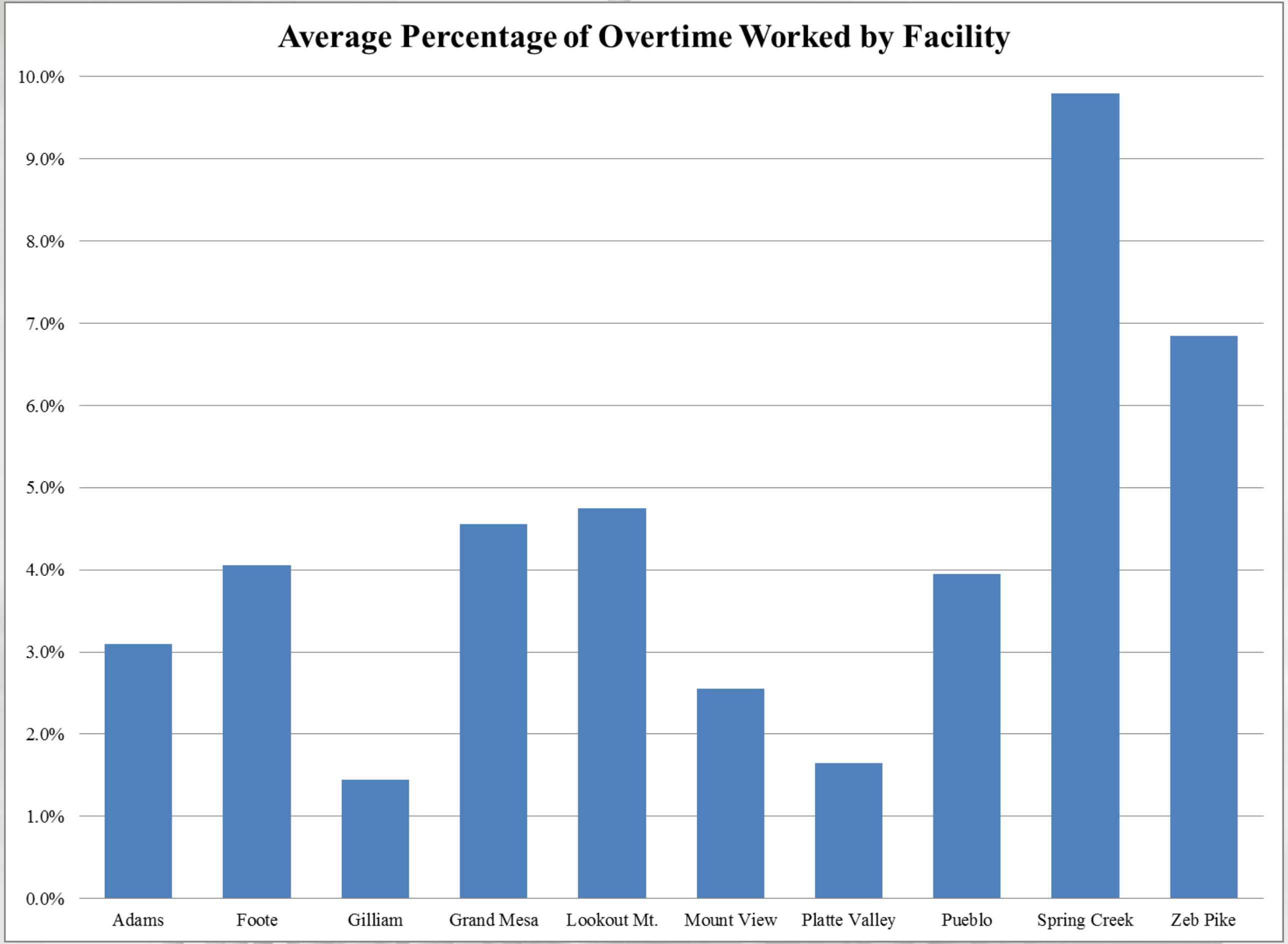

Vacancies Per Bed by Facility
2
1.8
1.6
1.4
1.2
1
0.8
0.6
0.4
0.2
0
Adams
Foote
Gilliam
Grand Mesa
Lookout Mt.
Mount View
Platte Valley
Pueblo
Spring Creek
Zeb Pike

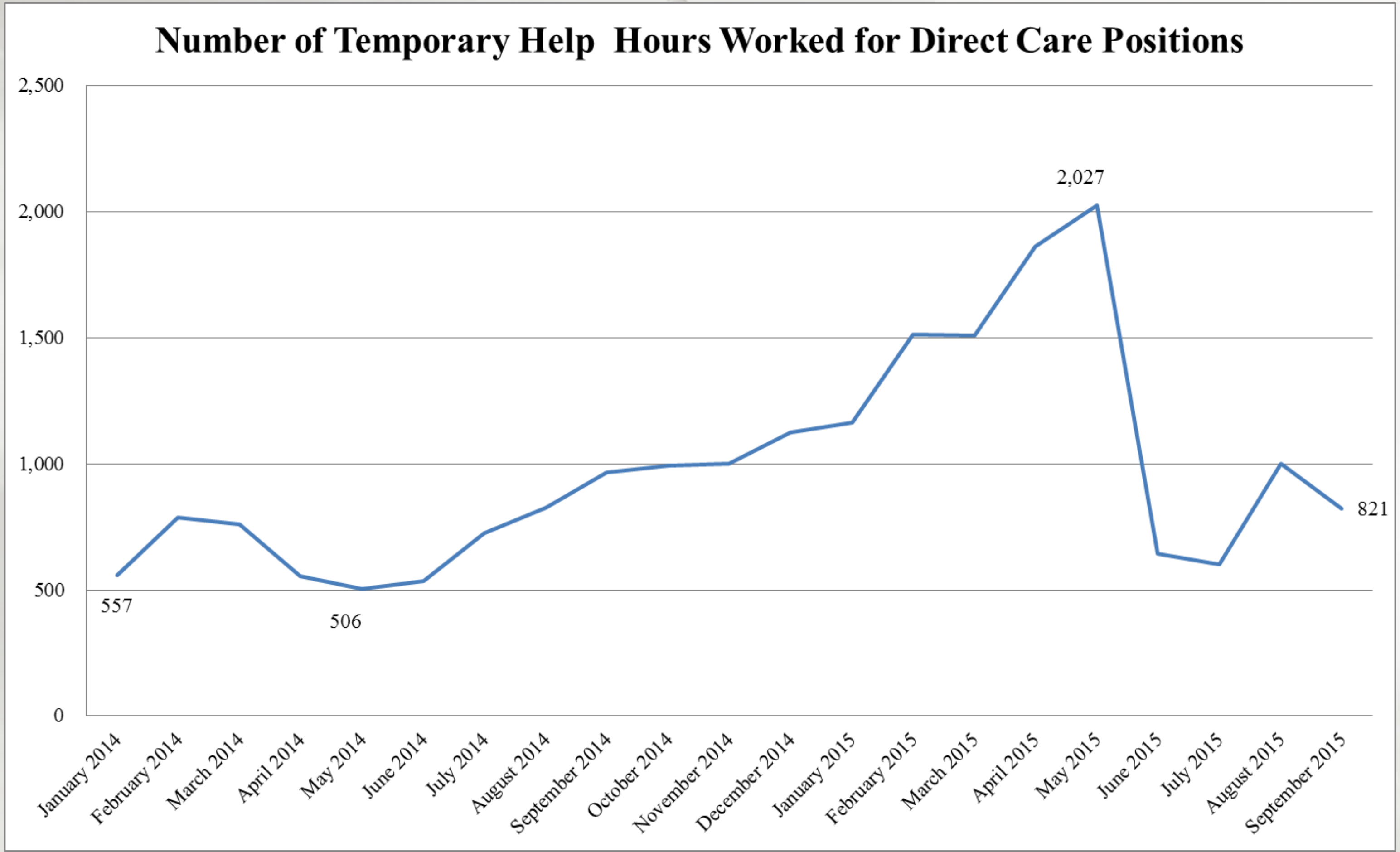


Number of Direct Care Hours Not Worked for Unplanned Reasons
8,500
8,000
7,500
7,000
6,500
6,000
5,500
8,341
6,593
6,977
5,756
January 2014
February 2014
March 2014
April 2014
May 2014
June 2014
July 2014
August 2014
September 2014
October 2014
November 2014
December 2014
January 2015
February 2015
March 2015
April 2015
May 2015
June 2015
July 2015
August 2015
September 2015


Percentage of Total Hours Not Worked for Unplanned Reasons by Facility
12.0%
11.0%
10.0%
9.0%
8.0%
7.0%
6.0%
5.0%
4.0%
11.7%
4.7%
Adams
Foote
Gilliam
Grand Mesa
Lookout Mt.
Mount View
Platte Valley
Pueblo
Spring Creek
Zeb Pike


Overtime Worked as a Percentage of Regular Hours Worked
(CYSO I and II)
7.0%
6.5%
6.0%
5.5%
5.0%
4.5%
4.0%
3.5%
3.0%
2.5%
2.0%
2.6%
6.4%
5.9%
January 2014
February 2014
March 2014
April 2014
May 2014
June 2014
July 2014
August 2014
September 2014
October 2014
November 2014
December 2014
January 2015
February 2015
March 2015
April 2015
May 2015
June 2015
July 2015
August 2015
September 2015


Average Percentage of Overtime Worked by Facility
10.0%
9.0%
8.0%
7.0%
6.0%
5.0%
4.0%
3.0%
2.0%
1.0%
0.0%
Adams
Foote
Gilliam
Grand Mesa
Lookout Mt.
Mount View
Platte Valley
Pueblo
Spring Creek
Zeb Pike


Number of Temporary Help Hours Worked for Direct Care Positions
2,500
2,000
1,500
1,000
500
0
2,027
557
506
821
January 2014
February 2014
March 2014
April 2014
May 2014
June 2014
July 2014
August 2014
September 2014
October 2014
November 2014
December 2014
January 2015
February 2015
March 2015
April 2015
May 2015
June 2015
July 2015
August 2015
September 2015

FY 2016-17 Briefing Issue

DYC Security Staffing, Phase II

FY 2016-17 Briefing Issue

Identifying Solutions to Ongoing SNAP Issues

FY 2016-17 Briefing Issue

Status Update on TANF Federal Compliance Issues

FY 2016-17 Briefing Issue

Senate Bill 15-109 Task Force Findings and Recommendation

JBC Staff FY 2016-17 Budget Briefing
Department of Human Services

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

Presented by:

Kevin Neimond, JBC Staff

December 11, 2015