

**COLORADO GENERAL ASSEMBLY  
JOINT BUDGET COMMITTEE**



**FY 2009-10 STAFF FIGURE SETTING  
DEPARTMENT OF HUMAN SERVICES**

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

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

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

**DEPARTMENT OF HUMAN SERVICES**

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

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	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10		DI/Notes
	Actual	Actual	Appropriation	Request	Recommendation	
<b>DEPARTMENT OF HUMAN SERVICES</b>						
<b>Executive Director: Karen L. Beye</b>						
<b>(1) EXECUTIVE DIRECTOR'S OFFICE</b>						
The primary function of this division is general department administration, which includes human resources, budgeting, and quality assurance. The division also administers special purpose functions such as the Juvenile Parole Board, the Developmental Disabilities Council, and the quality assurance activities related to child welfare.						
<b>(A) General Administration</b>						
<i>Please note that the funding splits for this subsection are for informational purposes only as the Long Bill for this subsection reflects fund splits at the bottom-line only.</i>						
Personal Services	1,958,275	1,989,735	2,076,123	2,186,254	2,186,254	
FTE	<u>19.3</u>	<u>20.1</u>	<u>22.4</u>	<u>22.4</u>	<u>22.4</u>	
General Fund	(486,221)	(460,555)	625,083	658,120	658,120	
Cash Funds	388,420	204,573	98,257	103,763	103,763	
Reappropriated Fund / Cash Funds Exempt	939,482	1,264,093	450,527	474,757	474,757	
Federal Funds	1,116,594	981,624	902,256	949,614	949,614	
*Medicaid Cash Funds	699,186	351,181	346,556	365,212	365,212	
*Net General Fund	(136,629)	(284,965)	791,385	833,750	833,750	
Health, Life, and Dental	<u>14,200,144</u>	<u>18,417,860</u>	<u>22,609,877</u>	<u>25,144,848</u>	<u>25,385,525</u>	
General Fund	8,486,004	11,154,196	13,243,291	14,628,395	14,869,072	
Cash Funds	151,878	191,643	572,834	643,157	643,157	
Reappropriated Fund / Cash Funds Exempt	3,572,668	4,377,155	6,130,863	6,883,504	6,883,504	
Federal Funds	1,989,594	2,694,866	2,662,889	2,989,792	2,989,792	
*Medicaid Cash Funds	1,462,932	4,144,081	5,185,658	5,822,263	5,877,992	
*Net General Fund	9,218,024	13,227,744	15,836,120	17,636,748	17,805,560	
Short-term Disability	<u>221,746</u>	<u>285,064</u>	<u>331,564</u>	<u>332,233</u>	<u>Pending</u>	
General Fund	130,709	179,346	204,610	203,638		
Cash Funds	5,879	2,660	4,746	4,807		
Reappropriated Fund / Cash Funds Exempt	46,649	63,933	71,984	72,914		
Federal Funds	38,509	39,125	50,224	50,874		
*Medicaid Cash Funds	43,886	47,307	62,006	62,807		
*Net General Fund	152,675	207,587	235,575	236,934		
S.B. 04-257 Amortization Equalization Disbursement	<u>1,498,493</u>	<u>2,651,404</u>	<u>4,012,420</u>	<u>5,123,306</u>	<u>Pending</u>	

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10		DI/Notes
	Actual	Actual	Appropriation	Request	Recommendation	
General Fund	896,173	1,621,108	2,465,817	3,131,708		
Cash Funds	38,052	31,561	58,409	75,215		
Reappropriated Fund / Cash Funds Exempt	315,321	599,325	870,055	1,120,391		
Federal Funds	248,947	399,410	618,139	795,992		
*Medicaid Cash Funds	298,480	531,865	747,252	962,254		
*Net General Fund	1,045,256	1,887,297	2,838,975	3,635,508		
S.B. 06-235 Supplemental Amortization Equalization Disbursement	0	482,075	1,827,413	3,209,601		Pending
General Fund	0	290,410	1,114,864	1,950,423		
Cash Funds	0	6,401	27,379	48,382		
Reappropriated Fund / Cash Funds Exempt	0	103,502	395,417	698,760		
Federal Funds	0	81,762	289,753	512,036		
*Medicaid Cash Funds	0	90,082	337,853	597,036		
*Net General Fund	0	335,499	1,283,579	2,259,090		
Salary Survey and Senior Executive Service	6,253,819	8,459,970	9,460,039	0	0	BA #53
General Fund	4,095,089	5,475,481	5,672,397	0	0	
Cash Funds	62,620	89,341	130,363	0	0	
Reappropriated Fund / Cash Funds Exempt	1,508,376	1,815,860	2,054,876	0	0	
Federal Funds	587,734	1,079,288	1,602,403	0	0	
*Medicaid Cash Funds	1,502,475	1,854,973	1,831,336	0	0	
*Net General Fund	4,846,896	6,405,668	6,684,245	0	0	
Performance-based Pay Awards	0	3,048,099	3,951,587	0	0	BA #53
General Fund	0	2,009,319	2,420,937	0	0	
Cash Funds	0	37,607	49,582	0	0	
Reappropriated Fund / Cash Funds Exempt	0	583,843	896,523	0	0	
Federal Funds	0	417,330	584,545	0	0	
*Medicaid Cash Funds	0	565,522	789,488	0	0	
*Net General Fund	0	2,292,156	2,815,128	0	0	
Shift Differential	4,145,074	4,420,547	3,958,334	4,269,048		Pending DI #1
General Fund	2,666,651	2,837,484	2,615,314	2,706,808		
Cash Funds	2,297	2,005	366	366		
Reappropriated Fund / Cash Funds Exempt	1,467,594	1,573,716	1,332,101	1,550,543		
Federal Funds	8,532	7,342	10,553	11,331		
*Medicaid Cash Funds	1,442,508	1,552,039	1,327,198	1,545,279		
*Net General Fund	3,387,905	3,613,504	3,278,914	3,534,307		
Workers' Compensation	6,389,052	6,764,507	8,587,528	8,600,561		Pending DI #NP4

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10		DI/Notes
	Actual	Actual	Appropriation	Request	Recommendation	
General Fund	3,657,451	4,089,964	4,531,528	4,538,405		
Cash Funds	21,624	19,264	25,673	25,712		
Reappropriated Fund / Cash Funds Exempt	2,369,935	2,361,024	3,654,106	3,659,652		
Federal Funds	340,042	294,255	376,221	376,792		
<i>*Medicaid Cash Funds</i>	<i>1,866,281</i>	<i>1,600,406</i>	<i>2,561,937</i>	<i>2,565,825</i>		
<i>*Net General Fund</i>	<i>4,591,041</i>	<i>4,890,167</i>	<i>5,812,497</i>	<i>5,821,318</i>		
Operating Expenses	<u>479,937</u>	<u>487,980</u>	<u>494,827</u>	<u>496,485</u>	<u>494,827</u>	DI #NP2
General Fund	285,017	294,475	138,806	140,127	138,806	
Cash Funds	99,512	99,512	119,393	119,393	119,393	
Reappropriated Fund / Cash Funds Exempt	93,992	93,993	160,504	160,504	160,504	
Federal Funds	1,416	0	76,124	76,461	76,124	
<i>*Medicaid Cash Funds</i>	<i>93,992</i>	<i>93,993</i>	<i>149,989</i>	<i>149,989</i>	<i>149,989</i>	
<i>*Net General Fund</i>	<i>332,013</i>	<i>341,472</i>	<i>213,801</i>	<i>215,122</i>	<i>213,801</i>	
Legal Services	1,249,611	1,328,161	1,387,635	1,384,769		Pending
Hours	<u>18,439.0</u>	<u>0.0</u>	<u>18,439.0</u>	<u>18,439.0</u>	<u>18,439.0</u>	
General Fund	1,249,596	1,213,642	1,154,609	1,154,609		
Cash Funds	15	114,519	159,379	159,379		
Reappropriated Fund / Cash Funds Exempt	0	0	16,147	13,281		
Federal Funds	0	0	57,500	57,500		
Administrative Law Judge Services	<u>852,141</u>	<u>833,592</u>	<u>873,818</u>	<u>913,822</u>		Pending DI #NP3
General Fund	772,025	783,576	528,119	552,297		
Cash Funds	80,116	50,016	52,939	55,363		
Federal Funds	0	0	292,760	306,162		
Payment to Risk Management and Property Funds	<u>2,138,482</u>	<u>1,296,369</u>	<u>1,768,970</u>	<u>1,768,970</u>		Pending
General Fund	1,757,345	1,021,651	1,474,504	1,474,504		
Cash Funds	4,301	6,096	3,986	3,986		
Reappropriated Fund / Cash Funds Exempt	240,813	171,111	216,859	216,859		
Federal Funds	136,023	97,511	73,621	73,621		
<i>*Medicaid Cash Funds</i>	<i>174,044</i>	<i>121,335</i>	<i>137,304</i>	<i>137,304</i>		
<i>*Net General Fund</i>	<i>1,844,367</i>	<i>1,082,319</i>	<i>1,543,156</i>	<i>1,543,156</i>		
Staff Training	<u>15,762</u>	<u>14,508</u>	<u>31,870</u>	<u>31,870</u>	<u>31,870</u>	
General Fund	1,628	(4,495)	0	0	0	
Cash Funds	175	16,429	31,870	31,870	31,870	
Reappropriated Fund / Cash Funds Exempt	13,959	2,574	0	0	0	

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10		DI/Notes
	Actual	Actual	Appropriation	Request	Recommendation	
Injury Prevention Program	<u>105,211</u>	<u>105,888</u>	<u>105,970</u>	<u>105,970</u>	<u>105,970</u>	
General Fund	105,211	105,888	0	0	0	
Reappropriated Fund / Cash Funds Exempt	0	0	105,970	105,970	105,970	
*Medicaid Cash Funds	0	0	105,970	105,970	105,970	
*Net General Fund	105,211	0	52,985	52,985	52,985	
CBMS Eligibility Audit - Cash Funds Exempt	<u>198,844</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General fund	81,715	0	0	0	0	
Cash Funds	7,781	0	0	0	0	
Federal Funds	109,348	0	0	0	0	

<b>(1) EXECUTIVE DIRECTOR'S OFFICE</b>						
<b>Subtotal - (A) General Administration</b>	39,706,591	50,585,759	61,477,975	53,567,737	28,204,446	
FTE	<u>19.3</u>	<u>20.1</u>	<u>22.4</u>	<u>22.4</u>	<u>22.4</u>	
General Fund	23,698,393	30,611,490	36,189,879	31,139,034	15,665,998	
Cash Funds	862,670	871,627	1,335,176	1,271,393	898,183	
Reappropriated Fund / Cash Funds Exempt	10,568,789	13,010,129	16,355,932	14,957,135	7,624,735	
Federal Funds	4,576,739	6,092,513	7,596,988	6,200,175	4,015,530	
*Medicaid Cash Funds	7,583,784	10,952,784	13,582,547	12,313,939	6,499,163	
*Net General Fund	27,491,723	35,991,171	43,069,088	37,475,824	18,906,096	

**(B) Special Purpose**

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

Office of Performance Improvement	4,419,592	4,600,868	4,797,991	5,234,453	5,230,427	DI #NP2
FTE	<u>63.7</u>	<u>65.2</u>	<u>74.1</u>	<u>74.1</u>	<u>74.1</u>	
General Fund	1,422,341	1,680,324	1,754,109	1,934,651	1,930,625	
Cash Funds	169,041	171,125	227,131	235,472	235,472	
Reappropriated Fund / Cash Funds Exempt	757,434	730,765	708,094	778,298	778,298	
Federal Funds	2,070,776	2,018,654	2,108,657	2,286,032	2,286,032	
*Medicaid Cash Funds	670,136	642,044	665,825	729,310	729,310	
*Net General Fund	1,757,409	2,001,346	2,087,022	2,299,308	2,295,282	
HIPAA Security Remediation	289,590	496,002	522,013	531,472	531,472	
FTE	<u>1.5</u>	<u>1.5</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10		DI/Notes
	Actual	Actual	Appropriation	Request	Recommendation	
General Fund	214,376	380,466	388,218	395,312	395,312	
Cash Funds	0	0	377	377	377	
Reappropriated Fund / Cash Funds Exempt	56,462	86,162	102,666	104,558	104,558	
Federal Funds	18,752	29,374	30,752	31,225	31,225	
*Medicaid Cash Funds	56,462	86,162	102,666	104,558	104,558	
*Net General Fund	242,607	423,547	439,551	447,591	447,591	
CBMS Emergency Processing Unit	198,844	139,887	213,822	219,687	219,687	
FTE	<u>0.0</u>	<u>2.7</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>	
General Fund	81,715	65,153	73,768	75,821	75,821	
Cash Funds	7,781	1,785	17,106	17,575	17,575	
Federal Funds	109,348	72,949	122,948	126,291	126,291	
<b>(1) EXECUTIVE DIRECTOR'S OFFICE</b>						
<b>Subtotal - (B) Special Purpose</b>	4,908,026	5,236,757	5,533,826 /a	5,985,612	5,981,586	
FTE	<u>65.2</u>	<u>69.4</u>	<u>80.1</u>	<u>80.1</u>	<u>80.1</u>	
General Fund	1,718,432	2,125,943	2,216,095	2,405,784	2,401,758	
Cash Funds	176,822	172,910	244,614	253,424	253,424	
Reappropriated Fund / Cash Funds Exempt	813,896	816,927	810,760	882,856	882,856	
Federal Funds	2,198,876	2,120,977	2,262,357	2,443,548	2,443,548	
*Medicaid Cash Funds	726,598	728,206	768,491	833,868	833,868	
*Net General Fund	2,081,731	2,490,046	2,600,341	2,822,720	2,818,694	
<b>TOTAL - (1) EXECUTIVE DIRECTOR'S OFFICE</b>						
FTE	<u>84.5</u>	<u>89.5</u>	<u>102.5</u>	<u>102.5</u>	<u>102.5</u>	
General Fund	25,416,825	32,737,433	38,405,974	33,544,818	18,067,756	
Cash Funds	1,039,492	1,044,537	1,579,790	1,524,817	1,151,607	
Cash Funds Exempt / Reappropriated Funds	11,382,685	13,827,056	17,166,692	15,839,991	8,507,591	
Federal Funds	6,775,615	8,213,490	9,859,345	8,643,723	6,459,078	
*Medicaid Cash Funds	8,310,382	11,680,990	14,351,038	13,147,807	7,333,031	
*Net General Fund	29,573,454	38,481,217	45,669,429	40,298,544	21,724,790	

/a Excludes line items covered in other briefing packets.

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

## (2) OFFICE OF INFORMATION TECHNOLOGY SERVICES

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10		DI/Notes
	Actual	Actual	Appropriation	Request	Recommendation	
The primary function of this division is to develop and maintain the Department's information technology systems, including Colorado Trails and the Colorado Benefits Management System. It also contains appropriations for the department's use of certain centralized programs (e.g. Communications Services Payments and Purchase of Services from Computer Center) that are operated in the Department of Personnel and Administration. The cash funds, cash funds exempt, and federal funds are related to the programs supported by each system. A number of programs are supported by Medicaid funding as indicated below.						
Personal Services	5,881,730	5,617,050	5,441,269	5,866,550	5,935,282	BA #NP-IT-OIT-1
FTE	<u>68.4</u>	<u>68.1</u>	<u>72.6</u>	<u>75.2</u>	<u>75.2</u>	
General Fund	4,269,113	4,348,432	4,195,845	4,529,321	4,582,321	
Cash Funds	23,620	24,063	130,916	131,286	132,940	
Reappropriated Fund / Cash Funds Exempt	503,321	548,704	422,909	464,681	470,023	
Federal Funds	1,085,676	695,851	691,599	741,262	749,998	
*Medicaid Cash Funds	210,748	76,733	216,763	234,011	236,749	
*Net General Fund	4,374,488	4,386,799	4,304,226	4,646,328	4,700,697	
Operating Expenses	<u>345,772</u>	<u>371,065</u>	<u>407,176</u>	<u>392,276</u>	<u>392,276</u>	
General Fund	307,488	307,488	324,068	312,216	312,216	
Cash Funds	0	0	0	0	0	
Reappropriated Fund / Cash Funds Exempt	15,288	16,040	16,855	16,237	16,237	
Federal Funds	22,996	47,537	66,253	63,823	63,823	
*Medicaid Cash Funds	15,288	16,040	16,855	16,237	16,237	
*Net General Fund	315,132	315,508	332,496	320,335	320,335	
Purchase of Services from Computer Center	<u>4,095,419</u>	<u>4,383,797</u>	<u>4,463,968</u>	<u>4,463,968</u>	<u>Pending</u>	
General Fund	1,797,175	2,120,498	1,948,041	1,948,041		
Cash Funds	17,603	15,991	6,051	6,051		
Reappropriated Fund / Cash Funds Exempt	61,799	48,589	3,051	3,051		
Federal Funds	2,218,842	2,198,719	2,506,825	2,506,825		
*Medicaid Cash Funds	57,974	48,271	2,774	2,774		
*Net General Fund	1,826,162	2,142,517	1,949,428	1,949,428		
Microcomputer Lease Payments	<u>525,174</u>	<u>526,365</u>	<u>539,344</u>	<u>539,344</u>	<u>539,344</u>	
General Fund	301,832	301,832	301,832	301,832	301,832	
Cash Funds	15,466	15,466	15,466	15,466	15,466	
Reappropriated Fund / Cash Funds Exempt	125,663	128,647	128,647	128,647	128,647	
Federal Funds	82,213	80,420	93,399	93,399	93,399	
*Medicaid Cash Funds	60,579	128,647	63,563	63,563	63,563	
*Net General Fund	332,122	366,156	333,613	333,613	333,613	
Colorado Trails	9,231,413	9,256,750	9,376,829	9,483,993	9,308,993	BA #49
FTE	<u>41.7</u>	<u>42.9</u>	<u>48.0</u>	<u>48.0</u>	<u>48.0</u>	



	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10		DI/Notes
	Actual	Actual	Appropriation	Request	Recommendation	
General Fund	4,974,287	5,008,216	5,062,536	5,200,912	5,025,912	
Reappropriated Fund / Cash Funds Exempt	28,003	0	0	0	0	
Federal Funds	4,229,123	4,248,534	4,314,293	4,283,081	4,283,081	
County Financial Management System (CFMS)	<u>1,498,846</u>	<u>1,513,744</u>	<u>1,515,836</u>	<u>1,515,836</u>	<u>1,515,836</u>	
General Fund	476,670	781,835	781,835	781,835	781,835	
Reappropriated Fund / Cash Funds Exempt	305,166	0	0	0	0	
Federal Funds	717,010	731,909	734,001	734,001	734,001	
Health Information Management System	<u>305,608</u>	<u>311,294</u>	<u>339,168</u>	<u>339,168</u>	<u>339,168</u>	
General Fund	209,891	211,290	211,290	211,290	211,290	
Reappropriated Fund / Cash Funds Exempt	95,717	100,004	127,878	127,878	127,878	
*Medicaid Cash Funds	0	0	0	0	0	
*Net General Fund	209,891	211,290	211,290	211,290	211,290	
Client Index Project	153,045	133,781	156,116	162,526	162,526	
FTE	0.0	3.0	3.0	3.0	3.0	
General Fund	89,634	89,634	89,634	93,314	93,314	
Federal Funds	63,411	44,147	66,482	69,212	69,212	
National Aging Program Information System	<u>78,420</u>	<u>82,929</u>	<u>93,114</u>	<u>93,114</u>	<u>93,114</u>	
General Fund	13,791	12,836	15,526	15,526	15,526	
Cash Funds	0	0	7,752	7,752	7,752	
Reappropriated Fund / Cash Funds Exempt	0	7,752	0	0	0	
Federal Funds	64,629	62,341	69,836	69,836	69,836	
Colorado Benefits Management System (CBMS)	21,517,388	24,646,499	25,541,065	23,497,937	23,157,042	DI #NP2, SBA #1
FTE	33.3	43.4	47.1	47.1	47.1	
General Fund	3,457,574	3,878,767	3,599,376	3,678,105	5,557,864	
Cash Funds	1,705,153	1,951,276	3,595,343	2,942,707	972,770	
Reappropriated Fund / Cash Funds Exempt	7,411,617	8,521,201	9,776,895	8,983,660	8,870,305	
Federal Funds	8,943,044	10,295,255	8,569,451	7,893,465	7,756,103	
*Medicaid Cash Funds	7,412,103	8,548,494	9,776,895	8,983,660	8,774,898	
*Net General Fund	7,787,338	7,745,560	7,304,127	7,488,722	9,945,313	
CBMS SAS-70 Audit	<u>111,900</u>	<u>144,750</u>	<u>149,000</u>	<u>149,000</u>	<u>149,000</u>	
General Fund	21,986	22,719	23,386	23,386	35,761	
Cash Funds	8,980	11,616	18,634	18,634	6,259	
Reappropriated Fund / Cash Funds Exempt	34,571	50,242	57,075	57,075	57,075	
Federal Funds	46,363	60,173	49,905	49,905	49,905	

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10		DI/Notes
	Actual	Actual	Appropriation	Request	Recommendation	
<i>*Medicaid Cash Funds</i>	34,571	50,242	57,075	57,075	56,461	
<i>*Net General Fund</i>	38,183	45,471	47,614	47,614	63,992	
CBMS Federal Reallocation	<u>0</u>	<u>0</u>	<u>4,702,859</u>	<u>0</u>	<u>0</u>	
General Fund	0	158,947	0	0	0	
Cash Funds	0	0	3,728,466	0	0	
Reappropriated Fund / Cash Funds Exempt	0	2,986,105	974,393	0	0	
Federal Funds	0	(3,145,052)	0	0	0	
<i>*Medicaid Cash Funds</i>	0	823,628	974,393	0	0	
<i>*Net General Fund</i>	0	158,947	0	0	0	
CBMS TANF Reauthorization Changes						
Federal Funds	0	0	2,838,755	2,838,755	0	
Multiuse Network Payments	<u>1,809,954</u>	<u>2,207,742</u>	<u>2,282,929</u>	<u>2,282,929</u>	<u>Pending</u>	
General Fund	1,104,071	1,346,723	1,392,586	1,392,586		
Cash Funds	18,100	22,077	22,829	22,829		
Reappropriated Fund / Cash Funds Exempt	140,187	176,619	182,635	182,635		
Federal Funds	547,596	662,323	684,879	684,879		
<i>*Medicaid Cash Funds</i>	93,507	176,619	106,764	106,764		
<i>*Net General Fund</i>	1,150,825	1,435,033	1,445,968	1,445,968		
MANAGEMENT AND ADMINISTRATION OF OIT	<u>0</u>	<u>0</u>	<u>888,928</u>	<u>932,938</u>	<u>Pending</u>	<u>BA #NP-IT-OIT-1</u>
General Fund	0	0	685,055	719,019		
Cash Funds	0	0	19,891	21,051		
Reappropriated Fund / Cash Funds Exempt	0	0	69,929	73,293		
Federal Funds	0	0	114,053	119,575		
<i>*Medicaid Cash Funds</i>	0	0	35,472	37,221		
<i>*Net General Fund</i>	0	0	702,791	737,630		
Communication Services Payments	<u>140,720</u>	<u>156,510</u>	<u>163,475</u>	<u>163,475</u>	<u>Pending</u>	
General Fund	119,612	133,034	138,954	138,954		
Cash Funds	0	0	0	0		
Reappropriated Fund / Cash Funds Exempt	21,108	23,476	24,521	24,521		
Federal Funds	0	0	0	0		

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10		DI/Notes
	Actual	Actual	Appropriation	Request	Recommendation	
<b>TOTAL - (2) OFFICE OF INFORMATION TECHNOLOGY</b>						
<b>SERVICES</b>	45,695,389	49,352,276	58,899,831	52,721,809	41,592,581	
FTE	<u>143.4</u>	<u>157.4</u>	<u>170.7</u>	<u>173.3</u>	<u>173.3</u>	
General Fund	17,143,124	18,722,251	18,769,964	19,346,337	16,917,871	
Cash Funds	1,788,922	2,040,489	7,545,348	3,165,776	1,135,187	
Reappropriated Fund / Cash Funds Exempt	8,742,440	12,607,379	11,784,788	10,061,678	9,670,165	
Federal Funds	18,020,903	15,982,157	20,799,731	20,148,018	13,869,358	
*Medicaid Cash Funds	7,884,770	9,868,674	11,250,554	9,501,305	9,147,908	
*Net General Fund	21,708,135	22,832,836	22,720,038	23,411,469	21,491,827	

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

#### (4) COUNTY ADMINISTRATION

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

County Administration	<u>40,204,044</u>	<u>37,095,807</u>	<u>51,138,883</u>	<u>51,138,883</u>	<u>51,138,883</u>	
General Fund	13,359,022	14,001,616	20,227,939	20,227,939	20,227,939	
Cash Funds	0	0	9,381,078	9,381,078	9,381,078	
Reappropriated Fund / Cash Funds Exempt	11,922,659	6,164,325	0	0	0	
Federal Funds	14,922,363	16,929,866	21,529,866	21,529,866	21,529,866	
*Medicaid Cash Funds	0	0	0	0	0	
*Net General Fund	13,359,022	14,001,616	20,227,939	20,227,939	20,227,939	
County Contingency Payments pursuant to Section 26-1-126, C.R.S. - General Fund	11,069,321	11,069,321	0	0	0	
County Tax Base Relief - General Fund	0	0	5,652,654	6,069,321	5,652,654	

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10		DI/Notes
	Actual	Actual	Appropriation	Request	Recommendation	
County Share of Offsetting Revenues	<u>3,728,422</u>	<u>3,530,126</u>	<u>3,789,313</u>	<u>3,789,313</u>	<u>3,789,313</u>	
Cash Funds	0	0	3,789,313	3,789,313	3,789,313	
Reappropriated Fund / Cash Funds Exempt	3,728,422	3,530,126	0	0	0	
County Incentive Payments	<u>2,848,504</u>	<u>1,815,147</u>	<u>5,584,361</u>	<u>5,584,361</u>	<u>5,584,361</u>	
Cash Funds	0	0	5,584,361	5,584,361	5,584,361	
Reappropriated Fund / Cash Funds Exempt	2,848,504	1,815,147	0	0	0	
Emergency Property Tax Relief - General Fund	1,193,897	0	0	0	0	
<b>TOTAL - (4) COUNTY ADMINISTRATION</b>	<u>59,044,188</u>	<u>53,510,401</u>	<u>66,165,211</u>	<u>66,581,878</u>	<u>66,165,211</u>	
General Fund	25,622,240	25,070,937	25,880,593	26,297,260	25,880,593	
Cash Funds	0	0	18,754,752	18,754,752	18,754,752	
Reappropriated Fund / Cash Funds Exempt	18,499,585	11,509,598	0	0	0	
Federal Funds	14,922,363	16,929,866	21,529,866	21,529,866	21,529,866	
*Medicaid Cash Funds	0	0	0	0	0	
*Net General Fund	25,622,240	25,070,937	25,880,593	26,297,260	25,880,593	

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

## (7) OFFICE OF SELF SUFFICIENCY

### (A) Administration

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

Personal Services	1,379,197	1,459,112	1,474,606	1,728,161	1,728,161	
FTE	<u>16.0</u>	<u>18.3</u>	<u>22.0</u>	<u>22.0</u>	<u>22.0</u>	
General Fund	639,286	626,958	577,517	744,601	744,601	
Federal Funds	739,911	832,154	897,089	983,560	983,560	
Operating Expenses	<u>69,735</u>	<u>83,733</u>	<u>10,159,196</u>	<u>103,297</u>	<u>102,616</u>	DI #25, NP2
General Fund	35,433	42,654	53,884	54,361	53,884	
Cash Funds	0	0	10,082,040	0	0	
Federal Funds	34,302	41,079	23,272	48,936	48,732	

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10		DI/Notes
	Actual	Actual	Appropriation	Request	Recommendation	
Inmate Assistance Pilot Program						
General Fund	0	0	0	0	0	
Food Stamp COLA Sanction - Cash Funds	0	0	380,860	0	0	
<b>(7) SELF SUFFICIENCY</b>						
<b>Subtotal - (A) Administration</b>	1,448,932	1,542,845	12,014,662	1,831,458	1,830,777	
FTE	<u>16.0</u>	<u>18.3</u>	<u>22.0</u>	<u>22.0</u>	<u>22.0</u>	
General Fund	674,719	669,612	631,401	798,962	798,485	
Cash Funds	0	0	10,462,900	0	0	
Federal Funds	774,213	873,233	920,361	1,032,496	1,032,292	

**(7) OFFICE OF SELF SUFFICIENCY**

**(B) Colorado Works Program**

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

Colorado Works Administration	1,025,858	1,156,612	1,495,094	1,552,298	1,552,204	DI #NP2
FTE	<u>11.6</u>	<u>13.1</u>	<u>19.0</u>	<u>19.0</u>	<u>19.0</u>	
General Fund	0	0	0	0	0	
Reappropriated Fund / Cash Funds Exempt	0	0	0	0	0	
Federal Funds	1,025,858	1,156,612	1,495,094	1,552,298	1,552,204	
County Block Grants	<u>119,321,019</u>	<u>116,067,649</u>	<u>151,941,672</u>	<u>142,036,168</u>	<u>151,536,168</u>	
General Fund	627,726	627,726	405,504	0	0	BA #40
Cash Funds	0	0	22,823,033	22,823,033	22,823,033	
Reappropriated Fund / Cash Funds Exempt	25,092,840	24,904,503	0	0	0	
Federal Funds	93,600,453	90,535,420	128,713,135	119,213,135	128,713,135	BA #36
Reimbursement to Counties for Prior Year Expenditures Due to Reduction in Federal Maintenance of Effort Requirement - Federal Funds	0	11,049,452	5,524,726	5,524,726	5,524,726	
Funds to Help Katrina Victims - Federal Funds	11,381	0	0	0	0	
County Block Grant Support Fund (formerly Short-term Works Emergency Fund) - Federal Funds	0	80,160	1,000,000	1,000,000	1,000,000	

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10		DI/Notes
	Actual	Actual	Appropriation	Request	Recommendation	
County Reserve Accounts - Federal Funds	0	0	90,609,365	90,609,365	90,609,365	
County Training - Federal Funds	332,272	440,794	584,917	592,534	592,314	DI #NP2
FTE	0.0	1.8	2.0	2.0	2.0	
Domestic Violence Training - Federal Funds	105,142	0	0	0	0	
FTE	0.7	0.0	0.0	0.0	0.0	
Domestic Abuse Program	839,090	807,709	983,617	990,807	990,535	DI #NP2
FTE	<u>1.7</u>	<u>1.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	
Cash Funds	0	0	330,711	330,983	330,711	
Reappropriated Fund / Cash Funds Exempt	189,090	157,709	0	0	0	
Federal Funds	650,000	650,000	652,906	659,824	659,824	
Works Program Evaluation - Federal Funds	497,114	490,938	500,000	350,029	350,000	DI #23, NP2
Workforce Development Council - Federal Funds	76,813	88,838	105,007	105,007	105,007	
TANF Federal Reporting CBMS Maintenance - Federal Funds	36,240	0	0	0	0	
Federal TANF Reauthorization CBMS Changes - Federal Funds	0	199,893	168,400	0	0	
Promoting Responsible Fatherhood Grant	<u>0</u>	<u>0</u>	<u>2,222,222</u>	<u>2,222,222</u>	<u>2,222,222</u>	
General Fund	0	0	222,222	222,222	222,222	
Federal Funds	0	0	2,000,000	2,000,000	2,000,000	
COLORADO WORKS PROGRAM MAINTENANCE FUND (New Line)						
- Federal Funds	0	0	3,000,000	3,000,000	3,000,000	
COLORADO WORKS STATEWIDE STRATEGIC USE FUND (New Line)						
- Federal Funds	0	0	10,000,000	10,000,000	10,000,000	
<b>(7) SELF SUFFICIENCY</b>						
<b>Subtotal - (B) Colorado Works Program</b>	122,244,929	130,382,045	268,135,020	257,983,156	267,482,541	
FTE	<u>14.0</u>	<u>15.9</u>	<u>23.0</u>	<u>23.0</u>	<u>23.0</u>	
General Fund	627,726	627,726	627,726	222,222	222,222	
Cash Funds	0	0	23,153,744	23,154,016	23,153,744	
Reappropriated Fund / Cash Funds Exempt	25,281,930	25,062,212	0	0	0	
Federal Funds	96,335,273	104,692,107	244,353,550	234,606,918	244,106,575	

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10		
	Actual	Actual	Appropriation	Request	Recommendation	DI/Notes
<b>(7) OFFICE OF SELF SUFFICIENCY</b>						
<b>(C) Special Purpose Welfare Programs</b>						
This program provides administrative oversight to counties for food, energy, and other cash assistance to low-income households.						
<b>(1) Low Income Energy Assistance</b>	46,426,404	52,248,363	33,742,345	33,795,980	33,762,814	DI #NP2
FTE	<u>4.8</u>	<u>5.0</u>	<u>6.6</u>	<u>6.6</u>	<u>6.6</u>	
Cash Funds	0	5,950,000	0	0	0	
Reappropriated Fund / Cash Funds Exempt	7,100,000	2,149,832	2,149,832	2,149,832	2,149,832	
Federal Funds	39,326,404	44,148,531	31,592,513	31,646,148	31,612,982	
<b>(2) Food Stamp Job Search Units</b>						
Program Costs	2,017,047	2,001,321	2,043,946	2,067,077	2,067,077	
FTE	<u>6.1</u>	<u>5.9</u>	<u>6.2</u>	<u>6.2</u>	<u>6.2</u>	
General Fund	157,243	162,632	171,002	182,568	182,568	
Cash Funds	0	0	409,382	409,382	409,382	
Reappropriated Fund / Cash Funds Exempt	409,382	409,382	0	0	0	
Federal Funds	1,450,422	1,429,307	1,463,562	1,475,127	1,475,127	
Supportive Services	<u>261,438</u>	<u>260,491</u>	<u>261,452</u>	<u>261,452</u>	<u>261,452</u>	
General Fund	78,430	78,075	78,435	78,435	78,435	
Cash Funds	0	0	52,291	52,291	52,291	
Reappropriated Fund / Cash Funds Exempt	52,291	52,291	0	0	0	
Federal Funds	130,717	130,125	130,726	130,726	130,726	
<b>(7) OFFICE OF SELF SUFFICIENCY</b>						
<b>Subtotal - (C) (2) Food Stamp Job Search Units</b>	2,278,485	2,261,812	2,305,398	2,328,529	2,328,529	
FTE	<u>6.1</u>	<u>5.9</u>	<u>6.2</u>	<u>6.2</u>	<u>6.2</u>	
General Fund	235,673	240,707	249,437	261,003	261,003	
Cash Funds	0	0	461,673	461,673	461,673	
Reappropriated Fund / Cash Funds Exempt	461,673	461,673	0	0	0	
Federal Funds	1,581,139	1,559,432	1,594,288	1,605,853	1,605,853	
<b>(3) Food Distribution Program</b>	526,283	495,275	551,499	574,605	574,528	DI #NP2
FTE	<u>6.4</u>	<u>6.3</u>	<u>6.5</u>	<u>6.5</u>	<u>6.5</u>	
General Fund	42,367	42,813	44,591	46,752	46,752	
Cash Funds	215,577	212,407	237,050	247,081	247,004	
Reappropriated Fund / Cash Funds Exempt	0	0	0	0	0	
Federal Funds	268,339	240,055	269,858	280,772	280,772	

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10		DI/Notes
	Actual	Actual	Appropriation	Request	Recommendation	
<b>(4) Low-Income Telephone Assistance Program</b>	47,220	43,918	77,801	79,685	79,507	DI #NP2
FTE	<u>0.9</u>	<u>0.9</u>	<u>1.1</u>	<u>1.1</u>	<u>1.1</u>	
Cash Funds	47,220	43,918	77,801	79,685	79,507	
Reappropriated Fund / Cash Funds Exempt	0	0	0	0	0	
<b>(5) Income Tax Offset</b>	447	<u>4,114</u>	<u>4,128</u>	<u>4,128</u>	<u>4,128</u>	
General Fund	224	2,057	2,064	2,064	2,064	
Federal Funds	223	2,057	2,064	2,064	2,064	
<b>(6) Electronic Benefits Transfer Service</b>	3,173,108	3,175,248	3,201,710	3,334,903	3,334,716	DI #11, NP2
FTE	<u>4.7</u>	<u>4.9</u>	<u>5.0</u>	<u>7.0</u>	<u>7.0</u>	
General Fund	771,200	819,298	831,264	893,936	893,842	
Cash Funds	244,959	240,367	890,707	890,707	890,707	
Reappropriated Fund / Cash Funds Exempt	634,993	634,746	0	0	0	
Federal Funds	1,521,956	1,480,837	1,479,739	1,550,260	1,550,167	
<b>(7) Refugee Assistance - Federal Funds</b>	2,478,608	3,307,759	4,017,490	4,017,490	4,017,490	
FTE	0.4	0.0	10.0	10.0	10.0	
<b>(8) Systematic Alien Verification for Eligibility</b>	39,015	43,129	53,040	55,002	55,002	
FTE	<u>0.4</u>	<u>0.7</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	
General Fund	5,482	6,343	6,735	7,147	7,147	
Cash Funds	1,074	3,474	3,700	3,700	3,700	
Reappropriated Fund / Cash Funds Exempt	26,981	26,125	33,628	34,766	34,766	
Federal Funds	5,478	7,187	8,977	9,389	9,389	
<b>(7) OFFICE OF SELF SUFFICIENCY</b>						
<b>Subtotal - (C) Special Purpose Welfare Programs</b>	54,969,570	61,579,618	43,953,411	44,190,322	44,156,714	
FTE	<u>23.7</u>	<u>23.7</u>	<u>36.4</u>	<u>38.4</u>	<u>38.4</u>	
General Fund	1,054,946	1,111,218	1,134,091	1,210,902	1,210,808	
Cash Funds	508,830	6,450,166	1,670,931	1,682,846	1,682,591	
Reappropriated Fund / Cash Funds Exempt	8,223,647	3,272,376	2,183,460	2,184,598	2,184,598	
Federal Funds	45,182,147	50,745,858	38,964,929	39,111,976	39,078,717	
<b>(7) OFFICE OF SELF SUFFICIENCY</b>						
<b>(D) Child Support Enforcement</b>						
Automated Child Support Enforcement System	11,157,269	11,168,819	11,342,182	11,599,344	11,593,070	DI #NP2
FTE	<u>34.4</u>	<u>32.6</u>	<u>39.9</u>	<u>39.9</u>	<u>39.9</u>	



	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10		DI/Notes
	Actual	Actual	Appropriation	Request	Recommendation	
General Fund	3,738,016	3,779,603	3,711,373	3,798,808	3,796,675	
Cash Funds	67,470	83,381	426,499	426,499	426,499	
Reappropriated Fund / Cash Funds Exempt	106,052	74,872	0	0	0	
Federal Funds	7,245,731	7,230,963	7,204,310	7,374,037	7,369,896	
Child Support Enforcement	1,712,326	1,931,657	2,075,707	2,175,345	2,159,716	DI #NP2
FTE	21.6	21.8	24.5	24.5	24.5	
General Fund	584,243	675,602	705,740	739,618	734,304	
Federal Funds	1,128,083	1,256,055	1,369,967	1,435,727	1,425,412	
<b>(7) OFFICE OF SELF SUFFICIENCY</b>						
<b>Subtotal - (D) Child Support Enforcement</b>	12,869,595	13,100,476	13,417,889	13,774,689	13,752,786	
FTE	56.0	54.4	64.4	64.4	64.4	
General Fund	4,322,259	4,455,205	4,417,113	4,538,426	4,530,979	
Cash Funds	67,470	83,381	426,499	426,499	426,499	
Reappropriated Fund / Cash Funds Exempt	106,052	74,872	0	0	0	
Federal Funds	8,373,814	8,487,018	8,574,277	8,809,764	8,795,308	
<b>(7) OFFICE OF SELF SUFFICIENCY</b>						
<b>(E) Disability Determination Services</b>	14,768,552	15,500,882	17,208,434	17,654,687	17,653,965	DI #NP2
FTE	122.0	126.5	140.5	140.5	140.5	
Reappropriated Fund / Cash Funds Exempt	0	0	0	0	0	
Federal Funds	14,768,552	15,500,882	17,208,434	17,654,687	17,653,965	
*Medicaid Cash Funds	0	0	0	0	0	
*Net General Fund	0	0	0	0	0	
<b>TOTAL - (7) OFFICE OF SELF SUFFICIENCY</b>						
FTE	231.7	238.8	286.3	288.3	288.3	
General Fund	6,679,650	6,863,761	6,810,331	6,770,512	6,762,494	
Cash Funds	576,300	6,533,547	35,714,074	25,263,361	25,262,834	
Reappropriated Fund / Cash Funds Exempt	33,611,629	28,409,460	2,183,460	2,184,598	2,184,598	
Federal Funds	165,433,999	180,299,098	310,021,551	301,215,841	310,666,857	
*Medicaid Cash Funds	0	0	0	0	0	
*Net General Fund	6,679,650	6,863,761	6,810,331	6,770,512	6,762,494	

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

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10		DI/Notes
	Actual	Actual	Appropriation	Request	Recommendation	
<b>(10) ADULT ASSISTANCE PROGRAMS</b>						
Adult Assistance Programs supervises the Old Age Pension, Aid to the Needy Disabled, and Aid to the Blind programs, Adult Protective Services, and the state's 16 Area Agencies on Aging.						
<b>(10) ADULT ASSISTANCE PROGRAMS</b>						
<b>(A) Administration</b>	481,518	545,122	537,028	593,785	593,596	DI #NP2
FTE	<u>5.4</u>	<u>5.6</u>	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>	
General Fund	94,645	95,936	94,638	104,954	104,916	
Reappropriated Fund / Cash Funds Exempt	88,552	89,681	95,191	105,562	105,524	
Federal Funds	298,321	359,505	347,199	383,269	383,156	
<b>(10) ADULT ASSISTANCE PROGRAMS</b>						
<b>(B) Old Age Pension Program</b>						
Cash Assistance Program - Cash Funds	72,932,800	75,911,068	80,871,918	88,563,557	88,563,557	DI #21, BA #9, 32
Refunds	<u>588,362</u>	<u>588,362</u>	<u>588,362</u>	<u>588,362</u>	<u>588,362</u>	
Cash Funds	0	0	588,362	588,362	588,362	
Reappropriated Fund / Cash Funds Exempt	588,362	588,362	0	0	0	
Burial Reimbursements - Cash Funds	953,409	825,364	918,364	918,364	918,364	
State Administration - Cash Funds	1,139,579	913,867	1,114,694	1,161,337	1,161,109	DI #NP2
FTE	12.0	9.7	14.0	14.0	14.0	
County Administration - Cash Funds	2,356,916	2,782,102	2,450,785	2,450,785	2,450,785	
<b>(10) ADULT ASSISTANCE PROGRAMS</b>						
<b>Subtotal - (B) Old Age Pension Program</b>	77,971,066	81,020,763	85,944,123	93,682,405	93,682,177	
FTE	<u>12.0</u>	<u>9.7</u>	<u>14.0</u>	<u>14.0</u>	<u>14.0</u>	
Cash Funds	77,382,704	80,432,401	85,944,123	93,682,405	93,682,177	
Reappropriated Fund / Cash Funds Exempt	588,362	588,362	0	0	0	
<b>(10) ADULT ASSISTANCE PROGRAMS</b>						
<b>(C) Other Grant Programs</b>						
Aid to the Needy Disabled Programs	<u>0</u>	<u>17,675,480</u>	<u>17,428,495</u>	<u>17,428,495</u>	<u>17,428,495</u>	
General Fund	0	11,556,188	11,421,471	11,421,471	11,421,471	

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10		DI/Notes
	Actual	Actual	Appropriation	Request	Recommendation	
Cash Funds	0	0	6,007,024	6,007,024	6,007,024	
Reappropriated Fund / Cash Funds Exempt	0	6,119,292	0	0	0	
Aid to the Needy Disabled State Supplemental Grant Program	<u>1,821,308</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	1,223,268	0	0	0	0	
Reappropriated Fund / Cash Funds Exempt	598,040	0	0	0	0	
Aid to the Blind State Supplemental Grant Program	<u>4,844</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	1,789	0	0	0	0	
Reappropriated Fund / Cash Funds Exempt	3,055	0	0	0	0	
Aid to the Needy Disabled State-only Grant Program	<u>15,500,190</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	10,094,834	0	0	0	0	
Reappropriated Fund / Cash Funds Exempt	5,405,356	0	0	0	0	
Burial Reimbursements	<u>466,693</u>	<u>355,498</u>	<u>508,000</u>	<u>508,000</u>	<u>508,000</u>	
General Fund	365,949	345,246	402,985	402,985	402,985	
Cash Funds	0	0	105,015	105,015	105,015	
Reappropriated Fund / Cash Funds Exempt	100,744	10,252	0	0	0	
Home Care Allowance	<u>10,767,160</u>	<u>10,836,494</u>	<u>10,880,411</u>	<u>10,880,411</u>	<u>10,880,411</u>	
General Fund	10,223,139	10,292,473	10,336,390	10,336,390	10,336,390	
Cash Funds	0	0	544,021	544,021	544,021	
Reappropriated Fund / Cash Funds Exempt	544,021	544,021	0	0	0	
Adult Foster Care	<u>37,340</u>	<u>33,391</u>	<u>157,469</u>	<u>157,469</u>	<u>157,469</u>	
General Fund	29,467	25,518	149,596	149,596	149,596	
Cash Funds	0	0	7,873	7,873	7,873	
Reappropriated Fund / Cash Funds Exempt	7,873	7,873	0	0	0	
<b>(10) ADULT ASSISTANCE PROGRAMS</b>						
<b>Subtotal - (C) Other Grant Programs</b>	<u>28,597,535</u>	<u>28,900,863</u>	<u>28,974,375</u>	<u>28,974,375</u>	<u>28,974,375</u>	
General Fund	21,938,446	22,219,425	22,310,442	22,310,442	22,310,442	
Cash Funds	0	0	6,663,933	6,663,933	6,663,933	
Reappropriated Fund / Cash Funds Exempt	6,659,089	6,681,438	0	0	0	
<b>(10) ADULT ASSISTANCE PROGRAMS</b>						
<b>(D) Community Services for the Elderly</b>						
Administration	417,781	582,546	657,866	685,783	684,897	DI #NP2

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10		DI/Notes
	Actual	Actual	Appropriation	Request	Recommendation	
FTE	<u>5.0</u>	<u>6.8</u>	<u>7.0</u>	<u>7.0</u>	<u>7.0</u>	
General Fund	48,240	151,203	174,985	182,411	182,175	
Federal Funds	369,541	431,343	482,881	503,372	502,722	
Colorado Commission on Aging	75,721	77,432	79,309	82,132	82,045	DI #NP2
FTE	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	
General Fund	18,769	19,807	20,400	21,125	21,103	
Federal Funds	56,952	57,625	58,909	61,007	60,942	
Senior Community Services Employment - Federal Funds	869,187	949,920	862,379	863,857	863,857	
FTE	0.0	0.5	0.5	0.5	0.5	
Older Americans Act Programs	13,343,175	13,420,264	14,141,987	14,141,987	14,141,987	
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	
General Fund	572,463	576,749	576,747	576,747	576,747	
Cash Funds	0	0	3,079,710	3,079,710	3,079,710	
Reappropriated Fund / Cash Funds Exempt	3,039,710	3,039,710	0	0	0	
Federal Funds	9,731,002	9,803,805	10,485,530	10,485,530	10,485,530	
National Family Caregiver Support Program	<u>2,157,124</u>	<u>2,230,338</u>	<u>2,263,386</u>	<u>2,263,386</u>	<u>2,263,386</u>	
General Fund	142,041	142,041	142,041	142,041	142,041	
Cash Funds	0	0	423,805	423,805	423,805	
Reappropriated Fund / Cash Funds Exempt	213,062	213,062	0	0	0	
Federal Funds	1,802,021	1,875,235	1,697,540	1,697,540	1,697,540	
State Ombudsman Program	<u>222,031</u>	<u>222,031</u>	<u>272,031</u>	<u>272,031</u>	<u>272,031</u>	
General Fund	61,898	61,898	111,898	111,898	111,898	
Reappropriated Fund / Cash Funds Exempt	1,800	1,800	1,800	1,800	1,800	
Federal Funds	158,333	158,333	158,333	158,333	158,333	
*Medicaid Cash Funds	1,800	1,800	1,800	1,800	1,800	
*Net General Fund	62,798	62,798	112,798	112,798	112,798	
State Funding for Senior Services	<u>5,000,000</u>	<u>7,000,000</u>	<u>10,000,000</u>	<u>10,000,000</u>	<u>8,000,000</u>	
General Fund	1,925,961	2,000,000	2,000,000	2,000,000	0	
Cash Funds	3,074,039	5,000,000	8,000,000	8,000,000	8,000,000	
Area Agencies on Aging Administration - Federal Funds	1,264,409	1,370,784	1,353,957	1,353,957	1,353,957	
<b>(10) ADULT ASSISTANCE PROGRAMS</b>						

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10		DI/Notes
	Actual	Actual	Appropriation	Request	Recommendation	
<b>Subtotal - (D) Community Services for the Elderly</b>	23,349,428	25,853,315	29,630,915	29,663,133	27,662,160	
FTE	6.0	8.3	8.5	8.5	8.5	
General Fund	2,769,372	2,951,698	3,026,071	3,034,222	1,033,964	
Cash Funds	3,074,039	5,000,000	11,503,515	11,503,515	11,503,515	
Reappropriated Fund / Cash Funds Exempt	3,254,572	3,254,572	1,800	1,800	1,800	
Federal Funds	14,251,445	14,647,045	15,099,529	15,123,596	15,122,881	
*Medicaid Cash Funds	1,800	1,800	1,800	1,800	1,800	
*Net General Fund	2,770,272	2,952,598	3,026,971	3,035,122	1,034,864	

<b>TOTAL - (10) ADULT ASSISTANCE PROGRAMS</b>	130,399,547	136,320,063	145,086,441	152,913,698	150,912,308	
FTE	23.4	23.6	28.5	28.5	28.5	
General Fund	24,802,463	25,267,059	25,431,151	25,449,618	23,449,322	
Cash Funds	80,456,743	85,432,401	104,111,571	111,849,853	111,849,625	
Reappropriated Fund / Cash Funds Exempt	10,590,575	10,614,053	96,991	107,362	107,324	
Federal Funds	14,549,766	15,006,550	15,446,728	15,506,865	15,506,037	
*Medicaid Cash Funds	1,800	1,800	1,800	1,800	1,800	
*Net General Fund	24,803,363	25,267,959	25,432,051	25,450,518	23,450,222	

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

<b>TOTAL - HUMAN SERVICES - EDO/OITS/CA/SS/AA</b>	486,055,319	517,111,122	691,892,700 /a	667,205,046	637,732,915	
FTE	483.0	509.3	588.0	592.6	592.6	
General Fund	99,664,302	108,661,441	115,298,013	111,408,545	91,078,036	
Cash Funds	83,861,457	95,050,974	167,705,535	160,558,559	158,154,005	
Reappropriated Fund / Cash Funds Exempt	82,826,914	76,967,546	31,231,931	28,193,629	20,469,678	
Federal Funds	219,702,646	236,431,161	377,657,221	367,044,313	368,031,196	
*Medicaid Cash Funds	16,196,952	21,551,464	25,603,392	22,650,912	16,482,739	
*Net General Fund	108,386,842	118,516,710	126,512,442	122,228,303	99,309,926	

a/ Excludes line items covered in other briefing packets.

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

## **Department of Human Services FY 2009-10 Figure Setting**

### **JBC Working Document: Decisions Subject to Change**

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

#### **GENERAL REMARKS**

**Net General Fund.** Many of the line items covered in this figure-setting packet include substantial amounts of Medicaid funding transferred from the Department of Health Care Policy and Financing (HCPF). These amounts are shown as reappropriated funds in the Department of Human Services, but there is a substantial General Fund component included in the original appropriations made in HCPF. The lines in HCPF are not explicitly included in figure setting for that Department. In order to allow the Committee to understand the full General Fund impact of decisions, many of the summary tables for lines covered in this packet include a "Net GF" column. This column reflects the total General Fund impact when the HCPF appropriations are included.

**Decision item #NP2, postage increase and mailing equipment.** This non-prioritized decision item reflects changes in the cost of services provided by the Department of Personnel and Administration (DPA) due to a prioritized decision item in that department. The non-prioritized item affects many of the lines in the divisions covered in this packet, and would require a total increase in funding of \$405,498, including \$122,596 net General Fund, if the DPA request is approved. Staff has not included this decision item in the recommendations for the affected lines in this packet. **Staff requests permission to adjust those lines accordingly based on the Committee's decision regarding this item.**

**Federal stimulus package.** There are a number of provisions in the American Recovery and Reinvestment Act of 2009 (federal stimulus package) that potentially provide moneys for programs covered in this packet. Where appropriate, staff has added discussion regarding the amount of money the state might receive.

**Pending centrally appropriated line items.** The Executive Director's Office and the Office of Information Technology Services include many centrally appropriated items for which the Committee establishes common policies. Staff has indicated that the items for which the Committee has not taken common policy action are "pending". In addition, staff has not yet completed figure setting for four line items on which the Committee has already taken common policy action. Staff has also indicated that these line items are "pending". **Staff requests permission to calculate all of these lines using Committee common policy decisions. In any cases where the recommendation deviates from common policy, staff will bring those matters before the Committee.**

**Centrally appropriated line items and decision items.** In some cases, decision items and budget amendments which are covered as part of a different packet include changes to the centrally appropriated line items. Staff's recommendation for the centrally-appropriated line items cover only the base, and do not include any changes associated with decision items or budget amendments that are covered in other packets. Such costs will be identified in the analysis of the decision item contained in the other packets. **Staff requests permission to adjust the centrally-appropriated lines based on the Committee's decisions regarding those decision items.**

**Hiring freeze savings are restored.** In October 2008, Governor Ritter imposed a hiring freeze on the many departments, including the Department of Human Services. The freeze resulted in personal services savings for FY 2008-09. In this packet, staff has consistently restored the hiring freeze savings to the line items that were affected. Staff believes that if the Committee wishes to require personal services reductions in the Department, it is more appropriate to choose the areas where such reductions should be taken carefully, in order to minimize disruption of the services provided by the Department, rather than to take savings in a more haphazard fashion.

**Exclusions from base reduction calculations.** Some of the personal services line items in the Department include large expenses for contractual services rather than for state employees. In some cases this takes the form of contracts spanning multiple years with negotiated fixed payment schedules. Base reductions applied to these contracts will not be realized by reductions in the contract payments; the State will continue to be bound by the contract terms, including the payments that must be made. Instead, the entire reduction would have to come from the rest of the personal services base. For example, if a personal services line were 50 percent expenses associated with employees, and 50 percent expenses for a long-term fixed-payment contract, the only way for the Department to realize an 1.0 percent base reduction for the entire line would be to take a 2.0 percent reduction on the employee portion. **Staff believes that this imposes an unfair burden in some cases, and will recommend in those cases that certain expenses be excluded from the base reduction calculation.** Such exclusions will be clearly identified.

## **(1) EXECUTIVE DIRECTOR'S OFFICE**

### **(A) General Administration**

The Executive Director's Office (EDO) is responsible for the general policy of the Department of Human Services and contains staff and associated resources for implementing this policy. It is organized into two functional components: General Administration and Special Purpose. General Administration includes the Department's Executive Director and his/her administrative staff, as well as the Department's budgeting office, Public Information Officer, County Liaison, and Field Administration staff. The FY 2008-09 appropriation for General Administration included 26.4 FTE, and the FY 2009-10 budget request includes a continuation of 26.4 FTE. The EDO also is the location of many of the centrally appropriated items for the Department, although certain items (e.g., purchase of services from the computer center) are reflected in the Office of Information Technology Services or the Office of Operations.

A breakdown of the FTE classifications for the Administrative subdivision is shown in the following table. Specialists in this group are primarily budget analysts.

<b>Staffing Summary - (1) Executive Director's Office (A) General Administration</b>	<b>FY 2007-08 Actual</b>	<b>FY 2008-09 Appropriation</b>	<b>FY 2009-10 Request</b>	<b>FY 2009-10 Recommendation</b>
Management	2.5	4.4	4.4	4.4
General Professional	8.2	10.0	10.0	10.0
Specialist	6.1	6.0	6.0	6.0
Staff Support	2.2	2.0	2.0	2.0
Temporary	1.1	0.0	0.0	0.0
<b>TOTAL</b>	<b>20.1</b>	<b>22.4</b>	<b>22.4</b>	<b>22.4</b>

### **Personal Services**

The Department requests an appropriation of \$2,186,254, including \$833,750 net General Fund, and 22.4 FTE for personal services in General Administration for FY 2009-10. Cash fund sources include patient fees collected by the State's Mental Health Institutes and from various other sources. **Staff recommends the Committee approve the Department's request for this line item, which coincides with Committee common policy decisions.** A summary of staff's calculation is provided in the following table. All funds characterized as cash funds exempt in the old format will be reappropriated funds in the new format.

<b>Summary of Personal Services Recommendation Department of Human Services, Executive Director's Office, General Administration</b>							
	<b>TOTAL</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Net GF</b>	<b>FTE</b>
Prior Year Appropriation (H.B. 08-1375)	2,076,123	625,083	98,257	450,527	902,256	791,385	22.4
Prior Year Salary Survey	85,346	25,602	4,267	18,777	36,700	32,831	0.0
Prior Year Performance Pay	24,785	7,435	1,239	5,453	10,658	9,534	0.0
<b>Total</b>	<b>\$2,186,254</b>	<b>\$658,120</b>	<b>\$103,763</b>	<b>\$474,757</b>	<b>\$949,614</b>	<b>\$833,750</b>	<b>22.4</b>

### **Health, Life, and Dental**

Health, life, and dental funds the State's contribution to medical plans. The request is made for the entire Department, based on the recommended contribution rates as submitted by the State Personnel Director and enrollment figures. The Department requests \$25,144,848 for health, life, and dental insurance for FY 2009-10, including \$17,636,748 net General Fund. Pursuant to Committee common policy, **staff recommends the Committee approve an appropriation of \$25,385,525, including \$17,805,560 net General Fund, for this line item.**

### **Short-term Disability**



This line item is used to purchase short-term disability (STD) coverage. Pursuant to Section 24-50-609 (13), C.R.S., short-term disability provides for a partial payment of an employee's salary if an individual becomes disabled and cannot perform his or her duties. This benefit is available to all employees and is paid entirely by the State. The coverage provides for a 30-day waiting period, and it will pay 60.0 percent of an employee's salary for a maximum of five months.

The Department requests \$332,233 for short-term disability, including \$236,934 net General Fund. **Staff's recommendation is pending completion of calculations using approved Committee common policy.**

#### **S.B. 04-257 Amortization Equalization Disbursement**

This line item funds the Amortization Equalization Disbursement to the Public Employees' Retirement Association (PERA). The Department requests \$5,123,306, including \$3,635,508 net General Fund, for this line item. **Staff's recommendation is pending completion of calculations using approved Committee common policy.**

#### **S.B. 06-235 Supplemental Amortization Equalization Disbursement**

Supplemental Amortization Equalization Disbursement (SAED) is a mechanism to increase the effective PERA rate beginning January 1, 2008. The Department requests \$3,209,601, including \$2,259,090 net General Fund, for this line item. **Staff's recommendation is pending completion of calculations using approved Committee common policy.**

#### **Salary Survey and Senior Executive Service**

The Department uses this line item to pay for annual increases for salary survey and senior executive service positions. The Department requests no appropriation for salary survey for FY 2009-10. **Staff recommends the Committee approve the Department's request, which coincides with Committee common policy action.**

#### **Performance-based Pay Awards**

This line item provides funding for the state's performance-based pay system, created pursuant to Section 24-50-104 (1) (C) (I), C.R.S. The Department requests no appropriation for this line item for FY 2009-10. **Staff recommends the Committee approve the Department's request, which coincides with Committee common policy action.**

#### **Shift Differential**

This line item is used to fund the pay adjustment for employees of the Department who perform work outside of the normal Monday through Friday 8:00 a.m. to 5:00 p.m. work schedule. The Department requires shift work for operations such as the Mental Health Institutes, the Regional Centers, and state-operated nursing homes. The Department requests \$4,269,048 for shift differential in FY 2009-10 including, \$3,534,307 net General Fund. **Staff's recommendation is pending completion of calculations using approved Committee common policy.**

#### **Workers' Compensation**

Workers' compensation appropriations are used to pay for the Department's estimated share for participating in the State's Workers' Compensation Program. This program, run by the Department of Personnel and Administration's Risk Management Services program, is used to pay workers' compensation benefits to state employees. The State of Colorado is self-insured for workers' compensation claims. The Department of Human Services requests \$8,600,561 for this line item, including \$5,821,318 net General Fund. The request includes DI #NP4, DPA's estimate of the increased cost for worker's compensation expenses in FY 2009-10. **The staff recommendation for this line item is pending a Committee common policy on workers' compensation.**

### **Operating Expenses**

This line item pays for the general operating needs of the Executive Director's Office. The Department's request, consisting of a continuation level plus decision item #NP2, is for \$496,485, including \$215,122 net General Fund. **Staff recommends the Committee approve an appropriation of \$494,827, including \$213,801 net General Fund.**

### **Legal Services for 18,439 Hours**

This line item provides funding for the Department for its use of attorneys and para-legals in the Department of Law. The Department requests a continuation level for 18,439 hours. **Staff recommends the Committee approve 18,439 hours for legal services. The staff recommendation for the appropriation for this line item is pending a Committee common policy decision on the blended rate for legal services hours.**

### **Administrative Law Judge Services**

The administrative law judge (ALJ) services line item is used to pay a share of the costs for operating the Administrative Hearings Division in the Department of Personnel and Administration. The Department uses ALJs for items such as food stamp fraud, low energy income assistance, expungement of juvenile delinquency records, and child care. The Department requests \$913,822 for this line item, including \$552,297 General Fund. The request includes a continuation level of funding, plus DI #NP3 reflecting the Department of Personnel and Administration's estimate for the cost of administrative law judge services in FY 2009-10. **The staff recommendation for this line item is pending a Committee common policy on administrative law judge services.**

### **Payment to Risk Management and Property Funds**

The payments to risk management and property funds line item pays for the Department of Human Services' share of the statewide costs for two programs operated by the Risk Management Services program in the Department of Personnel and Administration: (1) the liability program and (2) the property program. The State's liability program is used to pay liability claims and expenses brought against the State. The property program provides insurance coverage for state-owned buildings and their contents. The Department requests \$1,768,970, including \$1,543,156 net General Fund, for this line item. **The staff recommendation for this line item is pending a Committee common policy on payment to risk management and property funds.**

### **Staff Training**

The appropriation to the staff training line item provides funding for the conferences and training enterprise fund managed by the Mental Health Institute at Fort Logan and the Grand Junction Regional Center for charges made by non-department employees who participate in selected staff training programs. The Department requests a continuation level appropriation of \$31,870 cash funds. These cash funds consist of fees paid by training participants. **Staff recommends the Committee approve the Department's request.**

### **Injury Prevention Program**

This line item, established in FY 1996-97, provides funding for employee injury prevention, loss control initiatives, and infection control. Pursuant to a request for information communicated to the Governor's Office, the Department provides an annual report to the Committee on the effectiveness of this program. Staff will discuss this request in greater detail later in this packet. The Department requests a continuation appropriation of \$105,970 reappropriated funds (Medicaid funds transferred from the Department of Health Care Policy and Financing), including \$52,985 net General Fund. **Staff recommends the Committee approve the Department's request.**

## **(1) EXECUTIVE DIRECTOR'S OFFICE**

### **(B) Special Purpose**

#### **Office of Performance Improvement**

The Office is responsible for four separate functions of the Department of Human Services, including: (1) Audits; (2) Food Stamp Quality Assurance; (3) Human Resources; and, (4) Performance Management. The Office was created to address each function in a separate manner in order to achieve higher accountability to interested parties (such as county social services departments, program management, and legislators). Finally, the functions of the separate entities are coordinated so that their functions are not duplicative. The Office's staffing history is summarized in the following table. Individuals in the specialist category are largely auditors.

<b>Staffing Summary - (1) Executive Director's Office (B) Special Purpose, Office of Performance Improvement</b>	<b>FY 2007-08 Actual</b>	<b>FY 2008-09 Appropriation</b>	<b>FY 2009-10 Request</b>	<b>FY 2009-10 Recommendation</b>
Management	0.1	0.1	0.1	0.1
General Professional	35.5	36.5	36.5	36.5
Specialist	10.3	12.0	12.0	12.0
Staff Support	18.4	25.5	25.5	25.5
Temporary	0.9	0.0	0.0	0.0
<b>Total</b>	<b>65.2</b>	<b>74.1</b>	<b>74.1</b>	<b>74.1</b>

In greater detail, OPI's functions include:

- **Audits.** This program independently verifies, through internal and external audits, that state and federal financial assistance has been distributed in accordance with applicable regulations and laws.
- **Food Stamp Quality Assurance.** This program performs the federally-mandated food stamp quality control function. Included in the quality control function are monthly reviews to ensure eligibility and the correct allotment of food stamps. Reviews are used to: (1) calculate the State's food stamp error rate; (2) assist in corrective action and payment accuracy strategies; and (3) establish the State's eligibility for enhanced federal funding or liability for payment error rates that exceed the national tolerance level.
- **Human Resources.** This program performs all activities related to the Department's personnel/employees. These activities include, but are not limited to: recruitment, examinations, orientation, benefits administration, evaluations, workers' compensation case management, performance management, and personnel records maintenance.
- **Performance Management.** Performance management's duties include ensuring programmatic accountability. The Department indicates that the following are done to ensure programmatic accountability: (1) assisting the Department programs in identifying the most appropriate indicators of program performance; (2) coordinating professional development for staff through an existing network of trainers; and; (3) coordinating the Department's use of video-conferencing as a way to enhance productivity.

The Department requests \$5,234,453, including \$2,299,308 net General Fund, and 74.1 FTE in FY 2009-10 for the Office of Performance Improvement line item, including decision item #NP2. **Staff recommends the Committee approve an appropriation of \$5,230,427, including \$2,295,282 net General Fund, and 74.1 FTE.** Staff's calculation is summarized in the following table.

<b>Summary of Personal Services and Operating Expenses Recommendation</b>							
<b>(1) Executive Director's Office (B) Special Purpose, Office of Performance Improvement - Department of Human Services</b>							
	<b>TOTAL</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Net GF</b>	<b>FTE</b>
Prior Year Personal Services (H.B. 08-1375)	4,463,349	1,631,766	211,289	658,707	1,961,587	1,941,460	74.1
Prior Year Salary Survey	185,493	74,197	3,710	29,679	77,907	87,553	0.0
Prior Year Performance Pay	53,445	21,378	1,069	8,551	22,447	25,226	0.0
Restore Hiring Freeze Savings	199,740	79,896	3,995	31,958	83,891	94,277	0.0
<b>Subtotal - Personal Services</b>	<b>4,902,027</b>	<b>1,807,237</b>	<b>220,063</b>	<b>728,895</b>	<b>2,145,832</b>	<b>2,148,516</b>	<b>74.1</b>
Prior Year Operating Expenses (H.B. 08-1375)	334,642	122,343	15,842	49,387	147,070	145,562	0.0
Annualize Prior Year Decision Item - Additional HR Staff	(6,242)	1,045	(433)	16	(6,870)	1,204	0.0
<b>Subtotal - Operating Expenses</b>	<b>328,400</b>	<b>123,388</b>	<b>15,409</b>	<b>49,403</b>	<b>140,200</b>	<b>146,766</b>	<b>0.0</b>
<b>Total</b>	<b>\$5,230,427</b>	<b>\$1,930,625</b>	<b>\$235,472</b>	<b>\$778,298</b>	<b>\$2,286,032</b>	<b>\$2,295,282</b>	<b>74.1</b>

**Health Insurance Portability and Accountability Act of 1996 - Security Remediation**

The Department of Human Services is considered a covered entity under HIPAA as it is responsible for the administration of numerous programs that handle health information. Specifically, the security rule covers: (1) the Mental Health Institutes at Pueblo and Fort Logan; (2) Mental Health Services; (3) the Alcohol and Drug Abuse Division; (4) department-wide security; (5) the Department's accounting program; (6) the Office of Information Technology Services; (7) the Regional Centers at Wheat Ridge, Pueblo, and Grand Junction; (8) the Division of Developmental Disabilities; and (9) the Nursing Homes at Rifle and Fitzsimons.

Responsibilities of this section include the development of a department-wide, system-based risk assessment and the integration of this assessment into the Department's operations. The staff also conduct periodic evaluations for all systems where technical, environmental, or operational changes have occurred. The section is responsible for the continuation of consolidation efforts associated with protected health information covered by the security rules, for an annual test that details the Department's security management processes, and for on-going privacy and security training. The appropriation and request include 1.0 FTE classified as General Professional and 1.0 FTE classified as an IT Professional.

The Department requests \$531,472, including \$447,591 net General Fund, and 2.0 FTE for this line item in FY 2009-10. **Staff recommends the Committee approve the Department's request, which is calculated in accordance with Committee common policy action.** Staff's calculation is summarized in the following table.

<b>Summary of Personal Services and Operating Expenses Recommendation</b>							
<b>(1) Executive Director's Office (B) Special Purpose, HIPAA - Department of Human Services</b>							
	<b>TOTAL</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Net GF</b>	<b>FTE</b>
Prior Year Appropriation (H.B. 08-1375)	522,013	388,218	377	102,666	30,752	439,551	2.0
Personal Services	219,549	163,277	159	43,179	12,934	184,867	2.0
Operating Expenses	302,464	224,941	218	59,487	17,818	254,684	0.0
Prior Year Salary Survey	7,419	5,564	0	1,484	371	6,306	0.0
Prior Year Performance Pay	2,040	1,530	0	408	102	1,734	0.0
<b>Total</b>	<b>\$531,472</b>	<b>\$395,312</b>	<b>\$377</b>	<b>\$104,558</b>	<b>\$31,225</b>	<b>\$447,591</b>	<b>2.0</b>

**CBMS Emergency Processing Unit**

The initial deployment of the Colorado Benefits Management System was contested in court. The court allowed the deployment to go forward, but issued a temporary order that required the State to meet several conditions. One of those created an emergency processing unit (EPU) to support benefit applicants. Continued operation of the EPU was included in a subsequent agreement between plaintiffs and the State during negotiations toward a settlement of the lawsuit, and is part

of the final order that was issued when the case was recently settled. The unit was initially staffed with contract workers, but those positions were converted to state employees when it became clear that the function would be ongoing.

This line item has historically been shown in the Administration sub-division of the Executive Director's Office. **Staff recommends that the line item be moved to the Special Purpose sub-division.** The Department requests an appropriation of \$219,687 including \$75,821 General Fund. **Staff recommends the Committee approve the Department's request.** Staff's calculations are summarized in the following table.

<b>Staff Summary - CBMS Emergency Processing Unit</b>	<b>Total</b>	<b>GF</b>	<b>CF</b>	<b>FF</b>	<b>FTE</b>
Previous Year Appropriation (H.B. 08-1375)	140,054	73,768	17,106	122,948	4.0
Personal Services	181,307	62,550	14,505	104,252	4.0
Operating Expenses	32,515	11,218	2,601	18,696	0.0
Prior Year Salary Survey	4,567	1,599	365	2,603	0.0
Prior Year Performance Pay	1,298	454	104	740	0.0
<b>Total Recommendation</b>	<b>\$219,687</b>	<b>\$75,821</b>	<b>\$17,575</b>	<b>\$126,291</b>	<b>4.0</b>

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

The Department of Human Services' 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 counties in the state. The office supports centralized databases and provides support and training to users, including county staff and private social service providers. The office also helps to set policies and strategic directions for de-centralized information technology systems that are operated by individual divisions within the department. Centrally appropriated items related to information technologies, such as payments to the General Government Computer Center, are included in this division.

### **Personal Services**

This line item funds salaries and the state's share of PERA payments and Medicare taxes for a little less than half of the FTE in the Division, as well as a variety of contractual services. Most of the FTE associated with this line are information technology professionals who support various systems throughout the department, as well as management, financial and administrative support staff for the division. Other FTE in the division are allocated to specific systems and are reflected in the associated program line items reviewed below.

<b>Staffing Summary - (2) Office of Information Technology Services, Personal Services</b>	<b>FY 2007-08 Actual</b>	<b>FY 2008-09 Appropriation</b>	<b>FY 2009-10 Request</b>	<b>FY 2009-10 Recommendation</b>
Management	1.9	0.0	0.0	0.0
General Professional	3.6	4.3	4.3	4.3
IT Professional	56.7	62.3	63.5	63.5
Staff Support	5.7	6.0	7.4	7.4
Temporary	0.2	0.0	0.0	0.0
<b>Total</b>	<b>68.1</b>	<b>72.6</b>	<b>75.2</b>	<b>75.2</b>

The Department requests an appropriation of \$5,866,550, including \$4,646,328 net General Fund, and 75.2 FTE. This amount includes the annualization of the supplemental request for FY 2008-09 which created the Management and Administration of OIT centralized appropriation line item. Excluding that annualization, the Department's request conforms to Committee common policy actions. Staff's calculation is shown in the following table. **Staff recommends the Committee approve an appropriation of \$5,935,282, including \$4,700,697 net General Fund, and 75.2 FTE. Staff requests permission to modify this appropriation, if necessary, when the Committee acts on the Management and Administration of OIT common policy.**

<b>Summary of Personal Services and Operating Expenses Recommendation</b>							
<b>(1) Executive Director's Office (B) Special Purpose, HIPAA - Department of Human Services</b>							
	<b>TOTAL</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Net GF</b>	<b>FTE</b>
Prior Year Long Bill Appropriation (H.B. 08-1375)	5,961,739	4,597,188	143,438	463,361	757,752	4,715,936	2.0
Management and Administration of OIT Supplemental	(520,470)	(401,343)	(12,522)	(40,452)	(66,153)	(411,710)	0.0
Annualize Prior Year Decision Item (Infrastructure Support Staff)	191,586	152,337	724	17,597	20,928	156,278	0.0
Prior Year Salary Survey	234,922	181,877	1,010	22,928	29,107	186,580	0.0
Prior Year Performance Pay	67,505	52,262	290	6,589	8,364	53,613	0.0
<b>Total</b>	<b>\$5,935,282</b>	<b>\$4,582,321</b>	<b>\$132,940</b>	<b>\$470,023</b>	<b>\$749,998</b>	<b>\$4,700,697</b>	<b>2.0</b>

### **Operating Expenses**

This line item pays for the operating expenses associated with the FTE in the personal services line item, plus much of the centralized hardware and software infrastructure used by the department. The Department requests an appropriation of \$392,276, including \$320,335 net General Fund, reflecting a continuation level plus a reduction from annualizing a prior year decision item (infrastructure support staff). **Staff recommends that the Committee approve the Department's request.**

**Purchase of Services from Computer Center**

This line item pays for the Department's use of General Government Computer Center services and equipment. The source of funds is based on the financing for the programs that use GGCC. The Department requests an appropriation of \$4,463,968 and including \$1,948,041 net General Fund. **Staff recommendation for this line item is pending Committee common policy action.**

**Microcomputer Lease Payments**

This line item is used for lease payments on personal computers and related equipment. The department's request is for a continuation level of funding of \$539,344, including \$333,613 net General Fund. **Staff recommends the Committee approve the Department's request.** The cash funds exempt portion of this appropriation is identified as reappropriated funds in the new format.

**Colorado Trails**

This line item pays personal services, operating, and contract costs associated with Colorado Trails. Colorado Trails is a statewide system, operational since 2002, that supports activities in the Division of Child Welfare and the Division of Youth Corrections. It provides case management, financial tools, and other resources to users of the program.

<b>Staffing Summary - (2) Office of Information Technology Services, Colorado Trails</b>	<b>FY 2007-08 Actual</b>	<b>FY 2008-09 Appropriation</b>	<b>FY 2009-10 Request</b>	<b>FY 2009-10 Recommendation</b>
Management	0.3	0.0	0.0	0.0
General Professionals	12.7	15.5	15.5	15.5
IT Professionals	26.1	28.5	28.5	28.5
Staff Support	3.8	4.0	4.0	4.0
<b>TOTAL</b>	<b>42.9</b>	<b>48.0</b>	<b>48.0</b>	<b>48.0</b>

***BA #49 - Trails Reduction in Contract Staff***

As part of the Executive's budget reduction package for FY 2009-10, the Department proposes a reduction of \$250,000, including \$134,975 General Fund. The reduction would result in the elimination of two contract positions, 25 percent of the current contract staff. These contractors were dedicated to open project requests for Trails enhancements. The Department believes that future software changes will involve only maintenance and correction of minor system issues.

Trails is a relatively mature system, having been in use for several years. Staff has had the opportunity to speak with users of the system on occasion, who have indicated that the system seems to do its job well. There are certain risks associated with downgrading the support staff: changes in federal requirements, for example, may require more significant changes to the Trails system than the Department anticipates in making this proposal. However, should that situation arise, it may be addressed through the normal supplemental process. **Staff recommends the Committee approve the Department's proposal.**



The Department requests an appropriation of \$9,483,993 and 48.0 FTE, including \$5,200,912 General Fund. This requests includes budget amendment #49, but does not include Committee actions taken during the FY 2008-09 supplemental process. This appears to be a simple clerical error in the Department's submission. **Staff recommends the Committee approve an appropriation of \$9,308,993 and 48.0 FTE.** Staff calculations are summarized in the following table.

<b>Summary of Personal Services and Operating Expenses Recommendation (2) Office of Information Technology Services, Colorado Trails- Department of Human Services</b>				
	<b>TOTAL</b>	<b>GF</b>	<b>FF</b>	<b>FTE</b>
Prior Year Appropriation (H.B. 08-1375, H.B. 08-1391)	9,551,829	5,237,536	4,314,293	48.0
Prior Year Salary Survey	141,607	76,454	65,153	0.0
Prior Year Performance Pay	40,557	21,897	18,660	0.0
Supplemental #21 - Mental Health Services Pilot Program	(175,000)	(175,000)	0	0.0
BA #49 - Trails Reduction in Contract Staff	(250,000)	(134,975)	(115,025)	0.0
<b>TOTAL RECOMMENDATION</b>	<b>9,308,993</b>	<b>5,025,912</b>	<b>4,283,081</b>	<b>48.0</b>

**County Financial Management System**

This line item pays for contract and operating expenses associated with maintaining the County Financial Management System (CFMS). The system tracks program 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. Funding for CFMS is used for contractual services (IT programmers) and hardware and software maintenance.

The department requests a continuation appropriation of \$1,515,836 (\$781,835 General Fund and \$734,001 federal funds from various sources) for the County Financial Management System. **Staff recommends the Committee approve the department's request.**

**Health Information Management System**

This line item pays operating and contract costs associated with maintaining the Health Information Management System. This automated system supports clinical and administrative business functions at the Mental Health Institutes, the Regional Centers for persons with developmental disabilities, and the Division of Youth Corrections' detention and institutional facilities. The system was implemented in October 1995 in response to a requirement by the federal Health Care Financing Administration for providers to itemize all services and bill Medicare under a physician fee schedule. The system includes medical records, census, billing and accounts receivable, client banking, nutrition, laboratory, pharmacy, and clinical assessment and treatment information.

The department requests a continuation level appropriation of \$339,168, including \$211,290 General Fund. **Staff recommends the Committee approve the Department's request.**

**Client Index Project**

This line item pays contract and operating costs associated with maintaining the Client Index Project. The system assures that each recipient of state benefits has a unique identifier.. Each program uploads the name, gender, date of birth, social security number, and other identifying information for any individual served, and the Index looks for other duplicate entries and assigns a unique identifier. The Index retains both this unique identifier and the identifiers assigned by each respective program's system. By maintaining a central, unduplicated listing of clients served, the Index enhances interagency coordination and cooperation, reduces data entry requirements, reduces referrals for duplicated services, reduces fraud, and provides information for program evaluations.

The Department requests an appropriation of \$162,526, including \$93,314 General Fund and 3.0 FTE. **Staff recommends the Committee approve the Department's request, which is calculated in accordance with Committee common policy decisions.** Staff's calculation is summarized in the following table.

<b>Staff Summary - CBMS Emergency Processing Unit</b>	<b>Total</b>	<b>GF</b>	<b>FF</b>	<b>FTE</b>
Previous Year Appropriation (H.B. 08-1375)	156,116	89,634	66,482	3.0
Personal Services	156,063	89,604	66,459	3.0
Operating Expenses	53	30	23	0.0
Prior Year Salary Survey	4,781	2,745	2,036	0.0
Prior Year Performance Pay	1,629	935	694	0.0
<b>Total Recommendation</b>	<b>\$162,526</b>	<b>\$93,314</b>	<b>\$69,212</b>	<b>3.0</b>

**National Aging Program Information System**

This system helps the department comply with federal reporting requirements regarding clients served through Older Americans Act programs. Funding is primarily used to purchase contract programmer services and to partially fund the cost of leasing/purchasing microcomputers for area agencies on aging (AAA's) and service providers. Federal funds are from Title III of the Older Americans Act and this grant requires a 25.0 percent match. Of the match, 66.6 percent is General Fund and 33.3 percent is cash funds (local funds).

The Department requests continuation funding of \$93,114, including \$15,526 General Fund. **Staff recommends the Committee approve the Department's request.**

### **Colorado Benefits Management System (CBMS)**

CBMS is involved in the distribution of over \$2 billion in benefits to over 500,000 individual clients annually. Each month, the system is used to process approximately 30,000 new client applications and 40,000 client reauthorizations. In addition to these client-side functions, CBMS communicates with over 100 external systems. These system-to-system interactions occur on a wide range of time scales: real-time online access, nightly batch jobs, and weekly, bi-weekly, monthly, and quarterly report generation and distribution. The external systems with which CBMS communicates include other State of Colorado systems, systems operated by other states, and federal systems.

### ***SBA #1 - CBMS FY 2009-10 Refinance***

Funding splits for the Colorado Benefits Management System (CBMS) are determined by formulas agreed to by the State and the federal agencies that provide funding. Different formulas apply during the development phase for such a system and the operational phase. Operational formulas are determined by random moment sampling (RMS) statistical techniques. These statistics make up a part of the public assistance cost allocation plan (PACAP) prepared by the State. The PACAP for each fiscal year must be formally accepted by the federal government after the year has ended. Once the PACAP is formally accepted, any overpayments made by federal agencies in the fiscal year in question must be repaid in the current fiscal year. The Committee and the General Assembly have approved a sequence of supplemental requests making such corrections. In those supplementals, increased state share has been financed using the Health Care Supplemental Appropriations and Overexpenditures account in the Tobacco Litigation Settlement Cash Fund.

In this budget amendment, the Department requests that the FY 2009-10 appropriations for the CBMS and CBMS SAS-70 Audit lines be modified to conform to the most recently accepted RMS-based formula. While this formula will probably not match the formula that will be accepted when the final RMS statistics for the complete federal fiscal year are available, it should be much closer than the development-phase formula that was used in the Department's initial budget submission. Under the RMS-based formulas developed for past years, the state's share of overall funding will be increased. Applying the same RMS methodology to the different sources of state funding that are used to finance these CBMS lines, General Fund in the Department of Human Services is increased, General Fund in the reappropriated funds transferred from the Department of Health Care Policy and Financing is increased, and the Old Age Pension Fund portion is decreased. The Department proposes to use money from the Supplemental and Overexpenditures account rather than General Fund for that increased state share.

**Staff recommends that the Committee approve the use of the RMS-based formula for calculating the financing for these CBMS lines.** The new formula should produce estimates for the proper allocation of expenses between state and federal sources that are reasonably close to the final values, which will not be known until the complete year's RMS statistics are available. This will reduce the size of the necessary supplemental requests when FY 2009-10 is "trued up". However, **staff recommends that the request to use funds from the Supplementals and Overexpenditures account be denied.** There are two reasons for this recommendation.

- Staff does not believe that the current statute allows the use of the funds in an appropriation for the next fiscal year. This situation is neither a supplemental request, nor the result of an overexpenditure. Staff believes that the intent of the account, when it was established, was to help pay the expenses incurred in correcting past CBMS "errors". This use of the moneys would not be consistent with that intent.
- The Department has settled the last of its CBMS-related Food Stamp sanction cases with the federal government. Staff has received a supplemental request **for FY 2008-09**, which has not yet been heard by the Committee, for \$2.8 million, in order that the Department can make the settlement payment. The uncommitted funds remaining in Supplementals and Overexpenditures account are adequate to cover the settlement costs, but are not adequate to cover both the settlement and the CBMS refinancing. Staff believes priority for these funds should be the settlement in the current fiscal year, a type of expense for which the account has been used before.

The Department requests a total of \$23,497,937, including \$7,488,722 net General Fund, and 47.1 FTE for the CBMS line item. The request includes \$340,895 for decision item #NP2 and \$12,975 for BA #32. BA #32 is discussed in detail in and recommended by staff in the Adult Assistance Programs division later in this packet. **Staff recommends the Committee approval \$23,157,042, including \$9,945,313 net General Fund, and 47.1 FTE for the CBMS line item for FY 2009-10.** Staff has adopted a simplified methodology for calculating the recommendation. Financing of the total appropriation is done by formula, independent of how the previous year's appropriation was financed. The upper portion of the following table shows the calculations used to determine the total recommendation for FY 2009-10. The lower portion of the table allocates the appropriation to the various funding sources using the most recent RMS-based formula developed by the Department.

<b>Staff Summary - Colorado Benefits Management System</b>		
<b>Item</b>	<b>Total Request</b>	<b>FTE</b>
Prior Year Appropriation (H.B. 08-1375, S.B. 08-6, S.B. 08-160, S.B. 08-161, H.B. 08-1046, S.B. 09-189)	25,541,065	47.1
Annualize S.B. 08-160	(41,633)	0.0
Remove One-Time Funding (S.B. 08-161)	(16,000)	0.0
Remove One-Time Funding (H.B. 08-1046)	(76,081)	0.0
Remove One-Time Funding (S.B. 09-189)	(2,500,000)	0.0
BA #32 - Remove OAP Qualifications	12,975	0.0
Prior Year Salary Survey	196,224	0.0
Prior Year Performance Pay	40,492	0.0
<b>Total</b>	<b>23,157,042</b>	<b>47.1</b>
General Fund	5,557,864	

<b>Staff Summary - Colorado Benefits Management System</b>		
<b>Item</b>	<b>Total Request</b>	<b>FTE</b>
Cash Funds	972,770	
Reappropriated Funds	8,870,305	
Federal Funds	7,756,103	
Net General Fund	9,945,313	

**CBMS SAS-70 Audit**

This line funds an on-going audit of the CBMS system. A Statement on Auditing Standards (SAS) 70 audit focuses on: (1) management policies, standards and procedures; (2) state and county staff training and subsequent adherence to standards and procedures; (3) general controls over system development, acquisition, maintenance, and change management; (4) operational controls over change management of software, logical and physical security, and contingency planning; and (5) application controls over source documents, data input, editing and processing, data output, and system access. The audit requires an assessment regarding "which functions (including reports) of the CBMS system are currently operating as intended and as necessary and which, if any, functions are not working as intended and/or as necessary."

The Department requests continuation level funding of \$149,000, including \$47,614 net General Fund. This request includes SBA #1, which staff has previously discussed and recommended against. **Staff recommends the Committee approve an appropriation of \$149,000, including \$63,992 net General Fund.** Staff's calculation uses the same allocation formula used for the CBMS line.

**CBMS Federal Reallocation**

This line was added in the Department's supplemental budget request for FY 2007-08. CBMS development and operational expenses are paid in part by federal agencies. Federal contributions during the development phase are calculated using a contractual formula. Once the system becomes operational, funding allocations are based on random moment sampling measurements of actual system usage. RMS measurements and the resulting allocations must be done for each fiscal year. The current appropriation for this line covered the necessary refinancing for FY 2005-06, FY 2006-07, and FY 2007-08. As the state has essentially "caught up" with its allocation corrections, the Department has not requested an appropriation for this line item for FY 2009-10. **Staff recommends the Committee approve the Department's request for no appropriation.** Staff notes that this line will probably be the subject of a modest supplemental request in most years in the future as the overall allocation is "trued up" once the fiscal year is complete.

**CBMS TANF Reauthorization Changes (New Line)**

This line reflects an appropriation of federal TANF funds made for a FY 2008-09 decision item. The federal reauthorization of TANF which occurred in 2006 added a number of reporting requirements for the states. This appropriation was intended to pay for necessary additions to CBMS reporting capabilities in order to meet the new federal requirements. Staff recommended, and the General

Assembly adopted, the position that the funds be shown in a separate line item, rather than in the CBMS line. The appropriation included roll-forward spending authority for FY 2009-10. As of the Department's November 1 budget submission, none of the funds appear to have been spent, and the Department is requesting that the funds be shown in the FY 2009-10 Long Bill. **Staff recommends that the Committee deny the Department's request.** The spending authority is still in place to allow expenditure of the funds in FY 2009-10.

#### **Multiuse Network Payments**

This line item supports funds the Department of Human Services' share of costs for the statewide multi-use network. The department requests \$2,282,929, which includes \$1,445,968 net General Fund. **Staff recommendation for this item is pending Committee common policy action for this line item.**

#### **Management and Administration of OIT**

In the supplemental package for FY 2008-09, the Committee approved the creation of a new centrally-appropriated line item, Management and Administration of OIT. This line item was part of a budget restructuring that converted the management and administration of the Governor's Office of Information Technology into a "fee for service" organization, funded entirely with reappropriated funds from state agencies served by that Office. The Department requests an appropriation of \$932,938, including \$737,630 net General Fund. **Staff recommendation for this item is pending Committee common policy action for this line item.**

#### **Communications Services**

This line item supports the Department of Human Services' share of the costs for the state's public safety communications infrastructure. Funds are transferred to the Governor's Office of Information Technology, the agency responsible for operations and maintenance of this program. The department requests \$163,475, including \$138,954 General Fund. **Staff recommendation for this item is pending Committee common policy action.**

### **(4) COUNTY ADMINISTRATION**

Colorado has a state-supervised but county-administered social services program. Colorado's counties have a large degree of autonomy, even when compared to other states that have decentralized systems. For example, S.B. 97-6 abolished the state-operated county merit system for employees of county social services departments. Each county was to establish a successor merit system that conformed to federal standards by January 1, 2001. As a result of this high degree of decentralization, most of the County Administration budget lines provide block transfers to the counties.

County Administration provides funding for county departments of social services to administer several programs including food stamps, adult protection, and adult assistance payment programs. Over the last several years, the responsibility for some programs has been moved out of County

Administration. Administration for child care services and child welfare services were moved following FY 1998-99. More recently, S.B. 06-219 transferred responsibility for county administration of medical assistance programs to the Department of Health Care Policy and Financing.

The County Administration line items were restructured by H.B. 08-1250. That bill replaced the County Contingency line item with the new County Tax Base Relief line item. County Contingency was intended to provide additional assistance to counties that had particularly high social services costs relative to the size of their property tax base. Due to outdated formulas, in FY 2007-08 more than 40 of Colorado's 64 counties qualified for this relief, significantly diluting the benefits. County Tax Base Relief introduced new allocation formulas so that fewer counties receive aid, and counties with the greatest needs receive proportionally more assistance. The County Tax Base Relief formulas were developed by a task force organized by the Department of Human Services, and in final polling, all 64 counties agreed to support the new formulas. The new formulas allowed the State to shift some funding from the category of state-only aid to the main County Administration line, where federal matching dollars can be earned.

### **County Administration**

The Department requests \$51,138,883, including \$20,227,939 General Fund, which reflects a continuation level of funding. **Staff recommends the Committee approve the Department's request.** Under normal fiscal conditions, this line item is often increased using the community provider rate established by the Committee as a matter of common policy, recognizing that county costs are subject to pressures that are similar to those of the community providers. However, staff is not recommending that the provider rate roll-back approved by the Committee be applied to this line item. During a recession, caseloads in the counties increase significantly: Denver has reported that Food Stamp caseloads (the Food Stamp program is a large driver of total caseload) have increased by 20 percent, and Mesa County reports that adult Medicaid and long-term care applications have increased by 58 percent, year over year. Continuation funding represents a compromise between these conflicting demands.

### **County Tax Base Relief**

The Department requests \$6,069,321 General Fund, which reflects a continuation of the original FY 2008-09 appropriation. **Staff recommends the Committee approve an appropriation of \$5,652,654 General Fund, a continuation of the final FY 2008-09 appropriation.** During assembly of the Committee's budget-balancing package for FY 2008-09, the Department's forecast for this line item showed a probable under-expenditure of about \$500,000 for the entire fiscal year. The Committee approved a decrease of \$416,667 to the original appropriation. Staff's recommendation carries that reduction forward for FY 2009-10.

### **County Share of Offsetting Revenues**

This funding reflects revenues earned by counties through child support collections, fraud refunds, state revenue intercepts, and other refunds that assist the state in meeting the maintenance of effort (MOE) for the Temporary Assistance for Needy Families (TANF) Block Grant. The Department

requests a continuation level appropriation of \$3,789,313 cash funds. **Staff recommends that the Committee approve the Department's request.** Staff will discuss the status of the TANF maintenance of effort in greater detail below.

### **County Incentive Payments**

Section 26-13-108, C.R.S., provides that when child support enforcement payments are collected on behalf of custodial parents who have received public assistance, such amounts may be used to reimburse public assistance paid in accordance with federal law. Funding in this line reflects revenues earned by the state through child support collections, fraud refunds, state revenue intercepts, and other refunds that assist the state in meeting the maintenance of effort (MOE) for the Temporary Assistance for Needy Families (TANF) Block Grant. The Department requests a continuation level appropriation of \$5,584,361 cash funds. **Staff recommends that the Committee approve the Department's request.**

## **(7) OFFICE OF SELF SUFFICIENCY**

### **(A) Administration**

The Office of Self Sufficiency's Administration section is responsible for the oversight of the the Colorado Works Program, the Special Purpose Welfare Programs (Low Income Energy Assistance Program, Food Stamp Job Search, Food Distribution, Low-Income Telephone Assistance Program, Income Tax Offset, Electronic Benefits Transfer Service, Refugee Assistance, and Systematic Alien Verification for Eligibility), Child Support Enforcement, and Disability Determination Services. The Administration section is funded entirely with General Fund and federal funds, so there is no effect from the reappropriated funds format change.

### ***DI #25 - Destroy Obsolete Forms***

The Department requests \$25,460 in additional spending authority (remaining Food Stamp bonus moneys from federal FY 2003-04) to cover the costs of destroying obsolete forms. These three forms are currently inventoried by the State Forms Warehouse, operated by the Department of Personnel and Administration, but are no longer required due to the implementation of the Colorado Benefits Management System. When agencies remove forms from the Warehouse, they are normally charged the actual cost of printing the forms, plus a 34 percent markup. The Department has reached an agreement with the Warehouse to dispose of the unneeded forms for cost plus 10 percent in order to remove them from the inventory. **Staff recommends the Committee approve the Department's request.**

### **Personal Services**

This line item supports the base salary, state PERA contributions, and contracts the division management uses for administrative oversight of its programs. Support for the Colorado Works program was moved from this line to the Colorado Works section of the budget in FY 2006-07. The staffing summary for this line is shown in the table below. In FY 2007-08, 3.0 FTE were added to provide additional oversight of counties' administration of the Food Stamps program.



<b>Staffing Summary - (7) Office of Self Sufficiency - Administration, Personal Services</b>	<b>FY 2007-08 Actual</b>	<b>FY 2008-09 Appropriation</b>	<b>FY 2009-10 Request</b>	<b>FY 2009-10 Recommendation</b>
Management	2.8	4.0	4.0	4.0
General Professional	13.1	15.6	15.6	15.6
Support Staff	2.4	2.4	2.4	2.4
<b>TOTAL</b>	<b>18.3</b>	<b>22.0</b>	<b>22.0</b>	<b>22.0</b>

The Department has requested \$1,728,161 including \$744,601 General Fund, and 22.0 FTE for this line item. **Staff recommends an appropriation of \$1,728,161 and 22.0 FTE calculated in accordance with Committee common policy.** The following table summarizes staff's calculation of this amount.

<b>Staff Summary - (7) Office of Self Sufficiency (A) Administration, Personal Services</b>	<b>Total</b>	<b>GF</b>	<b>FF</b>	<b>FTE</b>
Prior Year Appropriation (H.B. 08-1375)	1,474,606	577,517	897,089	22.0
Prior Year Salary Survey	62,862	62,862	0	0.0
Prior Year Performance Pay	17,751	17,751	0	0.0
Restore Hiring Freeze Savings	172,942	86,471	86,471	0.0
<b>Total Recommendation</b>	<b>\$1,728,161</b>	<b>\$744,601</b>	<b>\$983,560</b>	<b>22.0</b>

### **Operating Expenses**

The Department requests an appropriation of \$103,297, including \$54,361 General Fund. **Staff recommends the Committee approve an appropriation of \$102,616.** Staff's calculation is summarized in the following table, and includes DI #25 (Destroy Obsolete Forms), for which staff has previously recommended Committee approval.

<b>Staff Summary - (7) Office of Self Sufficiency (A) Administration, Operating Expenses</b>	<b>Total</b>	<b>GF</b>	<b>CF</b>	<b>FF</b>
Prior Year Appropriation	10,159,196	53,884	10,082,040	23,272
Long Bill (H.B. 08-1375)	77,156	53,884	0	23,272
FY 2004-05 Food Stamp Sanction Supplemental	10,082,040	0	10,082,040	0
Annualize Food Stamp Sanction	(10,082,040)	0	(10,082,040)	0
DI #25 - Destroy Obsolete Forms	25,460	0	0	25,460
<b>Total Recommendation</b>	<b>102,616</b>	<b>53,884</b>	<b>0</b>	<b>48,732</b>

**(7) OFFICE OF SELF SUFFICIENCY**  
**(B) Colorado Works Program**

The Colorado Works Program implements the federal Temporary Assistance for Needy Families (TANF) program. Colorado Works supervises administration of TANF programs delivered at the county level. TANF provides cash assistance benefits and other support services to eligible families to assist these families in finding and retaining employment.

*TANF Maintenance of Effort.* Federal welfare reform legislation required states to maintain a certain level of spending on TANF programs (called a maintenance of effort or "MOE") based on historic spending on the predecessor programs. The *minimum* federal TANF MOE required for a state to receive its full TANF block grant is equal to 80 percent of the amount a state spent on TANF programs in federal FY 1993-94; for Colorado, the federal TANF MOE is \$88.4 million annually. If a state does not comply with the federal TANF MOE requirement, the state's TANF grant in the following fiscal year would decrease by the amount of the shortfall and the state's TANF MOE would be increased for the following year by the amount of the shortfall. Thus, if a state does not address the shortfall it will continue to lose federal dollars each year and the state's TANF MOE will continue to increase each year.

Primarily, expenditures for the Works Program, for certain child welfare services, for the Child Care Assistance Program, and for the Low Income Energy Assistance Program (LEAP) may be counted toward the TANF MOE. Colorado's MOE obligation is a shared responsibility of the state and counties. The following table itemizes estimates for all of the spending that counts towards the TANF MOE. Measurements are done on the basis of federal fiscal years. House Bill 08-1398 reduced state funds available for low-income energy assistance. The Department has proposed a series of budget amendments which reduce General Fund appropriations in various areas that also reduce state MOE spending. If implemented, those budget amendments leave an estimated "cushion" of \$11.6 million for FFY 2010.

<b>TANF MOE Sources</b>			
<b>MOE Source</b>	<b>FFY 2009</b>	<b>FFY 2010</b>	<b>Comment</b>
<b>Child Welfare</b>			
Child Welfare Services Line	20,117,726	17,447,584	Department BA-43
Family and Children's Programs (Core)	7,093,184	0	Department BA-36
<b>Colorado Works</b>			
County Share of Block Grant	21,638,638	21,638,638	
General Fund in County Block Grant Line SFY 2009	405,504	0	Department BA-40
<b>Child Care</b>			
Child Care MOE	8,985,900	8,985,900	

<b>TANF MOE Sources</b>			
<b>MOE Source</b>	<b>FFY 2009</b>	<b>FFY 2010</b>	<b>Comment</b>
County Share of Admin Costs in CCCAP	845,511	845,511	
<b>State Administration</b>			
General Fund Expenditures on MOE Grant	2,124,841	2,124,841	
General Fund Used to Match TANF Dollars	1,709,403	1,709,403	
<b>Nurse Home Visitor Program (Dept of Public Health and Environment)</b>			
General Fund Expenditures	5,816,686	5,816,686	
<b>Department of Education</b>			
GF Spent on Colorado Preschool Program (CPP) (185% of FPL and below)	14,773,618	14,773,618	
GF Spent on (CPP) for Households up to \$75K (Direct Costs)	16,109,264	16,109,264	
<b>Low Income Energy Assistance Program</b>			
TANF MOE Eligible Expenditures	2,150,000	2,150,000	
Additional Funding From Severance Tax Fund	5,950,000	3,250,000	H.B. 08-1398
<b>Tax Credits</b>			
Per Child Tax Credits	13,897	13,897	
Child Care Tax Credit	4,109,463	4,109,463	
Earned Income Tax Credit	5,883	5,883	
<b>IV-E Reimbursements Cash Fund</b>			
County MOE Expenditures	1,002,118	1,000,000	
County Expenditures for TANF Clients	13,688	13,688	
<b>Total</b>	<b>112,865,324</b>	<b>99,994,376</b>	
MOE Requirement	88,395,624	88,395,624	
<b>Surplus/(Deficit)</b>	<b>24,469,700</b>	<b>11,598,752</b>	

Source: Department of Human Services.

*Federal Stimulus Package.* The federal stimulus package includes additional funding for TANF, as well as changes in a variety of the federal rules. The Department has not yet completed its analysis of the additional funds for which Colorado may be eligible. Some of the relevant discussion is given here.

- TANF supplemental grants are extended through FFY 2010. Colorado received a supplemental grant in FFY 2008, and may be eligible under this extension.

- A newly created emergency contingency fund is available to states that have experienced sufficiently large caseload increases in the past two year. Colorado's TANF caseload history is such that it may not be eligible for such funds until later in the year. In addition, increases in federal funding for Colorado in this area may be quite modest; perhaps less than a million dollars in SFY 2008-09.
- As mentioned above, for some of its internal calculations, the Department has estimated that Colorado could receive an additional \$10.0 million in SFY 2009-10.

*Long Term Reserves.* The Department has recently provided staff with an analysis of the Colorado Works long-term reserve balance. The estimated long-term reserve balance for the end of state FY 2008-09 is estimated to be \$38.8 million. There are a lot of assumptions made in the analysis, which staff needs to explore in greater detail. However, assuming that the federal TANF block grants remain at the current level, that Colorado receives \$10.0 million in total additional grants through the federal stimulus package, and that statewide Colorado Works spending continues at the rate currently estimated for FY 2008-09, the reserve balance is projected to reach zero in July 2011 or thereabouts. While not an issue of immediate concern, this result does suggest that the state may have to make adjustments to the Colorado Works program in the next few years.

*Allocation of Funds Among Counties.* Pursuant to Section 26-2-714 (2), C.R.S., the department is authorized to adjust a county's block grant of state and federal funds for the Works Program. The department is to make such adjustments based on input from the Works Allocation Committee<sup>1</sup>, and based on various factors including: (1) a county's population and that county's Works Program caseload; (2) a county's unemployment rate as determined by the Department of Labor and Employment for the prior year; a county's performance in meeting obligations under its Works Program performance "contract" with the department; a county's failure to maintain a certain level of spending on the Works Program; whether that a county received funds from the Short-term Works Emergency Fund for Works Program expenditures; and other factors that directly affect the population of needy families in a county. The Department is explicitly forbidden from considering the level of a county's reserve balance in determining allocations. During the last few years, the counties have accumulated substantial reserves of TANF spending authority. Senate Bill 08-177 changed the reserve rules, and requires the counties to either spend down their reserves or remit excess balances to the state. The process of spending down reserves will be accelerated because, under authority granted by S.B. 08-177, the State Board of Human Services has increased the basic cash assistance grant about by 30 percent.

### **Colorado Works Administration**

In FY 2006-07, the administrative costs associated with the Colorado Works Program were placed in this separate line item, rather than being included in the overall administration line for the Division.

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<sup>1</sup> The Works Allocation Committee consists of seven members, including five appointed by Colorado Counties, Inc. (CCI) and two appointed by the Department. If CCI does not appoint a representative of the county with the greatest percentage of the state's caseload (i.e., Denver), the department is required to do so.

<b>Staffing Summary - (7) Office of Self Sufficiency - Colorado Works Administration</b>	<b>FY 2007-08 Actual</b>	<b>FY 2008-09 Appropriation</b>	<b>FY 2009-10 Request</b>	<b>FY 2009-10 Recommendation</b>
Management	1.0	1.0	1.0	1.0
General Professional	11.1	14.6	15.0	15.0
Staff Support	2.0	3.4	3.0	3.0
<b>Total</b>	<b>14.1</b>	<b>19.0</b>	<b>19.0</b>	<b>19.0</b>

For the Colorado Works Administration line, the Department requests an appropriation of \$1,552,298 federal funds and 19.0 FTE. **Staff recommends the Committee approve an appropriation of \$1,552,204 federal funds and 19.0 FTE.** Staff's calculation, which conforms to Committee common policy decisions, is shown in the following table. The difference in the two amounts is DI #NP2.

<b>Staff Summary - (7) Office of Self Sufficiency (B) Colorado Works Program - Colorado Works Administration</b>	<b>Federal Funds</b>	<b>FTE</b>
Prior Year Appropriation (H.B. 08-1375, S.B. 08-177)	\$1,495,094	19.0
Prior Year Salary Survey	44,448	0.0
Prior Year Performance Pay	12,662	0.0
<b>Total Recommendation</b>	<b>1,552,204</b>	<b>19.0</b>

### **County Block Grants**

This line item provides funding to county departments of social services to administer the Colorado Works Program. Counties have the flexibility to use the funds for administration or program needs. The line item is funded with federal Temporary Assistance for Needy Families (TANF) funds, state funds, and local funds.

### ***BA-36 Refinance Core Programs***

The Department requests a refinancing of the Child Welfare Core services by replacing \$9.5 million General Fund with \$9.5 million federal TANF funds, taken from the County Block Grants. The Child Welfare aspects of this request are discussed in a separate packet. The following discussion focuses on the potential issues raised by this use of TANF funds.

- This appears to be an allowable use of TANF funds. The federal TANF statutes are quite broad, and allow states a large degree of flexibility in the use of TANF funds to meet the four goals of the TANF program, which include assisting needy families so that children can be cared for in their own homes. Staff believes that use of TANF funds proposed in the budget amendment is also aligned with the Colorado Works state plan.

- As described above, this budget amendment will decrease the spending of state dollars that count towards Colorado's TANF MOE. However, the reduction, even in combination with other budget amendments, leaves Colorado with an \$11.6 million estimated expenditure above the minimum requirement. Staff believes that this request does not put the state at risk of failing to meet the MOE requirement.
- This budget amendment would reduce the total County Block Grant amount by \$9.5 million. At the end of FY 2007-08, following the various adjustments allowed to the counties, the total county reserve balances increased by \$10.8 million to \$90.6 million. The \$9.5 million decrease would not appear to put excessive demands on the counties *as a group* for FY 2009-10. However, reserves are not uniformly distributed, and the Department is not allowed to consider a county's reserve balance in setting the county's allocation. Some counties that have no reserves will be unable to make up for the smaller block grant they receive without spending county funds.
- Staff has considered sources for TANF funds other than the county block grants. As discussed above, while the long-term reserve balance would be sufficient to cover the \$9.5 million, this would accelerate the downward trend in long-term reserve balance discussed above. The Department has estimated that the counties will, collectively, remit approximately \$9.9 million from their reserve accounts at the end of FY 2008-09. As this "burden" falls only on counties with excess reserves, it appears to be a better source for the \$9.5 million TANF dollars needed in FY 2008-09.

**Staff recommends that the Committee deny the Department's request to decrease the county block grants**, with the intent that the Department use county remittances instead. If it becomes clear that the remittances will not reach \$9.5 million, the Department may seek relief through the normal supplemental process.

#### ***BA-40 Withhold General Fund Portion County Block Grants***

The Department proposes to withhold the General Fund portion of the County Block Grant for FY 2009-10 and FY 2010-11. This would reduce the amount the counties receive by \$405,504. Even combined with budget amendment #36 described above, the total reduction in county block grants would be less than the increase in county reserve balances at the beginning of the current fiscal year. As before, staff does not believe the reduction will place an undue burden on the counties, nor will it put the state at significant risk of failing to meet the TANF MOE requirement. **Staff recommends that the Committee approve the Department's request for budget amendment #40.**

The Department requests an appropriation of \$142,036,158, including \$22,823,033 cash funds (local funds), and \$119,213,135 federal funds (TANF). The request includes budget amendments #36 and #40; staff has recommended the Committee deny #36 and approve #40. **Staff recommends that the Committee approve an appropriation of \$151,536,168, including \$128,71,135 federal funds (TANF).**

### **Reimbursement to Counties for Prior Year Expenditures Due to Reduction in Federal Maintenance of Effort Requirements**

This line item provides spending authority for the Department to reimburse counties when the state is notified that its federally required TANF MOE has been reduced based on the state meeting specified work participation rates. Pursuant to Section 26-2-714 (10), C.R.S.:

"If the state meets federal work participation rates and qualifies for a percent reduction in the state's maintenance of effort as specified in federal law for any year, the actual spending level for the works program of all counties collectively shall be reduced by the same amount as the amount of the reduction in the federal maintenance of effort requirement."<sup>2</sup>

In order to allow counties to benefit from the TANF MOE reduction should the state learn that it has met the federal work participation rate requirement for FFY 2007-08, the department requests spending authority to utilize TANF funds to repay counties for prior year Works Program expenditures. Counties would be allowed to spend the federal funds as they wish. The assumption underlying this proposal is that if counties' required spending had been decreased in FFY 2007-08 by the amount of the reduction in the federal TANF MOE, counties' would have spent less in county funds and more in federal TANF funds. The Department requests an appropriation of \$5,524,726 federal TANF funds. This is the standard annual request. **Staff recommends that the Committee approve the Department's request.**

### **County Block Grant Support Fund**

Senate Bill 08-177 renamed the Short-term Works Emergency Fund. This fund is intended to insure that the Department could deal with emergencies in a timely fashion, independent of whether or not the General Assembly was in session. The emergencies that the fund is intended to deal with would involve county funding shortfalls. The Department requests a continuation level of funding of \$1,000,000 federal funds (TANF). **Staff recommends the Committee approve the Department's request.**

### **County Reserve Accounts**

Pursuant to Section 26-2-714 (5) (a), C.R.S., counties are authorized to maintain a County Reserve Account of unspent Works Program county block grant funds. The actual amount is not known until the State closes its books at the end of the each fiscal year. In additions, the counties are allowed to make transfers in and out of their reserve account for a brief period after the end of the fiscal year. This line is the subject of an annual supplemental request made after the year-end amount is known. The department requests a continuation level of funding of \$90,609,365 federal funds (TANF) for this line item. **Staff recommends that the Committee approve the Department's request.**

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<sup>2</sup> Note that this same provision charges the Works Allocation Committee with determining each county's share of the reduction in actual spending levels. In the event that the Works Allocation Committee does not reach an agreement on each individual county's reduction in actual spending levels, it is required to submit alternatives to the Joint Budget Committee and the JBC would identify each individual county's share of the reduction.

### **County Training**

Pursuant to Section 26-2-712 (7), C.R.S., the Department is to develop training for case workers "so that they are knowledgeable and may assist participants in: (a) identifying goals, including work activities, time frames for achieving self-sufficiency, and the means required to meet these benchmarks; (b) obtaining supportive services such as mental health counseling, substance abuse counseling, life skills training, and money management or parenting classes; (c) utilizing the family's existing strengths; (d) providing ongoing support and assistance to the family in overcoming barriers to training and employment; (e) monitoring the progress of the family toward attaining self-sufficiency"; and (f) proper handling of domestic violence situations.

The Department requests \$592,534 and 2.0 FTE for this line. **Staff recommends the Committee approve an appropriation of \$592,314 and 2.0 FTE, calculated in accordance with Committee common policy decisions.** Staff's calculation is summarized in the following table. The difference between the request and the recommendation is DI #NP2.

<b>Staff Summary - (7) Office of Self Sufficiency (B) Colorado Works Program - County Training</b>	<b>FF</b>	<b>FTE</b>
Prior Year Appropriation (H.B. 08-1375)	584,917	2.0
Personal Services	286,428	2.0
Operating Expenses	298,489	0.0
Prior Year Salary Survey	5,759	0.0
Prior Year Performance Pay	1,638	0.0
<b>Total Recommendation</b>	<b>592,314</b>	<b>2.0</b>

### **Domestic Abuse Program**

Pursuant to Section 26-7.5-101 et seq., C.R.S., moneys are appropriated from the Colorado Domestic Abuse Program Fund (Section 26-7.5-105 (3), C.R.S.) to the department to encourage local governments and non-governmental agencies to develop domestic abuse programs. This line item provides spending authority out of the Colorado Domestic Abuse Program Fund for distribution to local entities as well as for the department's related administrative expenses. This fund consists of taxpayer contributions (through a check-off on Colorado individual income tax returns) and appropriations from the General Assembly.

The Department requests an appropriation for FY 2009-10 of \$990,807 and 2.0 FTE for this line that includes \$330,983 from that fund. Current revenue forecasts and fund reserves are sufficient to cover that appropriation. **Staff recommends the Committee approve an appropriation of \$990,535, including \$330,711 from the Domestic Abuse Program Fund, and 2.0 FTE.** This recommendation is calculated in accordance with Committee common policy. Staff's calculation is summarized in the following table. The difference between the request and the recommendation is DI #NP2.



<b>Staff Summary - Domestic Abuse Program</b>	<b>Total</b>	<b>CF</b>	<b>FF</b>	<b>FTE</b>
Previous Year Appropriation	983,617	330,711	652,906	2.0
Personal Services	248,466	83,539	164,927	2.0
Operating Expenses	735,151	247,172	487,979	0.0
Prior Year Salary Survey	5,384	0	5,384	0.0
Prior Year Performance Pay	1,534	0	1,534	0.0
<b>Total Recommendation</b>	<b>\$990,535</b>	<b>\$330,711</b>	<b>\$659,824</b>	<b>2.0</b>

### **Works Program Evaluation**

Pursuant to Section 26-2-723, C.R.S. the department has been required, with input from an independent advisory committee established in Section 26-2-723 (4), C.R.S., to oversee an annual evaluation of the Works Program. Under current statute, this section will be repealed effective July 1, 2009.

### ***DI #23 - Colorado Works Program Evaluation***

The Department has been required by statute (Section 26-2-723, C.R.S.) to perform an annual evaluation of the Colorado Works program, with input from an independent advisory committee. This statutory requirement is repealed effective July 1, 2009. The Department states that they believe an ongoing evaluation will be important to the program's success, but that the evaluation model described in the statute is no longer appropriate. The evaluation program was established in S.B. 98-185 for five years for a newly enacted program. The evaluation program was extended by H.B. 04-1030. After 11 years, Colorado Works is a more mature program and a new evaluation model may be more appropriate.

When the evaluation program began, the annual appropriation was \$1.5 million. This was decreased to \$500,000 when the evaluation program was extended in 2004. The Department proposes to run a more focused evaluation program, examining specific ways in which Colorado Works could be more effective, and requiring \$350,000 per year. Examples provided by the Department of the types of more narrow questions which they suggest are appropriate include:

- The impacts of S.B. 08-177 on county reserves;
- Issues that result from the Department's increased quality control case file reviews;
- Identification of specific effect work participation strategies used by counties; and
- Evaluating projects funded with the new Statewide Strategic Use Fund created by S.B. 08-177.

While the state and counties have become more experienced with Colorado Works, the program continues to evolve. Staff believes that an ongoing evaluation effort should be a part of the program.

The Department requests \$350,029 federal funds. **Staff recommends the Committee approve an appropriation of \$350,000 federal funds (TANF). In addition, staff recommends the**

**Committee request that the Department provide an annual report describing the questions posed, the answers that result, and the methods used in the evaluation.** Specific language is recommended in the "Footnotes and Requests for Information" section of this packet. The difference between the request and the recommendation is decision item #NP2.

### **Workforce Development Council**

This line item represents the Department's share of funding for the Workforce Development Council in the Department of Labor. The Council serves as the state's "work force investment board" as required under the federal *Workforce Investment Act of 1998*, and is responsible for statewide planning and coordination in the delivery of federal workforce development programs and associated federal block grant moneys received. In this regard, the Council is required to develop and submit to the U.S. Department of Labor a statewide plan for workforce development which coordinates federal, state, and local workforce development programs. The Council performs support functions and activities related to the eighteen workforce development centers throughout the state, which provide services to individuals seeking employment (including TANF participants).

Funding for the Council is to come from administrative moneys from several federal programs delineated in federal law; the allocation of federal funds is determined annually by the Office of State Planning and Budgeting (OSPB). The Department is requesting a continuation level appropriation of \$105,007 in federal spending authority in FY 2009-10. **Staff recommends that the Committee approve the Department's request.**

### **Promoting Responsible Fatherhood Grant**

This line includes the appropriations for the Promoting Responsible Fatherhood Grant the Department receives from the federal government. This is a multi-year grant, which the state first received in FY 2008-09. The state receives \$2.0 million in federal funds for this line, and must provide matching dollars so that the state share is 10.0 percent. The Department requests an appropriation of \$2,222,222, including \$222,222 General Fund. **Staff recommends the Committee approve the Department's request.**

### **Colorado Works Program Maintenance Fund**

This line was created by S.B. 08-177. The fund was created to allow the Department to respond to emergencies or other unforeseen circumstances at both the state and county level. The Department requests a continuation level appropriation of \$3,000,000 federal TANF funds. **Staff recommends the Committee approve the Department's request.**

### **Colorado Works Statewide Strategic Use Fund**

This line was created by S.B. 08-177. Pursuant to Section 26-2-721.7, C.R.S., the fund is to be used to support initiatives and programs that meet one of the four purposes of the federal TANF program. An advisory committee that includes: representatives of the Department and the Department of Public Health and Environment; Colorado counties; and advocates for participants in the Colorado Works program, early childhood development, child welfare, community colleges, workforce development and mental health. The Department requests a continuation level appropriation of

\$10,000,000 federal TANF funds. **Staff recommends the Committee approve the Department's request.**

**(7) OFFICE OF SELF SUFFICIENCY  
(C) Special Purpose Welfare Programs**

**(1) Low Income Energy Assistance Program**

This program provides energy subsidies to low income households. "Low income" for this program is defined relative to the federal poverty level. Staffing patterns for the program are summarized in the table below.

<b>Low Income Energy Assistance Program - Staffing Summary</b>	<b>FY 2007-08 Actual</b>	<b>FY 2008-09 Appropriation</b>	<b>FY 2009-10 Request</b>	<b>FY 2009-10 Recommendation</b>
General Professional	3.9	5.0	5.0	5.0
IT Professional	1.0	1.0	1.0	1.0
Staff Support	0.1	0.6	0.6	0.6
<b>Total</b>	<b>5.0</b>	<b>6.6</b>	<b>6.6</b>	<b>6.6</b>

House Bill 08-1387 made significant changes in the way that funds in the Operational Account of the Severance Tax Trust Fund are handled. Prior to its passage, the Long Bill appropriated moneys from the account to provide state funding for the Low Income Energy Assistance Program. After its passage, \$13.0 million is allocated between this program, an energy assistance program in the Governor's Office, and for Energy Outreach Colorado. In years in which the Operational Account has sufficient moneys to support the full amount of the transfers, \$3.25 million goes to this program. The amount is paid in three installments spread over the course of the fiscal year. No appropriation of the transfer amount is required.

The Department requests an appropriation of \$33,795,980 and 6.6 FTE, including \$2,149,832 reappropriated funds, and \$31,646,148 federal funds. **Staff recommends the Committee approve an appropriation of \$33,762,814 and 6.6 FTE calculated in accordance with Committee common policy.** A summary of staff's calculation of this amount is shown in the following table. The difference between request and recommendation is decision item #NP2.

<b>Summary of Staff Calculation Low Income Energy Assistance Program</b>					
<b>Item</b>	<b>Total</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>FTE</b>
Prior Year Appropriation	33,742,345	0	2,149,832	31,592,513	6.6
H.B. 08-1375	39,692,345	5,950,000	2,149,832	31,592,513	6.6
H.B. 08-1387	(5,950,000)	(5,950,000)	0	0	0.0
Prior Year Salary Survey	15,923	0	0	15,923	0.0

Summary of Staff Calculation Low Income Energy Assistance Program					
Item	Total	CF	RF	FF	FTE
Prior Year Performance Pay	4,546	0	0	4,546	0.0
<b>Total</b>	<b>33,762,814</b>	<b>0</b>	<b>2,149,832</b>	<b>31,612,982</b>	<b>6.6</b>

## (2) Food Stamp Job Search Units

### Program Costs

This program provides employment, job search and training services to food stamp recipients. Able-bodied Food Stamp recipients, ages 18 to 60, without dependent children, must meet a work requirement in order to remain eligible for Food Stamps. If they do not meet the work requirement, these individuals are limited to 3 months of Food Stamp benefits in any 36-month period. Work is defined as work, workfare or an educational activity (adult basic education, GED preparation, college courses, vocational training, vocational rehabilitation, or job search classes). Staffing patterns for the program are presented in the table below.

Food Stamp Job Search Units - Staffing Summary	FY 2007-08 Actual	FY 2008-09 Appropriation	FY 2009-10 Request	FY 2009-10 Recommendation
General Professional	5.6	5.0	5.0	5.0
Staff Support	0.2	1.2	1.2	1.2
Temporary	0.1	0.0	0.0	0.0
<b>Total</b>	<b>5.9</b>	<b>6.2</b>	<b>6.2</b>	<b>6.2</b>

The Department requests \$2,067,077, including \$182,568 General Fund, and 6.2 FTE for FY 2009-10. The appropriation is comprised of several funding sources. Federal funds are Food Stamp moneys from the U.S. Department of Agriculture. A portion of the program earns a 50.0 percent federal match based on state administrative activities while other areas can earn 100.0 percent federal money. Local funds include a 20.0 percent share for eligible activities. **Staff recommends the Committee approve the Department's request, which is calculated in accordance with Committee common policy actions.** Staff's recommendation is summarized below.

Summary of Staff Calculation Department of Human Services - Food Stamp Job Search Units Program Costs					
	TOTAL	GF	CF	FF	FTE
Prior Year Appropriation (H.B. 08-1375)	2,023,480	171,002	409,382	1,463,562	6.2
Personal Services	448,851	39,264	94,000	336,053	6.2
Operating Expenses	1,574,629	131,738	315,382	1,127,509	0.0
Prior Year Salary Survey	17,999	9,000	0	8,999	0.0
Prior Year Performance Pay	5,132	2,566	0	2,566	0.0

Summary of Staff Calculation Department of Human Services - Food Stamp Job Search Units Program Costs					
	TOTAL	GF	CF	FF	FTE
<b>Total</b>	<b>2,067,077</b>	<b>182,568</b>	<b>409,382</b>	<b>1,475,127</b>	<b>6.2</b>

### **Supportive Services**

This line item contains funding for the provision of supportive services to eligible Employment First participants. Such services may include transportation assistance, clothing and grooming allowances and child care services. The department requests continuation level funding of \$261,452, including \$78,435 General Fund. **Staff recommends the Committee approve the department's request for this line item.**

### **(3) Food Distribution Program**

This program administers the distribution of foods from the U.S. Department of Agriculture (USDA) to eligible recipient agencies, which maintain and enhance nutritional needs of the populations served. Agencies include schools, child care centers, local jails, nutrition programs for the elderly and the Department of Corrections. Staffing levels for the program are shown in the table below.

Food Distribution Program Staffing Summary	FY 2007-08 Actual	FY 2008-09 Appropriation	FY 2009-10 Request	FY 2009-10 Recommendation
Management	0.1	1.0	1.0	1.0
General Professional	4.6	4.0	4.0	4.0
Staff Support	1.6	1.5	1.5	1.5
<b>Total</b>	<b>6.3</b>	<b>6.5</b>	<b>6.5</b>	<b>6.5</b>

The Department request is for \$574,605 and 6.5 FTE, including \$46,752 General Fund. **Staff recommends the Committee approve an appropriation of \$574,528 and 6.5 FTE calculated in accordance with Committee common policy.** A summary of staff's calculation is shown in the following table. The difference between request and recommendation is decision item #NP2.

Summary of Staff Recommendation Food Distribution Programs - Department of Human Services					
	TOTAL	GF	CF	FF	FTE
Prior Year Appropriation (H.B. 08-1375)	551,499	44,591	237,050	269,858	6.5
Personal Services	470,495	38,041	202,232	230,222	6.5
Operating Expenses	81,004	6,550	34,818	39,636	0.0
Prior Year Salary Survey	17,972	1,687	7,768	8,517	0.0
Prior Year Performance Pay	5,057	474	2,186	2,397	0.0

Summary of Staff Recommendation Food Distribution Programs - Department of Human Services					
	TOTAL	GF	CF	FF	FTE
<b>TOTAL Recommendation</b>	<b>574,528</b>	<b>46,752</b>	<b>247,004</b>	<b>280,772</b>	<b>6.5</b>

**(4) Low-Income Telephone Assistance Program**

This program provides financial assistance to low-income households to maintain basic telephone service. This line item funds the administrative costs associated with the program. Pursuant to Section 40-3.4-105, C.R.S., eligibility is determined by the Department of Human Services for those individuals receiving assistance through the Old Age Pension, Aid to the Blind, Aid to the Needy Disabled, or low income, disabled individuals who qualify for supplemental security income. The program is funded through a telephone surcharge assessed on telephone customers statewide. The Public Utilities Commission (Department of Regulatory Agencies) oversees the uniform charge to each business and individual line (government and eligible individuals are exempt). The General Assembly appropriates from the fund for the direct and indirect costs of administering the program in the Department of Human Services.

The Department request is for \$79,685 cash funds (Low-income Telephone Assistance Fund) and 1.1 FTE, which includes decision item #NP2. **Staff recommends the Committee approve an appropriation of \$79,507 and 1.1 FTE, calculated in accordance with Committee common policy.** Staff's calculation is summarized in the following table.

Summary of Staff Calculation Department of Human Services, Low Income Telephone Assistance		
	Cash Funds	FTE
Prior Year Appropriation (H.B. 08-1375)	77,801	1.1
Personal Services	69,456	1.1
Operating Expenses	8,345	0.0
Prior Year Salary Survey	1,272	0.0
Prior Year Performance Pay	434	0.0
<b>Total Recommendation</b>	<b>79,507</b>	<b>1.1</b>

**(5) Income Tax Offset**

Section 26-2-133, C.R.S., directs the Department of Human Services to submit information regarding individuals who are obligated to the state for overpayments of assistance payments. This appropriation covers the operational costs associated with matching Food Stamp program lists of overpaid recipients with Department of Revenue data in order to intercept corresponding income tax refunds. For the Food Stamps program, the administrative activities are funded with 50 percent General Fund and 50 percent federal funds. The department requests a continuation level

appropriation of \$4,128, including \$2,064 General Fund. **Staff recommends that the Committee approve the Department's request.**

**(6) Electronic Benefits Transfer Service**

Colorado's electronic benefits transfer system (EBTS) delivers Food Stamp, Works Program, Old Age Pension, Aid to the Needy Disabled, Child Welfare, Child Care, and Low Income Energy Assistance benefits. The EBTS replaced the paper-based system of checks and Food Stamp coupons. The Department does not operate the service itself, but contracts with a vendor in the financial services industry. In July 1996, the Department contracted with Citibank to operate the system. The contract was re-bid in 2003 with Citibank Electronic Financial Services again the winner. In January 2004 JP Morgan Electronic Financial Services purchased Citibank's EFS division. EBTS has been in operation statewide since February 1998. The staffing history of this program is summarized in the table below.

<b>Electronic Benefits Transfer - Staffing Summary</b>	<b>FY 2007-08 Actual</b>	<b>FY 2008-09 Appropriation</b>	<b>FY 2009-10 Request</b>	<b>FY 2009-10 Recommendation</b>
General Professional	2.0	2.0	4.0	4.0
Specialist	1.5	2.0	2.0	2.0
Staff Support	1.4	1.0	1.0	1.0
<b>Total</b>	<b>4.9</b>	<b>5.0</b>	<b>7.0</b>	<b>7.0</b>

***DI #11 - Establish EBT Fraud Investigation Unit***

In June 2008, an audit by the federal Department of Agriculture cited Colorado for two weaknesses in its electronic benefits transfer (EBT) system. The first citation was the failure of the state to establish a state-level fraud detection unit to identify illegal exchanges of Food Assistance benefits for cash, and the second was the failure to properly monitor management reports provided by the vendor of the system. If the state does not comply with the federal requirements, it risks having federal administrative funds suspended or disallowed. About \$1.2 million in federal funding, primarily Food Stamp Administration funding, would be at risk. State participation in the federal nutrition assistance programs is mandatory; if federal administration funds are withheld, the state will have to replace the funds with state dollars.

The Department requests \$112,981 (including \$54,318 General Fund) and 2.0 FTE to create an EBT fraud investigation unit. The new unit will:

- Monitor, analyze and evaluate EBT system management reports provided by the system vendor;
- Implement and maintain fraud detection and prevention policies, procedures, and controls;
- Review and monitor counties' processors and procedures;
- Develop and implement automated tools to identify potential fraud cases; and

- Work with other agencies such as the State Auditor's Office and the Colorado Welfare Fraud Council.

Staff has reviewed the Department's estimates of the amount of work to be performed by the unit, and concurs with the cost and FTE estimates. **Staff recommends the Committee approve the Department's request for \$112,981 and 2.0 FTE.**

The Department requests an appropriation of \$3,334,903, including \$893,936 General Fund, and 7.0 FTE. This request includes DI #11, for the electronic benefits transfer fraud investigation unit. **Staff recommends the Committee approve an appropriation of \$3,334,716 and 7.0 FTE, calculated in accordance with Committee common policy.** Staff's calculation is summarized in the following table, and includes DI #11 which staff has previously recommended.

Summary of Staff Calculation Department of Human Services, Special Purpose Welfare Programs, Electronic Benefits Transfer Service					
	TOTAL	GF	CF	FF	FTE
Prior Year Appropriation (H.B. 08-1375)	3,201,710	831,264	890,707	1,479,739	5.0
Personal Services	376,663	97,793	104,787	174,083	5.0
Operating Expenses	2,825,047	733,471	785,920	1,305,656	0.0
Prior Year Salary Survey	15,562	6,419	0	9,143	0.0
Prior Year Performance Pay	4,463	1,841	0	2,622	0.0
DI #11 - EBT Fraud Unit	112,981	54,318	0	58,663	2.0
<b>Total Recommendation</b>	<b>3,334,716</b>	<b>893,842</b>	<b>890,707</b>	<b>1,550,167</b>	<b>7.0</b>

### **(7) Refugee Assistance**

The Colorado Refugee Services Program is a federally funded program that helps refugees become self-sufficient and adjust to living in the United States. A staffing history for this program is provided in the following table.

Refuge Assistance Staffing Summary	FY 2007-08 Actual	FY 2008-09 Appropriation	FY 2009-10 Request	FY 2009-10 Recommendation
Management	0.0	1.0	1.0	1.0
General Professional	0.0	8.0	8.0	8.0
Staff Support	0.0	1.0	1.0	1.0
<b>Total</b>	<b>0.0</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>



The Department requests an appropriation of \$4,017,490 federal funds for this line item and 10.0 FTE. **Staff recommends an appropriation of \$4,017,490 federal funds and 10.0 FTE.** Staff's calculation is summarized in the following table.

<b>Summary of Staff Calculation Department of Human Services, Refuge Assistance</b>		
	<b>Federal Funds</b>	<b>FTE</b>
Prior Year Appropriation (H.B. 08-1375)	4,017,490	10.0
Personal Services	718,035	10.0
Operating Expenses	3,299,455	0.0
Prior Year Salary Survey	0	0.0
Prior Year Performance Pay	0	0.0
<b>Total Recommendation</b>	<b>4,017,490</b>	<b>10.0</b>

**(8) Systematic Alien Verification for Eligibility**

This line item supports the State's interface with the federal alien verification database, which serves all programs for which citizenship or legal residence is a requirement. The Department requests an appropriation of \$55,002, including \$7,147 General Fund, and 1.0 FTE. **Staff recommends the Committee approve the Department's request.** Staff's calculation is summarized in the following table.

<b>Summary of Staff Calculation Department of Human Services, Special Purpose Welfare Programs, Systematic Alien Verification for Eligibility</b>						
	<b>TOTAL</b>	<b>GF</b>	<b>CF</b>	<b>CFE/RF</b>	<b>FF</b>	<b>FTE</b>
FY 2007-08 Appropriation	53,040	6,735	3,700	33,628	8,977	1.0
Personal Services	41,759	5,303	2,913	26,476	7,067	1.0
Operating Expenses	11,281	1,432	787	7,152	1,910	0.0
Prior Year Salary Survey	1,553	326	0	901	326	0.0
Prior Year Performance Pay	409	86	0	237	86	0.0
<b>Total Recommendation</b>	<b>55,002</b>	<b>7,147</b>	<b>3,700</b>	<b>34,766</b>	<b>9,389</b>	<b>1.0</b>

**(7) OFFICE OF SELF SUFFICIENCY**

**(D) Child Support Enforcement**

**Automated Child Support Enforcement System**

This computer system is used by county staff to establish paternity, locate absent parents, manage child support enforcement caseloads and track collection efforts. This line item also includes

funding for contractor services associated with establishing and operating the State Directory of New Hires; this Directory includes data reported by employers regarding each newly hired employee. The data is then compared to the database of parents with outstanding child support obligations. This line item also includes funding for the contractor-operated Family Support Registry. Staff levels for this program are summarized in the following table.

<b>Automated Child Support Enforcement System Staffing Summary</b>	<b>FY 2007-08 Actual</b>	<b>FY 2008-09 Appropriation</b>	<b>FY 2009-10 Request</b>	<b>FY 2009-10 Recommendation</b>
Management	0.0	0.8	0.8	0.8
General Professional	11.6	13.1	13.1	13.1
IT Professional	16.1	21.0	21.0	21.0
Staff Support	4.9	5.0	5.0	5.0
<b>Total</b>	<b>32.6</b>	<b>39.9</b>	<b>39.9</b>	<b>39.9</b>

The Department requests \$11,599,344, including \$3,798,808 General Fund, and 39.9 FTE for FY 2009-10. **Staff recommends the Committee approve an appropriation of \$11,593,070 and 39.9 FTE, including \$3,796,675 General Fund.** Staff's calculation is summarized in the following table. The difference between request and recommendation is decision item #NP2.

<b>Summary of Staff Calculation Department of Human Services, Child Support Enforcement, Automated Child Support Enforcement System</b>					
	<b>TOTAL</b>	<b>GF</b>	<b>CF</b>	<b>FF</b>	<b>FTE</b>
Prior Year Appropriation (H.B. 08-1375)	11,342,182	3,711,373	426,499	7,204,310	39.9
Personal Services	8,038,498	2,630,346	302,271	5,105,881	39.9
Operating Expenses	3,303,684	1,081,027	124,228	2,098,429	0.0
Prior Year Salary Survey	107,310	36,485	0	70,825	0.0
Prior Year Performance Pay	30,694	10,436	0	20,258	0.0
Restore Hiring Freeze Savings	112,884	38,381	0	74,503	0.0
<b>Total Recommendation</b>	<b>11,593,070</b>	<b>3,796,675</b>	<b>426,499</b>	<b>7,369,896</b>	<b>39.9</b>

### **Child Support Enforcement**

This line item funds the following activities conducted by the Department:

1. Performance evaluation of the state's child support enforcement program, as required by federal law; and

2. Provision of technical assistance to county departments of social services.

It also manages the In-Hospital Paternity Establishment Program, which provides unmarried parents the opportunity to acknowledge paternity at the time of birth of a child. Federal law requires states to establish procedures for a simple civil process for voluntarily acknowledging paternity, including an in-hospital program. This program includes: providing training to hospital medical records staff semi-annually; providing training to local vital records staff, hospital administrators, and pre-natal clinics; providing outreach and technical assistance to hospital personnel and the general public; interfacing with pregnancy prevention and father's advocacy groups; and interfacing with middle school, high school, and alternative school staff. About 35 percent of the state caseload involves interstate coordination. Finally, the 17-member Child Support Enforcement Commission reviews child support guidelines and general child support issues. The Commission makes recommendations to the Governor and the General Assembly every four years. Staffing levels for this program are summarized in the table below.

<b>Child Support Enforcement Staffing Summary</b>	<b>FY 2007-08 Actual</b>	<b>FY 2008-09 Appropriation</b>	<b>FY 2009-10 Request</b>	<b>FY 2009-10 Recommendation</b>
General Professional	16.0	19.5	19.5	19.5
Staff Support	5.8	5.0	5.0	5.0
<b>Total</b>	<b>21.8</b>	<b>24.5</b>	<b>24.5</b>	<b>24.5</b>

The Department requests an appropriation of \$2,175,345, including \$739,618 General Fund, and 24.5 FTE for FY 2009-10. **Staff recommends the Committee approve an appropriation of \$2,159,716 and 24.5 FTE, calculated in accordance with Committee common policy.** Staff's calculation is summarized in the following table.

<b>Summary of Staff Calculation Department of Human Services, Child Support Enforcement</b>				
	<b>TOTAL</b>	<b>GF</b>	<b>FF</b>	<b>FTE</b>
Prior Year Appropriation (H.B. 08-1375)	2,075,707	705,740	1,369,967	24.5
Personal Services	1,691,714	575,182	1,116,532	24.5
Operating Expenses	383,993	130,558	253,435	0.0
Prior Year Salary Survey	65,393	22,234	43,159	0.0
Prior Year Performance Pay	18,616	6,330	12,286	0.0
<b>TOTAL Recommendation</b>	<b>\$2,159,716</b>	<b>\$734,304</b>	<b>\$1,425,412</b>	<b>24.5</b>

**(7) OFFICE OF SELF SUFFICIENCY  
(E) Disability Determination Services**

**Program Costs**

Disability Determination Services conducts medical disability determinations for the Social Security Administration for Colorado residents applying for Social Security Disability Insurance and Supplemental Security Income Programs. Funding for the program is 100.0 percent federal funds (Titles II and XVI of the Social Security Act). Actual determination is done by medical professionals with whom the Department contracts. Staffing patterns for this program are summarized below.

<b>Disability Determination Services Staffing Summary</b>	<b>FY 2007-08 Actual</b>	<b>FY 2008-09 Appropriation</b>	<b>FY 2009-10 Request</b>	<b>FY 2009-10 Recommendation</b>
Management	1.0	1.0	1.0	1.0
General Professional	90.7	102.0	102.0	102.0
IT Professional	6.8	7.8	7.8	7.8
Specialist	6.8	7.0	7.0	7.0
Staff Support	21.1	22.7	22.7	22.7
Temporary	0.1	0.0	0.0	0.0
<b>Total</b>	<b>126.5</b>	<b>140.5</b>	<b>140.5</b>	<b>140.5</b>

The Department requests an appropriation of \$17,654,687 federal funds and 140.5 FTE. **Staff recommends the Committee approve an appropriation of \$17,653,965 and 140.5 FTE, calculated in accordance with Committee common policy.** Staff's calculation is summarized in the following table. The difference between request and recommendation is decision item #NP2.

<b>Summary of Staff Calculation Department of Human Services, Disability Determination Services</b>		
	<b>Federal Funds</b>	<b>FTE</b>
Prior Year Appropriation (H.B. 08-1375)	17,208,434	140.5
Personal Services	15,034,270	140.5
Operating Expenses	2,174,164	0.0
Prior Year Salary Survey	344,622	0.0
Prior Year Performance Pay	100,909	0.0
<b>Total Recommendation</b>	<b>17,653,965</b>	<b>140.5</b>

**(10) ADULT ASSISTANCE PROGRAMS**

Adult Assistance Programs are responsible for the administration of numerous assistance programs that focus on the elderly population. Programs determine medical disability for Colorado residents who apply for Social Security Disability Insurance (SSDI) or Supplemental Security Income (SSI) benefits. Included in its responsibilities is processing disability cases for Medicaid. The division supervises the Aid to the Needy Disabled programs, which provide cash assistance to disabled individuals awaiting SSI eligibility determination and those individuals who meet state eligibility requirements but not federal requirements. In addition, the division (1) supervises Adult Protective Services programs (APS), which intervene on behalf of at-risk adults to correct or alleviate situations of abuse, neglect, or exploitation; (2) supervises and funds the provision of services to older Coloradans throughout the state through the auspices of 16 Area Agencies on Aging (AAA); and (3) supervises the county administered Old Age Pension (OAP) program, which provides cash assistance to eligible individuals age 60 and older.

**10) ADULT ASSISTANCE PROGRAMS**

**(A) Administration**

This line, which constitutes the entire subdivision, covers centralized general administrative services for the division. A breakdown of staffing is shown in the following table.

<b>Adult Assistance Programs, Administration, Staffing Summary</b>	<b>FY 2007-08 Actual</b>	<b>FY 2008-09 Appropriation</b>	<b>FY 2009-10 Request</b>	<b>FY 2009-10 Recommendation</b>
Management	2.3	2.0	2.0	2.0
General Professional	3.1	3.0	3.0	3.0
Staff Support	0.2	1.0	1.0	1.0
<b>TOTAL</b>	<b>5.6</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>

The Department requests an appropriation of \$593,785, including \$104,954 General Fund, and 6.0 FTE. The request includes the restoration of savings due to the Governor's hiring freeze, imposed in October 2008. **Staff recommends the Committee approve an appropriation of \$593,596 and 6.0 FTE.** Staff's calculation is summarized in the next table. The difference between request and recommendation is decision item #NP2.

<b>Staff Recommendation - Adult Assistance Programs, Administration</b>	<b>Total</b>	<b>GF</b>	<b>RF</b>	<b>FF</b>	<b>FTE</b>
Prior Year Appropriation (S.B. 08-1375)	537,028	94,638	5,307	347,199	6.0
Personal Services	509,095	89,715	90,240	329,140	6
Operating Expenses	27,933	4,923	4,951	18,059	0
Prior Year Salary Survey	21,923	4,109	4,130	13,684	0

<b>Staff Recommendation - Adult Assistance Programs, Administration</b>	<b>Total</b>	<b>GF</b>	<b>RF</b>	<b>FF</b>	<b>FTE</b>
Prior Year Pay for Performance	6,247	1,171	1,177	3,899	0
Restore Hiring Freeze Savings	28,398	4,998	5,026	18,374	0
<b>Total</b>	<b>\$593,596</b>	<b>\$104,916</b>	<b>\$105,524</b>	<b>\$383,156</b>	<b>6.0</b>

**(10) ADULT ASSISTANCE PROGRAMS**

**(B) Old Age Pension Program**

This program, authorized by the State Constitution, provides cash assistance to eligible individuals age 60 and older, and burial expenses when clients die. The OAP program has several types of administrative costs: (1) state administration for the personal services and operating costs of the state staff administering the program; (2) county administration for county staff who interact with clients and determine eligibility; (3) CBMS costs for programming and implementation of OAP-related parts of this system; and (4) EBTS costs for expenses related to providing electronic benefits to OAP recipients. There is a related OAP State Medical Program administered by the Department of Health Care Policy and Financing.

Revenue for the OAP Program is generated from an 85 percent share of state sales and excise taxes, and 100 percent of inheritance and incorporation taxes; revenues that are not utilized for the OAP Program pass through a series of related funds, and the large bulk of the funds are eventually transferred to the General Fund. As a result, greater expenditures in the OAP program mean less revenue in the General Fund to be used for other purposes. As the earmarked revenues are continuously appropriated by the State Constitution, the General Assembly does not directly control program expenditures; the Long Bill simply reflects anticipated program expenditures for informational purposes, because the level of these expenditures can have an impact on the revenue available to the General Fund. All cash funds in this sub-division are from the Old Age Pension Fund.

**Cash Assistance Program**

***Decision Item #21 - OAP Cost of Living Increase***

***Budget Amendment #9 - OAP Cost of Living Increase***

The State Board of Human Services is authorized to determine the maximum grant standard for the OAP Program. It may grant a cost of living adjustment (COLA), using the federal Supplemental Security Income inflation factor or another measure of the Board's choosing. In most years, the Department makes an estimate of the impact that the Board's decision will have on expenditures in the cash assistance program. During this budget cycle, the Department has made two estimates of the increase: the first as a decision item submitted on November 1, 2008, and the second as a budget amendment submitted to the Joint Budget Committee on February 16, 2009.

The decision item assumed the State Board would grant a 2.0 percent COLA increase and no increase in caseload, resulting in an estimated increase in spending of \$1.8 million for FY 2009-10.

The increase in spending is always a larger percentage than the COLA increase because the Old Age Pension is a "top up" award. The COLA percentage increases the maximum grant amount; many recipients receive less than the maximum because they have other sources of income. If the maximum monthly grant is \$662, as it was in calendar year 2008, a 2.0 percent increase would result in a \$13 per month increase to \$675. An individual with \$400 per month in other income in 2008 would, however, receive only \$262 per month from the Old Age Pension (it "tops up" their income to the maximum grant level). If that individual's income in 2009 remains at \$400 per month, they would receive \$275 per month from the Old Age pension (topped up to \$675), which is a 5.0 percent increase *for that individual*.

The federal inflation factor used by the State Board was 5.8 percent, much higher than the increase previously estimated by the Department. The maximum grant award increases to \$699 per month, and the Department also anticipates a significant increase of 3.6 percent (819 cases) in caseload. The caseload increase is a result of two effects: (1) at the higher maximum grant, more individuals qualify because their income is less than the maximum grant, and (2) at the higher maximum grant, some individuals who would have qualified but did not apply in the past will now apply. The Department's estimate of the impact of this increase for FY 2009-10 is \$10.3 million *in addition to the decision item*.

A supplemental request for an increase of \$5.1 million for FY 2008-09 accompanied the budget amendment. This supplemental request arrived after the Joint Budget Committee's supplemental package had been introduced in the Senate, and has not been previously presented to the Committee for action. Because the appropriation shown in the Long Bill is informational only, **staff recommends that the Committee deny the Department's supplemental request for FY 2008-09**. At this point in time, the important result of the increase in FY 2008-09 is the effect it will have on the next Legislative Council Staff revenue forecast. Increased OAP expenses result in a smaller transfer from the Old Age Pension Fund to the General Fund. Staff has shared the details of the supplemental request with the Legislative Council economics staff, and anticipates that it will be incorporated into the forecast to be issued in March 2009.

The combined increase from the decision item and the budget amendment for FY 2009-10 is \$12,119,946. This increase is the best available estimate of the effect of the large COLA increase on program expenditures. **Staff recommends the Committee approve an increase of \$12,199,946 cash funds (Old Age Pension Fund) in the informational appropriation for FY 2009-10.**

#### ***Budget Amendment #32 - Remove Certain OAP Qualifications***

The Department believes that there are inconsistencies in the state and federal statutes that relate to certain sponsored non-citizens who are legal residents of the United States who receive assistance through the Old Age Pension program. The Department requests a statutory change to bring things into alignment, and estimates that this would result in a savings of \$7,415,332 in FY 2009-10. The inconsistency arises depending on whether or not the sponsor is a relative of the non-citizen applying for OAP benefits.

- Section 3 of Article XXIV of the Colorado Constitution authorizes payments from the Old Age Pension Fund to U.S. citizens. Section 26-2-111.8 (3), C.R.S., authorizes payments from the Old Age Pension Fund to legal immigrants that meet the eligibility criteria including sponsor responsibility policies. Sponsor responsibilities are specified in Section 26-2-137 (2) (a), C.R.S., and include "moral and financial commitments". Additionally, federal sponsorship agreements require sponsors to provide adequate financial support, in order that sponsored immigrants do not have to rely on public assistance.
- Section 26-2-111 (2) (b), C.R.S., states "No person otherwise qualified shall be denied the old age pension by reason of the fact that relatives may be financially able to contribute to his support and maintenance." This conflicts with the statutes identified above in the case where the sponsor of a non-citizen applying for OAP benefits is also a relative of the non-citizen.
- Currently, when eligibility is being determined, sponsor income is considered if the sponsor is *not* a relative, but sponsor income is not considered if the sponsor *is* a relative.

The Department requests a statutory change to clarify that they may consider sponsor income when determining eligibility in those cases where the sponsor is also a relative. The Department estimates that there are 1,268 OAP recipients that would become ineligible for benefits as a result of this change, with an estimated annual savings of \$9.7 million dollars. The savings would be reduced if some of the recipients are able to show that their sponsor is no longer capable of providing support.

In order to implement such a statutory change, the Colorado Benefits Management System would require a one-time change which would cost \$12,975, and which is shown in the CBMS line item. The Department proposes that this change be financed using only cash funds from the Old Age Pension Fund, rather than by the standard CBMS funding split. The Department estimates that the change would not be complete until the end of the first quarter of FY 2009-10, reducing the realized reduction in OAP assistance payments to \$7,428,307. The net reduction requested by the Department is \$7,415,332.

**Staff recommends that the Committee approve the Department's request, and sponsor legislation that will clarify that sponsor income be considered in eligibility determination for the Old Age Pension program whether or not the sponsor is also a relative.**

This line item represents anticipated payments from the Old Age Pension to eligible beneficiaries. As payments are continuously appropriated, this appropriation is included for informational purposes. The department requests an appropriation of \$88,563,557. **Staff recommends the Committee approve the Department's request.** Staff's calculation is summarized in the following table.



<b>Staff Recommendation - Adult Assistance Programs, OAP Cash Assistance</b>	<b>Cash Funds</b>
Prior Year Appropriation (H.B. 08-1375)	\$80,871,918
Annualize Prior Year Decision Item	3,000,000
DI #21 - Initial COLA Increase	1,801,722
BA #9 - Second COLA Increase	10,318,224
BA #32 - Clarify OAP Qualifications	(7,428,307)
<b>Total Recommendation</b>	<b>\$88,563,557</b>

### **Refunds**

This line item provides an offset to the cash assistance program expenditures through the refunds of overpayments or payments made to ineligible clients. The Department requests \$588,362 cash funds. This represents a continuation of the FY 2008-09 appropriation. **Staff recommends the Committee approve the department's request.**

### **Burial Reimbursements**

This line item funds reimbursements of burial expenses for eligible Old Age Pension beneficiaries. The Department requests a continuation appropriation of \$918,364 cash funds. **Staff recommends that the Committee approve the department's request.**

### **State Administration**

This appropriation funds the administrative related activities incurred by the state for the Old Age Pension program and the Old Age Pension Health Care program. The staffing summary for this line is shown in the following table.

<b>Old Age Pension Program, State Administration</b>				
<b>Staffing Summary</b>	<b>FY 2007-08 Actual</b>	<b>FY 2008-09 Appropriation</b>	<b>FY 2009-10 Request</b>	<b>FY 2009-10 Recommendation</b>
General Professional	8.0	11.0	11.0	11.0
Staff Support	1.7	3.0	3.0	3.0
<b>TOTAL</b>	<b>9.7</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>

The Department requests an appropriation of \$1,161,337 cash funds (Old Age Pension Fund) and 14.0 FTE. **Staff recommends an appropriation of \$1,161,109 cash funds (Old Age Pension Fund) and 14.0 FTE, calculated in accordance with Committee common policy decisions.** Staff's calculation is summarized in the following table.

<b>Summary of State Administration Recommendation Department of Human Services, Old Age Pension Program</b>		
	<b>Cash Funds</b>	<b>FTE</b>
Prior Year Appropriation (H.B. 08-1375)	1,114,694	14.0
Personal Services	887,816	14.0
Operating Expenses	226,878	0.0
Prior Year Salary Survey	36,199	0.0
Prior Year Performance Pay	10,216	0.0
<b>Total</b>	<b>\$1,161,109</b>	<b>14.0</b>

**County Administration**

The OAP county administration appropriation helps fund county administration expenses related to the Old Age Pension program. This money is not included in the County Administration section of the Long Bill, and is included for informational purposes as the funds are continuously appropriated. The Department requests a continuation level appropriation of \$2,450,785 cash funds. **Staff recommends that the Committee approve the Department's request.**

**(10) ADULT ASSISTANCE PROGRAMS**

**(C) Other Grant Programs**

**Aid to the Needy Disabled Programs**

The line item includes the funding for three related programs: Aid to the Needy Disabled - Colorado Supplement, Aid to the Needy Disabled - State-Only, and Aid to the Blind Supplemental. Each of these is described here.

*Aid to the Needy Disabled - Colorado Supplement.* This program provides a state supplement to individuals receiving less than the maximum federal Supplemental Security Income (SSI). The federal SSI Program is an entitlement program that provides financial assistance to persons with a disability that precludes them from securing or retaining employment for at least 12 months. This program is funded through a combination of General Fund, county funds, and various refunds and recoveries. Colorado is subject to a federal maintenance of effort (MOE) requirement that requires that the state to maintain the same level of expenditure for SSI recipients through the Colorado supplement programs (AND-CS, Aid to the Blind, Old Age Pension, Property Tax Rebate, Home Care Allowance and Adult Foster Care) during each calendar year.

The state has failed to meet this MOE target in five of the last six years. The state has been successful in executing a corrective action in each of the following years, so has not technically been in violation of the requirement. Failure to meet the MOE puts the state at risk of severe federal sanctions; the minimum sanction that can be applied is the loss of three months of federal Medicaid matching funds. The Joint Budget Committee is sponsoring H.B. 09-1215 which will create a stabilization fund to assist the Department in meeting the MOE requirement.

*Aid to the Needy Disabled State-only Grant Program.* This program provides assistance to persons with a disabling condition, lasting six months or longer, who are awaiting SSI determination. If an individual is found to be eligible for SSI, the Social Security Administration will reimburse the state for all AND-SO payments made to the person while waiting for SSI eligibility determination. These reimbursements are referred to as interim assistance reimbursements (IARs) and are used to offset the state and county costs of this program. More than half of AND-SO recipients eventually qualify for SSI. The remainder of AND-SO recipients generally have a disability that is expected to last six months or less (which is less than the 12-month duration required under SSI) or have a disability resulting from alcohol or drug abuse (a disabling condition that does not qualify individuals for SSI assistance). The state-only program does not count towards the State's MOE expenditures.

*Aid to the Blind State Supplemental Grant Program.* This program provides supplemental income to individuals who are legally blind and unable to secure or retain employment.

The Department requests an appropriation of \$17,428,495 including \$11,421,471 General Fund for this line item. This reflects a continuation of the prior year appropriation. **Staff recommends the Committee approve the Department's request.**

#### **Burial Reimbursements**

This program provides assistance, up to a maximum of \$1,000, to help defray the costs of burial expenses for Aid to the Needy Disabled/Aid to the Blind recipients; the maximum is \$1,500 for children receiving supplemental security income payments. This is an optional state program. However, if not funded by the State, counties would pay these costs. The Department requests a continuation level appropriation of \$508,000 (\$402,985 General Fund and \$105,015 cash funds). **Staff recommends the Committee approve the Department's request.**

#### **Home Care Allowance**

S.B. 06-219 transferred responsibility for funding of this program to the Department of Human Services from the Department of Health Care Policy and Financing. The principle reason for transferring responsibility is that the program makes a significant contribution to the SSI MOE described above. The Department requests a continuation level appropriation of \$10,880,411 (\$10,336,390 General Fund and \$544,021 cash funds from local funds). **Staff recommends the Committee approve the Department's request for continuation funding.**

#### **Adult Foster Care**

Responsibility for the funding of this program was transferred from the Department of Health Care Policy and Financing to the Department of Human Services by S.B. 06-219, again in light of the fact that it makes a contribution towards the SSI MOE. The Department requests a continuation of FY 2006-07's appropriation of \$157,469 (\$149,596 General Fund and \$7,873 cash funds from local funds). **Staff recommends the Committee approve the Department's request.**

**(10) ADULT ASSISTANCE PROGRAMS**  
**(D) Community Services for the Elderly**

This section encompasses programs funded by the federal Older Americans Act and state-only resources for senior services. Responsibilities include developing a state plan for aging services, overseeing federal grants and providing assistance and funding to 16 local Area Agencies on Aging and local service providers to provide services to seniors age 60 years and older.

**Administration**

This line item funds salary and contractual services related to the state administration of old age programs. A staffing summary for this line is provided in the table below.

<b>Adult Assistance Programs, Community Services for the Elderly, Administration</b>				
<b>Staffing Summary</b>	<b>FY 2007-08 Actual</b>	<b>FY 2008-09 Appropriation</b>	<b>FY 2009-10 Request</b>	<b>FY 2009-10 Recommendation</b>
General Professional	6.6	6.8	6.8	6.8
Staff Support	0.2	0.2	0.2	0.2
<b>TOTAL</b>	<b>6.8</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>

The Department requests an appropriation of \$685,783 (including \$182,411 General Fund) and 7.0 FTE for this line item. The request includes a continuation level of funding for the operating expenses aspect of the line. **Staff recommends an appropriation of \$684,897 and 7.0 FTE, calculated in accordance with Committee common policy.** Staff calculations are summarized in the following table. The difference between request and recommendation is decision item #NP2.

<b>Staff Recommendation - Adult Assistance Programs, Community Services for the Elderly, Administration</b>	<b>Total</b>	<b>GF</b>	<b>FF</b>	<b>FTE</b>
Prior Year Appropriation (H.B. 08-1375)	657,866	174,985	482,881	7.0
Personal Services	580,213	154,330	425,883	7.0
Operating Expenses	77,653	20,655	56,998	0.0
Salary Survey	21,039	5,596	15,443	0.0
Pay for Performance	5,992	1,594	4,398	0.0
<b>Total Recommendation</b>	<b>\$684,897</b>	<b>\$182,175</b>	<b>\$502,722</b>	<b>7.0</b>

**Colorado Commission on Aging**

This line item funds an administrative position for the Commission, which meets quarterly. The position assists the Commission with special projects, in addition to regular administrative duties. It includes salary, the state's contribution to PERA, Medicare taxes, and general operating expenses. The department requests \$82,132, including \$21,125 General Fund and 1.0 FTE for this line item.

The 1.0 FTE is categorized as support staff. **Staff recommends the Committee approve an appropriation of \$82,045 and 1.0 FTE, calculated in accordance with Committee common policy.** Staff calculations are summarized in the following table.

<b>Staff Recommendation - Adult Assistance Programs, Colorado Commission on Aging</b>	<b>Total</b>	<b>General Fund</b>	<b>Federal Funds</b>
Prior Year Appropriation (H.B. 08-1375)	\$79,309	\$20,400	\$58,909
Personal Services	51,795	13,323	38,472
Operating Expenses	27,514	7,077	20,437
Salary Survey	2,129	547	1,582
Pay for Performance	607	156	451
<b>Total Recommendation</b>	<b>\$82,045</b>	<b>\$21,103</b>	<b>\$60,942</b>

**Senior Community Services Employment**

This program promotes useful part-time employment in community services activities for unemployed, low-income persons age 55 or older. Program participants are provided training and counseling services to move them from subsidized to unsubsidized jobs. This line item is fully funded with federal grants. The department requests an appropriation of \$863,857 and 0.5 FTE. The 0.5 FTE is categorized as a trainee. **Staff recommends the Committee approve the Department's request, which is calculated in compliance with Committee common policy actions.** Staff calculations are summarized in the following table.

<b>Staff Recommendation - Adult Assistance Programs, Senior Community Service Employment</b>	<b>Federal Funds</b>
Prior Year Appropriation (H.B. 08-1375)	\$862,379
Personal Services	29,126
Operating Expenses	833,253
Salary Survey	1,138
Pay for Performance	340
<b>Total Recommendation</b>	<b>863,857</b>

**Older Americans Act Programs**

This line item provides funding for Area Agencies on Aging to contract with provider agencies to deliver a variety of services to older persons. Services provided include:

- Supportive services and senior centers - Functions include case management, client representation, shopping assistance, transportation, chore services, personal care services, adult day care, health screening, legal services, and an ombudsman;
- Nutrition services such as congregate meals, nutrition screening and education;

- In-home services for persons above the eligibility thresholds for Medicaid, Home Care Allowance and Adult Foster Care (homemaker services, personal care services, home repair services, visiting services); and,
- Disease prevention and health promotion services (e.g., health risk assessments, programs regarding physical fitness, education regarding diagnosis, prevention and treatment of age-related diseases and chronic disabling conditions)

In general, services are available to individuals age 60 and over, regardless of income or assets. While the federal government does not allow a means test, it does require that priority be given to those with the greatest social and economic need, with particular attention to minority individuals and those who are frail, homebound, or otherwise isolated. Provider agencies often request donations or fees on a sliding scale for services such as transportation and congregate meals.

*Federal Stimulus Package.* The American Recovery and Reinvestment Act of 2009 (federal stimulus package) includes \$100.0 million for nutrition services for the elderly, primarily for congregate nutrition services and home-delivered meals. The Department anticipates that Colorado will receive between \$1.2 million and \$1.6 million from the federal government. The Department is unable to say whether any state matching moneys will be required. Older Americans Act funds normally require a relatively small state match. Accumulated interest in the Older Coloradans Cash Fund may be used for matching purposes; the fund currently contains just over \$350,000 in accumulated interest.

The Department requests an appropriation of \$14,141,987 (including \$576,747 General Fund) which represents a continuation level of funding. **Staff recommends that the Committee approve the Department's request.**

### **National Family Caregiver Support Program**

The NFCSP is the largest new program under the Older Americans Act since nutritional programs started in 1972. The department has worked closely with the Area Agencies on Aging to develop a statewide comprehensive system that is responsive to a diverse group of caregivers. The program provides:

1. Information to caregivers about available services;
2. Assistance gaining access to services;
3. Individual counseling, organization of support groups and caregiver training to assist the caregivers in making decisions and solving problems relating to their caregiver roles;
4. Respite care to enable caregivers to be temporarily relieved from their care-giving responsibilities; and,
5. Supplemental services, on a limited basis to complement the care provided by caregivers.

These funds are intended for grandparents (60 years and older) caring for non-disabled children, elderly parents of disabled or developmentally disabled children, and family members and friends caring for older people. States are encouraged to give priority to elderly parents of disabled children and low-income older individuals. The state is not currently subject to a MOE requirement for the portion of OAA funds related to the NFCSP, but the Department believes this program may be incorporated into the MOE in future years.

The Department requests an appropriation of \$2,263,386, including \$142,041 General Fund and \$423,805 cash funds from local funds. This reflects a continuation level of funding. **Staff recommends the Committee approve the Department's request.**

### **State Ombudsman Program**

The state contracts with the Legal Center for Persons with Disabilities and Older Persons to serve as the State Ombudsman for Colorado. Staffing for this program includes one State Long-Term Care Ombudsman, a part-time assistant and a part-time legal developer. There are also 17 paid local ombudsmen and 90 volunteer ombudsmen. The Legal Center provides services to Area Agencies on Aging and their local ombudsmen staff with training and technical services associated with local program administration. The Legal Center also monitors local programs for efficiency and effectiveness and provides reports of data and information to the Department. The department requests an appropriation of \$272,031, including \$112,798 net General Fund, reflecting a continuation level of funding. **Staff recommends the Committee approve the Department's request.**

### **State Funding for Senior Services**

This line was created to reflect state funding for senior services above and beyond the state match required for Older Americans Act programs. The cash funds portion of the appropriation is from the Older Coloradans Fund. That fund receives revenue from a diversion of funds that would otherwise go to the Old Age Pension Fund. Section 26-11-205.5 (2) requires that moneys appropriated from this fund are administered through the Area Agencies on Aging, but the funds can be used with more flexibility than is afforded under OAA programs. The state funding for senior services allows more than 25,000 Older Coloradans to receive transportation, nutrition services, in-home assistance and other miscellaneous services.

The Department requests an appropriation of \$10,000,000, including \$2,000,000 General Fund and \$8,000,000 cash funds from the Older Coloradans Fund. This represents a \$7,000,000 continuation level of funding, plus a \$3,000,000 annualization of H.B. 08-1108. **Staff recommends the Committee approve an appropriation of \$8,000,000 cash funds from the Older Coloradans Fund, and no General Fund.** As previously mentioned, the Department anticipates receiving an addition \$1.2 million to \$1.6 million in federal stimulus funds for Older Americans Act programs. This will mitigate somewhat the recommended reduction. The Area Agencies will have less flexibility in choosing which programs to fund at which levels, since the additional federal dollars will be restricted to nutrition programs, while the state funds provided by this line item can be used for any OAA service category.

**Area Agencies on Aging Administration**

This line item provides funding for the 16 Area Agencies on Aging (AAAs) to develop and administer area plans on services for the aging for their respective regions. The Department requests an appropriation of \$1,353,957 federal funds, which reflects a continuation level. The appropriation is entirely federal funds. **Staff recommends the Committee approve the department's request.**



## LONG BILL FOOTNOTES AND REQUESTS FOR INFORMATION

### Long Bill Footnotes

Staff recommends the following footnotes be continued.

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

Comment: This footnote authorizes the Department to share certain cost recoveries in excess of the amount appropriated in the Long Bill with the counties. The appropriation is conservative; there are usually excess recoveries; the Department normally shares those excess recoveries with the counties using this authority.

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

Comment: This footnote authorizes the Department to share certain cost recoveries in excess of the amount appropriated in the Long Bill with the counties. The appropriation is conservative; there are usually excess recoveries; the Department normally shares those excess recoveries with the counties using this authority.

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

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

Comment: Federal regulations for the Temporary Assistance for Needy Families block grant allows certain percentages of the state TANF block grant to be transferred to child care or child welfare funds. This footnote allows the Department to grant individual counties authority to transfer percentages from the county block grants to child care or child welfare funds that are larger than the percentage allowed for the state as a whole, so long as the larger transfers don't create a violation of federal requirements for the state as a whole. Historically, some counties have made use of the ability to make larger transfers in order to meet their individual needs.

Staff recommends the following footnote be **continued as modified.**

37 Department of Human Services, Office of Self Sufficiency, Colorado Works Program, County Block Grants -- It is the intent of the General Assembly that the appropriation of local funds for Colorado works program county block grants may be decreased by a maximum of \$100,000 to reduce one or more small counties' fiscal year ~~2007-08~~ 2009-10 targeted or actual spending level, pursuant to Section 26-2-714 (8), C.R.S.

Comment: The Works Allocation Committee is authorized (Section 26-2-714 (8), C.R.S.) to mitigate (reduce) a small county's targeted and/or actual spending level, up to a maximum amount identified in the Long Bill. A small county is one with less than 0.38% of the total statewide Works caseload, as determined by the Department of Human Services. The purpose of the current statute is to provide the General Assembly the flexibility to determine, each year, through this footnote, whether more, less or no mitigation expenditures are to be allowed. This flexibility has not been exercised; no figure other than \$100,000 has ever been used. for the limit. Small mitigation amounts are granted in some years.

### **Requests for Information**

Staff recommends the following information requests be **continued.**

Department of Human Services, Executive Director's Office, General Administration, Injury Prevention Program -- The Department is requested to provide information regarding the cost-effectiveness of this program. Such information should include: Actual and planned annual expenditures for this line item, by program; the actual number of workers' compensation claims filed, by type of injury and by program; and

the related costs associated with workers' compensation claims filed, by type of injury and by program. This information should be provided to the Joint Budget Committee annually on or before October 15.

Comment: This report has not been used directly by the Committee, in the sense of adjusting the line item appropriation up or down based on the provided information. However, the report's content has stimulated discussions of other topics with the Department, including discussions of changing client demographics, working conditions for hands-on care givers, and the adequacy of staff training.

Staff recommends the following information request be **continued as modified.**

Department of Human Services, Office of Information Technology Services, Colorado Benefits Management System (CBMS) – The Department is requested to submit a summary of change request activity related to the Colorado Benefits Management System to the Joint Budget Committee on or before November 1, 2008. SYSTEM. This summary should include the number of CHANGE requests completed, the number in progress, and the number that have been submitted but not yet started. Change requests requiring the expenditure of more than fifty thousand dollars (\$50,000) should be described in detail. THE REPORT SHOULD BE PROVIDED TO THE JOINT BUDGET COMMITTEE ANNUALLY ON OR BEFORE NOVEMBER 1.

Comment: This report has provided additional insight into the kinds of changes, and the number of large changes, that are required by CBMS on an ongoing basis.

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

~~with related financial information reported to the federal government; and (i) an accounting of the total allocation of TANF funds to each county for FY 2007-08. 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 EACH OF 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 FORECAST 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 WORKS PROGRAM RESERVE ACCOUNT BALANCE, THE ANNUAL ALLOCATION, THE TOTAL EXPENDITURES, THE NET TRANSFERS TO CHILD CARE AND CHILD WELFARE, ANY AMOUNTS REMITTED TO THE STATE UNDER THE PROVISIONS OF S.B. 08-177, AND THE CLOSING RESERVE BALANCE. THE REPORT SHOULD BE PROVIDED TO THE JOINT BUDGET COMMITTEE ANNUALLY ON OR BEFORE NOVEMBER 1.~~

Comment: Some version of this request has appeared for several years. In its present form, it has become somewhat disorganized and asks for redundant information. Federal TANF funds are subject to appropriation by the General Assembly, but expenditure of the funds happens at both the state and county level. There are also requirements imposed by the federal government on the continued use of state dollars for similar purposes. The three-part report in the modified version of this request attempts to accomplish three things. It streamlines the reporting requirements for the Long Term Reserve status while still collecting critical information on the health of that reserve. It adds reporting on the maintenance of effort, which is especially important during a period when cuts to programs are being considered. And it continues to track activity in the county reserve balances, in order to monitor the progress made under the reserve limits imposed by S.B. 08-177.

Staff recommends the following information request be **added**.

Department of Human Services, Office of Self Sufficiency, Colorado Works Program, Works Program Evaluation – The Department is requested to submit a summary of the activities conducted under the Works Program Evaluation activity. The summary should include specific questions which the Department set out to answer, the methodologies used, the results obtained, and suggestions on how the results can be used to improve the Works program. The report should be provided to the Joint Budget Committee and the House and Senate Health and Human Services Committees by November 1 of each year.

Comment: Colorado Works, the state implementation of the federal TANF program, is undergoing a number of changes. TANF funds must be appropriated by the General Assembly, which therefore has a strong interest in ongoing evaluation of program results.

## OTHER BALANCING OPTIONS

These options are presented without staff recommendation in order to maximize the Committee's choices. The Committee may wish to consider these options now or in the future. Amounts shown are the maximum that could be realized; smaller amounts could be used instead.

Numbering does not indicate priority.

Options with <i>Appropriations</i> Impacts	GF	CF	RF	FF	Total	FTE
1  <b>Reduce Funding for CBMS</b>  During figure-setting for the FY 2007-08 Long Bill, the Joint Budget Committee increased the CBMS base by approximately \$1.5 million in an adjustment to the state's experience with the number of change requests that had to be processed each year. A portion of this increase could be taken back, with the result that change requests of lower priority would not be completed. The net General Fund decrease, when General Funds appropriated in the Department of Health Care Policy and Financing are considered, is \$429,473.	(240,008)	(42,008)	(383,050)	(334,934)	(1,000,000)	
2  <b>Drop Promoting Responsible Fatherhood Grant</b>  In FY 2008-09, Colorado received the first year of a multi-year grant from the federal government for the purpose of developing programs to promote responsible fatherhood. The state is required to provide matching funds in order to draw down the federal grant. The state could terminate this program.	(222,222)	0	0	0	(222,222)	
3  <b>Eliminate County Tax Base Relief</b>  The County Tax Base Relief line item funds assistance to counties who have high public assistance costs relative to the size of their property tax base. This line replaced the older County Contingency line in order to provide more effective allocation of the funding. In the event the appropriation is smaller than the total amount "earned" by the counties, the new allocation formula favors those counties with the most severe problems. The staff recommendation for this line for FY 2009-10 is \$5,652,654 General Fund; all, or a portion, of that appropriation could be eliminated.	(5,652,654)	0	0	0	(5,652,654)	

Options with <i>Revenue</i> Impacts	GF	CF	RF	FF	Total	FTE
1  <b>Transfer LEAP Funds to the General Fund</b>	3,250,000	(3,250,000)	0	0	0	

<b>Options with Revenue Impacts</b>	<b>GF</b>	<b>CF</b>	<b>RF</b>	<b>FF</b>	<b>Total</b>	<b>FTE</b>
<p>In years in which the Operational Account of the Severance Tax Trust Fund has sufficient revenue, up to \$3.25 million is transferred to the Department of Human Services to provide state funding for the Low-income Energy Assistance Program. This transfer could be made to the General Fund instead. The program also receives federal moneys; in FY 2008-09, a total of approximately \$70.0 million in federal funds were received. A statutory change would be required to implement this change.</p>						
2	600,000	0	0	0	600,000	0.0
<p><b>Electronic Benefits Transfer System User Fee</b></p> <p>During the previous recession, the State imposed a fee of one dollar per month on individuals whose public assistance was delivered through the Electronic Benefits Transfer System. When used previously, this fee generated approximately \$600,000 in annual revenue. This money could be credited to the General Fund. A statutory change would be required.</p>						
3	8,000,000	(8,000,000)	0	0	0	0.0
<p><b>Reduce Cash Funding for Senior Services</b></p> <p>Section 39-26-123 (3) (a) (III) (D) diverts \$8,000,000 of the transfer from the Old Age Pension Fund to the General Fund to the Older Coloradans Fund. Funds in the Older Coloradans cash fund are appropriated to the State Funding for Senior Services line item. This diversion is statutory and could be changed by bill. A reduced diversion would result in a corresponding increase in General Fund revenues.</p>						